

*For further information on an agenda item, please contact the City at  
101 North "D" Street, or call (951) 943-6100*

**AGENDA**  
**JOINT MEETING OF THE CITY COUNCIL, SUCCESSOR**  
**AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC**  
**FINANCE AUTHORITY, PUBLIC UTILITY AUTHORITY,**  
**HOUSING AUTHORITY, PERRIS JOINT POWERS**  
**AUTHORITY AND PERRIS COMMUNITY ECONOMIC**  
**DEVELOPMENT CORPORATION OF THE CITY OF PERRIS**  
**Tuesday, November 13, 2018**  
**6:30 P.M.**  
**City Council Chambers**  
**(corner of San Jacinto and Perris Boulevard)**  
**101 North "D" Street**  
**Perris, California**

***ROLL CALL:***

Corona, Rabb, Rogers, Burke, Vargas

***CLOSED SESSION: 6:00 P.M.***

- A. Conference with Legal Counsel – Existing Litigation –  
Government Code Section 54956.9(d)(1); 1 case:  
S. Emanuel Lin v. City of Perris et al.

***1. CALL TO ORDER: 6:30 P.M.***

***2. ROLL CALL:***

Corona, Rabb, Rogers, Burke, Vargas

***3. INVOCATION:***

Bishop Isidro Ramos  
Freedom Community Christian Church  
3519 N Perris Boulevard  
Perris, California 92571

***4. PLEDGE OF ALLEGIANCE:***

Mayor Pro Tem Corona will lead the Pledge of Allegiance.

5. **REPORT ON CLOSED SESSION ITEMS:**

6. **PRESENTATIONS/ANNOUNCEMENTS:**

*At this time, the City Council may recognize citizens and organizations that have made significant contributions to the community and it may accept awards on behalf of the City.*

7. **APPROVAL OF MINUTES:**

- A. Approve the Minutes of the Regular Joint Meeting held on October 30, 2018 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Community Economic Development Corporation and the Perris Joint Powers Authority.

8. **CONSENT CALENDAR:**

*Consent Calendar items are normally enacted in one motion. The Mayor or City Council may remove a Consent Calendar item for separate action. **Public comment is limited to three (3) minutes.***

- A. Adopt the Second Reading of Ordinance Number (next in order) adding Chapter 5.38 Short Term Rentals to the Municipal Code of the City of Perris.

The Second Reading of Proposed Ordinance Number (next in order) is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ADDING CHAPTER 5.38, "SHORT-TERM RENTALS," TO TITLE 5 OF THE PERRIS MUNICIPAL CODE

- B. Adopt the Second Reading of Ordinance Number (next in order) authorizing the implementation of a Community Choice Aggregation Program.

The Second Reading of Proposed Ordinance Number (next in order) is entitled:

AN ORDINANCE OF THE CITY OF PERRIS AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

- C. Adopt Resolution Numbers (next in order) regarding Annexation of CUP 16-05168 to Maintenance District No. 84-1. CUP 16-05168 is a 3.28 acre industrial project. Encanto Drive is located along the project's west boundary, Ethanac Road is located along the project's north boundary,

and Trumble Road is located along the project's east boundary. (Ownership of: Emarra L.P.).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF CUP 16-05168 INTO MAINTENANCE DISTRICT NUMBER 84-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF CUP 16-05168 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF CUP 16-05168 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON JANUARY 8, 2019

- D. Adopt Resolution Numbers (next in order) regarding Annexation of CUP 16-05168 to Landscape Maintenance District No. 1 (LMD 1) CUP 16-05168 is a 3.28 acre industrial project. Encanto Drive is located along the project's west boundary, Ethanac Road is located along the project's north boundary, and Trumble Road is located along the project's east boundary. (Ownership of: Emarra L.P.).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 136 (CUP 16-05168) TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 136, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 136, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 136, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 136, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON JANUARY 8, 2019

- E. Adopt Resolution Number (next in order) regarding Annexation of CUP 16-05168 to Flood Control Maintenance District No. 1. CUP 16-05168 is a 3.28 acre industrial project. Encanto Drive is located along the project's west boundary, Ethanac Road is located along the project's north boundary, and Trumble Road is located along the project's east boundary. (Ownership of: Emarra L.P.).

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY TO ORDER ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE

101, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO THE BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON JANUARY 8, 2019

- F. Approve the Community Benefit Agreement between the City of Perris and NGU Distribution, LLC located at 144 Malbert Street, Suites A through D.
- G. Adopt Resolution Number (next in order) authorizing the City Manager execute a Park Development Impact Fee ("DIF") Refund Agreement with Markham Business Center East, LLC, related to properties known as Stratford Ranch 1, 2 and 3 not to exceed \$430,000.

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY OF PERRIS, APPROVING A PERRIS PARK DEVELOPMENT IMPACT FEE ("DIF") REFUND AGREEMENT WITH MARKHAM BUSINESS CENTER EAST, LLC RELATED TO TENTATIVE PARCEL MAP 36469, AND DEVELOPMENT PLAN REVIEW NOS. 05-0477 AND 11-12-0004

- H. Approve the Contract Services Agreement with Julie Fonseca related to the design and implementation of the Downtown Skills Training and Job Placement Center and ongoing services related to helping the City and CEDC meet Federal EDA requirements during project implementation.
- I. Approve a quitclaim deed regarding a drainage easement over certain real property within the City of Perris.

**9. PUBLIC HEARINGS:**

*The public is encouraged to express your views on any matter set for public hearing. It is our procedure to first receive the staff report, then to ask for public testimony, first from those in favor of the project followed by testimony from those in opposition to it, and if there is opposition, to allow those in favor, rebuttal testimony only as to the points brought up in opposition. To testify on the matter, you need to simply come forward to the speaker's podium at the appropriate time, give your name and address and make your statement. After a hearing is closed, you may not further speak on the matter unless requested to do so or are asked questions by the Mayor or a Member of the City Council. **Public comment is limited to three (3) minutes.***

- A. Consideration to adopt Resolution Numbers (next in order) regarding the formation of the Citywide Trails Community Facilities District No. 2018-02 (Public Services District), calling a special election to annex Assessors Parcel Numbers 302-170-015; 302-160-028; 302-160-026; and 302-150-028, to the Citywide Trails Community Facilities District and declaring the results of the annexation election; and introduce the First Reading of Ordinance Number (next in order) authorizing the levy of special taxes to the Citywide Trails Community Facilities District.

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, AUTHORIZING FORMATION OF CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND THE LEVY OF A SPECIAL TAX THEREIN

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, CALLING A SPECIAL ELECTION FOR THE PURPOSE OF APPROVING A SPECIAL TAX IN THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND ESTABLISHMENT OF AN APPROPRIATIONS LIMIT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DECLARING THE RESULTS OF A SPECIAL ELECTION HELD IN THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND DIRECTING RECORDING OF A NOTICE OF SPECIAL TAX LIEN

The First Reading of Proposed Ordinance Number (next in order) is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) LEVYING SPECIAL TAXES WITHIN THE CITYWIDE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT)

Introduced by: Darren Madkin, Assistant City Manager

PUBLIC COMMENT:

- B. Consideration to introduce the First Reading of Ordinance Number (next in order) regarding ordinance amendment: Chapter 3.32 Purchasing System.

The First Reading of Proposed Ordinance Number (next in order) is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, AMENDING SECTION 3.32.200 AND SECTION 3.32.240 OF CHAPTER 3.32 OF TITLE 3 OF THE CITY

OF PERRIS MUNICIPAL CODE REGARDING PUBLIC PROJECT  
BIDDING AND PURCHASING LIMITS

Introduced by: Jennifer Erwin, Director of Finance

PUBLIC COMMENT:

**10. BUSINESS ITEMS: (not requiring a “Public Hearing”):**

*Public comment will be called for each non-hearing item. Please keep comments brief so that everyone who wishes to speak has the opportunity to do so. After public comment is closed, you may not further speak on the matter unless the Mayor or City Council requests further clarification of your statement. **Public Comment is limited to three (3) minutes.***

- A. Presentation by the Social Work Action Group (SWAG) on Fiscal Year 2018/19 Homeless Services in the City of Perris.

Introduced by: Dr. Grace Williams Director of Planning & Economic Development

PUBLIC COMMENT:

**11. PUBLIC COMMENT/CITIZEN PARTICIPATION:**

*This is the time when any member of the public may bring a matter to the attention of the Mayor and the City Council that is within the jurisdiction of the City Council. The Ralph M. Brown act limits the Mayor’s, City Council’s and staff’s ability to respond to comments on non-agendized matters at the time such comments are made. Thus, your comments may be agendized for a future meeting or referred to staff. The City Council may discuss or ask questions for clarification, if desired, at this time. **Public comment is limited to three (3) minutes.***

**12. COUNCIL COMMUNICATIONS:**

*(Committee Reports, Agenda Items, Meeting Requests and Review etc.)*

*This is an opportunity for the Mayor and City Councilmembers to report on their activities and the actions of the Committees upon which they sit, to bring a matter to the attention of the full Council and staff, and to request agenda items. Any matter that was considered during the public hearing portion is not appropriate for discussion in this section of the agenda. NO ACTION CAN BE TAKEN AT THIS TIME.*

**13. CITY MANAGER’S REPORT:**

**14. ADJOURNMENT:**

*In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Building Official (951) 443-1029. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

**CITY COUNCIL/  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY/  
PERRIS PUBLIC FINANCE AUTHORITY/  
PERRIS PUBLIC UTILITIES AUTHORITY/HOUSING  
AUTHORITY/PERRIS JOINT POWERS AUTHORITY/PERRIS  
COMMUNITY ECONOMIC DEVELOPMENT CORPORATION  
AGENDA SUBMITTAL**

TO: The Honorable Mayor and Members of the City Council  
FROM: Nancy Salazar, City Clerk *NS*  
DATE: November 13, 2018  
SUBJECT: *Approval of Minutes*

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**BACKGROUND:** None.

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**FISCAL IMPACT:** None.

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- **RECOMMENDATION:** Motion to approve the Minutes of the Regular Joint Meeting held on October 30, 2018 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Community Economic Development Corporation and Perris Joint Powers Authority

Prepared by: Judy L. Haughney, CMC, Assistant City Clerk *JLH*  
Approved by: Nancy Salazar, City Clerk

**Attachments:**

- Minutes of the Regular Joint Meeting held on October 30, 2018 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Community Economic Development Corporation and Perris Joint Powers Authority



## ***CITY OF PERRIS***

### MINUTES:

Date of Meeting:        October 30, 2018

06:30 PM

Place of Meeting:      City Council Chambers

### CLOSED SESSION

**Mayor Vargas called the Closed Session to order at 5:30 p.m.**

#### ROLL CALL

**Present: Burke, Corona, Rabb, Rogers, Vargas**

**Staff Present: City Manger Belmudez, City Attorney Dunn and City Clerk Salazar**

- A. Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(d)(2); 1 case: City of Perris v. Top Shelf, Case No. RIC 1723604
- B. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(2) - 1 case
- C. Conference with Real Property Negotiators – Government Code Section 54956.8  
Property: APN #326-062-017; 326-071-001; 326-072-005 City Negotiator: Richard Belmudez, City Manager Negotiating Parties: The Metz Road Trust Under Negotiation: Price and terms of payment

**The City Council adjourned to Closed Session at 5:31 p.m.**

1. CALL TO ORDER: 6:30 P.M.

**Mayor Vargas called the Regular City Council meeting to order at 6:30 p.m.**

2. ROLL CALL: Burke, Corona, Rabb, Rogers, Vargas

**Present: Burke, Corona, Rabb, Rogers, Vargas**

Staff Members Present: City Manager Belmudez, City Attorney Dunn, City Engineer Motlagh, Assistant City Manager Madkin, Assistant City Manager Miramontes, Police Captain Fellows, Chief Information Officer Cervantes, Director of Administrative Services Carlos, Director of Community Services and Housing Chavez, Director of Finance Erwin, Public Information Officer Vargo and City Clerk Salazar.

3. INVOCATION: Pastor Gerry Brown U-Turn 4 Christ 20170 Patterson Avenue Perris, CA 92570

4. PLEDGE OF ALLEGIANCE:

**Councilwoman Burke led the Pledge of Allegiance.**

5. REPORT ON CLOSED SESSION ITEMS:

**City Attorney Dunn reported that the City Council met in Closed Session to discuss the items listed on the agenda. He noted that an update was given, direction was given to staff, but no reportable action was taken.**

6. PRESENTATIONS/ANNOUNCEMENTS:

**Mayor Vargas added Item 6.C. to Presentations.**

- A. Presentation of Proclamation and Certificates to Val Verde Continuation High School Teen Vision.
- B. City of Perris Employee of the Quarter Recognition for Third Quarter of 2018.
- C. Presentation regarding the Veteran's Classic Car & Motorcycle Show to be held on Saturday November 3, 2018 at the City Hall Campus.

7. APPROVAL OF MINUTES:

- A. Approved the Minutes of the Regular Joint Meeting held on October 9, 2018 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Community Economic Development Corporation and the Perris Joint Powers Authority.

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by David Starr Rabb to Approve the Minutes as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

8. CONSENT CALENDAR:

**City Attorney Dunn noted that regarding Item 8.H. that a typographical error was noted in the resolution being presented for this item, after the agenda was posted, and that a corrected version had been given to the City Council for their consideration.**

**Mayor Pro Tem Corona requested that Items 8.I. and 8.J. be pulled for a separate vote and that Item 8.G. be pulled for clarification.**

**Mayor Vargas called for Public Comment. There was no Public Comment.**

- A. Approved to award bid to Greer's Contracting & Concrete, Inc. in the amount of \$122,500 for the construction and expansion of the Perris Green City Farm (Community Garden) Phase 2.
- B. Approved the application of the Supplemental Law Enforcement Services Fund Grant to supplement the cost of Perris Police Special Enforcement Operations which are included in the Police Department 2018-2019 Budget.
- C. Approved the Lease Agreement with Riverside County for the Cesar Chavez Public Library.
- D. Approved the TUMF Reimbursement Agreement for Nuevo Road Widening for Construction Phase and approve the Amendment Number 1 to the TUMF Reimbursement Agreement for Ramona Expressway Widening for Planning Phase.
- E. Approved the allocation of \$89,577.36 from the General Fund to reimburse Riverside County Transportation Commission (RCTC) for the 5th Street Waterline Replacement.
- F. Approved Extension of Time No. 18-05262 for Tentative Tract Map 32497, located on the northwest corner of Orange Avenue and Medical Center Drive. (Applicant: CHT Investment, LLC).
- G. Approved the Assignment and Assumption of two of the three South Perris Development Agreements from the GM Gabrych Family Limited Partnership to IDR PLC, LLC (Phase II) and South Perris Gateway, LLC (Phase III) for projects located at the northeast corner of Mapes Road and "A" Street and the northeast corner of Ellis Avenue and Redlands Avenue.

**Mayor Pro Tem Corona requested that this item be pulled for clarification.**

**The following Councilmember's spoke:**

**Corona**

**Burke**

**Rogers**

**Vargas**

**The Mayor called for Public Comment. There was no Public Comment.**

The Mayor called for a motion.

M/S/C: Moved by Tonya Burke, seconded by Rita Rogers to Approve as presented, and correcting the verbiage as to the location of the project.

AYES: Tonya Burke, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN: Malcolm Corona

- H. Adopted ratifying Resolution Number 5382 clarifying the purchase price included in Resolution #5263 for the purchase, maintenance and retro-fit of Southern California Edison's LS-1 Streetlights.

Resolution Number 5382 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA CORRECTING AND RATIFYING RESOLUTION NUMBER 5263 DUE TO A TYPOGRAPHICAL ERROR RELATING TO THE PRINCIPAL AMOUNT OF LEASE PAYMENTS IN CONNECTION WITH THE LEASE AGREEMENT WITH BANC OF AMERICA LEASING AND CAPITAL, LLC; (2) ESCROW AND ACCOUNT CONTROL AGREEMENT WITH BANC OF AMERICA LEASING AND CAPITAL, LLC.

- I. Adopted Resolution Number 5383 adjusting the Compensation of the City Clerk.

Resolution Number 5383 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ADJUSTING THE COMPENSATION FOR THE ELECTED CITY CLERK POSITION AND RESCINDING RESOLUTION NUMBER 4594

**Mayor Pro Tem Corona requested that this item be pulled for separate consideration.**

**The following Councilmember spoke:**

**Corona**

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Malcolm Corona to Approve Resolution Number 5383, as presented.

AYES: Tonya Burke, David Starr Rabb, Rita Rogers, Michael Vargas

NOES: Malcolm Corona

ABSENT:

ABSTAIN:

- J. Adopted the Second Reading of Ordinance Number 1373 regarding adjusting the compensation of the Mayor and City Council Members.

The Second Reading of Ordinance Number 1373 is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, AMENDING MUNICIPAL CODE SECTIONS 2.03.030 AND 2.16.010 REGARDING COMPENSATION OF THE MAYOR AND MEMBERS OF THE CITY COUNCIL

**Mayor Pro Tem Corona requested that this item be pulled for separate consideration.**

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Tonya Burke to Approve the Second Reading of Ordinance Number 1373, as presented.

AYES: Tonya Burke, David Starr Rabb, Rita Rogers, Michael Vargas

NOES: Malcolm Corona

ABSENT:

ABSTAIN:

- K. Adopted Resolution Number 5384 finding that the Master Network License Agreement between Mobilitie, LLC and the City is covered under the Class 32 Categorical Exemption previously adopted in July 2018, for Conditional Use Permit #17-05277 (which contemplated the Master Network License Agreement) and approving the Mobilitie Master Network License Agreement.

Resolution Number 5384 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING A MASTER NETWORK LICENSE AGREEMENT BY AND BETWEEN THE CITY OF PERRIS AND MOBILITIE, LLC, A NEVADA LIMITED LIABILITY COMPANY, FOR A 10 YEAR PERIOD TO OPERATE A SMALL CELL WIRELESS SYSTEM TO LEASE, INSTALL AND OPERATE SMALL CELL (STEALTH) WIRELESS FACILITIES AT FOUR (4) LOCATIONS ON EXISTING OR CONCRETE REPLACEMENT STREET LIGHTS

- L. Approved a Change Order to the Contract awarded to Community Works Design Group for the preparation of plans and specifications for the San Jacinto River Trail not to exceed \$18,345.
- M. Approved the City of Perris Monthly Check Register for September 2018.

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Rita Rogers to Approve the Consent Calendar, with the exception of items 8.G., 8.I. and 8.J., as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

9. PUBLIC HEARINGS:

- A. Adopted Resolution Number 5385 regarding Annexation of Parcel 2, Parcel Map 33587 to the City's Landscape Maintenance District No. 1. Parcel 2, Parcel Map 33587 is a 4.10 acre industrial project located on Markham Street, Approximately 315 feet west of Perris Boulevard. (Ownership of: Markham JP/ARA, LLC).

Resolution Number 5385 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL 2, PARCEL MAP 33587 TO BENEFIT ZONE 141, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

**Roxanne Shepherd, Willdan Financial, gave the presentation on this item.**

**The Mayor opened the Public Hearing at 7:10 p.m. There was no Public Comment.**

**The Mayor closed the Public Hearing at 7:10 p.m.**

**The Mayor asked City Clerk Salazar to open the Ballot.**

**City Clerk Salazar opened the Ballot and reported that it was marked YES.**

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Malcolm Corona to Approve Resolution Number 5385, as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

- B. Adopted Resolution Numbers 5386, 5387 and 5388 regarding Annexation of Parcel Map 36678 to the City's Maintenance Districts. Parcel Map 36678 is a 48.58 acre industrial project. Patterson Avenue is located along the project's west boundary, Nance Street is located parallel to and 300 feet above the project's north boundary, excepting that portion of the north boundary along Washington Avenue. North Webster Avenue is located along the project's east boundary and Markham Street is located along the project's south boundary. (Ownership of: Mader Incorporated and CPT Perris Industrial, LLC).

Resolution Number 5386 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL MAP 36678 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

Resolution Number 5387 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING

THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL MAP 36678 TO BENEFIT ZONE 131, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

Resolution Number 5388 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL MAP 36678 TO BENEFIT ZONE 94, CITY OF PERRIS FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

**Roxanne Shepherd, Willdan Financial, gave the presentation on this item.**

**The Mayor opened the Public Hearing at 7:13 p.m. There was no Public Comment.**

**The Mayor closed the Public Hearing at 7:13 p.m.**

**The Mayor asked City Clerk Salazar to open the Ballots.**

**City Clerk Salazar opened the Ballots and reported that the 6 ballots were marked YES.**

The Mayor called for a motion.

M/S/C: Moved by Tonya Burke, seconded by Malcolm Corona to Approve Resolution Numbers 5386, 5387 and 5388, as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

- C. Adopted Resolution Numbers 5389, 5390 and 5391 regarding Annexation of Parcel Map 35762 to the City's Maintenance Districts. Parcel Map 35762 is a 2.81 acre commercial project. Case Road is located along the project's north and west boundary, Interstate 215 is located along the project's east boundary, and Ethanac Road is located along the project's south boundary. (Ownership of: Cahan Perris, LLC and Quick Quack Development II, LLC).

Resolution Number 5389 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL MAP 35762 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

Resolution Number 5390 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL MAP 35762 TO BENEFIT ZONE 139, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

Resolution Number 5391 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PARCEL MAP 35762 TO BENEFIT ZONE 106, CITY OF PERRIS FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2018-2019

**Roxanne Shepherd, Willdan Financial, gave the presentation on this item. Ms. Shepherd noted that there were 2 property owners, but only 1 set of ballots were received. If the ballots received were from Cahan Perris, they represent 62% of the property, the proceedings are able to continue.**

**The following Councilmember spoke:**

**Rogers**

**The Mayor opened the Public Hearing at 7:19 p.m. There was no Public Comment.**

**The Mayor closed the Public Hearing at 7:19 p.m.**

**The Mayor asked City Clerk Salazar to open the Ballots. City Clerk Salazar opened the 3 Ballots and reported that they were marked YES. She also noted that they were from Cahan Perris, who represents 62% ownership.**

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Malcolm Corona to Approve Resolution Numbers 5389, 5390 and 5391, as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

- D. Introduced the First Reading of Ordinance Number 1374 adding Chapter 5.38 Short Term Rentals to the Municipal Code of the City of Perris.

The First Reading of Ordinance Number 1374 is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ADDING CHAPTER 5.38, "SHORT-TERM RENTALS," TO TITLE 5 OF THE PERRIS MUNICIPAL CODE



**Finance Director Erwin gave the presentation on this item.**

**The Mayor opened the Public Hearing at 7:23 p.m. There was no Public Comment.**

**The Mayor closed the Public Hearing at 7:23 p.m.**

**The following Councilmember spoke:**

**Burke**

The Mayor called for a motion.

M/S/C: Moved by Tonya Burke, seconded by Malcolm Corona to Approve the First Reading of Ordinance Number 1374, as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

- E. Adopted Resolution Numbers 5392 and PJPA-026 regarding Financing and Issuance of Bonds, associated with Improvement Area No. 3 CFD No. 2014-1 (Avelina) to fund public fees for public improvements. The District is generally bounded by Orange Avenue to the North, Sunset to the South and Evans to the East.

Resolution Number 5392 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING FOR THE CITY AND IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, AUTHORIZING THE ISSUANCE OF BONDED INDEBTEDNESS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,000,000 ON BEHALF OF ITS IMPROVEMENT AREA NO. 3 TO FINANCE PUBLIC FACILITIES, PERMITTING THE PURCHASE OF SUCH BONDS BY THE PERRIS JOINT POWERS AUTHORITY, AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

Resolution Number PJPA-026 is entitled:

A RESOLUTION OF THE PERRIS JOINT POWERS AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$5,000,000 OF ITS PERRIS JOINT POWERS AUTHORITY LOCAL AGENCY REVENUE BONDS (IA3-CFD NO. 2014-1 (AVELINA), 2018 SERIES A TO PURCHASE LOCAL OBLIGATION BONDS ISSUED BY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, ON BEHALF OF IMPROVEMENT AREA NO. 3, UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO

**Councilwoman Rogers left the City Council Chambers at 7:24 p.m. and returned at 7:26 p.m.**

**Jim Fabian, Fieldman, Rolapp & Associates, gave the presentation on this item.**

**The Mayor opened the Public Hearing at 7:32 p.m. There was no Public Comment.**

**The Mayor closed the Public Hearing at 7:32 p.m.**

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Rita Rogers to Approve Resolution Numbers 5392 and PJPA-026, as presented.

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

- F. Introduced the First Reading of Ordinance Number 1375 authorizing the implementation of a Community Choice Aggregation Program.

The First Reading of Ordinance Number 1375 is entitled:

AN ORDINANCE OF THE CITY OF PERRIS AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

**Councilmember Rabb left the City Council Chambers at 7:32 p.m. and returned at 7:33 p.m.**

**Assistant City Manager Miramontes gave the presentation on this item.**

**The Mayor opened the Public Hearing at 7:36 p.m. There was no Public Comment.**

**The Mayor closed the Public Hearing at 7:36 p.m.**

**The following Councilmember's spoke:**

**Burke**

**Rogers**

**Vargas**

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Malcolm Corona to Approve the First Reading of Ordinance Number 1375, as presented.

AYES: Tonya Burke, Malcolm Corona, Rita Rogers, Michael Vargas

NOES: David Starr Rabb

ABSENT:

ABSTAIN:

- G. THIS ITEM WAS CONTINUED UNTIL NOVEMBER 13, 2018- Consideration to adopt Resolution Numbers (next in order) regarding.

Annexation of Assessors Parcel Numbers 302-170-015; 302-160-028; 302-160-026; and 302-150-028 to the Citywide Trails Community Facilities District (Public Services District).

The Proposed Resolution Numbers (next in order) are entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, CALLING A SPECIAL ELECTION FOR THE PURPOSE OF APPROVING A SPECIAL TAX IN THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND ESTABLISHMENT OF AN APPROPRIATIONS LIMIT

**Assistant City Manager Madkin requested that this item be continued until the next City Council meeting scheduled for November 13, 2018**

**The Mayor opened the Public Hearing at 7:37 p.m.  
There was no Public Comment.**

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Malcolm Corona to Approve Continuance of this item until November 13, 2018

AYES: Tonya Burke, Malcolm Corona, David Starr Rabb, Rita Rogers, Michael Vargas

NOES:

ABSENT:

ABSTAIN:

10. BUSINESS ITEMS:

- A. Update from the Riverside County Sheriff's Department regarding park security.

**This item was introduced by Captain Greg Fellows and turned over for presentation to Officer Crawford for presentation.**

**The following Councilmember's spoke:**

**Corona**

**Burke**

**Vargas**

**The Mayor called for Public Comment. There was no Public Comment.**

11. PUBLIC COMMENT/CITIZEN PARTICIPATION:

**The following person spoke at Public Comment:**

**Jerry Brown**

12. COUNCIL COMMUNICATIONS:

**The following Councilmember's spoke:**

**Rabb**

**Burke  
Rogers  
Corona  
Vargas**

13. CITY MANAGER'S REPORT:
14. ADJOURNMENT:

**There being no further business Mayor Vargas adjourned the Regular City Council meeting at 8:07 p.m.**

**Respectfully Submitted,**

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**Nancy Salazar, City Clerk**

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: November 13, 2018**

**SUBJECT:** Second Reading of the following Ordinance to add Chapter 5.38 Short Term Rentals

**AN ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF PERRIS, CALIFORNIA, ADDING  
CHAPTER 5.38, "SHORT-TERM RENTALS," TO  
TITLE 5 OF THE PERRIS MUNICIPAL CODE**

**REQUESTED ACTION:** Approve second reading of Ordinance No. \_\_\_\_ to add Chapter 5.38 Short Term Rentals to the Municipal Code of the City of Perris

**CONTACT:** Jennifer Erwin, Director of Finance

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**BACKGROUND/DISCUSSION:**

On October 30, 2018 the City Council held a public hearing and approved the first reading of an Ordinance to add Chapter 5.38 Short Term Rentals to the Perris Municipal Code. In support of the new Ordinance, the staff report given at the public hearing stated the following:

- *In an effort to welcome new and emerging businesses in the City of Perris, the ordinance presented for approval is an addition to the Perris Municipal Code and allows short term rentals to be licensed to do business in the City. Most short term rentals are now using the platform of VRBO, AirBNB, HomeAway, and FlipKey as the internet has made it easy for homeowners to offer an alternative to the traditional hotel and earn extra income. The City will collect a Transient Occupancy Tax (TOT) of 10% of gross receipts on each short term rental and the ordinance outlines the various requirements recommended by the City Council.*

Staff recommends the City Council approve the second reading of this new ordinance.

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**BUDGET (or FISCAL) IMPACT:** None

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Reviewed by:

City Attorney

Assistant City Manager *EM*

Director of Finance *JE*

Attachments:

1. City of Perris Ordinance Adding Chapter 5.38 to the Municipal Code

Consent

**ORDINANCE NO. (next in order)**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ADDING CHAPTER 5.38, "SHORT-TERM RENTALS," TO TITLE 5 OF THE PERRIS MUNICIPAL CODE**

**WHEREAS**, the City of Perris (the "City"), pursuant to the police powers delegated to it by Section 7 of Article XI of the California Constitution, has the authority to enact laws which promote the public health, safety, morals and general welfare; and

**WHEREAS**, the City has the authority to declare what activities constitute a nuisance and eliminate or reduce the occurrence of such nuisance to protect the public peace, safety and general welfare; and

**WHEREAS**, the City anticipates a proliferation of short-term rentals in the coming years due to the City's growing population and burgeoning tourism industry; and

**WHEREAS**, while the vast majority of short-term rental providers are good citizens of the City, there is a potential that short-term rental uses may harm the public peace, safety and general welfare by impacting the City's neighborhoods; and

**WHEREAS**, in order to protect the public peace, safety and general welfare, the City Council desires to adopt this Ordinance for the purpose of providing reasonable regulations upon short-term rentals.

**THE CITY COUNCIL OF THE CITY OF PERRIS DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** Recitals Incorporated. The City Council finds the above recitals are true and correct and incorporated herein by this reference.

**Section 2.** CEQA. Based upon its own independent judgment and substantial evidence in the record of proceedings, the City Council finds and determines that, pursuant to CEQA Guidelines, Sections 15060(c)(2) and 15061(b)(3) the Ordinance is not subject to CEQA, because adoption of this Ordinance will not result in a direct or reasonably foreseeable indirect physical change in the environment nor will it have a significant effect upon the environment.

**Section 3.** New Chapter 5.38 added to Title 5. Chapter 5.38, "Short Term Rentals," is hereby added to Title 5, "Business Regulations and Licenses," of the Perris Municipal Code as follows:

## **“Chapter 5.38. – SHORT-TERM RENTALS**

### **5.38.010 Purpose.**

The purpose of this chapter is to require the owner or owners of a residential dwelling unit that is partly or wholly used as a short-term rental, as defined herein, to apply for and secure a short-term rental business license authorizing such use in the manner provided for by this chapter in order to safeguard the peace, safety and general welfare of the residents of Perris and their visitors and guests by eliminating excessive noise, disorderly conduct, vandalism, overcrowding, traffic congestion, illegal vehicle parking, and the accumulation of refuse which are directly related to short-term rentals.

### **5.38.020 Definitions.**

For the purpose of this chapter, the following definitions shall apply:

(a) “Agent” shall mean the representative, if any, designated by the owner in accordance with Section 5.38.040.

(b) “City Manager” shall mean the City Manager of the City of Perris or designee.

(c) “Director” shall mean the Director of Finance of the City of Perris or designee.

(d) “Displaced individual” shall mean any person who occupies or is entitled to occupy by reason of concession, permit, right of access, license or other agreement a short-term rental and who has been displaced from their home due to events for which an emergency has been proclaimed pursuant to the California Emergency Services Act (codified under Chapter 7 of Division 1 of Title 2 of the California Government Code).

(e) “Guest” shall be defined to mean transients, military personnel, and displaced individuals.

(f) “Military personnel” shall mean any person who occupies or is entitled to occupy by reason of concession, permit, right of access, license or other agreement a short-term rental and

(1) who is currently contracted, whether in their individual capacity or through an employer, with the United States government for the production of material or for the performance of services for any branch of the U.S. military, or

(2) who is a service member of the U.S. military, including, but not limited to active duty personnel and reservists.

(g) “Owner” shall mean the person(s) or entity(ies) that hold(s) legal and/or equitable title to the short-term rental.

(h) “Short-term rental” is defined as the rental of any structure or any portion of any structure for occupancy, dwelling, lodging or sleeping purposes for at least one (1) night, but no more than twenty-seven (27) consecutive calendar days in duration in a dwelling; apartment house; boardinghouse, roominghouse, and lodging house; multiple- or multi-family dwelling; mobile home; one-family dwelling; or single-room occupancy (as those terms are defined by Chapter 19.08 of Title 19 of this Municipal Code) that is

(1) located in a zoning district where residential uses are allowed, or

(2) located in a zoning district as a legal nonconforming use.

“Short-term rental” historically and continues to be included in the definition of “hotel” for purposes of collecting transient occupancy tax pursuant to Chapter 3.24 of Title 3 of this Municipal Code.

(i) “Short-term rental business license” or “business license” shall mean a license issued pursuant to this chapter.

(j) “Transient” means any person who occupies or is entitled to occupy by reason of concession, permit, right of access, license or other agreement for a period of twenty-seven (27) consecutive calendar days or less, counting portions of calendar days as full days. Any such person so occupying space in a hotel is a transient until the period of twenty-seven (27) days has expired unless there is an agreement in writing between the operator and the guest providing for a longer period of occupancy. In determining whether a person is a transient, an uninterrupted period of time extending both prior and subsequent to the effective date of the ordinance codified in this chapter may be considered.

#### 5.38.030 Short-term Rental Business License Required.

It shall be unlawful to own, establish, operate, or permit the establishment of a short-term rental within the City, other than as permitted by this chapter. Prior to owning, establishing, operating, or permitting the establishment of a short-term rental within the City, the owner shall obtain a short-term rental business license from the City under the terms and conditions set forth in this chapter. Short-term rental business licenses issued pursuant to this chapter shall automatically expire one year from the date of issuance. Short-term rental business license is not transferrable and any new ownership of a short-term rental shall require the new owner to obtain a short-term rental business license from the City.



5.38.040 Agents.

An owner may retain an agent or a representative to comply with the requirements of this chapter, including, without limitation, the filing of an application for a short-term rental business license that has been signed and notarized by the owner, the management of the short-term rental, and the compliance with the conditions to the short-term rental business license. The short-term rental business license shall be issued only to the owner of the short-term rental. The owner of the short-term rental is responsible for compliance with the provisions of this chapter and the failure of an owner's agent to comply with this chapter shall be deemed non-compliance by the owner.

5.38.050 Application for Short-term Rental Business License.

The owner shall submit an application for a short-term rental business license to the director. The application for a short-term rental business license shall be upon forms provided by the City and shall contain the following information:

- (a) The name, address and telephone number of the owner of the short-term rental for which the permit is to be issued.
- (b) The name, address and telephone number of the agent, if any, of the owner of the short-term rental.
- (c) The name, address and telephone number of a twenty-four (24) hour emergency contact located within a twenty-five (25) mile radius of the short-term rental that will be available to respond to issues at the short-term rental. If the name, address or telephone number of the twenty-four (24) hour emergency contact is changed at any time, the owner shall submit such updated information to the director.
- (d) Evidence of a valid transient occupancy tax registration certificate issued by the City for the short-term rental pursuant to Chapter 3.24 of Title 3 of this Municipal Code.
- (e) Acknowledgement of receipt and inspection of a copy of all regulations pertaining to the operation of a short-term rental within the City, including, but not limited to, this chapter.
- (f) Payment for any applicable fees.
- (g) Such other information as the director deems reasonably necessary to administer this chapter.

5.38.060 Issuance of Short-term rental business license.

(a) Issuance of a short-term business license constitutes a revocable privilege and shall not create or establish any vested rights for the development or use of a property.

(b) Upon receipt of a completed application and payment of the application fees, the director shall investigate the information contained in the application to determine whether the owner shall be issued the requested short-term rental business license based upon compliance with this chapter.

(c) The director shall grant the application for a short-term rental business license (subject to Sections 5.38.060(d) and 5.38.060(e)) upon findings that the application meets the requirements of this chapter, unless the director finds any of the following:

(1) The owner has made one or more false or misleading statements or omissions, either on the written application or during the application process.

(2) The owner has not satisfied each and every requirement of this chapter and Municipal Code.

(3) The owner is not in compliance with applicable state law.

(4) The owner has not paid the required fees established by resolution of the city council.

(d) Based upon the information set forth in the application and the director's review, the director may impose additional reasonable terms and conditions on the use of the short-term rental regulatory permit in addition to those specified in this chapter to ensure the safe operation of the short-term rental, and to ensure the health, safety, and welfare of the residents and visitors of the City of Perris.

(e) The owner shall comply with all operational requirements for short-term rentals, as provided further in Section 5.38.080.

5.38.070 Renewal of Short-term Rental Business License; Expiration Date; Procedures.

(a) Short-term rental business license issued pursuant to this chapter shall automatically expire one year from the date of issuance.

(b) Renewal Procedures.

(1) A holder of a short-term rental business license may apply for a renewal of an existing permit no less than 60 days prior to the short-term rental business license's expiration date.

(2) Renewal applications shall comply with all of the requirements in this chapter that are applicable to new short-term rental business licenses, including but not limited to the processing requirements in Section 5.38.060.

(3) An application for renewal will only be accepted if it is also accompanied by the requisite fees as set by resolution of the city council.

(c) A short-term rental business license shall be immediately invalid upon expiration if the permit holder fails to file a timely renewal application pursuant to Section 5.38.070(b)(1) and paid the requisite fees.

#### 5.38.080 Short-term Rental Operational Requirements.

All short-term rentals shall comply with the following operational requirements:

(a) The owner shall ensure that the short-term rental complies with all applicable codes regarding fire, building and safety, and all other relevant laws and ordinances.

(b) The City may conduct inspections of the short term rental location as deemed necessary or prudent prior to subsequent renewals.

(c) Transients shall not be permitted to stay at the short-term rental unit for longer than twenty-seven (27) consecutive days. However, military personnel and displaced individuals may stay at the short-term rental for periods longer than twenty-seven (27) consecutive days.

(d) The owner shall provide to the guests a twenty-four (24) hour emergency contact located within a twenty-five (25) mile radius of the short-term rental that will be available to respond to issues at the short-term rental.

(e) The short-term rental shall comply with the applicable parking requirements under this Municipal Code.

(f) The short-term rental must have a visible house number easily seen from the street, day or night.

(g) The short-term rental is prohibited from having publicly visible advertisements or signs at the physical location of the dwelling.

(h) The short-term rental shall be used only for overnight lodging accommodations, and shall not be used for weddings, parties, bachelor/bachelorette parties, conferences or similar events.

(i) The primary guest of the short-term rental must be an adult eighteen (18) years of age or older. This adult must provide a telephone number to the owner and shall be accessible to the owner by telephone at all times.

(j) Guest Log Required.

(1) The owner shall maintain a guest log, which log shall include the name, address and driver's license number or a copy of the passport of the primary adult guest of the short-term rental. This log shall be maintained for a period of 2 years.

(2) If a guest is military personnel and is staying in the short-term rental for longer than twenty-seven (27) days, then the owner shall also request military order documentation evidencing that the guest is military personnel and shall include such documentation in the guest log.

(3) The owner shall require that same adult to sign a formal acknowledgment that he or she is legally responsible for compliance by all daytime occupants and guests of the short-term rental with the provisions of this chapter.

(4) The guest log, including any documentation attached thereto, shall be readily available upon request of any police officer or employee of the City authorized to enforce this chapter or State law.

(k) The owner shall require all guests to agree to a minimum stay of one (1) night.

(l) The maximum overnight occupancy of the short term rental shall be limited to two (2) persons per bedroom plus two (2) additional persons within the short-term rental. The director may, when unusual size, interior layout, parking or other physical characteristics are shown, approve a greater maximum number of overnight guests as part of a short-term rental business license application or renewal.

(m) The maximum number of vehicles allowed at the short term rental shall be limited to one (1) vehicle per one (1) bedroom unit or two (2) vehicles maximum with two (2) or more bedrooms within the short term rental. The director may, when unusual size, parking or other physical characteristics are shown, approve a greater maximum number of vehicles as part of a short-term rental business license application or renewal. The owner must make a sufficient number of parking spaces accessible to tenants to accommodate the maximum number of vehicles allowed.

(n) Trash and refuse shall not be left stored within public view, except in proper containers for the purpose of collection by the responsible trash hauler and between the hours of 9:00pm the day before and 8:00am the day after the scheduled trash collection days. The owner of the short-term rental shall provide sufficient trash collection containers and service to meet the demand of guests.

(o) Each lease or rental agreement for a short-term rental shall include the following terms, notifications and disclosures, which shall also be posted in a conspicuous location inside the short-term rental:

(1) The maximum number of guests that are permitted and notification that failure to conform to the maximum occupancy is a violation of this chapter.

(2) The number of parking spaces provided and, if not adjacent to the short-term rental, the location of assigned parking and maximum number of vehicles that are permitted.

(3) The trash pick-up day(s) and applicable rules and regulations pertaining to leaving or storing trash on the exterior of the property.

(4) Notification that the guest may be cited or fined by the City and/or immediately evicted by the owner for violating any and all applicable laws.

(5) The name of the managing agency, agent, rental manager, local contact person or owner of the unit, and a telephone number at which that party may be reached at all times and 9-1-1 Emergency information.

(6) Summary of applicable Homeowners Association Conditions, Covenants and Restrictions (CC&Rs) and bylaws, including pool location and hours.

(p) The owner shall ensure that the guests and daytime occupants of the short-term rental do not violate provisions of this Municipal Code or any State Law pertaining to noise, disorderly conduct, overcrowding, the consumption of alcohol, or the use of illegal drugs. Owners are expected to take any measures necessary to abate disturbances, including, but not limited to, directing the guest(s), calling for law enforcement services, or City code enforcement officers, evicting the guest(s), or any other action necessary to immediately abate the disturbance.

(q) The owner shall, upon notification that guests of his or her short-term rental have created unreasonable noise or disturbances, engaged in disorderly conduct, or committed violations of this Municipal Code or State Law pertaining to, but not limited to, noise, disorderly conduct, overcrowding to take

action to prevent a recurrence of such conduct by those guests or guests within twenty-four (24) hours.

(r) The owner shall collect and remit transient occupancy tax as required by Chapter 3.24 of Title 3 of this Municipal Code, and shall make such arrangements with the City's Finance Department as may be required to facilitate the remittance of such collected taxes to the City.

(s) The owner shall indemnify, defend and hold harmless the city, its elected officials, employees, agents, officers, and representatives, and each and all of them individually, from all liability or harm arising from or in connection with all claims, damages, attorney's fees, costs and allegations arising from or in any way related to the operation of the short-term rental; and, to reimburse the city for any costs and attorney's fees that the city may be required to pay as a result of such action. The city may, at its sole discretion, participate at its own expense in the defense of any such action.

5.38.090 Suspension and revocation.

(a) The director or City Manager's designee is authorized to suspend and/or revoke a short-term rental business license issued pursuant to this chapter upon the determination by the Code Enforcement Department of the City through written findings of a failure to comply with any provision of this chapter, any permit condition, or any agreement or covenant as required pursuant to this chapter.

(b) The director may suspend or revoke a short-term rental business license if any of the following occur:

(1) The director determines that the short-term rental has failed to comply with any aspect of this chapter, any permit condition, or any agreement or covenant as required pursuant to this chapter; or

(2) Ownership is changed without securing a new short-term rental business license; or

(3) The short-term rental fails to maintain required guest logs and records pursuant to Section 5.38.080; or

(4) The short-term rental fails to allow inspection of the guest logs and records pursuant to Section 5.38.080.

(c) The director shall notify the owner of any suspension or revocation at the last known address for the owner. Such notice shall be provided at least 30 days prior to the effective date of any suspension or revocation; however, such suspension or revocation shall not affect the stay of any guest that was booked prior to the date of the suspension or revocation of the short-term rental.

5.38.100      Violations/Penalties.

(a) Any violation of the provisions of this chapter, at the discretion of the city prosecutor, is punishable as a misdemeanor or an infraction pursuant to Chapter 1.16 of Title 1 of this Municipal Code, except for as preempted by state law; and, any violation of the provisions of this chapter is subject to administrative citation, at the discretion of the city, pursuant to Chapter 1.18 of Title 1 of this Municipal Code.

(b) Public nuisance abatement.

(1) Any short-term rental that is conducted in violation of any provisions of this chapter is hereby declared to constitute a public nuisance and, as such, may be abated or enjoined from further operation, in accordance with the applicable procedures set forth in Title 7 of this Municipal Code or in any other manner provided by law for the abatement of public nuisances.

(2) All costs to abate such public nuisance, including attorneys' fees and court costs, shall be paid by the person causing the nuisance, including the short-term rental licensee and the property owner where the nuisance is occurring.

(c) The remedies described in this section are not mutually exclusive. Pursuit of any one remedy shall not preclude city from availing itself of any or all available administrative, civil, or criminal remedies, at law or equity.

(d) Any violation of the provisions of this chapter shall constitute a separate offense for each and every day during which such violation is committed or continued.

5.38.110      Permits and Fees Not Exclusive.

Permits and fees required by this chapter shall be in addition to any license, permit or fee required under any other chapter of this Municipal Code. The issuance of any permit pursuant to this chapter shall not relieve the owner of the obligation to comply with all other provisions of this Municipal Code pertaining to the use and occupancy of the short-term rental or the property on which it is located.

5.38.120      Appeals.

The applicant for a short-term rental permit under this chapter may appeal a decision made by the director that the applicant failed to meet all of the conditions set forth in this Municipal Code.

(a) If the appellant wishes to appeal a decision to the City Council, the appellant must file a written appeal with the Perris City Clerk within ten calendar

days of the decision. The written appeal shall specify the person making the appeal, the decision appealed from, shall state the reasons for the appeal, and shall include any evidence in support of the appeal which the applicant seeks to be considered by the City Council.

(b) Notice of the time and place of an appeal hearing shall be providing to the appellant within 30 of receipt by the Perris City Clerk of the written appeal.

(c) The appeal hearing shall be held within 60 days of the filing of the written appeal with the Perris City Clerk, unless the 60 day time limit is waived by the appellant, or unless the City Council continues the appeal hearing date for good cause and upon written notification to the appellant.

(d) The City Council shall review the facts of the matter, written documents submitted for review, the basis for making the decision which is under appeal, and then determine whether the appealed decision should be reversed or affirmed. The determination made shall be in writing, shall set forth the reasons for the determination, and shall be final unless appealed as provided for below.

#### 5.38.130 Service of notices.

All notices required by this chapter are deemed issued and served upon the date they are either deposited in the United States mail, postage pre-paid, addressed (if to an applicant, a short-term rental, or an appellant) to the applicant or short-term rental at the mailing address identified in its application, the last updated address on file with the director's office, or the mailing address on the appeal form; or, the date upon which personal service of the notice is provided to a responsible party.

#### 5.38.140 Amortization and Amnesty Period.

Owners of short-term rentals shall apply for a short-term rental business license pursuant to this chapter by no later than January 31, 2019. Owners of short-term rentals who, prior to the effective date of the ordinance codified in this chapter, failed to obtain a transient occupancy registration certificate pursuant to Chapter 3.24 of Title 3 of this Municipal Code, may do so without penalty notwithstanding the provisions of Chapter 3.24 of Title 3 of this Municipal Code, if an application for the certificate is filed by January 31, 2019.

#### 5.38.150 Fees.

An application fee set by resolution of the city council shall be required for formal processing of every application made under this chapter. The city council is further authorized to pass resolutions to recover any and all fees and costs incurred by the administration and implementation of this chapter through an appropriate fee recovery mechanism to be imposed upon short-term rentals.



5.38.160 Administration.

Further rules, regulations, procedures and standards for the administration and implementation of this chapter may be adopted from time to time either by resolution or ordinance from the city council, by the director (upon authorization by resolution from the city council), or as further provided by this chapter.

5.38.170 Severability.

If any section, subsection, subdivision, sentence, clause, phrase, word, or portion of this chapter is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this chapter. The city council hereby declares that it would have adopted this chapter and each section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, words or portions thereof be declared invalid or unconstitutional.”

**Section 4.** Effective Date. This Ordinance shall take effect 30 days after its adoption.

**Section 5.** Certification. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause the same to be posted at the designated locations in the City of Perris.

***ADOPTED, SIGNED and APPROVED*** this \_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
MAYOR, MICHAEL M. VARGAS

ATTEST:

\_\_\_\_\_  
City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )  
CITY OF PERRIS )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Ordinance Number \_\_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the \_\_ day of \_\_\_\_\_, 2018, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:

---


City Clerk, Nancy Salazar

**CITY COUNCIL SPECIAL MEETING  
AGENDA SUBMITTAL**

**Meeting Date: November 13, 2018**

**SUBJECT:** Authorization to participate in a Community Choice Aggregation Program

**REQUESTED ACTION:** **Adopt Second Reading of Ordinance No. 1375** authorizing the implementation of Community Choice Aggregation Program

**CONTACT:** Clara Miramontes, Assistant City Manager 

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**BACKGROUND/DISCUSSION:**

At the October 30, 2018 City Council meeting, the City Council adopted an Ordinance authorizing participating in a CCA under the Western Community Energy WCE Joint Powers Agreement. A CCA allows a local government to purchase power on behalf of its community, while utilizing the delivery system of the investor owned utility, in this region's case Southern California Edison (SCE). A CCA provides a choice for the community which it does not currently have. In this instance, getting power from SCE under the rates SCE offers is the only option. Under a CCA, residents and businesses have the ability to choose from new rates and power sources (that are often more renewable and at reduced cost) offered by the CCA, or they can choose to stay with SCE. The City, by participating in a CCA, will allow its businesses and residents to voluntarily make those choices.

By joining the WCE, the City is allowing the Agency to move forward in further examining the true savings amounts based on accurate data and not based on current assumptions, and to launch sooner (2020) rather than later (2021) if elected officials desire to do so. Joining WCE does not lock the City into implementation. It simply provides for a potential launch in 2020 should the WCE Governing Board make a determination. In order to submit the Implementation Plan, jurisdictions must join the JPA so that its consultants can develop a cost / environmental savings report to the WCE Governing Board in September. The savings report will indicate whether or not it is favorable for WCE to move forward. If favorable, WCE would prepare its Implementation Plan for a 30 day public review prior to submitting to the CPUC. If it is not favorable, all works would stop.

**RECOMMENDATION:**

Staff recommends that the City Council adopt the second reading of an Ordinance authorizing participation in a CCA program.



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**BUDGET (or FISCAL) IMPACT:**

Cost for staff preparation of this item has been budgeted in the 2018-2019 General Fund.

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**Prepared by:** Clara Miramontes, Assistant City Manager

**City Attorney:** Eric Dunn  
**Assistant City Manager:** Darren Madkin   
**Director of Finance:** Jennifer Erwin 

**Consent Item:** November 30, 2018

**Attachments:** Ordinance

## ORDINANCE NO. 1375

### AN ORDINANCE OF THE CITY OF CITY OF PERRIS AUTHORIZING THE IMPLEMENTATION OF A COMMUNITY CHOICE AGGREGATION PROGRAM

The City Council of the City of Perris does ordain as follows:

***Section 1. Findings.***

1. The City of Perris has been actively investigating options to provide electric services to constituents within its service area with the intent of achieving greater local involvement over the provisions of electric services and promoting competitive retail choice.
2. Assembly Bill 117 (Stat. 2002, ch. 838; see California Public Utilities Code section 366.2 *et seq.*; hereinafter referred to as the “Act”) authorizes any California city or county, whose governing body so elects, to combine the electricity load of its residents and businesses in a community-wide electricity aggregation program known as Community Choice Aggregation (“CCA”)
3. The Act expressly authorizes participation in a CCA program through a joint powers agency, and to this end, the Western Riverside Council of Governments has been evaluating a CCA program for certain portions of the County and the cities and towns within it.
4. Through Docket No. R.03-10-003, the California Public Utilities Commission (“Commission”) has issued various decisions and rulings addressing the implementation of CCA programs, including establishing a procedure by which the Commission will review implementation plans, which are required to be submitted under the Act as the means of describing the CCA program and ensuring compliance with the Act.
5. The City along with representatives of the Western Riverside Council of Governments have elected to form a joint powers agency known as Western Community Energy (“Authority”) that would specify the terms and conditions by which participants may participate as a group in energy programs, including, but not limited to, the implementation of a CCA program with the following benefits:
  - a. Providing customers a choice of power providers;
  - b. Increasing local control over energy rates and other energy-related matters;
  - c. Providing electric rates that are competitive with those provided by the incumbent utility;
  - d. Improving the local economy by increasing local and regional renewable generation capacity and energy conservation and efficiency projects and programs;
  - e. Increasing regional energy self-sufficiency; and

- f. Reducing greenhouse gas emissions arising from electricity use in the City.
6. The Joint Powers Agreement creating the Authority will govern and operate the CCA program on behalf of its member jurisdictions. The City may participate in the Authority by adoption of a resolution approving the execution of the Joint Powers Agreement and adoption of a CCA ordinance required by Public Utilities Code section 366.2(c)(12). The City's participation in the Authority will include membership on the Board of Directors of the Authority as provided in the Joint Powers Agreement.
  7. The Authority will enter into agreements with electric power suppliers and other services providers and, based on these agreements, the Authority plans to provide power to residents and businesses at rates that are competitive with those of the incumbent utility. Once the Commission approves the implementation plan prepared by the Authority, the Authority may provide service to customers within the City and those cities that choose to participate in the Authority.
  8. Under Public Utilities Code section 366.2, customers have the right to opt-out of a CCA program and continue to receive service from the incumbent utility. Customers who desire to continue to receive service from the incumbent utility will be able to do so at any time.
  9. On October 30, 2018, the City Council held a public hearing at which time interested persons had an opportunity to testify either in support or in opposition to implementation of the CCA program within the City.
  10. This ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines, as it is not a "project" and has no potential to result in a direct or reasonably foreseeable indirect physical change to the environment because it is merely the formation of an organization. 14 Cal. Code Regs. § 15378(a). The ordinance is also exempt from CEQA because it is an organizational or administrative activity of governments that will not result in direct or indirect physical change in the environment. 14 Cal. Code Regs. § 15378(b)(5). The ordinance is also exempt from CEQA because it is merely a change in organization of local agencies. 14 Cal. Code Regs. § 15320. Further, the ordinance is exempt from CEQA because there is no possibility that the ordinance or its implementation, which would only result in the formation of a governmental organization, would have a significant negative effect on the environment. 14 Cal. Code Regs. § 15061(b)(3). The [INSERT TITLE OF CITY OFFICIAL] shall cause a Notice of Exemption to be filed as authorized by CEQA and the State CEQA Guidelines.

**Section 2. Authorization to Implement a Community Choice Aggregation Program.**

Based upon the foregoing, and in order to provide businesses and residents within the City with a choice of power providers, the City hereby elects to implement a community choice aggregation program within the jurisdiction of the City by participating in the CCA program of the Authority, as described in the Joint Powers Agreement.

**Section 3.** Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held for any reason to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each section, subsection, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases or portions be declared invalid or unconstitutional.

**Section 4.** Effective Date. This Ordinance shall take effect 30 days after its adoption.

**Section 5.** Certification. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause the same to be posted at the designated locations in the City of Perris.

**ADOPTED, SIGNED and APPROVED** this 11th day of November 13, 2018.

\_\_\_\_\_  
Mayor, Michael M. Vargas

ATTEST:

\_\_\_\_\_  
City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )  
CITY OF PERRIS )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Ordinance Number \_\_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 30th day of October, 2018, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:

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City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: November 13, 2018

SUBJECT: Annexation of CUP 16-05168 to Maintenance District No. 84-1

REQUESTED ACTION:

1. Adoption of Resolution Ordering Preparation of the Engineer's Report
2. Adoption of Resolution Preliminarily Approving Engineer's Report
3. Adoption of Resolution of Intention to Annex CUP 16-05168 to Maintenance District No. 84-1 and setting a public hearing date of January 8, 2019

CONTACT: Habib Motlagh, City Engineer

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BACKGROUND/DISCUSSION: CUP 16-05168 is a 3.28-acre industrial project under the ownership of Emarra L.P. Encanto Drive is located along the project's west boundary, Ethanac Road is located along the project's north boundary, and Trumble Road is located along the project's east boundary. As a condition of approval, the project is required to annex into MD 84-1.

This district was formed to finance the annual maintenance of streetlights and traffic signals installed in conjunction with new development. The project specifically benefits from street lights and the traffic signal located at the intersection of Ethanac Road with Trumble Road.

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BUDGET (or FISCAL) IMPACT: The maximum annual assessment is \$637.55. Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison rate percent increase projected for the upcoming fiscal year.

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Reviewed by:

Assistant City Manager DM

Director of Finance JL

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

- Attachments:
1. Resolution Ordering Preparation of the Engineer's Report
  2. Engineer's Report
  3. Resolution Preliminarily Approving Engineer's Report
  4. Resolution of Intention to Annex CUP 16-05168 to Maintenance District No. 84-1

Consent:



**RESOLUTION NUMBER**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF CUP 16-05168 INTO MAINTENANCE DISTRICT NUMBER 84-1**

**WHEREAS**, the City Council of the City of Perris (the "City") has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, including the special maintenance district known and designated as MAINTENANCE DISTRICT NO. 84-1 (the "District"); and

**WHEREAS**, it has been determined by the City Council of the City of Perris, County of Riverside, California, that the public interest, convenience and necessity requires the installation of streetlights, traffic signals and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof, all within the incorporated boundaries of the City of Perris, California; and

**WHEREAS**, the City Council has heretofore appointed Habib Motlagh, the City Engineer for the City of Perris, as the "Engineer of Work" for Maintenance District Number 84-1 and Willdan Financial Services has heretofore been appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code, State of California.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris as follows:

**Section 1.** The above recitals are true and correct, and are incorporated herein by this reference.

**Section 2.** That the public interest, convenience and necessity, requires the annexation to a maintenance district for the purpose of installing, constructing and maintaining the streetlights, traffic signals and other facilities authorized by Section 22525 of the Streets and Highways Code, State of California,

**Section 3.** That CUP 16-05168 be defined as that area to be annexed to the City of Perris Maintenance District Number 84-1.

**Section 4.** That the lands to be specially charged for the installation, construction, and maintenance of the facilities shall be the area within the boundaries of the annexation to the district generally indicated on the map entitled "Diagram of Annexation of CUP 16-05168 to Maintenance District Number 84-1, City of Perris, County of Riverside, State of California."

**Section 5.** That the proceedings are to be conducted for said annexation to the maintenance district under and in accordance with provisions of Division 15 of the Streets and Highways Code (Landscaping and Lighting Act of 1972) of the State of California.

**Section 6.** That Habib Motlagh, the City Engineer for the City of Perris, is hereby appointed the "Engineer of Work" and all provisions of Division 15 applicable to the Engineer shall apply to said "Engineer of Work" and Willdan Financial Services, is hereby appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of said Division 15 of the Streets and Highways Code.

**Section 7.** That Habib Motlagh, the City Engineer for the City of Perris, is hereby designated to sign all papers and documents in connection with the proceedings for the annexation to said maintenance district, acting in the capacity of the Engineer of Work.

**Section 8.** That the cost of maintaining the facilities set forth herein in subject annexation to the district shall be borne by the property owners within the subject annexation to the district, said cost to be assessed and collected in accordance with said Landscaping and Lighting Act of 1972.

**Section 9.** That the Engineer of Work is hereby ordered to prepare a report in accordance with Article 4 of said maintenance act, and is hereby directed to prepare and file such report with the City Clerk.

**ADOPTED, SIGNED and APPROVED** this 13th day of November, 2018.

\_\_\_\_\_  
Mayor, Michael M. Vargas

ATTEST:

\_\_\_\_\_  
City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §  
CITY OF PERRIS )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number \_\_\_ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 13th day of November, 2018, by the following called vote:

Ayes:  
Noes:  
Absent:  
Abstain:

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City Clerk, Nancy Salazar

**AGENCY: City of Perris**

**PROJECT: Annexation of CUP 16-05168  
To Maintenance District No. 84-1**

**TO: City Council  
City of Perris  
State of California**

**REPORT PURSUANT TO "LANDSCAPING AND LIGHTING ACT OF 1972"**

Pursuant to the direction from the City Council, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2018 to June 30, 2019, for that area to be known and designated as:

**"Annexation of CUP 16-05168  
to Maintenance District No. 84-1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefore and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 13th day of November, 2018.

---

**HABIB M. MOTLAGH, City Engineer  
CITY OF PERRIS  
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 8<sup>th</sup> day of January 2019, by adoption of Resolution \_\_\_\_\_ of the City Council.

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**NANCY SALAZAR, City Clerk  
CITY OF PERRIS  
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 13th day of November, 2018.

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**NANCY SALAZAR, City Clerk  
CITY OF PERRIS  
STATE OF CALIFORNIA**

## Report

**PART 1. Plans and Specifications.** Generally, the work to be performed consists of the annual energy and maintenance costs for 3 streetlights. The streetlights to be maintained are shown on the plans and specifications prepared by Albert A Webb Associates, and entitled, "Street Light Location Plan for Motte Center – Ethanac Road & Trumble Road, City of Perris-CUP 16-05168".

In addition to the streetlights, this area benefits from existing and future traffic signals. Of specific benefit is the traffic signal at the intersection of Ethanac Road with Trumble Road.

The plans and specifications for all facilities are or will be on file in the City of Perris Office of Community Development and, by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto. The plans and specifications sufficiently show and describe the general nature, location and extent of the improvements.

The streetlight improvements are owned by Southern California Edison (SCE) and, are shown on the SCE Street Light Atlas Maps. The traffic signal is owned by the City of Perris and are shown on the City of Perris Traffic Signal Location Map. Said Map and Atlas are on file in the City of Perris Office of Community Development and are made a part of this report to the same extent as if said documents were attached hereto.

It is noted that the City of Perris is transitioning ownership of the streetlights from SCE to the City of Perris. This pending change in ownership and LED conversion in no manner negates the benefit received.

**PART 2. An Estimate** of the cost for the improvements to be maintained and/or improved for a given fiscal year includes labor, materials, electricity, and appurtenances. Incidental costs include engineering, legal, City Clerk, and administration expenses, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

The estimated annual cost for maintenance of the facilities is listed as follows:

<b>Facility</b>		<b>Quantity</b>	<b>Annual Cost</b>	<b>Total Cost</b>
<b>Street Lights</b>				
	9,500 Lumen	0	\$150.32	\$00.00
	22,000 Lumen	3	204.28	612.84
<b>Traffic Signals</b>				
	Ethanac and Trumble Roads	10%	8,367.55	836.76
<b>Subtotal</b>				\$1,449.60
<b>Incidental Costs</b>				\$217.44
<b>City Contribution for Street Lights</b>		3	-53.96	-161.88
<b>Resolution No. 5307</b>				-867.61
<b>Balance to Assessment</b>				\$637.55

**PART 3.**

The **Assessment Roll** shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of the Diagram, enclosed herein as Part 4.

Street lighting and the orderly circulation of traffic directly benefits the area to be annexed to Maintenance District No. 84-1. Any share of the benefits received that does not provide a special benefit to the assessed properties is a general benefit provided by the improvements. The cost of the general benefit is not to be assessed to the properties in the district.

The cost of the general benefit is to be contributed by the City. This cost for lights is equal to the unit cost difference between a 9,500 lumen light and a 22,000 (or greater) lumen light. A 9,500 lumen light is the standard required on a local street. Other streets require a standard greater than 9,500 lumens in order to service a capacity greater than the local traffic.

The method of assessment is based on units, with a residential dwelling or condominium equal to one benefit unit. The relationship between residential lots and non-residential development has been established at 4.2 residential lots to one assessed acre based on the general density of the City as a whole. The assessed acreage is the net acreage of the area to be annexed.

The current annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the improvements and appurtenant facilities is equal to \$46.28 per benefit unit, shown as follows:

$$\frac{1.0 \text{ Assessed Acre}}{4.2 \text{ Benefit Units}} \times \frac{\$637.55}{3.28 \text{ AC}} = \$46.28 \text{ per Benefit Unit}$$

Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison rate percent increase projected for the upcoming fiscal year.

Reference is made to the FY 2018/2019 annual proceedings for Maintenance District No. 84-1, as confirmed and set forth in Resolution 5307 approved on June 12, 2018. Under these proceedings, the benefit for the annual maintenance of streetlight and traffic signals is equal to \$46.28 per Benefit Unit, or single family home. For the purposes of this report, this assessment determines the streetlight and traffic signal benefit.

The assessment, by Parcel, is as follows:

<b>Assessor Parcel Number</b>	<b>Net Acreage</b>	<b>Benefit Units</b>	<b>Estimated Maximum Annual Assessment</b>
331-100-027	1.43	6.01	\$277.95
331-100-028	1.85	7.77	359.60
<b>Totals</b>	<b>3.28</b>	<b>13.78</b>	<b>\$637.55</b>

As a condition of approval, the developer is required by the City to provide certain standard street lighting for the area within the development; and the energy costs for the initial 18-month period. No newly annexed area or portion thereof is assessed prior to the completion of the initial 18-month period.

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2018 to June 30, 2019, reference is made to the Assessment Roll included herein as Attachment No.1.

**PART 4.**     **A Diagram** of the Annexation. The boundary of the area to be annexed is coincident with the boundary of CUP 16-05168. Said boundary is designated as "Diagram of Annexation of CUP 16-05168 to Maintenance District No. 84-1, City of Perris, County of Riverside, State of California." The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of annexation and benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

**PART 5.**     **A Consent and Waiver for Annexation** to the District has been signed by the owners of the area within the proposed annexation. Said consent and waiver is included herein as Attachment No. 3.

**Assessment Roll  
Annexation of CUP 16-05168  
To Maintenance District No. 84-1  
City of Perris**

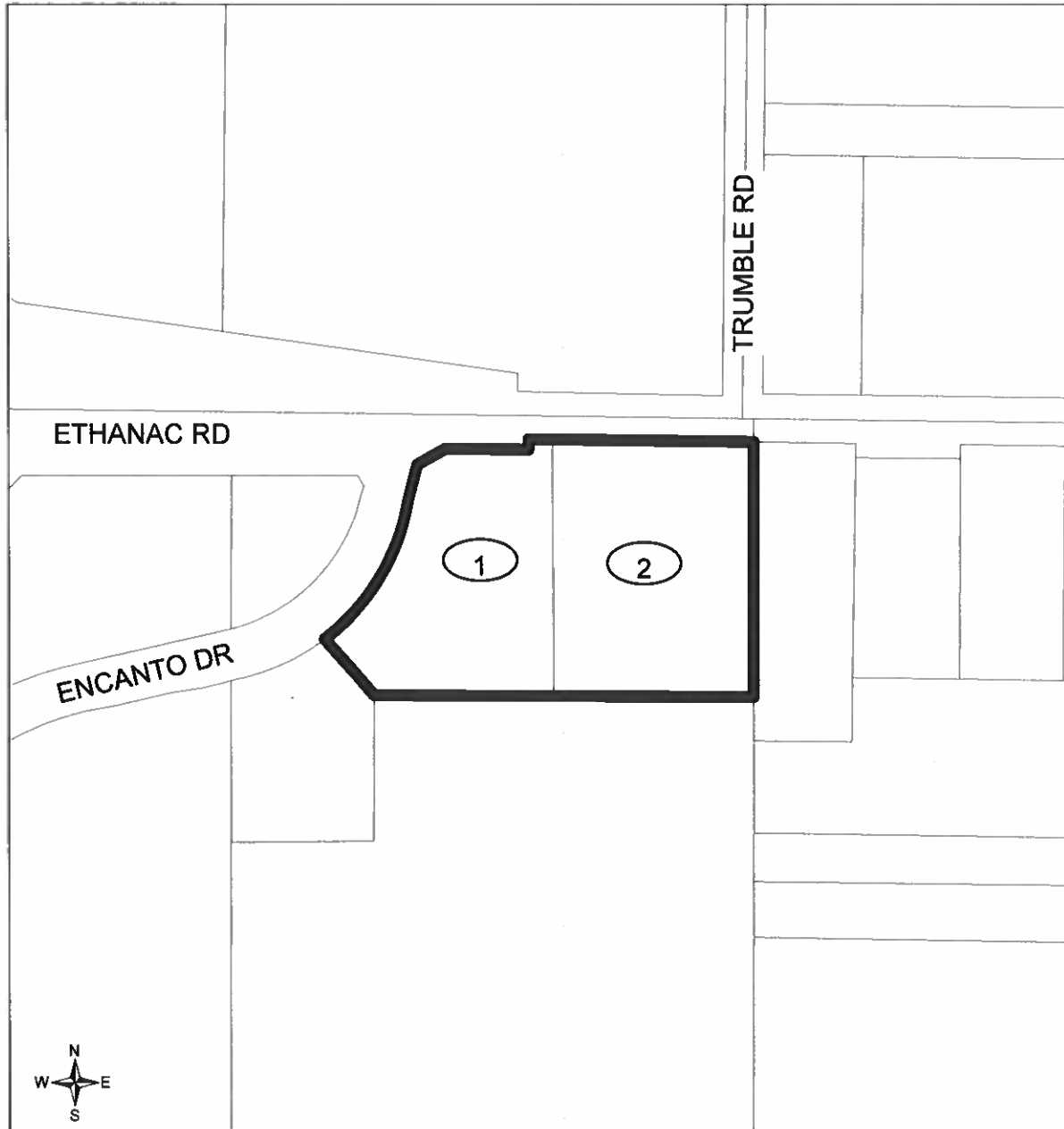
<b>Assessment Number</b>	<b>Assessor Parcel Number</b>	<b>Estimated Annual Assessment</b>	<b>Fiscal Year 2018/2019</b>
331-100-027	331-100-027	\$277.95	\$00.00
331-100-028	331-100-028	<u>359.60</u>	<u>00.00</u>
<b>Totals</b>		<b>\$637.55</b>	<b>\$00.00</b>



Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison rate percent increase projected for the upcoming fiscal year.



# DIAGRAM OF ANNEXATION OF CUP 16-05168 TO MAINTENANCE DISTRICT NO. 84-1

CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



- Legend**
-  ANNEXATION BOUNDARY
  -  MAP REFERENCE NUMBER

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	331-100-027
2	331-100-028



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

**CONSENT AND WAIVER TO ANNEXATION**

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA, has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special maintenance districts known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 and MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "Maintenance Districts"); and,

WHEREAS, the provisions of Article II of Chapter 2 of the Act authorize the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA to order the annexation of territory to the Maintenance Districts; and,

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA may, pursuant to said provisions of the Act, order the annexation of territory to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" as would otherwise be required by the provisions of the Act if all of the owners of property within the territory proposed to be annexed, have given written consent to the proposed annexation; and,


WHEREAS, the undersigned, the owners of all property within the territory proposed to be annexed to the Maintenance Districts, acknowledge that pursuant to the provisions of the Act, the undersigned would be entitled to notice and hearing and the preparation of an Engineer's "Report" pertaining to the annexation of the property, acknowledge that they are aware of the proposed annexation to the Maintenance Districts of the property owned by the undersigned, and waives any and all right which the undersigned may now have to notice and hearing or the filing of an Engineer's "Report" pertaining to the annexation of the undersigned's property to the Maintenance Districts.

NOW, THEREFORE, it is hereby declared by the undersigned property owners as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the undersigned, constituting the owners of the property described in Exhibit "A" attached hereto and incorporated herein by this reference and further constituting all of the property within the territory proposed to be annexed to the Maintenance Districts, hereby consent to the proposed annexation of said property to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" pertaining to such annexation.

Dated: 10/23/18

  
Signature

List Property Owner Name and Mailing Address  
Emarra L.P.  
764 W. Ramona Exprwy, Ste C  
PERRIS, CA 92571

# CALIFORNIA CERTIFICATE OF ACKNOWLEDGMENT

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

State of California )

County of Riverside )

On October 23, 2019 before me, Kim A. DeRosia Notary Public,  
(here insert name and title of the officer)

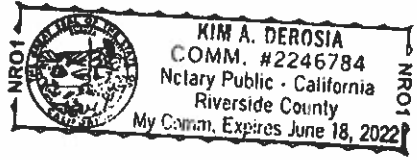
personally appeared Marwan Alabbasi

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

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

WITNESS my hand and official seal.

Signature 



(Seal)

## Optional Information

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of \_\_\_\_\_

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

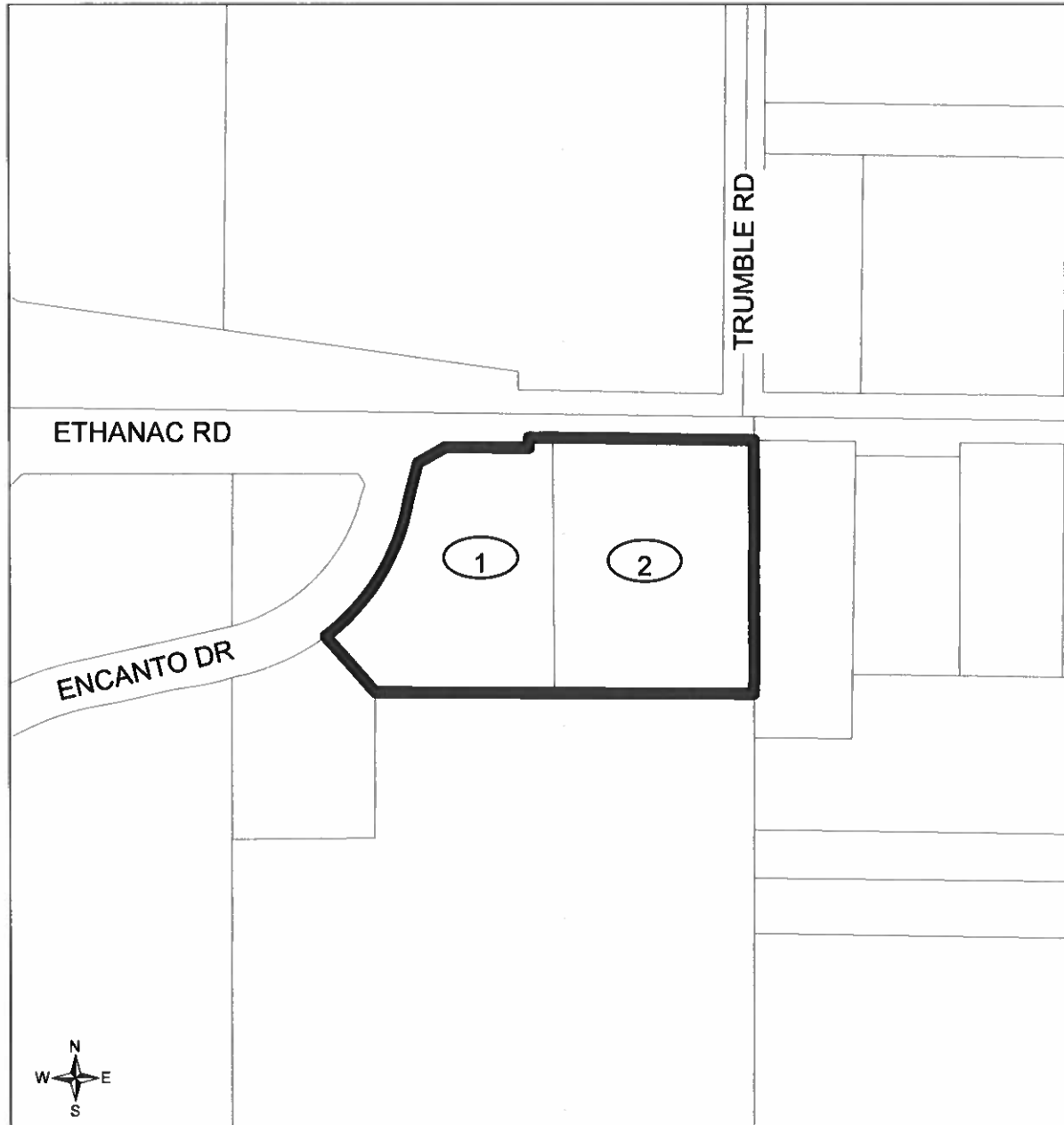
- Individual(s)
- Attorney-in-Fact
- Corporate Officer(s) \_\_\_\_\_  
Title(s)
- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: \_\_\_\_\_



representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

Additional Information	
<b>Method of Signer Identification</b>	
Proved to me on the basis of satisfactory evidence:	
<input type="radio"/> form(s) of identification <input type="radio"/> credible witness(es)	
Notarial event is detailed in notary journal on:	
Page # _____	Entry # _____
Notary contact: _____	
<b>Other</b>	
<input type="checkbox"/> Additional Signer(s)	<input type="checkbox"/> Signer(s) Thumbprint(s)
<input type="checkbox"/> _____	

# EXHIBIT "A" TO CONSENT AND WAIVER FOR ANNEXATION OF CUP 16-05168 TO MAINTENANCE DISTRICT NO. 84-1

CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



**Legend**  
 ANNEXATION BOUNDARY  
 MAP REFERENCE NUMBER

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	331-100-027
2	331-100-028



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

**RESOLUTION NUMBER**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF CUP 16-05168 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1**

**WHEREAS**, the City Council of the City of Perris (the "City") has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, including the special maintenance district known and designated as MAINTENANCE DISTRICT NO. 84-1 (the "District"); and

**WHEREAS**, on the 13th day of November, 2018, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number \_\_\_ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Act in connection with the annexation of CUP 16-05168; and

**WHEREAS**, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

**WHEREAS**, said City Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris as follows:

**Section 1.** The above recitals are true and correct, and are incorporated herein by this reference.

**Section 2.** That the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby, preliminary approved and confirmed.

**Section 3.** That the diagram showing the District referred to and described in said report, the boundaries of the subdivisions of the land within said District as the same existed at the time of passage of said Resolution, is hereby preliminarily approved and confirmed.

**Section 4.** That the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivision, respectively,

from said work and of the incidental expenses thereof, as contained in said report is hereby preliminarily approved and confirmed.

**Section 5.** That said report shall stand as the Engineer's Report for the purposes of all subsequent proceedings, and pursuant to the proposed District.

**ADOPTED, SIGNED and APPROVED** this 13th day of November, 2018.

\_\_\_\_\_  
Mayor, Michael M. Vargas

Attest:

\_\_\_\_\_  
City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §  
CITY OF PERRIS )

I, Nancy Salazar, City CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number \_\_\_\_\_ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 13th day of November 2018, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
City Clerk, Nancy Salazar

**RESOLUTION NUMBER**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO MAINTENANCE DISTRICT NUMBER 84-1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF CUP 16-05168 TO MAINTENANCE DISTRICT NUMBER 84-1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON JANUARY 8, 2019**

**WHEREAS**, the City Council of the City of Perris (the "City") has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, including the special maintenance district known and designated as MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "District"); and

**WHEREAS**, the provisions of Article II of Chapter 2 of the Act authorize the City Council to order the annexation of territory to the District; and

**WHEREAS**, on the 13th day of November, 2018, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number \_\_\_\_ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Act; and

**WHEREAS**, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

**WHEREAS**, said City Council has duly considered the Engineer's Report and each and every part thereof, and has found that each and every part of the Engineer's Report is sufficient, and that no portion of the report requires or should be modified in any respect; and

**WHEREAS**, the City now desires to declare its intention to annex certain property into the District, pursuant to the Act and, more specifically, Section 22587 thereof, and to take certain other actions as required by the Act;

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

**Section 1. Recitals.** The Recitals set forth above are true and correct, and are incorporated herein by this reference.

**Section 2. Description of Work:** That the public interest and convenience requires and it is the intention of the City Council of the City of Perris to annex CUP 16-05168 to the District, and to order the following work be done, to wit:

1. Installation, construction, maintenance, and servicing of streetlight and traffic signal facilities as authorized by Section 22525 of the Streets and Highways Code, State of California.

2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

**Section 3. Location of Work:** The improvements to be maintained and serviced consist of the streetlights and traffic signals within said annexation.

**Section 4. Description of Assessment District:** That the contemplated work, in the opinion of said City Council, is of more local than ordinary public benefit, and this City Council hereby makes the expense of said work chargeable upon a District, which said District is assessed to pay the costs and expenses thereof, and which District is described as follows:

All that certain territory of the City of Perris included within the exterior boundary lines shown upon that certain "Diagram of Annexation of CUP 16-05168 to Maintenance District Number 84-1" heretofore approved by the City Council of said City by Resolution No. \_\_\_\_, indicating by said boundary line the extent of the territory included within the proposed assessment district and which map is on file in the office of the City Clerk of said City.

Reference is hereby made to said map for a further, full, and more particular description of said assessment district, and the said map so on file shall govern for all details as to the extent of said assessment district.

**Section 5. Report of Engineer:** The City Council of said City by Resolution Number \_\_\_\_ has preliminarily approved the report of the Engineer of Work which report indicated the amount of the proposed assessment, the district boundaries, assessment zones, detailed description of improvements, and the method of assessment. The report titled "Engineer's Report for Annexation of CUP 16-05168, to Maintenance District Number 84-1", is on file in the office of the City Clerk of said City. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.



**Section 6. Collection of Assessments:** The assessment shall be collected at the same time and in the same manner as taxes for the County of Riverside are collected. The Engineer of Work shall file a report annually with the City Council of said City and said City Council will annually conduct a hearing upon said report at their regular meeting before August 10th, at which time assessments for the next Fiscal Year will be determined. That the annual assessment reflecting the reasonable cost of providing for the maintenance, servicing and operation of the streetlights and traffic signals and appurtenant facilities is \$46.28 per Benefit Unit (single family home). Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison rate increase projected for the upcoming fiscal year.

**Section 7. Time and Place of Public Hearing:** Notice is hereby given that on January 8, 2019, at 6:30 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, is hereby fixed as the time and place for a hearing by this City Council on the question of the levying and collection of the proposed assessments. That any and all persons having any objections to the work or the extent of the annexation to the assessment district may appear and show cause why said work should not be done or carried out or why said annexation to the district should not be confirmed in accordance with this Resolution of Intention. City Council will consider all oral and written protests.

**Section 8. Landscaping and Lighting Act of 1972:** All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.

**Section 9. Publication of Resolution of Intention:** The City Clerk shall cause this Resolution of Intention to be published one time as required by Section 22552 of the California Streets and Highways Code, occurring no later than 10 days prior to the public hearing at which the City Council will consider levying the proposed special assessments. The published notice will encompass one-eighth of a newspaper page. The Perris City News is hereby designated as the newspaper in which the City Clerk shall publish this Resolution of Intention. Upon completion of giving notice, the City Clerk is further directed to file in her office a proof of publication setting forth compliance with the requirements for publishing.

**Section 10. Mailing of Notice:** The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 53753 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

**Section 11. Designation of Contact Person:** That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

**Section 12. Certification:** The City Clerk shall certify to the adoption of this Resolution.

**ADOPTED, SIGNED and APPROVED** this 13th day of November, 2018.

\_\_\_\_\_  
Mayor, Michael M. Vargas

Attest:

\_\_\_\_\_  
City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §  
CITY OF PERRIS )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 13th day of November, 2018, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: November 13, 2018**

**SUBJECT:** Annexation of CUP 16-05168 to Landscape Maintenance District No. 1 (LMD 1)

**REQUESTED ACTION:**

1. Adoption of Resolution Ordering Preparation of the Engineer's Report
2. Adoption of Resolution Preliminarily Approving Engineer's Report
3. Adoption of Resolution of Intention to Annex CUP 16-05168 and setting a public hearing date of January 8, 2019

**CONTACT:** Habib Motlagh, City Engineer

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**BACKGROUND/DISCUSSION:** CUP 16-05168 is a 3.28-acre industrial project under the ownership of Emarra L.P. Encanto Drive is located along the project's west boundary, Ethanac Road is located along the project's north boundary, and Trumble Road is located along the project's east boundary.

In general, there are four categories of improvements to be maintained. Within each category, the landscaping, irrigation, and appurtenances to be maintained, are as follows:

- Category 1 improvements consist of the Ethanac and Trumble Road parkways located within the public-right-of-way and along the frontage of Benefit Zone 136. These improvements are to be maintained annually under Benefit Zone 136.
- Category 2 improvements consist of the future Encanto Drive parkways and Ethanac and Trumble Road landscaped medians located within the public-right-of-way and along the frontage of Benefit Zone 136. Upon construction, these improvements are to be maintained annually under Benefit Zone 136.
- Category 3 improvements consist of Basin N and the WQMP Bio-Swale, both located within the Ethanac Road and Trumble Road public right-of-way and behind the property line. Annual maintenance of the Category 3 improvements is the responsibility of the property owner. Due to the nature and location of these facilities, if not maintained to standard, an assessment for maintenance is provided for under Benefit Zone 136.
- Category 4 improvements consist of additional landscaping behind the property line adjacent to the Category 1, 2 and 3 improvements. Annual maintenance of the Category 4 improvements is the responsibility of the property owner. Due to the nature and location of these facilities, if not maintained to standard, an assessment for maintenance is provided for under Benefit Zone 136.

As a condition of approval, the project is required to annex into LMD 1. This district was formed to finance the annual maintenance of landscape improvements installed in conjunction with new development.

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**BUDGET (or FISCAL) IMPACT:** The current maximum annual assessment is \$25,492.70. Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

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Reviewed by:

Assistant City Manager DM

Director of Finance CF

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

- Attachments:**
1. Resolution Ordering Preparation of the Engineer's Report
  2. Engineer's Report
  3. Resolution Preliminarily Approving Engineer's Report
  4. Resolution of Intention to Annex CUP 16-05168 to LMD 1

**Consent:**

**RESOLUTION NUMBER XXX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, INITIATING PROCEEDINGS, APPOINTING THE ENGINEER OF WORK, ORDERING THE PREPARATION OF A DISTRICT MAP INDICATING THE PROPOSED BOUNDARIES OF AN ANNEXATION TO THE CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, AND FOR PROVIDING OTHER ENGINEERING SERVICES IN THE MATTER OF THE ANNEXATION OF BENEFIT ZONE 136 (CUP 16-05168) TO LANDSCAPE MAINTENANCE DISTRICT NUMBER 1**

**WHEREAS**, the City Council of the City of Perris (the "City") has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, including the special maintenance district known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 (the "District"), and created BENEFIT ZONE 136 therein (hereinafter referred to as the "Benefit Zone 136"); and

**WHEREAS**, it has been determined by the City Council of the City of Perris, County of Riverside, California, that the public interest, convenience and necessity requires the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof, all within the incorporated boundaries of the City of Perris, California; and

**WHEREAS**, the City Council has heretofore appointed Habib Motlagh, the City Engineer for the City of Perris, as the "Engineer of Work" for Landscape Maintenance District Number 1 and Willdan Financial Services has heretofore been appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of Chapter 1 of Part 2 of Division 15 of the Streets and Highways Code, State of California.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris as follows:

**Section 1.** The above recitals are true and correct, and are incorporated herein by this reference.

**Section 2.** That the public interest, convenience and necessity, requires the annexation to a maintenance district for the purpose of installing, constructing and maintaining the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities authorized by Section 22525 of the Streets and Highways Code, State of California.

**Section 3.** That CUP 16-05168 be defined as that area to be annexed to Benefit Zone 136, City of Perris Landscape Maintenance District Number 1.

**Section 4.** That the lands to be specially charged for the installation, construction, and maintenance of the facilities shall be the area within the boundaries of the annexation to the district generally indicated on the map entitled "Diagram of Annexation of CUP 16-05168, to Benefit Zone 136, Landscape Maintenance District Number 1, City of Perris, County of Riverside, State of California."

**Section 5.** That the proceedings are to be conducted for said annexation to the maintenance district under and in accordance with provisions of Division 15 of the Streets and Highways Code (Landscaping and Lighting Act of 1972) of the State of California.

**Section 6.** That Habib Motlagh, the City Engineer for the City of Perris, is hereby appointed the "Engineer of Work" and all provisions of Division 15 applicable to the Engineer shall apply to said "Engineer of Work" and Willdan Financial Services, is hereby appointed for the purpose of assisting in the preparation of the written report provided for in Section 22567 of said Division 15 of the Streets and Highways Code.

**Section 7.** That Habib Motlagh, the City Engineer for the City of Perris, is hereby designated to sign all papers and documents in connection with the proceedings for the annexation to said maintenance district, acting in the capacity of the Engineer of Work.

**Section 8.** That the cost of maintaining the facilities set forth herein in subject annexation to the district shall be borne by the property owners within the subject annexation to the district, said cost to be assessed and collected in accordance with said Landscaping and Lighting Act of 1972.

**Section 9.** That the Engineer of Work is hereby ordered to prepare a report in accordance with Article 4 of said maintenance act, and is hereby directed to prepare and file such report with the City Clerk.

**ADOPTED, SIGNED and APPROVED** this 13th day of November, 2018.

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Mayor, Michael M. Vargas

ATTEST:

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City Clerk, Nancy Salazar

STATE OF CALIFORNIA    )  
COUNTY OF RIVERSIDE    ) §  
CITY OF PERRIS            )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 13th day of November, 2018, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

City Clerk, Nancy Salazar

**AGENCY: City of Perris**

**PROJECT: Annexation of CUP 16-05168  
To Benefit Zone 136, Landscape Maintenance District No. 1**

**TO: City Council  
City of Perris  
State of California**

**REPORT PURSUANT TO "LANDSCAPING AND LIGHTING ACT OF 1972"**

Pursuant to the direction from the City Council, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2018 to June 30, 2019, for that area to be known and designated as:

**"Annexation of CUP 16-05168  
To Benefit Zone 136, Landscape Maintenance District No. 1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefor and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 13th day of November, 2018.

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**HABIB M. MOTLAGH, City Engineer  
CITY OF PERRIS  
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 8<sup>th</sup> day of January 2019, by adoption of Resolution \_\_\_\_\_ of the City Council.

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**NANCY SALAZAR, City Clerk  
CITY OF PERRIS  
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 13th day of November, 2018.

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**NANCY SALAZAR, City Clerk  
CITY OF PERRIS  
STATE OF CALIFORNIA**



## Report

**PART 1. Plans and Specifications** for the improvements to be maintained and/or improved for a fiscal year have been or will be designed for acceptance by the City of Perris. In general, there are four categories of improvements to be maintained. Within each category, the landscaping, irrigation, and appurtenances to be maintained, are as follows:

- Category 1 improvements consist of the Ethanac and Trumble Road parkways located within the public-right-of-way and along the frontage of Benefit Zone 136. These improvements are to be maintained annually under Benefit Zone 136.
- Category 2 improvements consist of the future Encanto Drive parkways and Ethanac and Trumble Road landscaped medians located within the public-right-of-way and along the frontage of Benefit Zone 136. Upon construction, these improvements are to be maintained annually under Benefit Zone 136.
- Category 3 improvements consist of Basin N and the WQMP Bio-Swale, both located within the Ethanac Road and Trumble Road public right-of-way and behind the property line. Annual maintenance of the Category 3 improvements is the responsibility of the property owner. Due to the nature and location of these facilities, if not maintained to standard, an assessment for maintenance is provided for under Benefit Zone 136.
- Category 4 improvements consist of additional landscaping behind the property line adjacent to the Category 1, 2 and 3 improvements. Annual maintenance of the Category 4 improvements is the responsibility of the property owner. Due to the nature and location of these facilities, if not maintained to standard, an assessment for maintenance is provided for under Benefit Zone 136.

Reference is made to the landscaping plans and specifications prepared by STB Landscape Architects, that are entitled, "Motte Town Center, LMD Off-site Landscape Plans, DPR 16-05168, SW Corner Ethanac & Trumble Rd." and "Motte Town Center, LMD Off-site (read On-site) Landscape Plans, DPR 16-05168, SW Corner Ethanac & Trumble Rd."

Additional information on the location of the public right-of-way, property line, Basin N, the WQMP Bio-Swale, and the improvements, further reference is made to the plans and specifications, as prepared by United Engineering Group, that are entitled, "Street Improvement Plans - Motte Town Center, City of Perris CUP 16-05168" and "Precise Grading Plans, Motte Town Center, CUP 16-05168".

Upon final approval, plans and specifications for the improvements are or will be on file in the City of Perris Office of Community Development and, by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto. The plans and specifications will sufficiently show and describe the general nature, location and extent of all the improvements.

**PART 2.**

An Estimate of the cost for the improvements to be maintained and/or improved for a given fiscal year includes labor, water, electricity, materials and plant replacement, and appurtenances. Incidental costs include annual engineering, legal, City Clerk, Finance Department, and Public Works expenses, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

Due to the soil, water, exposure, and pedestrian traffic, plant replacement is estimated at a 3% die-off rate at 2.5-feet on-center. Tree trimming is scheduled to occur every other year. Mulch is applied every three years and irrigation replacement/repairs are scheduled to occur every fifth year. Within the medians, the cost estimate also provides for the repair/replacement of the rock cobble over a three-year period and the pavers over a ten-year period.

The maximum annual assessment is based on the estimated cost of maintaining the plants at maturity. The annual assessment levied will be based on the actual expenses incurred by Benefit Zone 136. The annual cost for maintenance of the public improvements, by Category, is estimated as follows:

<u>Category 1 Improvements</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Estimated Annual Cost</u>
Maintenance	4,500	SF	\$0.54	\$2,430.00
Plant Replacement	14	Each (EA)	15.75	220.50
Tree Trimming	15	0.5 EA	150.00	1,125.00
Irrigation Repair & Replacement Fund	900	SF	0.06	54.00
30% Mulch	13	CY	30.00	<u>390.00</u>
<b>Total Category 1 Maintenance Costs</b>				<b>\$4,219.50</b>
<b>Incidentals</b>				<b>843.90</b>
<b>Balance to Category 1 Assessment</b>				<b>\$5,063.40</b>

<u>Category 2 Improvements</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Estimated Annual Cost</u>
Maintenance	1,870	SF	\$0.54	\$1,009.80
Plant Replacement	9	each	15.75	141.75
Tree Trimming	22	0.5	150.00	1,650.00
Irrigation Repair & Replacement Fund	374	SF	0.06	22.44
30% Mulch	5	CY	30.00	150.00
Rock Cobble	750	0.33 SF	0.55	136.13
Pavers	1,000	0.10 SF	15.75	<u>1,575.00</u>
<b>Total Category 2 Maintenance Costs</b>				<b>\$4,685.12</b>
<b>Incidentals</b>				<b>937.02</b>
<b>Balance to Category 2 Assessment</b>				<b>\$5,622.14</b>

<u>Category 3 Improvements</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Estimated Annual Cost</u>
Maintenance	5,600	SF	\$0.54	\$3,024.00
Plant Replacement	18	Each (EA)	15.75	283.50
Tree Trimming	6	0.5 EA	150.00	450.00
Irrigation Repair & Replacement Fund	1,120	SF	0.06	67.20
30% Mulch	16	CY	30.00	<u>480.00</u>
<b>Total Category 3 Maintenance Costs</b>				<b>\$4,304.70</b>
<b>Incidentals</b>				<b>860.94</b>
<b>Balance to Category 3 Assessment</b>				<b>\$5,165.64</b>

<u>Category 4 Improvements</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Cost</u>	<u>Estimated Annual Cost</u>
Maintenance	11,300	SF	\$0.54	\$6,102.00
Plant Replacement	36	each	15.75	567.00
Tree Trimming	4	0.5	150.00	300.00
Irrigation Repair & Replacement Fund	2,260	SF	0.06	135.60
30% Mulch	31	CY	30.00	930.00
<b>Total Category 4 Maintenance Costs</b>				<b>\$8,034.60</b>
<b>Incidentals</b>				<b>1,606.92</b>
<b>Balance to Category 4 Assessment</b>				<b>\$9,641.52</b>

The total estimated cost of maintaining all the improvements is summarized as follows:

<u>Improvement Category</u>	<u>Estimated Annual Cost</u>
Category 1	\$5,063.40
Category 2	5,622.14
Category 3	5,165.64
Category 4	<u>9,641.52</u>
<b>Total Estimated Annual Cost</b>	<b>\$25,492.70</b>

A 6-month tax roll reserve provides funding for the cost of servicing and maintenance prior to the receipt of tax collections from the County of Riverside. The fiscal year begins July 1 and the first installment from the tax roll collections is usually distributed by the County of Riverside the following January. A 6-month tax roll reserve, based on the annual cost of all the improvements is \$12,746.35.

Benefit Zone 136, for the fiscal year commencing July 1, 2018 to June 30, 2019, will incur zero costs.

**PART 3.** The **Assessment Roll** shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of Benefit Zone 136, as shown on the Diagram, enclosed herein as Part 4.

As a requirement for development, CUP 16-05168 is conditioned for the construction of certain landscaped improvements. The area within Benefit Zone 136 specifically benefits from the maintenance of the parkways and medians along the streets that provide ingress

and egress to Benefit Zone 136. Benefit Zone 136 will be assessed based on a schedule established by the Public Works Department for the acceptance of the improvements for maintenance by the City of Perris.

The method of assessment is based on units, with the benefit units assigned to the net area within Benefit Zone 136. The current maximum annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the public improvements and appurtenant facilities within Benefit Zone 136 is equal to \$7,772.16 per net acre or benefit unit. The Benefit Units assigned and the corresponding current maximum annual assessment, per Parcel within Benefit Zone 136, are listed as follows:

<b>Assessor Parcel Number</b>	<b>Net Acreage</b>	<b>Benefit Units</b>	<b>Estimated Maximum Annual Assessment</b>
331-100-027	1.43	1.43	\$11,114.20
331-100-028	1.85	1.85	14,378.50
<b>Totals</b>	<b>3.28</b>	<b>3.28</b>	<b>\$25,492.70</b>

Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2018 to June 30, 2019, reference is made to the Assessment Roll included herein as Attachment No. 1.

**PART 4.** **A Diagram of the Annexation.** The boundary of the area to be annexed is coincident with the boundary of CUP 16-05168. Said boundary is designated as "Diagram of Annexation of CUP 16-05168 to Benefit Zone 136, Landscape Maintenance District No. 1, City of Perris, County of Riverside, State of California". The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

**PART 5.** **A Consent and Waiver for Annexation** to the District has been signed by the owner of the area within the proposed annexation. Said consent and waiver are included herein as Attachment No. 3.

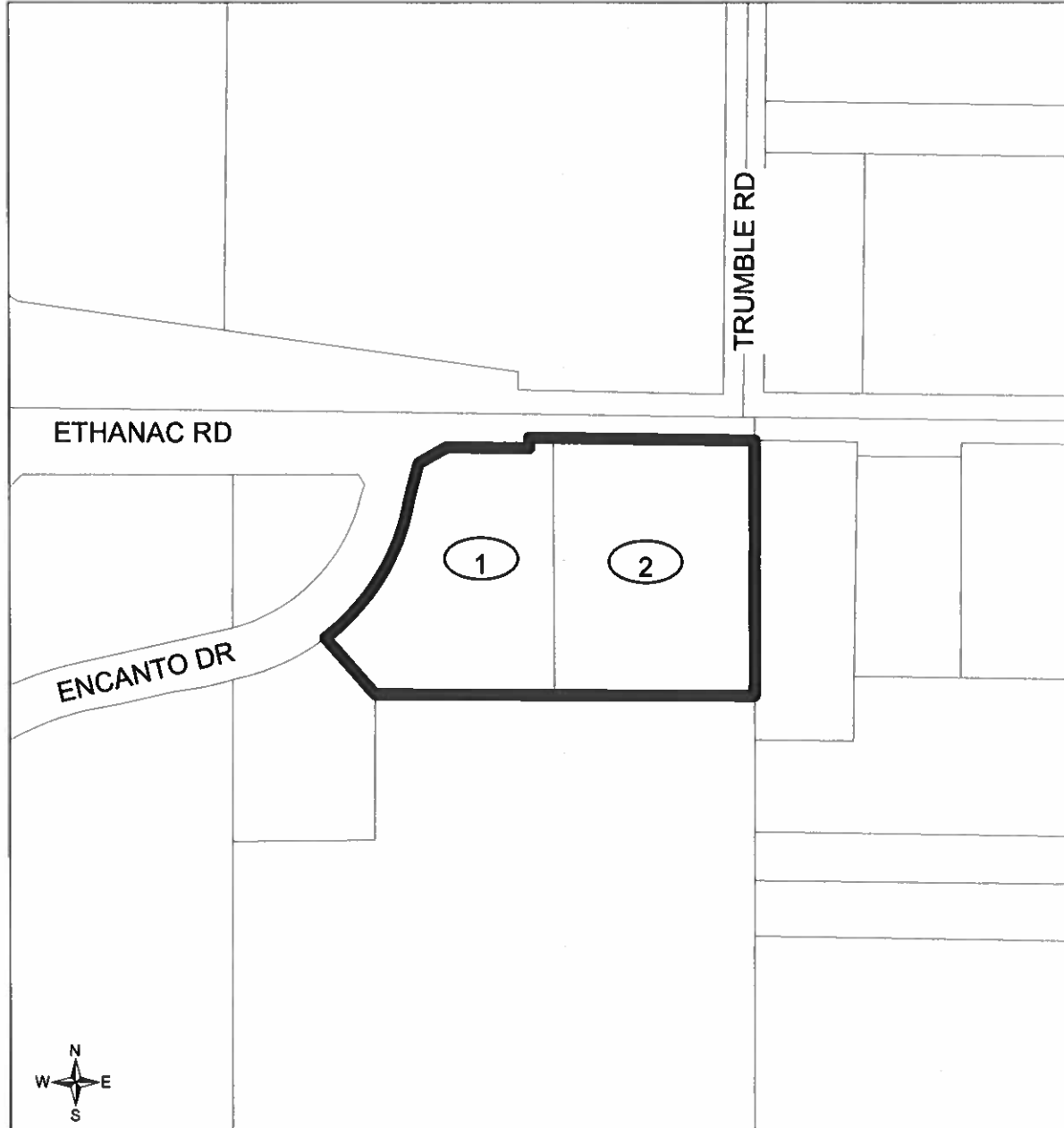
**Assessment Roll  
Annexation of CUP 16-05168  
To Benefit Zone 136,  
Landscape Maintenance District No. 1, City of Perris**

<u>Benefit Zone and Assessment Number</u>	<u>Assessor Parcel Number</u>	<u>Estimated Annual Assessment</u>	<u>Fiscal Year 2018/2019</u>
136	331-100-027	\$11,114.20	\$00.00
136	331-100-028	<u>14,378.50</u>	<u>00.00</u>
Totals		\$25,492.70	\$00.00

Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

# DIAGRAM OF ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 136 LANDSCAPE MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



**Legend**

-  ANNEXATION BOUNDARY
-  MAP REFERENCE NUMBER

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	331-100-027
2	331-100-028



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

**CONSENT AND WAIVER TO ANNEXATION**

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA, has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, said special maintenance districts known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 and MAINTENANCE DISTRICT NO. 84-1 (hereinafter referred to as the "Maintenance Districts"); and,

WHEREAS, the provisions of Article II of Chapter 2 of the Act authorize the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA to order the annexation of territory to the Maintenance Districts; and,

WHEREAS, the CITY COUNCIL of the CITY OF PERRIS, CALIFORNIA may, pursuant to said provisions of the Act, order the annexation of territory to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" as would otherwise be required by the provisions of the Act if all of the owners of property within the territory proposed to be annexed, have given written consent to the proposed annexation; and,


WHEREAS, the undersigned, the owners of all property within the territory proposed to be annexed to the Maintenance Districts, acknowledge that pursuant to the provisions of the Act, the undersigned would be entitled to notice and hearing and the preparation of an Engineer's "Report" pertaining to the annexation of the property, acknowledge that they are aware of the proposed annexation to the Maintenance Districts of the property owned by the undersigned, and waives any and all right which the undersigned may now have to notice and hearing or the filing of an Engineer's "Report" pertaining to the annexation of the undersigned's property to the Maintenance Districts.

NOW, THEREFORE, it is hereby declared by the undersigned property owners as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the undersigned, constituting the owners of the property described in Exhibit "A" attached hereto and incorporated herein by this reference and further constituting all of the property within the territory proposed to be annexed to the Maintenance Districts, hereby consent to the proposed annexation of said property to the Maintenance Districts without notice and hearing or filing of an Engineer's "Report" pertaining to such annexation.

Dated: 10/23/18

  
\_\_\_\_\_  
Signature

List Property Owner Name and Mailing Address

Emarra L.P.  
764 W. Ramona Exprwy, Ste C  
PERRIS, CA 92571

# CALIFORNIA CERTIFICATE OF ACKNOWLEDGMENT

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

State of California )

County of Riverside )

On October 23, 2019 before me, Kim A. Derosia Notary Public,  
(here insert name and title of the officer)

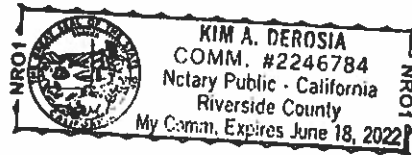
personally appeared Marwan Alabbasi

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

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

WITNESS my hand and official seal.

Signature 



(Seal)

## Optional Information

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of \_\_\_\_\_

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-Fact
- Corporate Officer(s) \_\_\_\_\_  
Title(s)

- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: \_\_\_\_\_

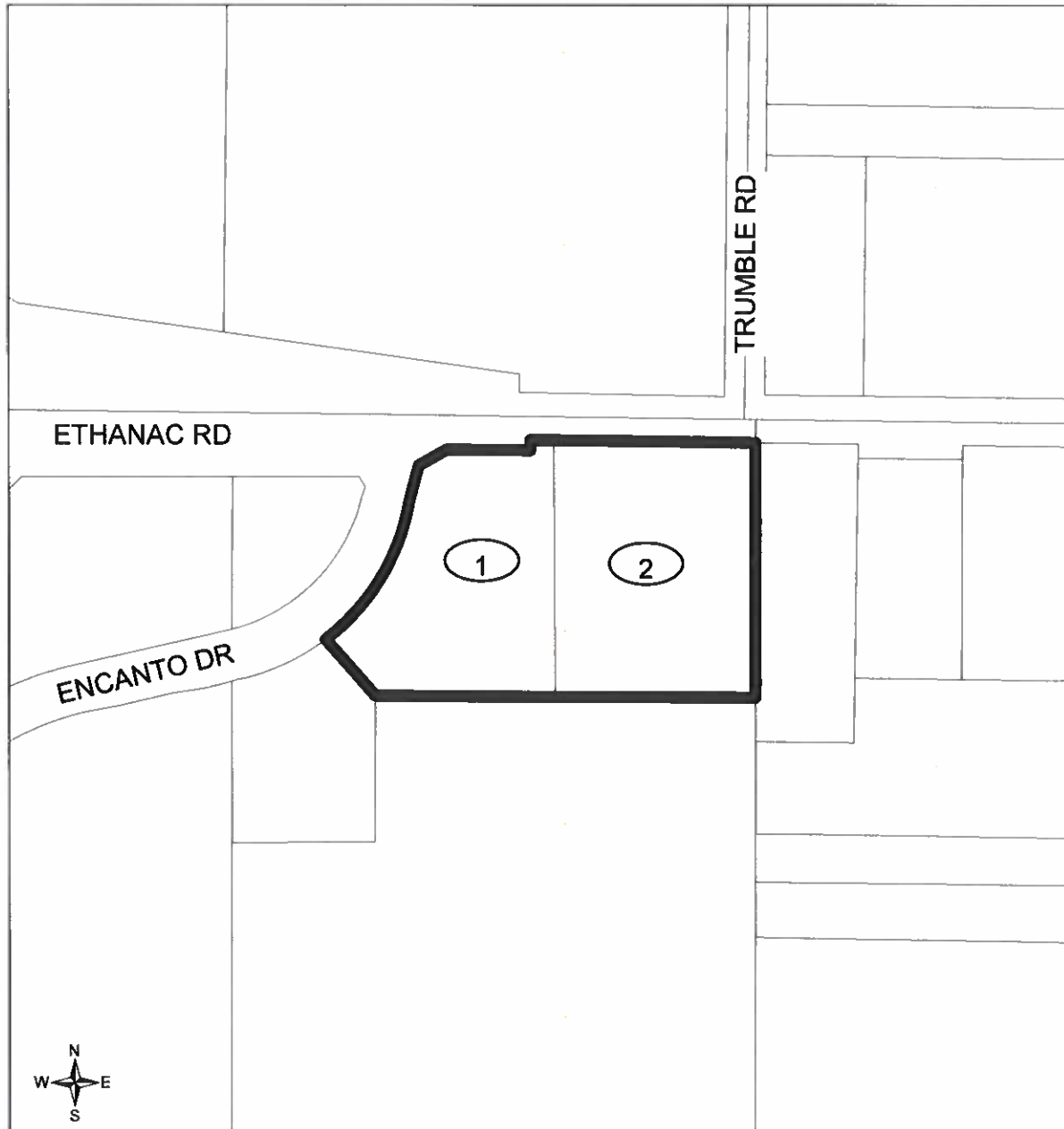
representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

Additional Information	
<b>Method of Signer Identification</b>	
Proved to me on the basis of satisfactory evidence:	
<input type="radio"/> form(s) of identification <input type="radio"/> credible witness(es)	
Notarial event is detailed in notary journal on:	
Page # _____	Entry # _____
Notary contact: _____	
<b>Other</b>	
<input type="checkbox"/> Additional Signer(s)	<input type="checkbox"/> Signer(s) Thumbprint(s)
<input type="checkbox"/> _____	



# EXHIBIT "A" TO CONSENT AND WAIVER FOR ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 136 LANDSCAPE MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



**Legend**

- ANNEXATION BOUNDARY
- MAP REFERENCE NUMBER

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	331-100-027
2	331-100-028



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

**RESOLUTION NUMBER XXX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 136, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1**

**WHEREAS**, the City Council of the City of Perris (the "City") has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, including the special maintenance district known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 (the "District"), and created BENEFIT ZONE 136 therein (hereinafter referred to as the "Benefit Zone 136"); and

**WHEREAS**, on the 13th day of November 2018, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number \_\_\_\_\_ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by Act in connection with the annexation of CUP 16-05168 to Benefit Zone 136; and

**WHEREAS**, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

**WHEREAS**, said City Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that no portion of the report requires or should be modified in any respect.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris as follows:

**Section 1.** The above recitals are true and correct and are incorporated herein by this reference.

**Section 2.** That the Engineer's estimate prepared by the City Engineer of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby, preliminary approved and confirmed.

**Section 3.** That the diagram showing the District referred to and described in said report, the boundaries of the subdivisions of the land within said District as the same existed at the time of passage of said Resolution, is hereby preliminarily approved and confirmed.

**Section 4.** That the proposed assessment upon the subdivisions of land in said District is in proportion to the estimated benefit to be received by said subdivision, respectively, from said work and of the incidental expenses thereof, as contained in said report is hereby preliminarily approved and confirmed.

**Section 5.** That said report shall stand as the Engineer's Report for the purposes of all subsequent proceedings, and pursuant to the proposed District.

**ADOPTED, SIGNED and APPROVED** this 13th day of November, 2018.

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Mayor, Michael M. Vargas

ATTEST:

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City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss  
CITY OF PERRIS )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 13th day of November, 2018, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

City Clerk, Nancy Salazar

**RESOLUTION NUMBER XXX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO ORDER THE ANNEXATION TO BENEFIT ZONE 136, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, DECLARING THE WORK TO BE OF MORE LOCAL THAN ORDINARY PUBLIC BENEFIT; SPECIFYING THE EXTERIOR BOUNDARIES OF THE AREA TO BE ANNEXED TO BENEFIT ZONE 136, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1 AND TO BE ASSESSED THE COST AND EXPENSE THEREOF; DESIGNATING SAID ANNEXATION AS ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 136, LANDSCAPE MAINTENANCE DISTRICT NUMBER 1; DETERMINING THAT THESE PROCEEDINGS SHALL BE TAKEN PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON JANUARY 8, 2019**

**WHEREAS**, the City Council of the City of Perris (the "City") has previously formed special maintenance districts pursuant to the terms of the "Landscaping and Lighting Act of 1972" (the "Act"), being Division 15, Part 2 of the Streets and Highways Code of the State of California, including the special maintenance district known and designated as LANDSCAPE MAINTENANCE DISTRICT NO. 1 (the "District"), and created BENEFIT ZONE 136 therein (hereinafter referred to as the "Benefit Zone 136"); and

**WHEREAS**, the provisions of Article II of Chapter 2 of the Act authorize the City Council to order the annexation of territory to the District; and

**WHEREAS**, on the 13th day of November 2018, the City Council of the City of Perris, County of Riverside, California ("the City Council") adopted its Resolution Number \_\_\_ directing the Engineer of Work to prepare and file with the City Clerk of said City a report in writing as required by the Act; and

**WHEREAS**, said Engineer of Work has prepared and filed with the City Clerk of said City a report (the "Engineer's Report") in writing as called for in said resolution and under and pursuant to said act, which report has been presented to this City Council for consideration; and

**WHEREAS**, said City Council has duly considered the Engineer's Report and each and every part thereof, and has found that each and every part of the Engineer's Report is sufficient, and that no portion of the report requires or should be modified in any respect; and

**WHEREAS**, the City now desires to declare its intention to annex certain property into Benefit Zone 136 of the District, pursuant to the Act and, more specifically, Section 22587 thereof, and to take certain other actions as required by the Act;

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

**Section 1. Recitals.** The Recitals set forth above are true and correct, and are incorporated herein by this reference.

**Section 2. Description of Work:** That the public interest and convenience requires and it is the intention of the City Council of the City of Perris to annex CUP 16-05168 to Benefit Zone 136 of the District, and to order the following work be done, to wit:

1. Installation, construction, maintenance, and servicing of landscaping as authorized by Section 22525 of the Streets and Highways Code, State of California.
2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

**Section 3. Location of Work:** The improvements to be maintained and serviced include the irrigation system, landscaping, and appurtenances benefiting CUP 16-05168. The four categories of improvements to be maintained are located as follows:

- Category 1 improvements consist of the Ethanac and Trumble Road parkways located within the public-right-of-way and along the frontage of Benefit Zone 136. These improvements are to be maintained annually under Benefit Zone 136.
- Category 2 improvements consist of the future Encanto Drive parkways and Ethanac and Trumble Road landscaped medians located within the public-right-of-way and along the frontage of Benefit Zone 136. Upon construction, these improvements are to be maintained annually under Benefit Zone 136.
- Category 3 improvements consist of Basin N and the WQMP Bio-Swale, both located within the Ethanac Road and Trumble Road public right-of-way and behind the property line. Annual maintenance of the Category 3 improvements is the responsibility of the property owner. Due to the nature and location of these facilities, if not maintained to standard, an assessment for maintenance is provided for under Benefit Zone 136.
- Category 4 improvements consist of additional landscaping behind the property line adjacent to the Category 1, 2 and 3 improvements.

Annual maintenance of the Category 4 improvements is the responsibility of the property owner. Due to the nature and location of these facilities, if not maintained to standard, an assessment for maintenance is provided for under Benefit Zone 136.

**Section 4.** Description of Assessment District: That the contemplated work, in the opinion of said City Council, is of more local than ordinary public benefit, and this City Council hereby makes the expense of said work chargeable upon a District, which said District is assessed to pay the costs and expenses thereof, and which District is described as follows:

All that certain territory of the City of Perris included within the exterior boundary lines shown upon that certain "Diagram of Annexation of CUP 16-05168 to Benefit Zone 136, Landscape Maintenance District Number 1" heretofore approved by the City Council of said City by Resolution No \_\_\_\_, indicating by said boundary line the extent of the territory included within the proposed assessment district and which map is on file in the office of the City Clerk of said City.

Reference is hereby made to said map for a further, full, and more particular description of said assessment district, and the said map so on file shall govern for all details as to the extent of said assessment district.

**Section 5.** Report of Engineer: The City Council of said City by Resolution Number \_\_\_\_ has preliminarily approved the report of the Engineer of Work which report indicated the amount of the proposed assessment, the district boundaries, assessment zones, detailed description of improvements, and the method of assessment. The report titled "Engineer's Report for Annexation of CUP 16-05168 to Benefit Zone 136, Landscape Maintenance District Number 1", is on file in the office of the City Clerk of said City. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.

**Section 6.** Collection of Assessments: The assessment shall be collected at the same time and in the same manner as taxes for the County of Riverside are collected. The Engineer of Work shall file a report annually with the City Council of said City and said City Council will annually conduct a hearing upon said report at their regular meeting before August 10th, at which time assessments for the next Fiscal Year will be determined. That the annual assessment reflecting the reasonable cost of providing for the maintenance, servicing and operation of the public landscaping and appurtenant facilities is equal to \$7,772.16 per Benefit Unit. Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

**Section 7.** Time and Place of Public Hearing: Notice is hereby given that on January 8, 2019, at 6:30 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, is hereby fixed

as the time and place for a hearing by this City Council on the question of the levying and collection of the proposed assessments. That any and all persons having any objections to the work or the extent of the annexation to the assessment district may appear and show cause why said work should not be done or carried out or why said annexation to the district should not be confirmed in accordance with this Resolution of Intention. City Council will consider all oral and written protests.

**Section 8.** Landscaping and Lighting Act of 1972: All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.

**Section 9.** Publication of Resolution of Intention: The City Clerk shall cause this Resolution of Intention to be published one time as required by 22552 of the California Streets and Highways Code, with the publication occurring no later than 10 days prior to the public hearing at which the City Council will consider levying the proposed special assessments. The published notice will encompass one-eighth of a newspaper page. The Perris City News is hereby designated as the newspaper in which the City Clerk shall publish this Resolution of Intention. Upon completion of giving notice, the City Clerk is further directed to file in her office a proof of publication setting forth compliance with the requirements for publishing.

**Section 10.** Mailing of Notice: The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of Section 54953 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

**Section 11.** Designation of Contact Person: That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

**Section 12.** Certification: The City Clerk shall certify to the adoption of this Resolution.

**ADOPTED, SIGNED** and **APPROVED** this 13th day of November, 2018.

\_\_\_\_\_  
Mayor, Michael M. Vargas

ATTEST:

\_\_\_\_\_  
City Clerk, Nancy Salazar

STATE OF CALIFORNIA    )  
COUNTY OF RIVERSIDE   ) §  
CITY OF PERRIS            )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 13th day of November, 2018, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
City Clerk, Nancy Salazar



CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: November 13, 2018

SUBJECT: Annexation of CUP 16-05168 to Flood Control MD No. 1

REQUESTED ACTION: Adoption of Resolution of Intention to Annex CUP 16-05168 to Flood Control Maintenance District No. 1 and set a public hearing date of January 8, 2019

CONTACT: Habib Motlagh, City Engineer

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BACKGROUND/DISCUSSION: CUP 16-05168 is a 3.28-acre industrial project under the ownership of Emarra L.P. Encanto Drive is located along the project's west boundary, Ethanac Road is located along the project's north boundary, and Trumble Road is located along the project's east boundary. As a condition of approval, the project is required to annex into FCMD 1. This district provides revenue for the annual maintenance of interior streets (residential only) and flood control improvements installed in conjunction with new development.

The project will benefit from the maintenance and servicing of public flood control facilities that protect the project from inundation. In general, these public improvements channel, contain and convey the storm flow to the Romoland "Line A" Interim Channel. The improvements include catch basins, storm drain pipes, box culverts, and appurtenances.

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BUDGET (or FISCAL) IMPACT: The maximum annual assessment is \$2,135.40. Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

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Reviewed by:

Assistant City Manager AM

Director of Finance Jt

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

Attachments: 1. Engineer's Report  
2. Resolution of Intention to Annex CUP 16-05168 to Flood Control MD No. 1

Consent:

**AGENCY: City of Perris**

**PROJECT: Annexation of CUP 16-05168  
To Benefit Zone 101, Flood Control Maintenance District No. 1**

**TO: City Council  
City of Perris  
State of California**

**REPORT PURSUANT TO "BENEFIT ASSESSMENT ACT OF 1982"**

Pursuant to the direction from the City Council of the City of Perris, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Part 1 of Division 2 of Title 5 of the Government Code of the **STATE OF CALIFORNIA**, being the "Benefit Assessment Act of 1982", as amended, commencing with Section 54703. This "Report" provides for the annexation into the District of additional parcels and the levy of assessments for the fiscal year commencing July 1, 2018 to June 30, 2019, for that area to be known and designated as:

**"Annexation of CUP 16-05168  
To Benefit Zone 101, Flood Control Maintenance District No. 1"**

I do hereby assess and apportion the total amount of the costs and expenses upon the several parcels of land within said designated area liable therefor and benefited thereby, in proportion to the estimated benefits that each parcel receives, respectively, from said maintenance works of improvement and appurtenances.

Executed this 13th day of November, 2018.

---

**HABIB M. MOTLAGH, City Engineer  
CITY OF PERRIS  
STATE OF CALIFORNIA**

Final approval, confirmation and levy of the annual assessment and all matters relating to annexation and the Engineer's "Report" were made on the 8<sup>th</sup> day of January 2019, by adoption of Resolution \_\_\_\_ of the City Council.

---

**NANCY SALAZAR, City Clerk  
CITY OF PERRIS  
STATE OF CALIFORNIA**

A copy of the Assessment Roll and Engineer's "Report" were filed in the Office of the City Clerk on the 13th day of November, 2018.

---

**NANCY SALAZAR, City Clerk  
CITY OF PERRIS  
STATE OF CALIFORNIA**

## Report

**PART 1.** **A General Description** of the flood control improvements includes facilities that will accommodate the storm flow and protect Benefit Zone 101 from inundation. These public improvements channel, contain and convey the storm flow to the Romoland "Line A" Interim Channel. The improvements include catch basins, storm drain pipes, box culverts, and appurtenances.

Maintenance and upkeep of these storm drainage facilities includes, but is not limited to, grading, general cleanup and debris removal, inspections, stenciling, replacement and repairs. Annual photo documentation is scheduled to take place, along with silt removal as required. Depending on that year's storm drain flow and the level of debris in the flow, a system cleaning may be required after the first rain and again during or at the end of the rainy season.

It is noted that all private on-site storm drain facilities and basins identified within the property line are to be maintained by the property owner and not the City of Perris.

**PART 2.** **Plans and Specifications** for the improvements to be maintained for a fiscal year have been approved by the City of Perris. The improvements are identified on the plans and specifications entitled as follows:

"Street Improvement Plans - Motte Town Center, City of Perris CUP 16-05168", as prepared by United Engineering Group

The plans and specifications have been approved by both the City Engineer for the City of Perris and the Chief Engineer for the Riverside County Flood Control and Water Conservation District and are on file in the City of Perris Office of Community Development. The plans and specifications sufficiently show and describe the general nature, location and extent of the improvements, and by reference, are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto.

**PART 3.** **An Estimate** of the cost for the public improvements to be maintained and/or improved for a given fiscal year includes labor, equipment, materials, and appurtenances. Incidentals include annual engineering, legal, City Clerk, and finance expenses to the District, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

The maximum annual assessment is based on the estimated cost of maintaining the facilities. The annual assessment levied will be based on the actual expenses incurred by Benefit Zone 101. The estimated annual cost for maintenance of the facilities maintained under Benefit Zone 101 is listed on the following page.

The estimated annual cost for maintenance of the facilities maintained under Benefit Zone 101 is listed below.

<b>Item</b>	<b>Quantity</b>	<b>Unit</b>	<b>Unit Cost</b>	<b>Total Annual Cost</b>
Catch Basin	1	Each	\$132.00	\$132.00
Storm Drain Inlet	1	Each	132.00	132.00
Storm Drain Outlet	1	Each	126.00	126.00
8" Reinforced Concrete Pipe	22	LF	4.25	93.50
Reinforced Concrete Box	162	LF	8.00	1,296.00
Subtotal				\$1,779.50
Incidentals & Contingency				355.90
<b>Estimated Benefit Zone 101 Annual Costs</b>				<b>\$2,135.40</b>

With service intervals and staggered maintenance operations, revenue requirements for maintenance will fluctuate year to year. Each year's maintenance operations will be funded by that year's assessment plus the fund balance remaining from prior year assessments.

Zero costs will be assessed to Benefit Zone 101 incurred for the fiscal year commencing July 1, 2018 to June 30, 2019.

**PART 4**

**The Assessment Roll** shows the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries of the Diagram, enclosed herein as Part 5.

The storm drainage facilities will accommodate the storm flow specifically impacting Benefit Zone 101. These improvements specifically benefit the area within the annexation; and, the improvements were required for the approval of, and as of consequence of, development of this area.

The method of assessment is based on units, with the benefit units assigned to the net area within Benefit Zone 101. The current maximum annual assessment reflecting the reasonable cost of providing for the maintenance and servicing of the public improvements and appurtenant facilities is equal to \$651.04 per net acre or benefit unit.

The Benefit Units assigned, and corresponding current maximum annual assessment, per Parcel, are listed as follows:

<b>Assessor Parcel Number</b>	<b>Net Acreage</b>	<b>Benefit Units</b>	<b>Estimated Maximum Assessment</b>
331-100-027	1.43	1.43	\$930.98
331-100-028	1.85	1.85	1,204.42
Totals	3.28	3.28	\$2,135.40

Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

For the current maximum annual assessment and the assessment for the fiscal year commencing July 1, 2018 to June 30, 2019, reference is made to the Assessment Roll included herein as Attachment No. 1.

A 6-month tax roll reserve provides funding for the cost of servicing and maintenance prior to the receipt of tax collections from the County of Riverside. The fiscal year begins July 1 and the first installment from the tax roll collections are usually distributed by the County of Riverside the following January. A 6-month tax roll reserve for the current maintenance of the flood control facilities and incidental costs is estimated to be \$1,067.70.

**PART 5.** **A Diagram of the Annexation.** The boundary of the area to be annexed is coincident with CUP 16-05168. Said boundary is designated as "Diagram of Annexation of CUP 16-05168 to Benefit Zone 101, Flood Control Maintenance District No. 1, City of Perris, County of Riverside, State of California". The Diagram is included herein as Attachment No. 2, which shows the boundaries of the area of benefit. Reference is made to the County Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County Assessor's Maps for the fiscal year to which the "Report" applies.

**PART 6.** **A Petition for Annexation to the District** has been signed by the owners of the area within the proposed annexation. Said petitions are included herein as Attachment No. 3.

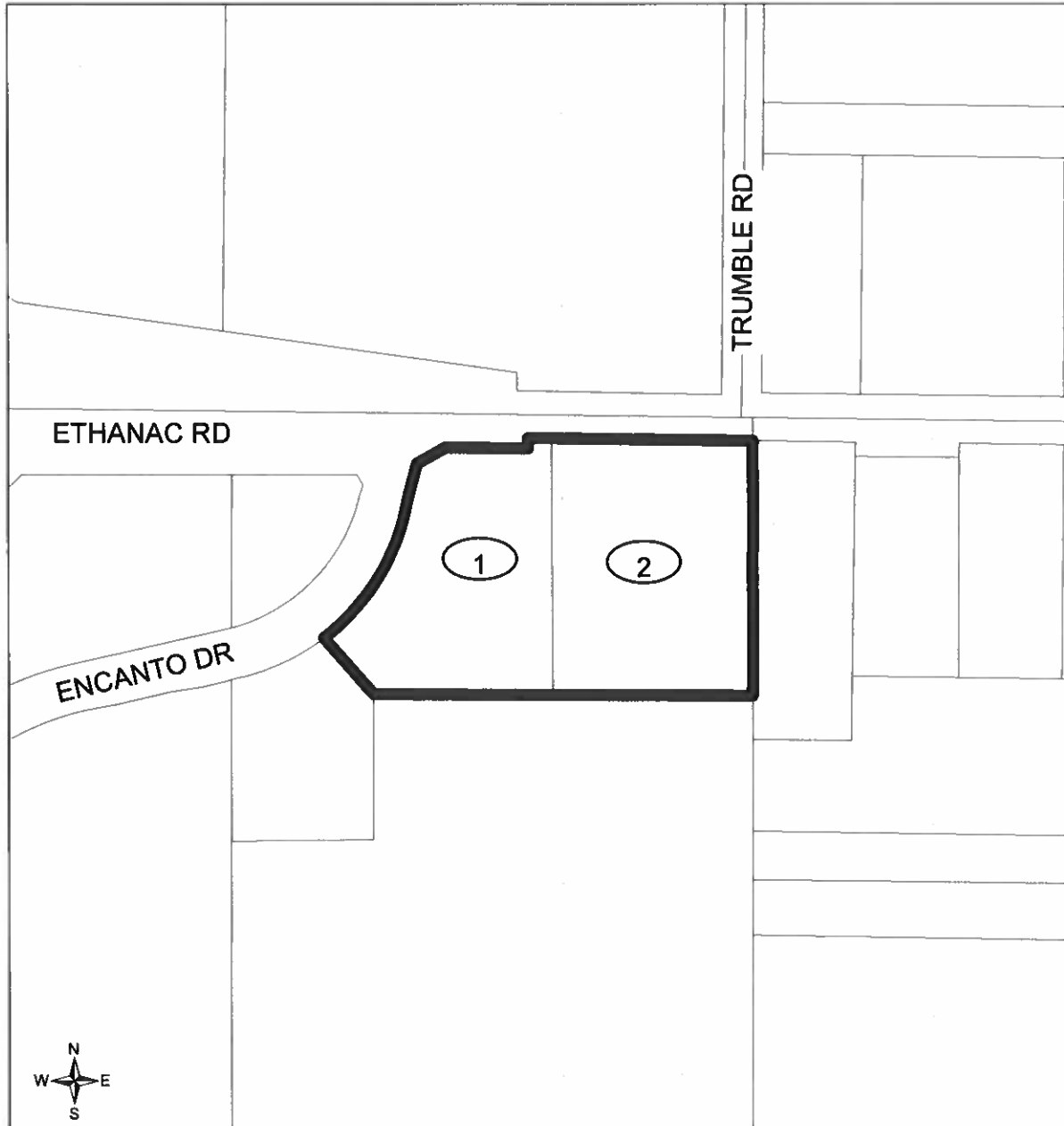
**Assessment Roll**  
**Annexation of CUP 16-05168**  
**To Benefit Zone 101,**  
**Flood Control Maintenance District No. 1, City of Perris**

<u>Benefit Zone and Assessment Number</u>	<u>Assessor Parcel Number</u>	<u>Estimated Annual Assessment</u>	<u>Fiscal Year 2018/2019</u>
101	331-100-027	\$930.98	\$0.00
101	331-100-028	<u>1,204.42</u>	<u>0.00</u>
	Totals	\$2,135.40	\$0.00

Each year the current maximum annual assessment shall be increased by an amount equal to the "Common Labor, Construction Cost Index", as published by Engineering News Record. If a deficit is projected for the upcoming fiscal year, the assessment can be further increased by an amount equal to the Southern California Edison and the Eastern Municipal Water District rate percent increase(s) projected for the upcoming fiscal year.

# DIAGRAM OF ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 101 FLOOD CONTROL MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



- Legend**
-  ANNEXATION BOUNDARY
  -  MAP REFERENCE NUMBER

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	331-100-027
2	331-100-028



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

**PETITION FOR THE ANNEXATION TO A BENEFIT ASSESSMENT DISTRICT TO FINANCE  
THE MAINTENANCE OF CERTAIN PUBLIC IMPROVEMENTS**

**BEFORE THE CITY COUNCIL OF THE CITY OF PERRIS,  
STATE OF CALIFORNIA**

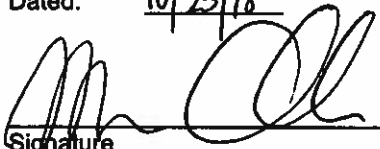
In the matter of the proposed )  
Annexation to City of Perris )  
Flood Control Maintenance District No. 1 )

TO: The City Council of the City of Perris

We, the undersigned, hereby:

- (1) Petition you to initiate and complete all necessary proceedings under the Benefit Assessment Act of 1982, Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the California Government Code for the annexation to a benefit assessment district for the maintenance of certain flood control improvements which benefit the property described on Exhibit "A" attached hereto and incorporated herein by this reference to the Maintenance District.
- (2) Certify that the proposed annexation to a benefit assessment district that will be subject to assessment for maintenance of such improvements, is that real property in the City of Perris, County of Riverside, State of California, generally described on Exhibit "A" attached hereto and incorporated herein by this reference to the Maintenance District.
- (3) Certify that we constitute the owners(s), including mortgagees or beneficiaries under any existing mortgage or subject to assessment for the proposed annexation, of the property in the proposed annexation to a benefit assessment district, as shown by the last equalized assessment roll used by the County of Riverside at the time this Petition is filed and also constitute the owner(s) of sixty percent (60%) of the area of all assessable lands within the proposed annexation to a benefit assessment district.
- (4) In order to expedite the project, agree to dedicate all necessary rights-of-way or easements as determined necessary for maintenance of the public improvements.

Dated: 10/23/18

  
\_\_\_\_\_  
Signature

List Property Owner Name and Mailing Address  
Emarra L.P.  
764 W. Ramona Expwy, Ste C  
PERRIS, CA 92571



# CALIFORNIA CERTIFICATE OF ACKNOWLEDGMENT

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

State of California )

County of Riverside )

On October 23, 2010 before me, Kim A. DeRosia, Notary Public  
(here insert name and title of the officer)

personally appeared Mansour Alalabesi

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

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

WITNESS my hand and official seal.



Signature \_\_\_\_\_

(Seal)

## Optional Information

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of \_\_\_\_\_

containing \_\_\_\_\_ pages, and dated \_\_\_\_\_

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-Fact
- Corporate Officer(s) \_\_\_\_\_  
Title(s)
- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

### Additional Information

#### Method of Signer Identification

Proved to me on the basis of satisfactory evidence:  
 form(s) of identification     credible witness(es)

Notarial event is detailed in notary journal on:  
 Page # \_\_\_\_\_ Entry # \_\_\_\_\_

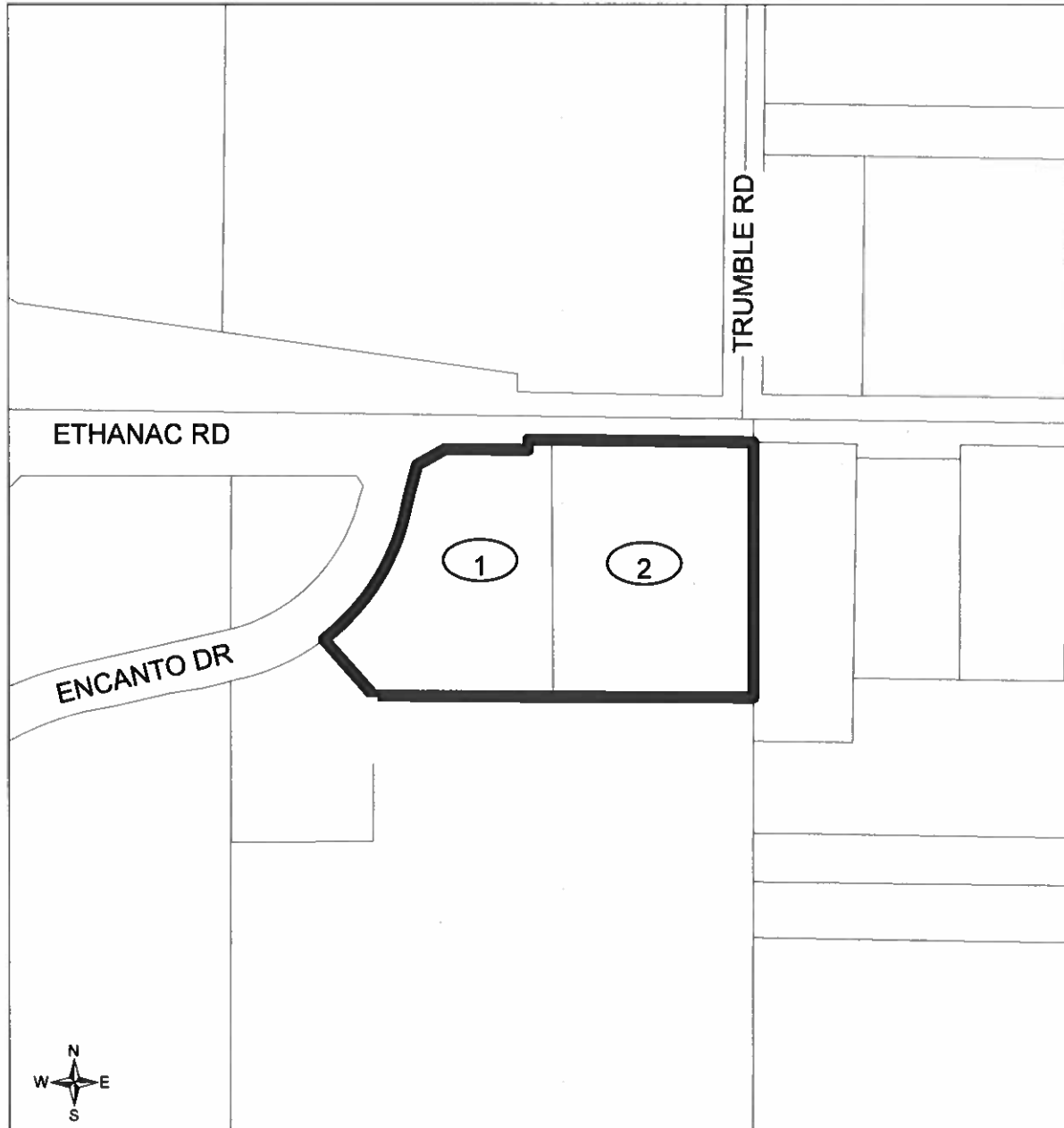
Notary contact: \_\_\_\_\_

#### Other


- Additional Signer(s)     Signer(s) Thumbprint(s)
- \_\_\_\_\_

# EXHIBIT "A" TO CONSENT AND WAIVER FOR ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 101 FLOOD CONTROL MAINTENANCE DISTRICT NO. 1

CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



**Legend**

-  ANNEXATION BOUNDARY
-  MAP REFERENCE NUMBER

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	331-100-027
2	331-100-028



REFERENCE THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

**RESOLUTION NUMBER XXX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DECLARING INTENTION TO AUTHORIZE LEVYING ASSESSMENTS UPON CERTAIN PARCELS OF REAL PROPERTY, TO ORDER ANNEXATION OF CUP 16-05168 TO BENEFIT ZONE 101, FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, PURSUANT TO THE BENEFIT ASSESSMENT ACT OF 1982; AND OFFERING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO ON JANUARY 8, 2019**

**WHEREAS**, the City Council of the City of Perris, County of Riverside, California ("this City Council"), wishes to provide continued financing for necessary maintenance of certain flood control and drainage improvements within the boundaries of CUP 16-05168 through the levy of benefit assessments pursuant to the provisions of Chapter 6.4 (commencing with Section 54703) of Part 1 of Division 2 of Title 5 of the California Government Code commonly known as the "Benefit Assessment Act of 1982", (the "Act"); and

**WHEREAS**, Emarra L.P. (the "Owner") has presented signed petitions to the City Council requesting the annexation of CUP 16-05168 to a benefit assessment district to finance the maintenance of those certain drainage and flood control improvements permitted pursuant to Sections 54710 and 54710.5 of the Act (the "Improvements") which benefit properties within CUP 16-05168; and

**WHEREAS**, the City Council now proposes to levy benefit assessments under the provisions of the Act to insure continued financing to maintain the Improvements pursuant to the Act, all for the benefit of parcels within CUP 16-05168; and

**WHEREAS**, to accomplish such purposes, the City Council proposes to annex CUP 16-05168 to Benefit Zone 101, Flood Control Maintenance District No. 1.

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

**Section 1.** The public interest, convenience, and necessity require, and it is the intention of the City Council pursuant to the provisions of the Act to maintain the Improvements for the benefit of the properties within the area of benefit.

**Section 2.** Maintenance of the improvements will be of direct benefit to parcels within CUP 16-05168 which are hereby declared to be the properties benefited by the Improvements and to be assessed to pay the cost and expenses thereof. The area of benefit shall be all that part of the City within the boundaries shown on the map entitled "Diagram of Annexation of CUP 16-05168 to Benefit Zone 101, Flood Control Maintenance District Number 1" on file in the office of the City Clerk of the City of Perris, California.

**Section 3.** At least forty-five (45) days prior to the date set for the hearing on the proposed assessment, the Assessment Engineer is hereby directed to file with the City Clerk a written report (the "Engineer's Report") pursuant to the Act, Government Code Section 53753 and Article XIID of the Constitution of the State of California, containing the following:

- a. A description of the service proposed to be financed through the revenue derived from the benefit assessments.
- b. A description of each lot or parcel of property proposed to be subject to the benefit assessments. The assessor's parcel number or Tract Map number shall be a sufficient description of the parcel.
- c. The amount of the proposed assessment for each parcel.
- d. The basis and schedule of the assessments.
- e. Other such matters as the Assessment Engineer shall deem appropriate.

**Section 4.** On the 8th day of January, 2019, at 6:30 p.m., in the City Council Chambers of the City Council of the City of Perris, California, 101 North "D" Street, in the City of Perris, State of California, the City Council will conduct a Protest Hearing at which time any and all persons having any objections to the work or extent of the annexation to the assessment district, may appear and show cause why said work should not be done or carried out in accordance with this Resolution of Intention. The City Council will consider all oral and written protests.

**Section 5.** The City Clerk is hereby directed to publish notice of the hearing on the proposed assessment and notice of the filing of the Engineer's Report once a week for two successive weeks, with at least five days intervening between the respective publication dates, not counting such publication dates, in the Perris City News, a newspaper of general circulation within the area of benefit. The notice shall be 1/8 of a page in size and contain the following information:

- a. The amount of the assessment.
- b. The purpose of the assessment.
- c. The total estimated assessments expected to be generated annually.
- d. The method and frequency for collecting the assessment.
- e. The date, time, and location of the public hearing.
- f. The phone number and address of an individual that interested persons may contact to receive additional information about the assessment.

**Section 6.** The City Clerk is also hereby instructed to give additional notice of the hearing and notice of the filing of the Engineer's Report by posting a copy of this resolution in three public places within the City of Perris.

**Section 7.** The City Clerk shall also give notice by a first-class mailing to all owners of property subject to any new or increased assessments, including the Owners. The notice shall be mailed no later than 45 days prior to the public hearing at which the City Council will consider levying the new or increased assessments and shall be at least in 10 point type. The form of said notice shall conform in all respects with the requirements of subdivision (b) of

Section 53753 of the Government Code and pursuant to subdivision (c) of that section, each notice shall contain an assessment ballot whereon the property owner may indicate support or opposition to the proposed assessment.

**Section 8.** That this City Council does hereby designate, Habib Motlagh, City Engineer of the City of Perris, (951) 943-6504 as the person to answer inquiries regarding the District and the proposed annexation thereto.

***ADOPTED, SIGNED*** and ***APPROVED*** this 13th day of November, 2018.

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Mayor, Michael M. Vargas

ATTEST:

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City Clerk, Nancy Salazar

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §  
CITY OF PERRIS )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number XXX was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held 13th day of November, 2018, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: November 13, 2018**

**SUBJECT:** Community Benefit Agreement with NGU Distribution, LLC

**REQUESTED ACTION:** Consider approval of Community Benefit Agreement between the City of Perris and NGU Distribution, LLC located at 144 Malbert Street, Suites A through D.

**CONTACT:** Dr. Grace Williams, Director of Planning and Economic Development 

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**BACKGROUND/ DISCUSSION:**

NGU Distribution, LLC has applied for a City of Perris Commercial Marijuana Operation Permit to conduct a wholesale commercial marijuana distribution operation located at 144 Malbert Street, Suites A through D, Perris CA 92570. This use will be in conjunction with an approved marijuana cultivation operation (PLN 18-05060) at this location. "Distribution" is the procurement, sale, and transport of marijuana and marijuana products between entities licensed for and/or engaged in commercial marijuana activities. (Perris Municipal Code (PMC) section 5.58.030(N).)

PMC section 5.58.128 (Community Benefit Agreement) provides in part that "prior to operating in the city and issuance of a certificate of occupancy, in addition to the issuance of a Commercial Marijuana Operation Permit, a distribution... commercial marijuana operation shall apply for and enter into a Community Benefit Agreement with the city..."

NGU Distribution and City staff have negotiated a Community Benefit Agreement (CBA). Major details of the negotiated CBA include:

1. Fees. Provides for payment of fees on a quarterly basis to the City of 6% of the proceeds (defined as total gross revenue) of the proposed distribution operation, that is realized from non-NGU products (the CBA exempts products that originate with NGU to avoid double taxation).
2. General Fund. The fees are for the funding of City programs and activities that benefit the City of Perris community, to be deposited into the City's general fund and available for any lawful purpose as determined by the City Council.
3. Termination. Fee collection terminates upon the date collection begins of a tax approved by the voters that is similar to the community benefit fee.

NGU Distribution provided to the City the following accounting of charges levied on commercial marijuana distribution operations in the region:

- City of Los Angeles: 1% gross receipts from transportation
- Culver City: Range of 2-6% with an initial rate of 2%
- City of San Diego: 5%
- Santa Ana: 8% of gross receipts, or \$4 per square foot (annually), whichever is higher
- Long Beach: 6%
- Costa Mesa: 6%

Based upon these examples, City staff and NGU Distribution agreed to a competitive fee of 6%.

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Pursuant to PMC section 5.58.128(C) the City Council may not approve the CBA unless the City Council finds that the provisions of the agreement protect and promote the public health, safety, and welfare of the City and its residents, through findings such as, but not limited to, the following:

- The proposed operation will provide economic benefits to the City; and/or
- The proposed operation will provide employment opportunities for City residents; and/or
- The proposed operation will positively impact the community, based on factors such as, without limitation, whether and to what extent the proposed operation will offer or engage in community service, education, outreach and engagement programs.

**RECOMMENDATION:**



The above referenced findings are provided in the attached Community Benefit Agreement. The Director of Development Services has determined that: a) The CBA is categorically exempt from CEQA pursuant Sections 15060(c)(2) and 15061(b)(3) as approval of this Agreement would not result in a direct or reasonably foreseeable indirect physical change in the environment; and b) The CBA is consistent with policies of the City and PMC Chapter 5.58, Section 5.58.128(B). Therefore, staff recommends approval of the Community Benefit Agreement between the City of Perris and NGU Distribution, LLC to permit wholesale commercial marijuana distribution at 144 Malbert Street.




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**BUDGET (or FISCAL) IMPACT:**

Execution of the CBA will generate fees for deposit into the City's general fund, for the funding of City programs and activities that benefit the City of Perris community, and available for any lawful purposes as determined by the City Council.

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Prepared by: Nathan Perez, Associate Planner   
Reviewed by: Kenneth Phung, Planning Manager 

City Attorney: Eric Dunn  
Assistant City Manager: Darren Madkin   
Assistant City Manager: Clara Miramontes   
Director of Finance: Jennifer Erwin 

**Consent Item: November 13, 2018**

Attachment: 1. Proposed Community Benefit Agreement



**COMMUNITY BENEFIT AGREEMENT**  
**by and between**  
**CITY OF PERRIS and**  
**NGU DISTRIBUTION, LLC**

This Community Benefit Agreement (“Agreement”) is made and entered into this \_\_\_\_ day of November \_\_, 2018 by and between the City of Perris, a California municipal corporation (“City”), and NGU Distribution, LLC, a California limited liability company (“Operator”). The City and Operator shall be referred to jointly within this Agreement as the “Parties” and individually as a “Party.”

**RECITALS**

- A. Chapter 5.58 (Commercial Marijuana Operations Regulatory Program) of the Perris Municipal Code (“PMC”) provides for the issuance of City of Perris Commercial Marijuana Operation Permits to qualified marijuana distributors which authorize the commercial activity involving the procurement, sale, and transport of marijuana and marijuana products between entities licensed for and/or engaged in commercial marijuana activities.
- B. Operator desires a City of Perris Commercial Marijuana Operation Permit for marijuana distribution to be issued to Operator. The City has accepted an application from Operator for the issuance of such a permit.
- C. Perris Municipal Code section 5.58.128 (Community Benefit Agreement) provides that prior to operating in the City of Perris and issuance of a certificate of occupancy, in addition to the issuance of a City of Perris Commercial Marijuana Operation Permit, a distribution commercial marijuana operation shall apply for and enter into a community benefit agreement with the City setting forth the terms and conditions under which the distribution commercial marijuana operation will operate that are in addition to the requirements of Chapter 5.58 of the Perris Municipal Code, possibly including, but not limited to, public outreach and education, community service, payment of fees and other charges as mutually agreed, and such other terms and conditions that will protect and promote the public health, safety, and welfare of the City and its residents.
- D. City staff and Operator have negotiated a community benefit agreement, as provided for herein, setting forth the terms and conditions under which the proposed commercial marijuana distribution operation will operate, that are in addition to the requirements of Chapter 5.58 of the Perris Municipal Code.
- E. The City of Perris Director of Development Services has prepared a report to the City Council on the terms and conditions of the proposed community benefit agreement which concludes that the Agreement as proposed is consistent with the policies of the City as well as the requirements of Chapter 5.58 of the Perris Municipal Code, as required by PMC Section 5.58.128(B)(3).
- F. The City Council finds, pursuant to the requirements of PMC Section 5.58.128(C), that the provisions of the Agreement protect and promote the public health, safety, and welfare of the City and its residents, for reasons which include:

- i. The proposed commercial marijuana distribution operation will provide economic benefits to the City through the payment of fees to the City for public purposes; and/or
- ii. The proposed commercial marijuana distribution operation will provide employment opportunities for City residents; and/or
- iii. The proposed commercial marijuana distribution operation will positively impact the community through the payment of fees to the City for public purposes.

### **OPERATIVE PROVISIONS**

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the parties agree as follows:

#### **1. RECITALS.**

The Recitals set forth above are incorporated herein by this reference.

#### **2. DEFINITIONS.**

Within this Agreement, the following terms have the meanings set forth below:

**2.1** "City Council" means the City Council of the City of Perris.

**2.2** "Commercial marijuana operation permit" means a City of Perris permit issued pursuant to the procedures provided for in Chapter 5.58 of the Perris Municipal Code and which allows the permit holder to operate a specific type of commercial marijuana operation in the City of Perris subject to the requirements of Chapter 5.58 of the Perris Municipal Code, state law, and the specific permit.

**2.3** "Distribution" means the procurement, sale, and transport of marijuana and marijuana products between entities licensed for and/or engaged in commercial marijuana activities.

**2.4** "Finance Director" shall mean the Finance Director of the City of Perris and his/her designee(s).

**2.5** "Marijuana" has the same definition as provided for in Section 26001 of the Business & Professions Code for the term "cannabis," and as may be amended, defined as "all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. 'Cannabis' also means the separated resin, whether crude or purified, obtained from cannabis. 'Cannabis' does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt,

derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.”

**2.6** “**Marijuana products**” means marijuana that has undergone a process whereby the plant material has been transformed into a concentrate, including but not limited to, concentrated marijuana, or an edible or topical product containing marijuana or concentrated marijuana and other ingredients.

**2.7** “**Proceeds**” means total revenue and/or money received through the sale of goods and/or services before any deductions or allowances (e.g., rent, cost of goods sold, taxes).

### **3. TERM**

**3.1 Term.** The term of this Agreement (the “Term”) starts on the date provided hereto at the top of this Agreement, and shall continue in full force and effect until one of the following events occurs:

- a. Operator fails to maintain a current and valid City of Perris Commercial Marijuana Operation Permit for distribution (including, but not limited to, through revocation by the City or the failure to renew the permit); or
- b. Operator permanently ceases marijuana distribution operations in the City of Perris conducted pursuant to a City of Perris Commercial Marijuana Operation Permit associated with this Agreement; or
- c. The Parties terminate this Agreement pursuant to mutual written agreement.

### **4. FEES.**

As consideration for the issuance of both a Commercial Marijuana Operation Permit for marijuana distribution activities in the City of Perris as well as a certificate of occupancy, and pursuant to Perris Municipal Code section 5.58.128, Operator agrees to the payment of the following fees to the City of Perris:

#### **4.1 Community Benefit Fees.**

- a. Operator shall pay to the City quarterly (i.e., every three months) fees, for the funding of City programs and activities that benefit the City of Perris community, to be deposited into the City’s general fund and available for any lawful purposes as determined by the City Council.
- b. The quarterly fees shall be a percentage of the proceeds of the distribution operation conducted by Operator in the City pursuant to the associated Commercial Marijuana Operation Permit for marijuana distribution activities issued to Operator by the City of Perris. Fees will not be assessed on the procurement, sale, and transport of marijuana and marijuana products which originate in whole from commercial marijuana businesses wholly owned and operated by all the members and owners of NGU Distribution, LLC.

- c. The percentage payable quarterly in community benefit fees shall be 6% (six percent) of the quarterly proceeds of Operator.
- d. If a tax similar in kind to the community benefit fee is approved by the voters of the City of Perris, the community benefit fee will no longer be assessed or payable to the City of Perris upon the date such tax begins to be collected by the City of Perris.

## **5. OPERATION.**

### **5.1 Records**

- a. Operator shall keep, and require subcontractors to keep, such ledgers, books of accounts, invoices, vouchers, canceled checks, reports, studies or other documents relating to its proceeds (the “books and records”), as shall be necessary to pay the fees required by this Agreement and enable the Finance Director to evaluate the payment of such fees. Any and all such documents shall be maintained in accordance with generally accepted accounting principles and shall be complete and detailed.
- b. Limited exclusively to purposes concerning the performance and enforcement of this Agreement, the Finance Director shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records.
- c. All information gained by City from Operator in performance of this Agreement shall be considered confidential to the fullest extent provided by law, unless such information is in the public domain. City shall not release or disclose any such information to persons or entities other than City without prior written authorization from the Operator, unless disclosure is otherwise required by law.
- d. Such records shall be maintained for a period of three (3) years following payment of fees hereunder, and the City shall have access to such records in the event any audit is required.

### **5.2 Failure to Pay Fees**

- a. Failure by Operator to make fee payments as provided herein shall be subject to a penalty equal to twenty-five percent of the amount of the fee (in addition to the amount of the fee), plus interest on the unpaid fee calculated from the due date of the fee at a rate of ten percent; and, an additional penalty equal to twenty-five percent of the amount of the fee for each month thereafter if the fee remains unpaid for a period exceeding one calendar month beyond the due date, plus interest on the unpaid fee and interest on the unpaid penalties calculated from the due date of the fee at a rate of ten percent.

- b. Whenever a check is submitted in payment of a fee and the check is subsequently returned unpaid by the bank upon which the check is drawn, and the check is not redeemed prior to the due date, the Operator will be liable for the fee amount due plus penalties and interest as provided for in this section.
- c. The Finance Director may waive penalties of twenty-five percent each imposed upon Operator if:
  - (i) The Operator provides evidence satisfactory to the Finance Director that failure to pay timely was due to circumstances beyond the control of the Operator and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, and the Operator paid the delinquent fee and accrued interest owed the City prior to applying to the Finance Director for a waiver.
  - (ii) The waiver provisions specified in this subsection shall not apply to interest accrued on the delinquent fee and a waiver shall be granted only once during any twelve month period.

### **5.3 Returns and Remittances**

- a. On or before the 15<sup>th</sup> day of each calendar month, Operator shall prepare a return to the Finance Director accounting for the total proceeds, and the amount of fees owed, for the preceding calendar month. At the time the return is filed, the full amount of the fees owed for the preceding term shall be remitted to the City.
- b. All returns shall be completed on forms provided by the Finance Director.
- c. Returns and payments for all outstanding fees owed the City are immediately due the Finance Director upon cessation of business for any reason.
- d. Whenever any payment, statement, report, request or other communication received by the Finance Director is received after the time prescribed by this section for the receipt thereof, but is in an envelope bearing a postmark showing that it was mailed on or prior to the date prescribed in this section for the receipt thereof, or whenever the Finance Director is furnished substantial proof that the payment, statement, report, request, or other communication was in fact deposited in the United States mail on or prior to the date prescribed for receipt thereof, the Finance Director may regard such payment, statement, report, request, or other communication as having been timely received. If the due day falls on Friday, Saturday, Sunday, or a federal holiday, the due day shall be the last regular business day on which the City Hall is open to the public prior to the due date.
- e. Unless otherwise specifically provided under other provisions of this Agreement, the fees required to be paid pursuant to this Agreement shall be

deemed delinquent if not paid on or before the due date specified by this section.

- f. The Finance Director is not required to send a delinquency or other notice or bill to Operator and failure to send such notice or bill shall not affect the validity of any fee or penalty due under the provisions of this Agreement.

#### **5.4 Refunds**

- a. No refund shall be made of any fee collected pursuant to this Agreement, except as provided in this Section.
- b. No refund of any fee collected pursuant to this Agreement shall be made because of the discontinuation, dissolution, or other termination of Operator's commercial marijuana distribution activities.
- c. Whenever the amount of any fee, penalty, or interest has been overpaid, paid more than once, or has been erroneously collected or received by the City under this Agreement, such amount may be refunded to the Operator provided that a written claim for refund is filed with the Finance Director.
- d. The Finance Director shall have the right to examine and audit all the books and business records of the Operator in order to determine the eligibility of the Operator to the claimed refund. No claim for refund shall be allowed if the Operator therefor refuses to allow such examination of Operator's books and business records after request by the Finance Director to do so.

#### **5.5 Enforcement; Debts; Deficiencies; Assessments; Hearings.**

- a. The Finance Director shall have the power to audit and examine all books and records of the Operator related to activities concerning the associated City of Perris Commercial Marijuana Operation Permit for marijuana distribution, including both state and federal income tax returns, California sales tax returns, logs, receipts, bank records, or other evidence documenting the proceeds of the Operation related to activities concerning the associated City of Perris Commercial Marijuana Operation Permit for marijuana distribution, for the purpose of ascertaining the amount of fees, if any, required to be paid by the provisions of this Agreement, and for the purpose of verifying any statements or any item thereof when filed by the Operator pursuant to the provisions of this Agreement. If the Operator, after written demand by the Finance Director, refuses to make available for audit, examination or verification such books, records, or equipment as the Finance Director requests, the Finance Director may, after full consideration of all information within the Finance Director's knowledge concerning the Operator, make an assessment in the manner provided for in this Agreement.
- b. The amount of any fee, penalties, and interest imposed by the provisions of this Agreement shall be deemed a debt to the City, and failure of the Operator to make payment to the City of the fees imposed by this Agreement shall

render the Operator liable in an action in the name of the City in any court of competent jurisdiction for the amount of the fee, and penalties and interest imposed on the Operator by this Agreement.

- c. If the Finance Director is not satisfied that any statement filed as required under the provisions of this Agreement is correct, or that the amount of fees is correctly computed, the Finance Director may compute and determine the amount to be paid and make a deficiency determination upon the basis of the facts contained in the statement or upon the basis of any information in his or her possession or that may come into his or her possession. One or more deficiency determinations of the amount of fees due for a period or periods may be made. If the Operator discontinues activities concerning the associated City of Perris Commercial Marijuana Operation Permit for marijuana distribution, a deficiency determination may be made at any time within three years thereafter as to any liability arising from engaging in such business whether or not a deficiency determination is issued prior to the date the fees would otherwise be due.
- d. Under any of the following circumstances, the Finance Director may make and give notice of an assessment of the amount of fees owed by Operator under this Agreement:
  - (i) If the Operator has not filed any statement or return required under the provisions of this Agreement.
  - (ii) If the Operator has not paid any fees due under the provisions of this Agreement.
  - (iii) If the Operator has not, after demand by the Finance Director, filed a corrected statement or return, or furnished to the Finance Director adequate substantiation of the information contained in a statement or return already filed, or paid any additional amount of fees due under the provisions of this Agreement.
  - (iv) If the Finance Director determines that the nonpayment of any fees due under this Agreement is due to fraud, a penalty of twenty-five percent of the amount of the fee shall be added thereto in addition to penalties and interest otherwise stated in this Agreement.
  - (v) The notice of assessment shall separately set forth the amount of any fees known by the Finance Director to be due or estimated by the Finance Director, after consideration of all information within the Finance Director's knowledge concerning the business and activities of the Operator, to be due under each applicable section of this Agreement, and shall include the amount of any penalties or interest accrued on each amount to the date of the notice of assessment.
  - (vi) The notice of assessment shall be served upon the Operator pursuant to the notice provisions of this Agreement.

- e. Within ten days after the date of service of an assessment of the amount of fees owed by Operator under this Agreement, the Operator may apply in writing to the Finance Director for a hearing on the assessment. If application for a hearing before the City is not made within the time herein prescribed, the fees assessed by the Finance Director shall become final and conclusive. The procedures for such a hearing shall be conducted as follows:
  - (i) An independent hearing officer shall conduct the hearing. The compensation of the hearing office shall not depend on any particular outcome of the appeal. The hearing officer shall have full authority and duty to preside over the hearing on the assessment in the manner set forth herein.
  - (ii) Within thirty days of the receipt of any such application for hearing, the Finance Director shall cause the matter to be set for hearing before an independent hearing officer, unless a later date is agreed to by the Finance Director and the person requesting the hearing.
  - (iii) Notice of such hearing shall be given by the Finance Director to the Operator not later than five days prior to such hearing. The hearing officer may continue the hearing from time to time. At such hearing Operator may appear and offer evidence why the assessment as made by the Finance Director should not be confirmed and fixed as the fees due. In conducting the hearing, the hearing officer shall not be limited by the technical rules of evidence. Failure of Operator to appear shall not affect the validity of the proceedings or order issued thereon.
  - (iv) Upon conclusion of the hearing, or no later than ten (10) days after the conclusion of the hearing, the hearing officer shall determine and/or reassess the proper fees to be charged and shall give written notice to Operator in the manner prescribed in this Agreement for giving notice of assessment, and the hearing officer shall submit its decision and the record to the City Clerk. The decision of the hearing officer shall be final and conclusive.

## **6. INDEMNITY.**

**6.1 Operator's Activities.** The Operator shall defend, save and hold the City and its elected and appointed boards, commissions, officers, agents, and employees harmless from any and all claims, costs (including attorneys' fees) and liability for any damages, personal injury or death, which may arise, directly or indirectly, from the Operator's or the Operator's agents, contractors, subcontractors, agents, or employees. Nothing herein shall be construed to mean that the Operator shall hold the City harmless and/or defend it from any claims arising from, or alleged to arise from, the sole negligence or gross or willful misconduct of the City's officers, employees, agents, contractors of subcontractors.

**6.2 Non-liability of City Officers and Employees.** No official, agent, contractor, or employee of the City shall be personally liable to the Operator, or any successor in interest, in the



event of any default or breach by the City or for any amount which may become due to the Operator or to its successor, or for breach of any obligation of the terms of this Agreement.

**6.3 Survival of Obligations.** The indemnity obligation shall be binding on successors and assigns of Operator and shall survive termination of this Agreement.

## **7. MISCELLANEOUS PROVISIONS.**

**7.1 Notices.** Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager, City of Perris, 101 N. D Street, Perris, CA 92570 and in the case of the Operator, to the person(s) at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section. A Party may change its address by giving written Notice to the other Party. Thereafter, Notices shall be addressed and transmitted to the new address.

**7.2 Integration; Amendment.** This Agreement including any attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Operator and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.

**7.3 Entire Agreement.** This Agreement represents the entire agreement of the Parties with respect to the subject matter of this Agreement. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

**7.4 Covenant Against Discrimination.** Operator covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual orientation or gender preference, national origin, or ancestry in the performance of this Agreement. Operator shall take affirmative action to insure that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, sexual orientation or gender preference, national origin, or ancestry.

**7.5 Further Actions and Instruments.** Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent necessary to implement this Agreement.

**7.6 Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent

of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

**7.7 Covenant Not To Sue.** The parties to this Agreement, and each of them, agree that this Agreement and each term hereof is legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, or based on any allegation or assertion in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

**7.8 Force Majeure.** Neither Party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, wars, terrorism, riots or similar hostilities, strikes, and other labor difficulties beyond the Party's control, government regulations, court actions (such as restraining orders or injunctions), or other causes beyond the Party's reasonable control. If any such events shall occur, the term of this Agreement and the time for performance shall be extended for the duration of the impacts on the Project of each such event.

**7.9 Waiver.** All waivers of performance must be in a writing signed by the Party granting the waiver. Failure by a Party to insist upon the strict performance of any provision of this Agreement shall not be a waiver of future performance of the same or any other provision of this Agreement.

**7.10 Conflict of Interest.** No officer or employee of the City shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to this Agreement which affects the financial interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested, in violation of any state statute or regulation.

**7.11 Time of Essence.** Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

**7.12 Governing Law and Venue.** This Agreement shall be governed and interpreted in accordance with California law, with venue for any litigation concerning this Agreement in City of Perris, Riverside County, California.

**7.13 Rights and Remedies are Cumulative.** Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

**7.14 Interpretation.** This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party or in favor of City shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof. The titles of sections shall not determine the intent or meaning of a section.

**7.15 Corporate Authority.** The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

**7.16 Status of Operator.** Operator shall have no authority to bind City in any manner, or to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City. Operator shall not at any time or in any manner represent that Operator or any of Operator's officers, employees, or agents are in any manner officials, officers, employees or agents of City. Neither Operator, nor any of Operator's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Operator expressly waives any claim Operator may have to any such rights.

**7.17 Legal Action.** In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement. Notwithstanding any contrary provision herein, Operator shall file a statutory claim pursuant to Government Code sections 905 *et seq.* and 910 *et seq.*, and as amended, in order to pursue a legal action under this Agreement.

**7.18 Attorneys' Fees.** If either party to this Agreement is required to initiate or defend litigation against the other party, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorneys' fees. Attorneys' fees shall include attorneys' fees on any appeal, and, in addition, a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to a final judgment.

**7.19 Counterparts.** This Agreement may be executed by the Parties in counterparts, which together shall have the same effect as if each Party had executed the same instrument.

[SIGNATURES ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

**CITY:**  
CITY OF PERRIS a municipal corporation


\_\_\_\_\_  
Michael M. Vargas, Mayor

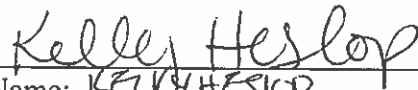
**ATTEST:**

\_\_\_\_\_  
Nancy Salazar, City Clerk

**OPERATOR:**

NGU Distribution, a California limited liability company

By:   
\_\_\_\_\_  
Name: COO/CHAIRMAN  
Title: GARIN HESLOP

By:   
\_\_\_\_\_  
Name: KELLY HESLOP  
Title: CEO  
Address: 40340 PASEO SERENO  
BURELLI CA 92591  
\_\_\_\_\_

Two corporate officer signatures required when Operator is a corporation, with one signature required from each of the following groups: 1) Chairman of the Board, President or any Vice President; and 2) Secretary, any Assistant Secretary, Chief Financial Officer or any Assistant Treasurer. OPERATOR'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO OPERATOR'S BUSINESS ENTITY.

# CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

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

State of California }

County of RIVERSIDE }

On 10/24/2018 before me, SANTOSH ASHOK KALANKE (Notary Public)  
(Here insert name and title of the officer)

personally appeared KELLY R. HESLOP  
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.

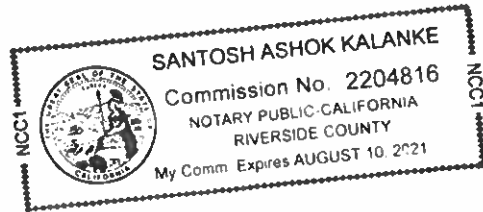
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

*[Handwritten Signature]*

Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
County Bench Agreement  
(Title or description of attached document)  
NGU DESIGN LLC  
(Title or description of attached document continued)  
Number of Pages \_\_\_\_\_ Document Date 10/24/18

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer ✓
- \_\_\_\_\_  
(Title)
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, ~~is /are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

# CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

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State of California }

County of RIVERSIDE }

On 10/24/2018 before me, SANTOSH. ASHOK. KALANKE (Notary Public)  
(Here insert name and title of the officer)

personally appeared GAREN J. HESLOP  
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.

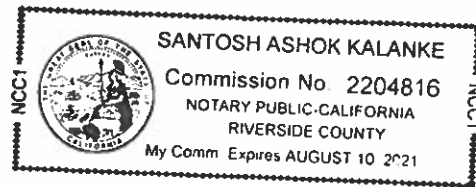
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

*[Handwritten Signature]*

Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
Company Benefic Agreement -  
(Title or description of attached document)  
N GU N DENTZBROWN LLC  
(Title or description of attached document continued)  
City of Riverside  
Number of Pages 1 Document Date 10/24/18

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

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- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, - is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
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- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)  
 Corporate Officer

(Title)

- Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: November 13, 2018

**SUBJECT:** Resolution authorizing the City Manager to execute a Park Development Impact Fee ("DIF") refund agreement with Markham Business Center East, LLC, related to properties known as Stratford Ranch 1, 2 and 3 not to exceed \$430,000

**REQUESTED ACTION:** That the City Council approve a resolution authorizing the City Manager to execute a Park Development Impact Fee ("DIF") refund agreement with Markham Business Center East, LLC,

**CONTACT:** Darren Madkin, Assistant City Manager 

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**BACKGROUND:**

Markham Business Center East, LLC (Markham) owns real properties known as Stratford Ranch 1, 2 and 3. Markham obtained entitlements and permits for the construction of the Stratford Ranch industrial buildings. Tentative Parcel Map 36469 and Development Permit Review Nos. 05-0477 and 11-12-0004 required Markham to construct a ¼ mile segment of the Perris Valley Trail along the west bank of the Perris Valley Storm Drain. The Perris Valley Trail opened to the public October 26, 2018.

In 2017, the City Council approved a Parks and Recreational Facility Development Impact Fee (Park DIF) for non-residential development. The Park DIF is based on the Park and Recreation Facilities Development Impact Fee Justification Study City of Perris, dated June 29, 2017, which was approved and adopted by the City Council. The Facilities Study identified the recreational facilities that are to be funded with the Park DIF collected under the Park DIF program. The Perris Valley Trail is listed as a project to be funded by the Park DIF and is therefore eligible for a Park DIF refund. In addition to building a segment of the Perris Valley Trail, Markham paid Park DIF in an amount of \$429,064.88 in connection with the issuance of a certificate of occupancy for the Stratford Ranch 3 Project. The purpose of the proposed agreement between the City and Markham is to reimburse them for costs incurred for dedicating properties and for building a portion of the Perris Valley Trail by providing a refund, not to exceed \$430,000 of their actual construction costs, to Markham for the Park DIF they paid for Stratford Ranch 3.


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**BUDGET (or FISCAL) IMPACT:** Sufficient funding for this reimbursement agreement is available from Park DIF funds.

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Reviewed by:

Assistant City Manager: \_\_\_\_\_

Finance Director:  \_\_\_\_\_

Attachment(s) – Resolution

Development Impact Fee refund agreement with Markham Business Center East, LLC

Consent: X

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF PERRIS, APPROVING A PERRIS PARK DEVELOPMENT IMPACT FEE (“DIF”) REFUND AGREEMENT WITH MARKHAM BUSINESS CENTER EAST, LLC RELATED TO TENTATIVE PARCEL MAP 36469, AND DEVELOPMENT PLAN REVIEW Nos. 05-0477 and 11-12-0004**

**WHEREAS**, Developer owns real properties (“**Properties**”) located within the City of Perris, California.” The Properties are known as Stratford Ranch 1, 2 and 3 (collectively, “**Project**”); and

**WHEREAS**, Developer and a predecessor of Developer previously obtained from City certain entitlements and/or permits for the construction of the Project, consisting of industrial/logistics development, pursuant to Tentative Parcel Map 36469 and Development Permit Review Nos. 05-0477 and 11-12-0004 Planning Department Condition of Approval 42 of DPR No. 11-12-0004 (“**COA 42**”) required Developer to construct certain public works of improvement, specifically the trail improvements and landscaping within the service road along the west bank of the Perris Valley Storm Channel (“**PVSC**”) (“**PVSC Trail**”); and

**WHEREAS**, Developer owns approximately 82 acres of real property (“**Property**”) located within the City of Perris, California, which Property is subject to Tentative Parcel Map 36469 and Development Permit Review Nos. 05-0477 and 11-12-0004 and COA 42; and

**WHEREAS**, as required by COA 42, Developer has dedicated to City a portion of the properties needed for construction and operation of the PVSC Trail (“**Dedication**”) and has completed a segment of the PVSC Trail and has paid all costs associated with construction of the PVSC Trail; including Park DIF totaling \$429,064.88 in connection with the issuance of a certificate of occupancy for the Stratford Ranch 3 Project (“**Stratford Ranch 3 Park DIF**”); and

**WHEREAS**, City and Developer now desire to enter into this Agreement to confirm that construction of the PVSC Trail was undertaken as if such works were constructed under the direction and authority of the City, and to reimburse Developer for its costs incurred for dedicating a portion of the Properties for the PVSC Trail and planning, engineering and construction of the PVSC Trail, through providing a refund to Developer of the Stratford Ranch 3 Park DIF not to exceed \$430,000; and

**WHEREAS**, the City Council adopted Resolution Number 5141, which created a Parks and Recreational Facility Development Impact Fee for non-residential development such as the Project; and the Park DIF is based on the Park and Recreation Facilities Development Impact Fee Justification Study, dated June 29, 2017 (“**Facilities Study**”), which was approved and adopted by the City of Perris; and

**WHEREAS**, the Facilities Study identifies the parks and recreational facilities that are to be funded with the Park DIF collected under the Park DIF program including the PVSC Trail; and table IV-4 specifies Developer's contribution to the construction of the PVSC Trail; making the PVSC Trail eligible for a Park DIF refund.



**NOW, THEREFORE**, based on the evidence presented, including the written staff report and oral testimony on this matter, the City Council does hereby find, determine and resolve as follows:

**Section 1.** The above recitals are all true and correct and are hereby adopted as findings.

**Section 2.** Based on the information contained within the staff report and the accompanying attachments, the City Council hereby approves this Resolution authorizing the reimbursement to Markham Business Center East, LLC, on the terms and conditions set forth in the attached city of Perris Park Development Impact Fee reimbursement agreement for Tentative Parcel Map 36469 and Development Permit Review Nos. 05-0477 and 11-12-0004; and COA 42, a sum not to exceed Four Hundred Thirty Thousand dollars (\$430,000.00) for the Perris Valley Storm Channel Trail Improvements.

**Section 3.** The Parties confirm that a full refund of the Stratford Ranch 3 Park DIF is appropriate, based upon Developer's submission of documentation confirming that sufficient eligible PVSC Trail expenses have been incurred by Developer. City shall verify all eligible costs for the construction of the PVSC Trail upon receipt of such documentation from Developer and City shall issue the Refund after City verification of all eligible costs.

**Section 4.** The City Manager is authorized and directed to take such actions and execute such documents as may be necessary to implement and effect this Resolution on behalf of the City of Perris.

**Section 5.** The City Clerk shall certify to the passage and adoption hereof.

**ADOPTED, SIGNED and APPROVED** this 13<sup>th</sup> day of November, 2018.

\_\_\_\_\_  
Michael Vargas, Mayor

ATTEST:

\_\_\_\_\_  
Nancy Salazar, City Clerk

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss  
CITY OF PERRIS )

I, \_\_\_\_\_, City Clerk of the City of Perris, California, do hereby certify that the foregoing Resolution Number \_\_\_\_\_ was duly and regularly adopted by the City of Perris City Council at a regular meeting thereof held on the 13th day of November, 2018, by the following called vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Nancy Salazar, City Clerk

**CITY OF PERRIS PARK DEVELOPMENT IMPACT FEE (“DIF”) REFUND  
AGREEMENT**

**[TPM 36469, DPR Nos. 05-0477 and 11-12-0004]**

THIS DIF REFUND AGREEMENT (“**Agreement**”) is made and entered into this \_\_\_ day of November, 2018 by and between the City of Perris, California, a municipal corporation (“**City**”), and Markham Business Center East, LLC (“**Developer**”).

**RECITALS**

A. Developer owns real properties (“**Properties**”) located within the City of Perris, California.” The Properties are known as Stratford Ranch 1, 2 and 3 (collectively, “**Project**”).

B. Developer and a predecessor of Developer previously obtained from City certain entitlements and/or permits for the construction of the Project, consisting of industrial/logistics development, pursuant to Tentative Parcel Map 36469 and Development Permit Review Nos. 05-0477 and 11-12-0004 Planning Department Condition of Approval 42 of DPR No. 11-12-0004 (“**COA 42**”) required Developer to construct certain public works of improvement, specifically the trail improvements and landscaping within the service road along the west bank of the Perris Valley Storm Channel (“**PVSC**”) (“**PVSC Trail**”) which are described in Exhibit “A.”

C. Perris Municipal Code (“**PMC**”) Section 19.68.020 establishes Development Impact Fees (“**DIF Fees**”) that developers are required to pay for their fair share of the costs to construct the infrastructure that will be necessary to accommodate and mitigate the impacts and burdens on the public generally generated by new development and that are necessary to protect the safety, health and welfare of persons in the City. DIF Fees are collected as a condition to the development of land prior to the issuance of building permits.

D. On July 11, 2017, the City Council adopted Resolution Number 5141, which created a Parks and Recreational Facility Development Impact Fee for non-residential development, such as the Project (“**Park DIF**”). The Park DIF is based on the Park and Recreation Facilities Development Impact Fee Justification Study City of Perris, dated June 29, 2017 (“**Facilities Study**”), which was approved and adopted by the City. The Facilities Study identifies the parks and recreational facilities that are to be funded with the Park DIF collected under the Park DIF program. In Table IV-4 of the Facilities Study, the PVSC Trail is listed as a project to be funded by the Park DIF. Table IV-4 specifies Developer's contribution to the construction of the PVSC Trail. The PVSC Trail is therefore eligible for a Park DIF refund.

E. As required by COA 42, Developer has dedicated to City a portion of the Properties needed for construction and operation of the PVSC Trail (“**Dedication**”) and has completed the PVSC Trail. Developer has paid all costs associated with construction of the PVSC Trail. Developer has paid the Park DIF in an amount of \$429,064.88 in connection with the issuance of a certificate of occupancy for the Stratford Ranch 3 Project (“**Stratford Ranch 3 Park DIF**”) City and Developer now desire to enter into this Agreement for the following purposes: (i) to confirm that construction of the PVSC Trail was undertaken as if such works were constructed under the direction and authority of the City, and (ii) to reimburse Developer for its costs incurred for dedicating a portion of the Properties for the PVSC Trail and planning,

engineering and construction of the PVSC Trail, through providing a refund to Developer of the Stratford Ranch 3 Park DIF.

## AGREEMENT

1. Description of the PVSC Trail. This Agreement is intended to refund to Developer the Stratford Ranch 3 Park DIF paid by Developer due to Developer's dedication of land and construction of the PVSC Trail. A description of the PVSC Trail, a detailed scope of work and the Developer's actual costs incurred, is more particularly described in Exhibit "A," attached hereto and incorporated herein by this reference. It is understood and agreed that the Developer shall only be refunded the Stratford Ranch 3 Park DIF.

2. Park DIF Refund Amount. Within thirty (30) days of City verification of all eligible costs, as established in Section 3 of this Agreement, City shall pay Developer Four Hundred Twenty Nine Thousand Sixty Four Dollars and Eighty Eight Cents (\$429,064.88) ("**Refund**"), for the Dedication and the construction of the PVSC Trail. The Parties confirm that a full refund of the Stratford Ranch 3 Park DIF is appropriate, based upon Developer's submission of documentation confirming that sufficient eligible PVSC Trail expenses as described in Section 3 have been incurred by Developer.

3. Eligible Costs for Refund. The following items may be eligible for refund; (a) Developer and/or consultant costs associated with direct PVSC Trail coordination and support; (b) funds expended in preparing preliminary engineering studies; (c) costs incurred in the preparation of plans, specifications, and estimates by Developer or consultants; (d) construction costs, including change orders to construction contracts approved by the Developer; (e) construction management, field inspection and material testing costs; and (f) the fair market value of the Dedicated land.

4. Ineligible Costs. There shall be no refund to Developer of the following items, which costs shall be borne solely by the Developer without refund: (a) Developer administrative costs; (b) Developer costs attributed to the preparation of invoices, billings and payments; (c) any City fees attributed to the processing of approvals for the Public Works; (d) expenses for items of work not included within the scope of work in Exhibit "A" and (e) costs incurred by Developer due to the development of the Property, rather than construction of the PVSC Trail.

5. Process for Refund.

(a) Developer Submission of Invoices. Developer shall submit invoices to City documenting the eligible PVSC Trail on a form similar to that attached hereto as Exhibit "B" and incorporated herein by this reference. Each invoice shall be accompanied by detailed contractor invoices, or other demands for payment addressed to Developer, and documents evidencing Developer's payment of the invoices or demands for payment. City may request additional documentation or explanation of the Public Works costs for which reimbursement are sought. In the event that City disputes the eligibility of Developer for reimbursement of all or a portion of an invoiced amount, the parties shall meet and confer in an attempt to resolve the dispute. If the meet and confer process is unsuccessful in resolving the dispute, Developer may appeal City's decision as

to the eligibility of one or more invoices to City's City Manager, whose decision shall be final.

(b) Refund. City shall verify all eligible costs for the construction of the PVSC Trail within thirty (30) days of receipt of such documentation from Developer. City shall issue the Refund within thirty (30) days of City verification of all eligible costs.

6. Term. The term of this Agreement shall be from the date first written above until Developer has received the Refund. All indemnification obligations provided in this Agreement shall remain in effect following the termination of this Agreement.

7. Representatives of the Parties. City's City Engineer, or his or her designee, shall serve as City's Representative and shall have the authority to act on behalf of City for all purposes under this Agreement. Developer hereby designates Steve Hollis or his designee to act as Developer's Representative to City. Developer's Representative shall have the authority to act on behalf of Developer for all purposes under this Agreement. Developer shall work closely and cooperate fully with City's Representative and any other agencies which may have jurisdiction over or an interest in the PVSC Trail.

8. Review of Services. Developer shall allow City's Representative to inspect or review the progress of the PVSC Trail at any reasonable time in order to determine whether the terms of this Agreement are being met.

9. Prevailing Wages. Developer and any other person or entity hired to perform services on the Public Works are alerted to the requirements of California Labor Code Sections 1770, *et seq.*, which would require the payment of prevailing wages were the services or any portion thereof determined to be a "public work," as defined therein. Developer shall ensure compliance with these prevailing wage requirements by any person or entity hired to perform work on the PVSC Trail. Developer shall defend, indemnify, and hold harmless City, its officers, employees, consultants, and agents from any claim or liability, including without limitation attorneys' fees, arising from its failure or alleged failure to comply with California Labor Code Sections 1770, *et seq.* It is the intention and understanding of the City and Developer that the Refund is limited solely to Developer's improvement work on the PVSC Trail performed by Developer as a condition of City's approval of the separate and private Project, within the meaning of California Labor Code Section 1720(c)(2) and DIR Public Works Case No. 2003-040, Sierra Business Park, City of Fontana (January 23, 2004), and the Dedication.

10. Indemnification.

(a) Developer Responsibilities. Developer agrees to indemnify and hold harmless City, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement including (i) the acquisition, construction, or installation of the PVSC Trail by Developer and its agents; (ii) the untruth or inaccuracy of any representation or warranty made by Developer in this Agreement or in any certifications delivered by Developer hereunder; (iii) Developer's failure to perform the construction of the PVSC Trail in accordance with the requirements of this Agreement; or (iv) any act or omission of

Developer or any of its subcontractors or their respective officers, employees or agents, in connection with the PVSC Trail. If Developer fails to do so, City shall have the right, but not the obligation, to defend the same and charge all of the direct and incidental costs of such defense, including any reasonable attorneys' fees or court costs, to and recover the same from Developer.

(b) City Responsibilities. City agrees to indemnify and hold harmless Developer, its officers, agents, consultants, and employees from any and all claims, demands, costs or liability arising from or connected with all activities governed by this Agreement due to negligent acts, errors or omissions or willful misconduct of City or its agents. City will reimburse Developer for any expenditures, including reasonable attorneys' fees, incurred by Developer, in defending against claims ultimately determined to be due to negligent acts, errors or omissions or willful misconduct of City.

(c) Effect of Acceptance. Developer shall be responsible for the professional quality, technical accuracy and the coordination of any services provided to complete the PVSC Trail. City's review, acceptance or funding of any services performed by Developer or any other person or entity under this Agreement shall not be construed to operate as a waiver of any rights City may hold under this Agreement or of any cause of action arising out of this Agreement. Further, Developer shall be and remain liable to City, in accordance with applicable law, for all damages to City caused by Developer's negligent performance of this Agreement or supervision of any services provided to complete the Public Works, with such indemnity obligation to expire one (1) year after acceptance of the PVSC Trail by City.

11. Conflict of Interest. For the term of this Agreement, no member, officer or employee of Developer or City, during the term of his or her service with Developer or City shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

12. Limited Scope of Duties. City's and Developer's duties and obligations under this Agreement are limited to those described herein. City has no obligation with respect to the safety of any work performed at a job site. In addition, City shall not be liable for any action of Developer or its contractors relating to the construction related to the PVSC Trail.

13. Books and Records. Each party shall maintain complete, accurate, and clearly identifiable records with respect to costs incurred for the PVSC Trail under this Agreement. They shall make available for examination by the other party, its authorized agents, officers or employees any and all ledgers and books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or related to the expenditures and disbursements charged to the other party pursuant to this Agreement. Further, each party shall furnish to the other party, its agents or employees, such other evidence or information as they may require with respect to any such expense or disbursement charged by them. All such information shall be retained by the parties for at least four (4) years following termination of this Agreement, and they shall have access to such information during the four-year period for the purposes of examination or audit.

14. Equal Opportunity Employment. The parties represent that they are equal opportunity employers and they shall not discriminate against any employee or applicant of reemployment because of race, religion, color, national origin, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

16. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party in such litigation shall be entitled to have and recover from the losing party reasonable attorneys' fees and costs of suit.

17. Time of Essence. Time is of the essence for each and every provision of this Agreement.

18. Headings. Article and section headings and paragraph captions contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision herein.

19. No Joint Venture. This Agreement is for funding purposes only and nothing herein shall be construed to make City a party to the construction of the Public Works or to make it a partner or joint venturer with Developer for such purpose. City maintains no proprietary interest in the Project.

20. Compliance With the Law. Developer shall comply with all applicable laws, rules and regulations governing the implementation of the Public Works, including, where applicable, the rules and regulations pertaining to the participation of businesses owned or controlled by minorities and women promulgated by the Federal Highway Administration and the Federal Department of Transportation.

21. Notices. All notices hereunder and communications regarding interpretation of the terms of this Agreement or changes thereto shall be provided by the mailing thereof by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

Developer: Markham Business Center East, LLC  
c/o IDI Logistics, LLC  
1100 Peachtree Street, Suite 1000  
Atlanta, GA 30309

With a copy to: John Condas, Esq.  
Allen Matkins  
1900 Main Street, Fifth Floor  
Irvine, CA 92614  
Fax: (949) 553-8354

City: City of Perris  
Attn: City Manager  
101 North "D" Street  
Perris, California 92570  
Fax: (951) 943-4246

With a copy to: Eric Dunn, Esq.  
Aleshire & Wynder, LLP  
18881 Von Karman Avenue, Suite 1700  
Irvine, CA 92612  
Fax: (949) 223-1180

Any notice so given shall be considered served on the other party three (3) days after deposit in the U.S. mail, first class postage prepaid, return receipt requested, and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred regardless of the method of service.

22. Integration; Amendment. This Agreement contains the entire agreement between the parties. Any agreement or representation respecting matters addressed herein that are not expressly set forth in this Agreement is null and void. This Agreement may be amended only by mutual written agreement of the parties.

23. Severability. If any term, provision, condition or covenant of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

24. Conflicting Provisions. In the event that provisions of any attached appendices or exhibits conflict in any way with the provisions set forth in this Agreement, the language, terms and conditions contained in this Agreement shall control the actions and obligations of the parties and the interpretation of the parties' understanding concerning the Agreement.

25. Amendment. In the event that the parties determine that the provisions of this Agreement should be altered, the parties may execute a contract amendment which shall be in writing and signed by both parties.

26. Independent Contractors. Any person or entities retained by Developer or any contractor to work on the Public Works shall be retained on an independent contractor basis and shall not be employees of City. Any personnel performing services on the PVSC Trail shall at all times be under the exclusive direction and control of Developer or its contractor, as applicable. Developer or its contractor shall pay all wages, salaries and other amounts due such personnel in connection with their performance of services on the PVSC Trail and as required by law. Developer or its consultant shall also be responsible for all reports and obligations respecting such personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance and workers' compensation insurance.

27. Authority to Execute. The City Manager is authorized to execute this Agreement on behalf of the City. Similarly, Developer warrants that the person(s) executing this Agreement on its behalf is/are duly authorized to execute and deliver this Agreement on behalf of Developer. Both parties warrant that, by executing this Agreement, each party is formally bound



to the provisions of this Agreement and that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

28. Incorporation of Recitals. The recitals are true and correct and are specifically incorporated into this Agreement.

IN WITNESS WHEREOF, City and Developer have executed this Agreement as of the date first above written:

**CITY:**  
**CITY OF PERRIS, CALIFORNIA**, a municipal corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Eric L. Dunn, City Attorney

**DEVELOPER:**

IDI  
A \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

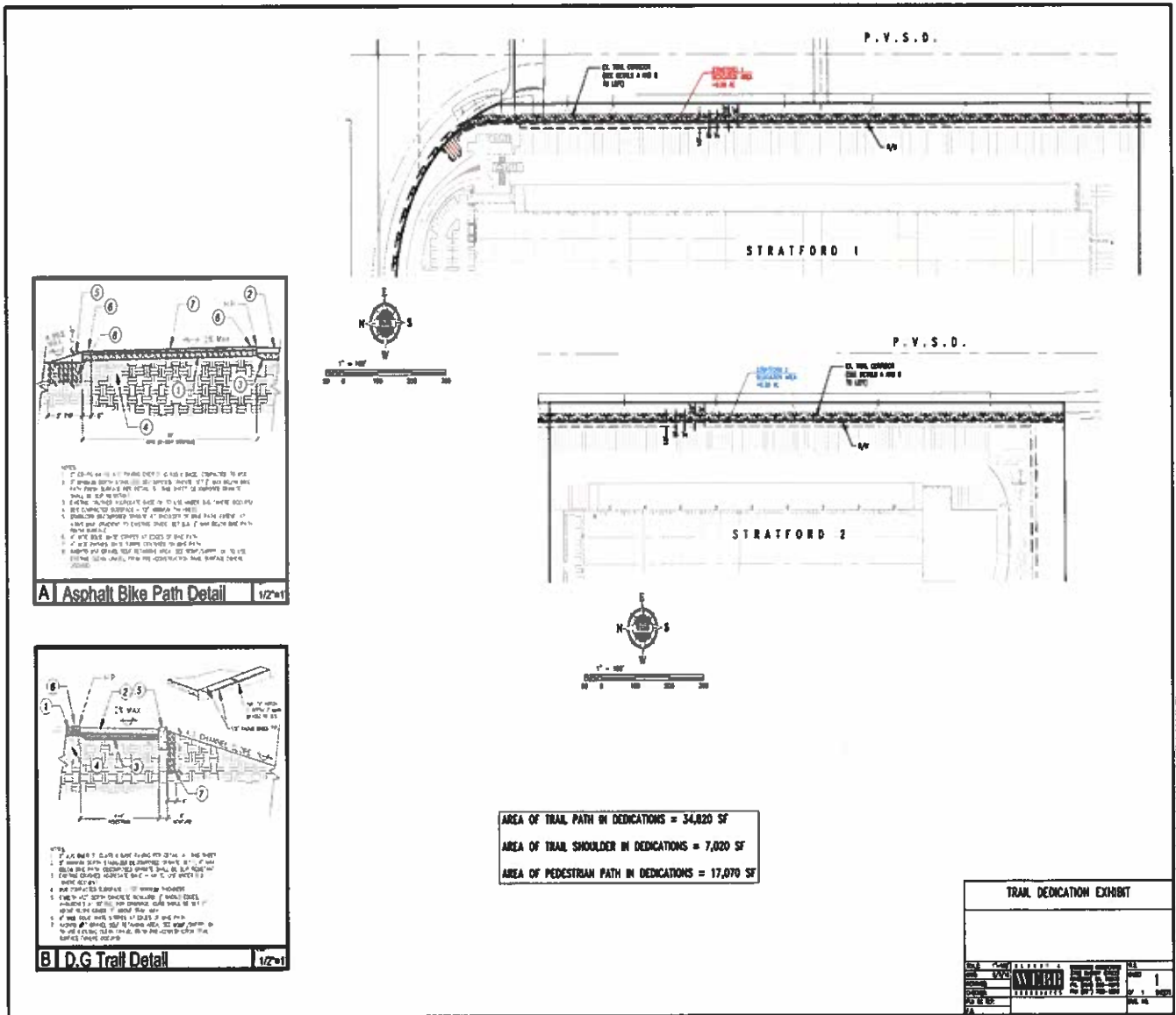
# EXHIBIT "A"

## Public Works Required as a Condition of Regulatory Approval

### PERRIS VALLEY STORM CHANNEL TRAIL

#### SCOPE OF SERVICES

#### [SCOPE OF IMPROVEMENTS]



**EXHIBIT "B"**

**COSTS**

Improvement No. 1

**ESTIMATED  
COSTS**

**ACTUAL  
COSTS**

\$

\$

\$

\$

Sub-Total

\$

Improvement No. 2

\$

\$

\$

Improvement No. 3

\$

\$

\$

\$

Sub-Total

\$

Total

\$

**Job Total**

**\$**

**CITY COUNCIL  
AGENDA SUBMITTAL**

**Meeting Date: November 13, 2018**

**SUBJECT:** Contract Services Agreement for Julie Fonseca

**REQUESTED ACTION:** Authorize the City Manager to execute a Contract Services Agreement with Julie Fonseca related to the design and implementation of the Downtown Skills Training and Job Placement Center, and ongoing services related to helping the City and CEDC meet Federal EDA requirements during project implementation.

**CONTACT:** Dr. Grace I. Williams, Director of Planning & Economic Development 

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**BACKGROUND/DISCUSSION:**

The City of Perris has received an approximate \$5.5 million grant from the Federal Economic Development Administration for the construction of a Downtown Skills Training and Job Placement Center. The Center is to help meet growing workforce needs of new and existing businesses within the City and surrounding region. The Center will house equipment for skills training along with classrooms for certification programs, pre-apprenticeships, apprenticeships and internships. The Center will be a space that businesses can utilize to meet their workforce and employee skills training needs. Moreover, the Center is where the Riverside County Workforce Investment Board, local colleges and school districts can align their skills training programs and incentives to better support the business community and grow the local economy, while offering high school graduates and displaced workers opportunities for sustainable careers. Job creation and job placement are the Center's primary goals.

To successfully complete the implementation of the Project, and to maintain good standing with Federal EDA during the construction of the project, staff is recommending that the City contract for technical services with Julie Fonseca to ensure good standing with Federal EDA during project implementation as outlined within the attached Scope of Work. Ms. Fonseca has extensive experience in assisting public agencies compete for federal funds and has successfully obtained several Federal EDA grants for her clients. Due to time constraints and specialized technical experience necessary to complete this task, a sole source contract at a cost less than \$150,000 during the life of the Project, is acceptable. As such, staff is recommending that the City contract with Julie Fonseca for an amount not to exceed \$150,000.


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**FISCAL IMPACT:** Costs for technical services by Julie Fonseca are budgeted in the 2017-2018 CEDC budget for the Skills Training and Job Placement Center.

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Prepared by: Dr. Grace I. Williams, Director of Planning & Economic Development

Assistant City Manager: Clara Miramontes 

Assistant City Manager: Darren Madkin 

Director of Finance: Jennifer Erwin 

Attachments: Contract Services Agreement

**Consent:** November 13, 2018

## CITY OF PERRIS

### CONTRACT SERVICES AGREEMENT FOR

#### TECHNICAL AND GRANT WRITING SERVICES FOR FEDERAL GRANTS

This Contract Services Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the City of Perris, a municipal corporation ("City"), and Julie Fonseca ("Consultant").

NOW, THEREFORE, the parties hereto agree as follows:

#### 1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all of the terms and conditions of this Agreement, Consultant shall perform the work or services set forth in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

1.2 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the City and any federal, state or local governmental agency of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain, at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

#### 2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "A"* and incorporated herein by this reference, but not exceeding the maximum contract amount of One Hundred and Fifty Thousand Dollars and No Cents (\$150,000) ("Contract Sum").

2.2 Method of Payment. Provided that Consultant is not in default under the terms of this Agreement, Consultant shall be paid \$150,000.

### 3.0 COORDINATION OF WORK

3.1 Representative of Consultant. Julie Fonseca is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and make all decisions in connection therewith.

3.2 Contract Officer. The City's City Manager is hereby designated as being the representative the City authorized to act in its behalf with respect to the work and services specified herein and make all decisions in connection therewith ("Contract Officer"). The City may designate another Contract Officer by providing written notice to Consultant.

3.3 Prohibition Against Subcontracting or Assignment. Consultant shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the City. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City. Any such prohibited assignment or transfer shall be void.

3.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth on *Exhibit "A"*. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City.

### 4.0 INSURANCE AND INDEMNIFICATION

4.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,00.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.

(c) Professional Liability or Error and Omissions Insurance. A policy of professional liability insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 4.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 4.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 4.1.

#### 4.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any



individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

## 2. TERM

2.1 Term. Unless earlier terminated in accordance with Section 5.2 below, this Agreement shall continue in full force and effect until April 1, 2018.

2.2 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of the notice of termination, the Consultant shall immediately cease all work or services hereunder except as may be specifically approved by the Contract Officer. In the event of termination by the City, Consultant shall be entitled to compensation for all services rendered prior to the effectiveness of the notice of termination and for such additional services specifically authorized by the Contract Officer and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

## 3. MISCELLANEOUS

3.1 Covenant Against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through it, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

3.2 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

3.3 Conflict of Interest. No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any state statute or regulation. The Consultant 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. When requested by the Contract Officer, prior to the City's execution of this Agreement, Consultant shall provide the City with an executed statement of economic interest.

3.4 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement.

3.5 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

3.6 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and that this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by a writing signed by both parties.

3.7 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

3.8 Waiver. No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

3.9 Attorneys' Fees. If either party to this Agreement is required to initiate, defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment.

3.10 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[SIGNATURES ON NEXT PAGE]

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

ATTEST: "CITY"  
CITY OF PERRIS

By: \_\_\_\_\_  
Nancy Salazar, City Clerk

By: \_\_\_\_\_  
Michael M. Vargas, Mayor

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Eric L. Dunn, City Attorney

"CONSULTANT"  
Julie Fonseca, dba Maxella Real Estate

By: \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name and Title

By: \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name and Title

(Corporations require two signatures; *one from each* of the following: A. Chairman of Board, President, any Vice President; *AND B.* Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.)

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES / COMPENSATION

[Insert or Attach]

# QUOTE

Date: Nov 1, 2018

**To: Grace Williams**  
Director of Planning & Eco Dev  
135 N. D Street  
Perris, CA 92570  
951.943.6100 ext. 277

**From: Julie Fonseca**  
NineSeven LLC  
Jfonseca7298@gmail.com  
Tel: 323.896.8324

**JOB: City of Perris Skills Training Center and Job Placement Center**

## **Scope of Work**

- Complete required annual CEDS update.... 2019 & 2020
- Coordinate Federal Agency Sign Requirements
- Coordinate Award Special Conditions
- Coordinate Grantee Federal ASAP account registration for payment request
- Coordinate Federal Procurement for Architect and General Contractor, inclusive of:
  - Solicitations for Bids/RFP and/or Small Purchase Procurement
  - Bond requirements
  - Insurance requirements
  - Licensing requirements
  - Bidding procedures
  - Bid opening procedures/requirements
  - Advertising/selection procedures/requirements
  - Coordinate construction document approval
- Coordinate Overall Project Timeline/Schedule
- Coordinate Federal Agency Project/Construction Management requirements
- Coordinate Job Reporting Requirements/Methodology
- Coordinate Project Budget Tracking
- Coordinate Project Purchase Order Process for Cash Flow Management
- Coordinate Contractor(s) EDA Progress Payment Checklist
- Coordinate Progress Payment Checklist(s)
- Coordinate Project Management/Quality Control Check Systems
- Coordinate SF 270 - Reporting
- Coordinate SF 425 - Reporting
- Coordinate Semi-Annual Reporting
- Coordinate Local share cash management
- Coordinate Project Cash flow management/Reimbursement
- Coordinate Vocademy curriculum approval

- Coordinate 2<sup>nd</sup> floor tenant/curriculum/lease approval
- On-going assistance as needed
- Coordinate Grant close-out documents

Total Contract Sum                      \$ 150,000

24-Month Contract Term

Payment Terms:

20% Due Upon Contract Execution                      \$     30,000

\$5,217.39 per month (23 months)                      \$     120,000

Total                      \$ 150,000

Please do not hesitate to contact me should you require any additional information or have any questions.

Best Regards,

  
Julie Fonseca

CITY COUNCIL/REDEVELOPMENT AGENCY  
AGENDA SUBMITTAL

**Meeting Date: November 13, 2018**

**SUBJECT:** Consideration of a Quitclaim Deed Regarding a Drainage Easement Over Certain Real Property within the City of Perris

**REQUESTED ACTION:** Approve a Quitclaim Deed Regarding a Drainage Easement and Authorize City Manager to Sign the Necessary Documents

**CONTACT:** Habib Motlagh, City Engineer

---

**BACKGROUND/DISCUSSION:** In a letter dated April 20, 2018, Nuevo Perris, LLC requests the City to quitclaim its interest in a drainage easement over their property located at 1688 N. Perris Boulevard in the City of Perris ("Easement"). Their justification is that the Riverside County Flood Control and Water Conservation District ("District") no longer requires that this easement be maintained, because the related Line J-5 of the Perris Valley Master Drainage Plan, which would have utilized the Easement, has since been realigned to a different location and constructed by the District and, therefore, the Easement is no longer needed. This is further confirmed by a letter dated March 14, 2018, from the District to the City Engineer's office.

The City Engineer's office has reviewed the necessary legal descriptions, drainage plan, the attached quitclaim deed, and other related documents, and recommends that the City Council approve the Nuevo Perris, LLC's request. Based upon the foregoing, the purpose of the attached quitclaim is to therefore relinquish any interest that the City may have in the Easement over the subject property.

---

**BUDGET (or FISCAL) IMPACT:** Not applicable.

---

Reviewed by:

City Attorney

Assistant City Manager *DM*

Director of Finance *JF*

Attachments: Quitclaim

Letter from Nuevo Perris, LLC

Letter from Riverside County Flood Control and Water Conservation District

Consent: Yes

Public Hearing:

Business Item:

Other:

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENT TO:

Name

Street Address

City & State Zip

Title Order No.

Escrow No.



SPACE ABOVE THIS LINE FOR RECORDER'S USE

Quitclaim Deed

THE UNDERSIGNED GRANTOR (S) DECLARE (S)

APN: 306240027

DOCUMENTARY TRANSFER TAX IS \$ \_\_\_\_\_

unincorporated area City of Perris

computed on full value of interest or property conveyed, or  
 computed on full value less value of liens or encumbrances remaining at time of sale, and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

City of Riverside

hereby REMISE, RELEASE AND FOREVER QUITCLAIM to

Nuevo Perris, LLC

the following described real property in the

County of Riverside, state of California

Dated 4/23/18

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 Orange

On 4/23/18 before me,

James Christian (here insert name and title of the officer)

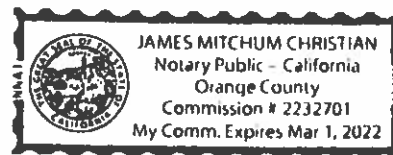
,notary public, personally appeared Patrick Wood

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]



(This area for official notarial seal)

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SHOWN, MAIL AS DIRECTED ABOVE

Name

Street Address

City, State & Zip



**RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:**

Perris City Hall  
101 N. D Street  
Perris, CA 92570  
Attn: City Clerk

APNs. 305-240-027-5  
Grantor declares that the Documentary Transfer Tax is  
\$0 per R&T Code §11911

(Space Above This Line for Recorder's Office Use Only)  
Exempt from Recording Fee per Gov. Code §6103 & 27383

**QUITCLAIM DEED  
(Easement Interest Only)**

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged and the covenants set forth below, the **CITY OF PERRIS**, a municipal corporation ("**Grantor**") hereby remises, releases, and forever quitclaims to **Nuevo Perris, LLC**, a Delaware limited liability company ("**Grantee**"), any and all Grantor's right, title and interest in **ONLY** that certain Easement (defined below) which burdens that certain real property legally described on Exhibit A attached hereto and incorporated herein by reference ("**Property**").

**RECITALS**

A. Pursuant to a street vacation in 1952 by the County of Riverside, a reservation of easement for public utilities was recorded per a Resolution in Book 1375, Page 128 of the Official Records of Riverside County, State of California on June 10, 1952 ("**Easement**").

B. Subsequently, Parcel Map 27544-2 was recorded over the Property but failed to abandon the Easement or reference the Easement.

C. In a letter dated March 14, 2018, the Riverside County Flood Control and Water Conservation District ("**District**") found that the Easement is no longer necessary for any District utility.

D. Grantor has determined that it no longer requires the Easement for any public utility use.

E. Grantor desires to quitclaim any interest it may have in the Easement to the Grantee.

These Recitals are an integral part of this Quitclaim Deed intended to clarify the intentions of the parties and are hereby incorporated herein.

IN WITNESS WHEREOF, Grantor has caused this Quitclaim Deed to be executed on its behalf by its respective officers duly authorized this \_\_\_ day of \_\_\_\_\_, 2018.

**CITY OF PERRIS,**  
a municipal corporation

ATTEST:

By: \_\_\_\_\_  
Richard Belmudez, City Manager

\_\_\_\_\_  
Nancy Salazar, City Clerk

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

That certain real property in the City of Perris, County of Riverside, State of California legally described as follows:

Parcel 1 of Parcel Map No. 27544-2 in the City of Perris, as shown on Map recorded in Book 202 Pages 68 through 70 inclusive of Parcel Maps in the Office of the County Recorder of Riverside County, California.



**Nuevo Perris, LLC**  
C/O Wood Investments, Inc.  
2950 Airway Avenue, Suite A9  
Costa Mesa, CA 92626  
Ph: (657) 247-2600

---

April 20, 2018

Mr. Habib Motlagh  
City Manager  
City of Perris  
101 N. "D" Street  
Perris, CA 92570

Re: Abandonment of Right of Way  
Perris Plaza  
1688 N. Perris Boulevard

Habib:

Pursuant to a street vacation done in 1952 by the County of Riverside, a reservation for public utilities was recorded per a Resolution in Book 1375, Page 128 on June 10, 1952. Subsequently, Parcel Map 27544-2 recorded over this area and failed to abandon the reserved easement or reference said easement. This has created a blight on title. See enclosed Exhibit which shows the pertaining easements as Note 8. The recording is depicted on a survey dated April 11, 2017, last revised November 20, 2017, prepared by PBLA Surveying Inc., designated as Job No. 1036-2.

The Perris Valley Master Drainage Plan had a proposed Line J-5 which was realigned in the development of Parcel Map 27544-2. This realigned facility has since been constructed and the District has accepted the facility for maintenance. All the necessary easements have been dedicated to the District and recorded per separate Instrument. The District has found that the easement rights reserved in the 1952 Resolution are not necessary for any District utility.

As the owner of the property, I am requesting to have these removed.

Thank you,



Nuevo Perris, LLC  
Patrick Wood  
Co-Manager

JASON E. UHLEY  
General Manager-Chief Engineer



1995 MARKET STREET  
RIVERSIDE, CA 92501  
951.955.1200  
FAX 951.788.9965  
www.rcflood.org  
219822

RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT

March 14, 2018

Mr. Habib Motlagh  
City Manager  
City of Perris  
101 N. "D" Street  
Perris, CA 92570

Dear Mr. Motlagh:

Re: Abandonment of Right of Way  
Perris Plaza  
1688 N. Perris Boulevard

The District and the City were contacted by Wood Investments Companies with regard to a reserved easement within their property limits. Pursuant to a street vacation done in 1952 by the County of Riverside, a reservation for public utilities was recorded per a Resolution in Book 1375, Page 128 on June 10, 1952. Subsequently, Parcel Map 27544-2 recorded over this area and failed to abandon the reserved easement or reference said easement. This has created a blight on title. See enclosed Exhibit which shows the pertaining easements as Note 8.

The Perris Valley Master Drainage Plan had a proposed Line J-5 which was realigned in the development of Parcel Map 27544-2. This realigned facility has since been constructed and the District has accepted the facility for maintenance. All the necessary easements have been dedicated to the District and recorded per separate Instrument. The District finds that the easement rights reserved in the 1952 Resolution are not necessary for any District utility.

Should you have any questions with regard to this matter, please contact Ami Urista of my department at 951.955.4518 or via email at [aurista@rivco.org](mailto:aurista@rivco.org).

Very truly yours,

A handwritten signature in black ink, appearing to read "James McNeill".

JAMES McNEILL  
Chief of Survey and Mapping

Enclosures

c: Tri-Lake Consultants  
Attn: Michelle Polola  
Wood Investments Companies  
Attn: James Christian

AU:rlp

1375 128

Riverside, California

BOARD OF SUPERVISORS

FILED JUN 9 - 1952

G.A. PEQUEGNAL Clerk

RESOLUTION OF THE BOARD OF SUPERVISORS ABANDONING ITS RIGHT TO ACCEPT THE DEDICATION OF SUBDIVISION STREETS AS COUNTY HIGHWAYS

On motion of Supervisor Lewis, seconded by Supervisor Barnes, and duly carried, the following resolution was adopted:

WHEREAS, the petition for abandonment of offer of dedication of subdivision streets within the County of Riverside was filed with the Board of Supervisors on February 11, 1952, petitioning the said Board to abandon the offers of dedication of certain streets hereinafter described; and

WHEREAS, pursuant to law, this Board thereafter ordered that a public hearing on the said petition be held in the hearing room of the Board of Supervisors of Riverside County, in the Court House, at Riverside, California, on March 3, 1952, at 10:00 a.m.; and

WHEREAS, notice of the said hearing has been duly given by publication once a week for two successive weeks in the Perris Progress, a newspaper of general circulation published and circulated in the County of Riverside, all as evidenced by the affidavit of publication of Aimes S. Randolph on file herein, and by posting notice along said streets, as evidenced by the affidavit of Hollerick Cecil Boren on file herein; and

WHEREAS, said public hearing was had before the Board of Supervisors at its regular meeting place in the Court House at Riverside, California, on March 3, 1952, at 10:00 a.m., and said hearing was duly and regularly closed; and upon the consideration of the petition, it was ordered by the said Board that the final determination of the petition be continued to the 18th day of March, 1952, at the hour of 10:00 a.m., in the meeting room of the said Board, in the Court House at Riverside, California, and upon said date the same was further continued to June 2, 1952; and

WHEREAS, the real property hereinafter described was dedicated

1 to the use of the public by the subdividers of the subdivisions  
2 hereinafter named and were specifically not accepted as public streets  
3 by resolution of the Board of Supervisors passed at the time said  
4 subdivisions were accepted;

5 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors  
6 of the County of Riverside, State of California, in regular session  
7 assembled this 9th day of June, 1952, that this Board hereby abandons  
8 its right to accept for dedication for public use as a County Highway,  
9 the following-named streets, herein designated as lots, in the  
10 following-named subdivisions, to wit:

- 11 (a) Lots F, J, L, M, N, O, P, R, and S, Figadota
- 12 Farms, No. 5, Riverside County,
- 13 (b) Lots B, C, D and E, Figadota Farms, Riverside
- 14 County,
- 15 (c) Lot J, Figadota Farms 1 A, Riverside County,
- 16 (d) Lots A, B, C, D and E, Figadota Farms No. 6,
- 17 Riverside County,
- 18 (e) Lots A, B, and C, Figadota Farms No. 8,
- 19 Riverside County,
- 20 (f) Lots F and H, Figadota Farms No. 14,

21 subject to the exception that all existing rights of way for public  
22 utilities shall be reserved and shall not be affected by this pro-  
23 ceeding; and

24 BE IT FURTHER RESOLVED that a certified copy of this resolu-  
25 tion be recorded in the Office of the County Recorder.

26 Roll Call Resulted as Follows:

27 Ayes: Supervisors Barnes, Lewis, Vassar, [redacted]

28 Noes: None.

29 Absents: Supervisor Hayden.

30: jr  
6/9/52

RECEIVED FOR RECORD  
JUN 10 1952

JACK A. ROSE

1375 No. 129

THE FOREGOING MINUTE BOOK IS HEREBY CERTIFIED  
TO BE A TRUE AND CORRECT COPY OF THE  
MINUTES OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF RIVERSIDE, CALIFORNIA, FOR THE  
MONTH OF JUNE, 1952.

G. A. PEQUENAT  
DEPUTY





CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date:** November 13, 2018

**SUBJECT:** Public Hearing on the formation of the Citywide Trails Community Facilities District (Public Services District); Resolution authorizing the formation of CFD No. 2018-02; Resolution calling a special election to annex Assessors Parcel Numbers 302-170-015; 302-160-028; 302-160-026; and 302-150-028; to the Citywide Trails Community Facilities District; Resolution declaring the results of the annexation election; Ordinance authorizing the levy of special taxes in the Citywide Trails Community Facilities District

**REQUESTED ACTION:**

- a.) Close the Public Hearing that was continued from October 30, 2018, and consider the adoption of:
- b.) Resolution - authorizing the formation of CFD No. 2018-02
- c.) Resolution - calling a special election;  
Open the ballot
- d.) Resolution - declaring the results of the election;
- e.) First Reading of the Ordinance – authorizing the levy of special taxes in the CFD

**CONTACT:** Darren Madkin, Assistant City Manager *DM*

---

**BACKGROUND/DISCUSSION:**

On September 25, 2018, the City Council adopted resolution #5366 initiating proceedings to establish Citywide Trails Community Facilities District (CFD) No. 2018-02 and the future annexation area, which includes the subject parcel numbers, and a public hearing was set for October 30, 2018, the public hearing was opened and continued to November 13, 2018. Three resolutions; authorizing the formation of CFD No. 2018-02; calling a special election to annex parcel numbers 302-170-015; 302-160-028; 302-160-026; and 302-150-028 to the CFD; and declaring the results of the election are presented for consideration by the City Council. An ordinance authorizing the levy of special taxes in the CFD is also presented for first reading. IDI Logistics is the owner of all four parcels which encompasses 82.81 acres. The maximum assessment amounts have been established to fund the maintenance of trail improvements which includes administrative costs, utilities, reserves for equipment replacement, and the costs incurred to determine, levy, and collect the special taxes. The assessments are subject to an annual adjustment that will allow for increases in the costs of labor and utilities. As a condition of approval, IDI Logistics project is required to annex into a CFD for trails maintenance.

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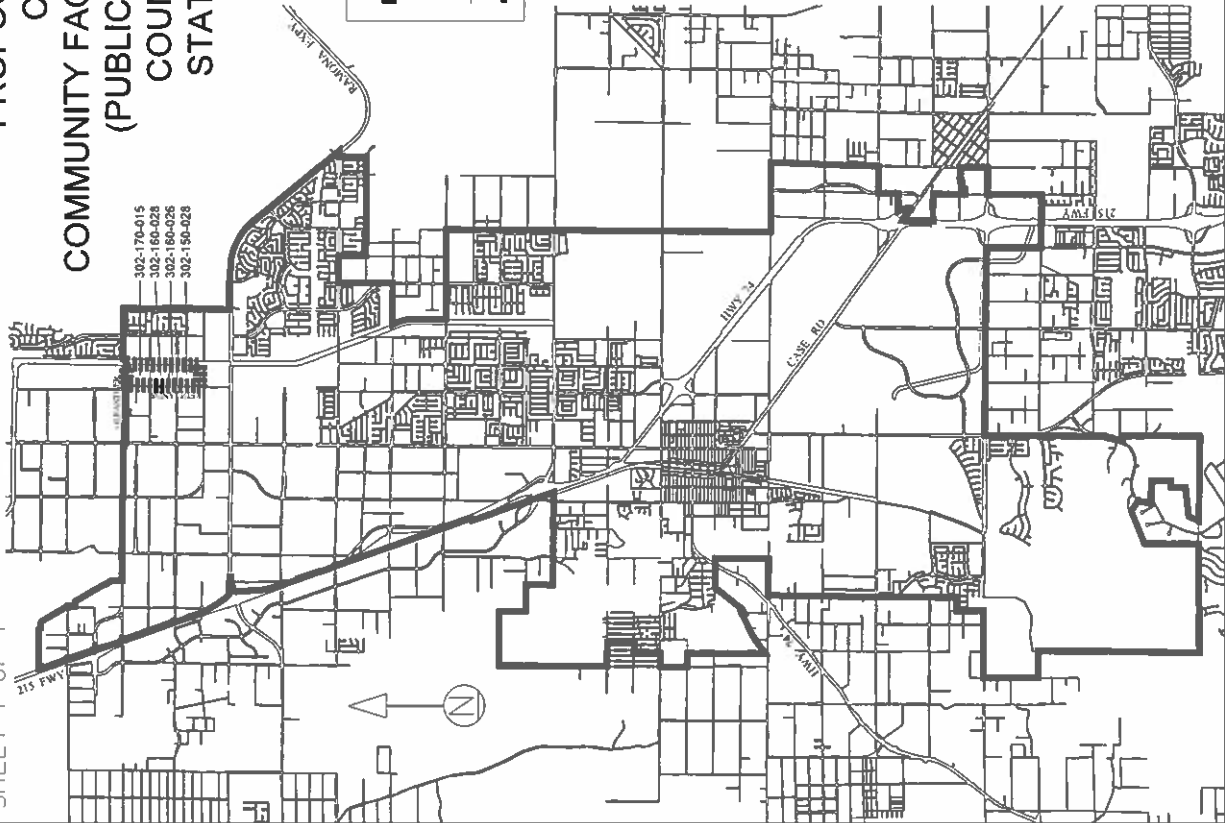
**BUDGET (or FISCAL) IMPACT:** The maximum special tax rate is \$18.47 per one thousand square feet of floor area. On each July 1, commencing on July 1, 2019, the maximum special tax for taxable property shall be increased annually by the greater of the change in the Consumer Price Index during the twelve (12) months prior to December of the previous fiscal year, or two percent (2%).

---

**Attachments:** Location map  
Community Facilities District Report  
Resolution(s): Authorizing the formation of CFD 2018-02; calling a special election; declaring results of the election; Ordinance levying special taxes




Finance Director *[Signature]*  
Public Hearing: **X**

PROPOSED BOUNDARIES OF  
CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT NO. 2018-02  
(PUBLIC SERVICES DISTRICT)  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



302-170-015  
302-160-028  
302-160-026  
302-150-028

LEGEND

-  Proposed Boundaries of City of Perris Community Facilities District No. 2018-02 (Public Services District), County of Riverside, California
-  Assessor Parcel Line
-  Future Annexation Area

Reference is hereby made to the Assessor maps of the County of Riverside for a description of the lines and dimensions of these parcels.

The CFD Future Annexation Area is co-terminous with the City of Perris boundary as of January 1, 2018.

Assessor Parcels within City of Perris  
Community Facilities District No. 2018-02  
(Public Services District):  
302-170-015  
302-160-028  
302-160-026  
302-150-028

Prepared by David Taussig & Associates, Inc.

(1) Filed in the office of the Clerk of the City of Perris this \_\_\_ day of \_\_\_, 2018.

Nancy Salazar, Clerk of the City of Perris, California

(2) I hereby certify that the within map showing the proposed boundaries of City of Perris Community Facilities District No. 2018-02 (Public Services District), County of Riverside, State of California, was approved by the City Council of the City of Perris at a regular meeting thereof, held on this \_\_\_ day of \_\_\_, 2018, by its Resolution No. \_\_\_\_\_.

Nancy Salazar, Clerk of the City of Perris, California

(3) Filed this \_\_\_ day of \_\_\_, 2018, at the hour of \_\_\_ o'clock \_\_m, in Book \_\_\_\_\_ of Maps of Assessment and Community Facilities Districts at Page \_\_\_\_\_ and as Instrument No. \_\_\_\_\_.

Recorder in the County of Riverside, State of California.

Peter Aldana  
Assessor-County Clerk-Recorder,  
County of Riverside

By \_\_\_\_\_ Deputy  
Fee \_\_\_\_\_

Exempt recording requested,  
per CA Government Code §6103

# **COMMUNITY FACILITIES DISTRICT REPORT**

**City of Perris  
Community Facilities District  
No. 2018-02  
(Public Services District)**

**October 16, 2018**

Public Finance  
Facilities Planning  
Urban Economics

---

Newport Beach  
Riverside  
San Francisco  
San Jose  
Dallas  
Houston

**COMMUNITY FACILITIES DISTRICT REPORT  
MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982**

**CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT  
No. 2018-02  
(PUBLIC SERVICES DISTRICT)**

**Prepared for**

**CITY OF PERRIS  
101 N. D Street  
Perris, CA 92570**

**Prepared by**

**DAVID TAUSSIG & ASSOCIATES, INC.  
5000 Birch Street, Suite 6000  
Newport Beach, CA 92660**

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**ATTACHMENTS**

- Attachment A** Rate and Method of Apportionment
- Attachment B** Boundary Map

## I. INTRODUCTION

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the “Act”), the Council of the City of Perris (“City Council”) is authorized to establish a community facilities district and to act as its legislative body; and

WHEREAS, this City Council, having received petitions from the owners of not less than 10% of the area of land proposed to be included in the proposed community facilities district, now desires to proceed with the establishment of such community facilities district to finance costs of certain public services and public facilities required to meet the demands of development of lands in the City; and

WHEREAS, the City Manager (or deputy or designee thereof) is hereby directed to study the proposed Services and Facilities and to make, or cause to be made, and file with the City Clerk, a report in writing (the “CFD Report”), which shall be a part of the record of the public hearing hereinafter specified and which shall present the following:

- (a) A description of the Services and Facilities that will be required to adequately meet the needs of the CFD.
- (b) An estimate of the fair and reasonable cost of the Services and Facilities and incidental expenses in connection therewith, and all other related costs.

NOW, THEREFORE, David Taussig & Associates, Inc. does hereby submit the Report.

## II. PROJECT DESCRIPTION

CFD No. 2018-02 (Public Services District) currently encompasses approximately 82.81 gross acres of land in the City of Perris located, directly south of East Oleander Ave and west of Evans Road.

CFD No. 2018-02 (Public Services District) is currently comprised of property described above, that will permit the development of approximately 2.0 million non-residential square feet. A Future Annexable Area has also been identified for CFD No. 2018-02 (Public Services District), within which future residential and non-residential property will be able to annex into the CFD on a parcel by parcel basis.

A map showing this territory is provided as Appendix B of this Report.

### III. DESCRIPTION AND ESTIMATED COSTS OF ELIGIBLE SERVICES

A community facilities district may provide for financing of certain public services which are necessary to meet increased demands placed upon local agencies as a result of development or rehabilitation occurring within the community facilities district.

#### A. Description of Eligible Services

- 1. Public Street Lighting:** The street lighting improvements to be maintained may include, but are not limited to, electrical energy, lighting fixtures, poles, meters, conduits, electrical cable and associated appurtenant facilities associated with: (i) All public street lighting within CFD No. 2018-02 (Public Services District); and (ii) Public street lighting, traffic signals and other public lighting facilities on the streets surrounding or adjacent to the development and other public areas associated or necessary for development of properties within CFD No. 2018-02 (Public Services District).
- 2. Landscape, Park, Trails, and Recreation Improvements:** The landscaping improvements may include, but are not limited to, all landscaping material and facilities within CFD No. 2018-02 (Public Services District). These improvements include turf, ground cover, shrubs, trees, plants, irrigation and drainage systems, ornamental lighting structures, electricity, repair/replacement & inspection, and associated appurtenant facilities located within the streetscape (parkway and slope perimeter landscaping) surrounding the development.

The parks, open space areas, trails and recreation facilities to be operated, maintained and serviced may include, but are not limited to, the maintenance and care of all landscaping and facilities within park and open space areas facilities that service CFD No. 2018-02 (Public Services District) but may not be included within the boundaries of CFD No. 2018-02 (Public Services District). This includes trees, plant material, sod, irrigation systems, sidewalks, drainage facilities, weed control and other abatements, signs, monuments, and associated appurtenant facilities.

#### B. Estimated Costs of Eligible Services

CFD No. 2018-02 (Public Services District) is expected to finance the annual costs to provide the services described in Section A, above. The Special Taxes within CFD No. 2018-02 (Public Services District) have been established to pay for these additional services up to approximately \$18.47 per 1,000 square feet of Floor Area (as defined in the Rate and Method of Apportionment, also known as the "RMA") per year. This amount shall be increased based on the percentage change in the Consumer Price Index, with a minimum annual increase of two percent (2%) per Fiscal Year starting July 1, 2019.



## **IV. RATE AND METHOD OF APPORTIONMENT**

All of the property located within CFD No. 2018-02 (Public Services District), unless exempted by law or by the Rate and Method of Apportionment, shall be taxed for the purpose of providing necessary facilities and services to serve CFD No. 2018-02 (Public Services District). Pursuant to Section 53325.3 of the Act, the tax imposed “is a special tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property.” The special tax “may be based on benefit received by parcels of real property, the costs of making facilities or authorized services available to each parcel or other reasonable basis as determined by the legislative body,” although the special tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution.

As shown in Attachment A, the adopted Rate and Method of Apportionment provides information sufficient to allow each property owner within such community facilities district to estimate the maximum annual Special Tax he or she will be required to pay. Sections A through C below, provide additional information on the Rate and Method of Apportionment for CFD No. 2018-02 (Public Services District).

### **A. Explanation for Special Tax Apportionment**

When a community facilities district is formed, a special tax may be levied on each parcel of taxable property within the community facilities district to pay for authorized services and other related expenses incurred by CFD No. 2018-02 (Public Services District). This special tax must be apportioned in a reasonable manner; however, the tax may not be apportioned on an ad valorem basis.

Based on the types of public services that are proposed for CFD No. 2018-02 (Public Services District) and the factors described above, the Special Taxes assigned to Developed Properties are generally proportionate to the relative benefits received by them, which are assumed to be approximately equal for each square foot of floor area, and accordingly, the Special Taxes in CFD No. 2018-02 (Public Services District) can be considered fair and reasonable.

### **B. Maximum Special Tax**

Table 1 of Attachment A lists the Fiscal Year 2018-2019 Maximum Special Tax that may be levied against Developed Property within CFD No. 2018-02 (Public Services District) to fund the Special Tax Requirement. On each July 1, commencing on July 1, 2019, the Maximum Special Tax for Developed Property shall be increased based on the percentage change in the Consumer Price Index, with a minimum annual increase of two percent (2%) per Fiscal Year.

### **C. Accuracy of Information**

In order to establish the Special Taxes for CFD No. 2018-02 (Public Services District) as set forth in the Rate and Method of Apportionment, David Taussig and Associates, Inc. has relied on information including, but not limited to absorption, land-use types, building square footage, and net taxable acreage which were provided to David Taussig and Associates, Inc., by others. David Taussig and Associates, Inc. has not independently

verified such data and disclaims responsibility for the impact of inaccurate data provided by others, if any, on the Rate and Method of Apportionment for CFD No. 2018-02 (Public Services District), including the inability to meet the financial obligations of CFD No. 2018-02 (Public Services District).

## V. BOUNDARIES OF COMMUNITY FACILITIES DISTRICT

The boundaries of CFD No. 2018-02 (Public Services District) include all land on which the Special Taxes may be levied. A reduced scale map showing the boundaries of CFD No. 2018-02 (Public Services District) is provided as Attachment B. A full-scale map is on file with the City Clerk of the City of Perris and was recorded with the County Recorder of the County of Riverside in Book [redacted] of Maps of Assessment and Community Facilities Districts at Page [redacted].

## **VI. GENERAL TERMS AND CONDITIONS**

### **A. Substitution of Facilities and Services**

The descriptions of the facilities and services, as set forth herein, are general in their nature. The City of Perris will determine the final nature, location, and costs of facilities and services upon the preparation of final plans and specifications. The final plans may show substitutes, in lieu of modifications to the proposed work in order to accomplish the work of improvement, and any such substitution shall not be a change or modification in the proceedings as long as the facilities and services provide a service substantially similar to that as set forth in this Report.

### **B. Appeals**

Pursuant to the Rate and Method of Apportionment, any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error may submit a written appeal to CFD No. 2018-02 (Public Services District). The CFD Administrator shall review the appeal, and if necessary, the amount of the Special Tax levied shall be appropriately modified.

**ATTACHMENT A**

**CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT  
NO. 2018-02  
(PUBLIC SERVICES DISTRICT)**

**RATE AND METHOD OF APPORTIONMENT**

**ATTACHMENT B**

**CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT  
NO. 2018-02  
(PUBLIC SERVICES DISTRICT)**

**BOUNDARY MAP**

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, AUTHORIZING FORMATION OF CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND THE LEVY OF A SPECIAL TAX THEREIN**

**WHEREAS**, on September 25, 2018, this City Council adopted a resolution (No. 5366) entitled "A Resolution Of The City Council Of The City Of Perris, Intention To Establish A Community Facilities District And Future Annexation Area, Community Facilities District No. 2018-02 (PUBLIC SERVICES DISTRICT)" (the "Resolution of Intention"), stating its intention to form the "City of Perris Community Facilities District No. 2018-02 (Public Services District)" (the "CFD") under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"); and

**WHEREAS**, the Resolution of Intention, incorporating a map of the proposed boundaries of the CFD and stating the public services to be provided and the rate and method of apportionment of the special tax to be levied within the CFD to pay for the public services, is on file with the City Clerk and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

**WHEREAS**, on this date, this City Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed formation of the CFD; and

**WHEREAS**, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD, the public services to be provided, and the levy of such special tax were heard and a full and fair hearing was held; and

**WHEREAS**, at the hearing evidence was presented to this City Council on such matters before it, including a special report (the "CFD Report") as to the public services to be provided through the CFD and the estimated costs thereof, a copy of which is on file with the City Clerk, and this City Council at the conclusion of said hearing is fully advised in the premises; and

**WHEREAS**, written protests have not been filed with the City Clerk against the formation of the CFD, the furnishing of specified types of public services, or the rate and method of apportionment of the special taxes by 50% or more of the registered voters residing within the territory of the CFD or property owners of one-half or more of the area of land within the CFD and not exempt from the proposed special taxes;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris, as follows:

**Section 1. Recitals.** The foregoing recitals are true and correct.

**Section 2. No Majority Protest.** The proposed special tax to be levied within the CFD has not been precluded by majority protest pursuant to section 53324 of the Act.

**Section 3. Prior Proceedings Valid.** All prior proceedings taken by this City Council in connection with the establishment of the CFD and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Act.

**Section 4. Local Goal and Policies.** The City Council has approved local goals and policies for community facilities districts of the City (Goals and Policies), and this City Council hereby finds and determines that the CFD is in conformity with said Goals and Policies.

**Section 5. Name of CFD.** The community facilities district designated "City of Perris Community Facilities District No. 2018-02 (Public Service District)", is hereby established pursuant to the Act.

**Section 6. Boundaries of CFD.** The boundaries of the CFD as set forth in the map of the CFD heretofore recorded in the Riverside County Recorder's Office on October 25, 2018, at 12:55 p.m., in Book 83 of Maps of Assessment and Community Facilities Districts at Page 28, and as instrument number 2018-0421949 are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD.

**Section 7. Description of Services and Facilities.** The type of public services (the "Services") proposed to be financed by the CFD, pursuant to the Act shall consist of those items shown in Exhibit A hereto and by this reference incorporated herein.

**Section 8. Special Tax.**

a. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the CFD, is intended to be levied annually within the CFD, and collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as may be prescribed by this City Council.

b. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD, in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are shown in Exhibit B attached hereto and hereby incorporated herein.

c. In no circumstances shall the special tax levied against any parcel used for private residential purposes (as defined in the Act), if any, be increased as a consequence of delinquency of default by the owner of any other parcel or parcels with the CFD by more than 10 percent.

**Section 9. Responsible Official.** The Director of Finance, 101 N. D Street, Perris, CA 92570, telephone number (951) 943-4610, is the officer of the City who will be responsible



for preparing annually a current roll of the levy of the Special Tax obligations by assessor's parcel number and who will be responsible for estimating future levies of the Special Tax.

**Section 10. Tax Lien.** Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property in the CFD and this lien shall continue in force and effect until the Special Tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the Special Tax by the City ceases.

**Section 11. Appropriations Limit.** In accordance with the Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the CFD is hereby preliminarily established at \$1,000,000 (one million dollars), and such appropriations limit shall be submitted to the voters of the CFD as hereafter provided. The proposition establishing such annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of the Act and the Constitution.

**Section 12. Election.** Pursuant to the Act, the proposition of the levy of the Special Tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of the CFD at an election the time, place and conditions of which election shall be as specified by a separate resolution of this City Council. All of the approvals, consents, and authorizations provided in this Resolution shall be contingent upon the unanimous approval by the qualified electors of the CFD, of the levy of the special tax and the establishment of the appropriations limit specified in Section 10. If, and to the extent, the levy of the special and the establishment of the appropriations limit are not unanimously approved by all qualified electors, the approvals, consents, and authorizations set forth herein shall become null and void *ab initio*.

**Section 13.** This Resolution shall go into effect immediately upon its adoption.

**Section 14.** The City Clerk shall certify to the passage and adoption hereof.

**ADOPTED, SIGNED, and APPROVED** this 13th day of November, 2018.

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Mayor, Michael Vargas

ATTEST:

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City Clerk, Nancy Salazar

**EXHIBIT A**

**CITY OF PERRIS  
Community Facilities District No. 2018-02  
(Public Services District)**

**DESCRIPTION OF AUTHORIZED SERVICES**

**Authorized Services**

The services authorized to be funded by the CFD and paid by the special taxes levied within the CFD (the “Services”) are described below. For purposes of the CFD, the Services shall incorporate and have the meaning given to the term “services” in section 53313 of the Mello-Roos Community Facilities Act of 1982.

**Additional Authorized Expenses**

In addition, the following costs are authorized to be funded by the special taxes levied within the CFD:

- (a) Administrative expenses including the costs incurred to determine, levy and collect the special taxes, including compensation of City employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the charges imposed by the County for the levy and collection of the special taxes on the property tax rolls, preparation of required reports, and any other costs incurred in the administration of the CFD by the City.
- (b) Any amounts needed for operating reserves and capital reserves.
- (c) Any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years.
- (d) To reimburse the City or any third parties for actual costs advanced that are related to the formation of the CFD.

**EXHIBIT B**

**CITY OF PERRIS  
Community Facilities District No. 2018-02  
(Public Services District)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT NO. 2018-02  
(PUBLIC SERVICES DISTRICT)  
CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels of Taxable Property in City of Perris Community Facilities District No. 2018-02 (Public Services District), City of Perris, County of Riverside, State of California ("CFD No. 2018-02") and collected each Fiscal Year commencing in Fiscal Year 2018-19, in an amount determined by the City Council through the application of the appropriate Special Tax, as described below. All of the real property in CFD No. 2018-02, unless exempted by law or by the provisions hereof, shall be taxed for these purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2018-02: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or any designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs to the City, CFD No. 2018-02, or any designee thereof of complying with CFD No. 2018-02 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2018-02, or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2018-02 for any other administrative purposes of CFD No. 2018-02, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Assessor's Parcel" or "Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"Authorized Services"** means those services eligible to be funded by CFD No. 2018-02, as defined in the Resolution of Formation and authorized to be financed by CFD No. 2018-02 pursuant to Section 53313 and Section 53313.5 of the Act. CFD No. 2018-02 shall finance Authorized Services only to the extent that they are in addition to those provided

in the territory of CFD No. 2018-02 before the CFD was created and such Authorized Services may not supplant services already available within CFD No. 2018-02 when the CFD was created.

**“Building Permit”** means a permit issued by the City or other governmental agency for the construction of a residential or non-residential building on an Assessor’s Parcel.

**“CFD Administrator”** means an official of CFD No. 2018-02, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**“CFD No. 2018-02”** means City of Perris Community Facilities District No. 2018-02 (Public Services District), City of Perris, County of Riverside, State of California.

**“City”** means the City of Perris, California.

**“City Council”** means the City Council of the City.

**“Consumer Price Index”** means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All items in Los Angeles-Riverside-Orange County, CA, all urban consumers, not seasonally adjusted” index (Series Id: CUURA421SA0), measured as of the month of December in the calendar year that ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index.

**“County”** means the County of Riverside.

**“Developed Property”** means, for each Fiscal Year, all Assessor’s Parcels for which a Building Permit was issued after January 1, 2017 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

**“Fiscal Year”** means the period starting July 1 and ending on the following June 30.

**“Floor Area”** means the total building square footage of non-residential building(s) or the non-residential portion of a building with both residential and non-residential areas located on an Assessor’s Parcel of Taxable Property, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two (2) sides. The determination of Floor Area shall be made by reference to the Building Permit(s) issued for such Assessor’s Parcel and/or to the appropriate records kept by the City’s Building Division, as reasonably determined by the CFD Administrator.

**“Industrial Zone(s)”** means zoning designation identified in the Chapter 19.44 of the City’s Zoning Ordinance (as amended by the City from time to time).

**“Maximum Special Tax”** means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C, below, that can be levied on any Assessor’s Parcel.

**“Non-Residential Property”** means any and each Assessor’s Parcel of Developed Property for which a Building Permit permitting the construction of one or more non-residential units or facilities, has been issued by the City or some other governmental agency.

**“Property Owner Association Property”** means, for each Fiscal Year, any Assessor’s Parcel within the boundaries of CFD No. 2018-02 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association, not including any such property that is located directly under a residential or non-residential structure.

**“Proportionately”** means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Property.

**“Public Property”** means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2018-02 that is owned by or irrevocably offered for dedication to the Federal government, the State, the City, or any other public agency; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2018-02 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Rate and Method of Apportionment”** or **“RMA”** means this Rate and Method of Apportionment of Special Tax.

**“Resolution of Formation”** means the resolution forming CFD No. 2018-02.

**“Special Tax”** or **“Special Taxes”** means the special tax or special taxes to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

**“Special Tax Requirement”** means that amount to be collected in any Fiscal Year for CFD No. 2018-02 to pay for certain costs as required to meet the needs of CFD No. 2018-02 in that Fiscal Year. The costs to be covered shall be the direct costs for (i) Authorized Services, including the establishment of reserves for future costs of Authorized Services, (ii) Administrative Expenses, and (iii) an amount to cover anticipated delinquencies for the payment of the Special Tax, based on the delinquency rate for the preceding Fiscal Year; less (iv) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax Requirement include debt service payments for debt financings by CFD No. 2018-02.

**“State”** means the State of California.

**“Taxable Property”** means an Assessor’s Parcel of Non-Residential Property (i) for which a Building Permit has been issued permitting the construction of one or more land uses allowed in an Industrial Zone, and (ii) that is not exempt from the Special Tax pursuant to law or Section E below.

**“Non-Taxable Property”** means, for each Fiscal Year, all property not classified as Taxable Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Assessor’s Parcels within CFD No. 2018-02 shall be classified by the CFD Administrator as Taxable Property or Non-Taxable Property, and shall be subject to annual Special Taxes in accordance with this Rate and Method of Apportionment as determined by the CFD Administrator pursuant to Sections C and D below. The CFD Administrator’s allocation of property to each type of Land Use Class shall be conclusive and binding. However, only Taxable Property shall be subject to annual Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Taxable Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2018-19 for Taxable Property is shown below in Table 1.

**TABLE 1**

**Maximum Special Taxes  
For Fiscal Year 2018-19  
Community Facilities District No. 2018-02**

<b>Land Use Class</b>	<b>Land Use</b>	<b>Fiscal Year 2018-2019 Maximum Special Tax</b>
1	Taxable Property	\$18.47 per Thousand Square Feet of Floor Area

b. Multiple Land Use Classes

In some instances, an Assessor's Parcel of Taxable Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor's Parcel.

c. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2019, the Maximum Special Tax for Taxable Property shall be increased annually by the greater of the change in the Consumer Price Index during the twelve (12) months prior to December of the previous Fiscal Year, or two percent (2.00%).

**2. Non-Taxable Property**

No Special Taxes shall be levied on Non-Taxable Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2018-19 and for each following Fiscal Year, the City Council shall levy the annual Special Tax Proportionately for each Assessor's Parcel of Taxable Property at up to 100% of the applicable Maximum Special Tax, until the amount of Special Taxes equals the Special Tax Requirement.

**E. EXEMPTIONS**

No Special Tax shall be levied on Non-Taxable Property, Property Owner Association Property, or Public Property. However, should an Assessor's Parcel no longer be classified as Non-Taxable Property, Property Owner Association Property, or Public Property, such Assessor's Parcel shall, upon each reclassification, no longer be exempt from Special Taxes.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has thirty (30) days in which to appeal to the City Council



by filing a written notice of appeal with the clerk of the City, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

The City may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City will be final and binding as to all persons.

**G. MANNER OF COLLECTION**

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the City may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary or otherwise advisable to meet its financial obligations for CFD No. 2018-02, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. FUTURE ANNEXATIONS**

It is anticipated that additional properties will be annexed to CFD No. 2018-02 from time to time. As each annexation is proposed, an analysis may be prepared to determine the annual cost for providing Authorized Services to such parcels. Based on this analysis, any parcels to be annexed, pursuant to California Government Code Section 53339 *et seq.* will be assigned the approximate Maximum Special Tax rates when annexed and included in Exhibit A.

**I. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement, unless no longer required to pay for Authorized Services as determined at the discretion of the City.

**EXHIBIT A**

**IDENTIFICATION OF FUTURE ANNEXATIONS**

**RESOLUTION NO. \_\_\_\_**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, CALLING A SPECIAL ELECTION FOR THE PURPOSE OF APPROVING A SPECIAL TAX IN THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND ESTABLISHMENT OF AN APPROPRIATIONS LIMIT

**WHEREAS**, on November 13, 2018, this City Council adopted Resolution No. \_\_\_\_ entitled "A Resolution Of The City Council Of The City Of Perris, California, Authorizing Formation Of City Of Perris Community Facilities District No. 2018-02 (Public Services District) And The Levy Of A Special Tax Therein" (the "Resolution of Formation"), ordering the formation of City of Perris Community Facilities District No. 2018-02 (Public Services District) (the "CFD"), authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD; and

**WHEREAS**, a copy of the Resolution of Formation is on file with the City Clerk and incorporated herein by reference;

**WHEREAS**, pursuant to the Resolution of Formation, the proposition of the levy of a special tax within the CFD shall be submitted to the qualified electors of CFD at a special election as required by the Act; and

**NOW, THEREFORE**, the City Council for the City of Perris hereby finds, determines, resolves, and orders as follows:

1. Pursuant to the Act, the proposition to levy special taxes on property within the CFD in accordance with the rate and method of apportionment of special tax specified in the Resolution of Formation ("**Proposition**") shall be submitted to the qualified electors of the CFD. The form of the Proposition is attached as Exhibit "A."

2. This City Council hereby finds that fewer than 12 persons have been registered to vote within the territory of the CFD for each of the ninety (90) days preceding the close of the public hearing heretofore conducted and concluded by this City Council for the purposes of these proceedings. Accordingly, pursuant to the Act, this City Council finds that for purposes of these proceedings the qualified electors are the landowners within the CFD and that the vote shall be by said landowners or their authorized representatives, each having one vote for each acre or portion thereof such landowner owns in the CFD as of the close of said public hearing.

3. This City Council hereby calls a special election to consider the Proposition, which election shall be held in the City Council chambers immediately following adoption of this Resolution. The City Clerk (the Clerk) is hereby designated as the official to conduct said election. It is hereby acknowledged that the Clerk has on file the Resolution of Formation, a certified map of the proposed boundaries of the CFD, and a sufficient description to allow the Clerk to determine the boundaries of the CFD. The voted ballots shall be returned to the Clerk immediately following the adoption of this Resolution.

4. This City Council hereby further finds that a provision of Section 53326 of the Act requiring a minimum of 90 days following the adoption of the Resolution of Formation to elapse before said special election is for the protection of the qualified electors of the CFD. A written waiver executed by all of the qualified electors of the CFD approving a shortening of the time for said special election to expedite the process of formation of the CFD and waiving any requirements for analysis and arguments in connection with the election has been received. Accordingly, this City Council finds and determines that said qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of analysis and arguments and have thereby been fully protected in these proceedings. This City Council also finds and determines that the Clerk has concurred in the shortened time for the election.

5. Pursuant to the Act, the election shall be conducted by hand-delivered ballot.

6. This City Council acknowledges that the Clerk has caused to be delivered to each of the qualified electors of the CFD a ballot in the form set forth in Exhibit "A" hereto. Each ballot indicates the number of votes to be cast by the respective landowner to which it pertains. Each ballot was accompanied by all supplies and written instructions necessary for the use and return of the ballot. The envelope to be used to return the ballot was enclosed with the ballot, had the return postage prepaid, and contained the following: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or authorized representative of the landowner entitled to vote and is the person whose name appears on the envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration pursuant to clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing official. Analysis and arguments and publication of notice of the election with respect to the ballot measures are hereby waived, as provided in Section 53327 of the Act.

7. The Clerk shall accept the ballots of the qualified electors in the meeting room of the Council Chambers upon and prior to the adoption of this Resolution, whether said ballots be personally delivered or received by mail. The Clerk shall have available ballots which may be marked at said location on the election day by said qualified electors.

8. The Clerk is hereby directed to cause to have published in a newspaper of general circulation circulating within the CFD a copy of this Resolution, as soon as possible after the date of adoption of this Resolution.

**Section 13.** This Resolution shall go into effect immediately upon its adoption.

**Section 14.** The City Clerk shall certify to the passage and adoption hereof.

**ADOPTED, SIGNED, and APPROVED** this 13th day of November, 2018.

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Mayor, Michael Vargas

ATTEST:

---

City Clerk, Nancy Salazar

**EXHIBIT "A"**  
**OFFICIAL BALLOT**

COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) OF  
THE  
CITY OF PERRIS ANNEXATION NO. 1

SPECIAL TAX AND APPROPRIATIONS LIMIT ELECTION

October 30, 2018

To vote, mark a cross (+) in the voting square after the word "YES" or after the word, "NO." All marks otherwise made are forbidden.

This ballot is provided to IDI LOGISTICS, as owner or authorized representative of the owners of 82.81 acres of land (constituting all of the property) within Community Facilities District No. 2018-2 (Public Services District) of the City of Perris, Annexation No. 1 (the "Property") and represents 1 of the votes required for annexation.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Perris at 101 North "D" Street, Perris, California 92570.

**PROPOSITION A:** Shall the Property be annexed and shall a Special Tax be levied within Community Facilities District No. 2018-02 (Public Services District) of the City of Perris, Annexation No. 1 to pay for the provision of all related administrative costs and expenses, necessary utility (water and electricity) costs, and related reserves for replacement of vehicles, equipment and facilities, including the costs incurred to determine, levy and collect the special taxes, including compensation of City employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the charges imposed by the County for the levy and collection of the special taxes on the property tax rolls, preparation of required reports, any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years, to reimburse the City or any third parties for actual costs advanced that are related to the formation of the CFD, any amounts needed for operating reserves and capital reserves, and any other costs incurred in the administration of the CFD by the City, as authorized in the Resolution calling the election adopted on September 25, 2018, and the Resolution

YES

NO

of Intention referred to therein; and shall an appropriations limit be established for Community Facilities District No. 2018-02 (Public Services District) of the City of Perris Annexation No. 1 pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population?

Signed this 30<sup>th</sup> day of October, 2018

IDI LOGISTICS

By: IDI LOGISTICS

By: \_\_\_\_\_  
Name: Stephen Hollis  
Its: Vice President, Construction

Property Owned in Proposed Annexation to CFD  
Assessor's Parcel Number(s): APN 302-170-015  
302-160-028, 302-160-026, 302-150-028

[Signature Page to Ballot for Annexation No. 1  
to Community Facilities District No. 2018-2  
(Public Services District) of the City of Perris]

**RESOLUTION NO. \_\_\_\_**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DECLARING THE RESULTS OF A SPECIAL ELECTION HELD IN THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) AND DIRECTING RECORDING OF A NOTICE OF SPECIAL TAX LIEN

**WHEREAS**, in proceedings heretofore conducted by this City Council pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Section 53311, et seq., of the California Government Code (the Act), this City Council on November 13, 2018, adopted Resolution No. \_\_\_\_\_ entitled "A Resolution Of The City Council Of The City Of Perris, California, Authorizing Formation Of City Of Perris Community Facilities District No. 2018-02 (Public Services District) And The Levy Of A Special Tax Therein (the "CFD"); and

**WHEREAS**, pursuant to the terms of said resolution, which are by this reference incorporated herein, said special election was held on this date, and the City Clerk (the Clerk) has on file a Canvass and Statement of Results of Election, a copy of which is attached hereto as Exhibit "A" (the Canvass); and

**WHEREAS**, this City Council has reviewed said Canvass and hereby approves it.

**NOW, THEREFORE**, the City Council of the City of Perris hereby finds, determines, resolves, and orders as follows:

1. The questions presented at said special election were the levy of a special tax within the CFD to be levied in accordance with the rate and method of apportionment heretofore approved by the City Council by Resolution No. 5366 adopted September 25, 2018, entitled "A Resolution of the City Council of the City of Perris, intention to establish a community facilities district and future annexation area, Community Facilities District No. 2018-02 (public services district)" and the approval of an annual appropriations limit as specified in said resolution.
2. Pursuant to said Canvass on file with the Clerk, the issues presented at said special election were approved by the qualified electors of the CFD by more than two-thirds (2/3) of the votes cast at said special election.
3. Pursuant to said voter approval, the CFD is hereby declared to be fully formed with the authority to levy special taxes as heretofore provided in these proceedings and in the Act.
4. It is hereby found that all prior proceedings and actions taken by this City Council with respect to the CFD, were valid and in conformity with the Act.

**Section 12.** The City Manager of the City is hereby authorized and directed to take such further actions and execute such additional documents as may be necessary to implement and effect this Resolution on behalf of the City.



**Section 13.** This Resolution shall go into effect immediately upon its adoption.

**Section 14.** The City Clerk shall certify to the passage and adoption hereof.

**ADOPTED, SIGNED, and APPROVED** this 13th day of November, 2018.

---

Mayor, Michael Vargas

ATTEST:

---

City Clerk, Nancy Salazar

**EXHIBIT A**

**CANVASS AND STATEMENT OF RESULTS OF ELECTION  
CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC  
SERVICES DISTRICT)**

**CITY OF PERRIS  
Community Facilities District No.2018-02  
(Public Services District)**

**CANVASS AND STATEMENT OF RESULTS OF ELECTION**

I hereby certify that on \_\_\_\_\_, 2018, I canvassed the returns of the election held on \_\_\_\_\_, 2018, in City of Perris Community Facilities District No. 2018-02 (Public Services District) (the "CFD"), and the total number of ballots cast in said CFD and the total number of votes cast for and against the measure are as follows, and the totals as shown for and against the measure are full, true and correct.

	Qualified Landowner Vote	Vote Cast	YES	NO
City of Perris Community Facilities District No. 2018-02 (Public Services District) Special Tax Election , 2018				

**BALLOT MEASURE:** Shall the Property be annexed and shall a Special Tax be levied within Community Facilities District No. 2018-02 (Public Services District) of the City of Perris, Annexation No. 1 to pay for the provision of all related administrative costs and expenses, necessary utility (water and electricity) costs, and related reserves for replacement of vehicles, equipment and facilities, including the costs incurred to determine, levy and collect the special taxes, including compensation of City employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the charges imposed by the County for the levy and collection of the special taxes on the property tax rolls, preparation of required reports, any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years, to reimburse the City or any third parties for actual costs advanced that are related to the formation of the CFD, any amounts needed for operating reserves and capital reserves, and any other costs incurred in the administration of the CFD by the City, as authorized in the Resolution calling the election adopted on November 13, 2018, and the Resolution of Intention referred to therein; and shall an appropriations limit be established for Community Facilities District No. 2018-02 (Public Services District) of the City of Perris Annexation No. 1 pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Nancy Salazar, City Clerk

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

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF THE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT) LEVYING SPECIAL TAXES WITHIN THE CITYWIDE CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2018-02 (PUBLIC SERVICES DISTRICT)**

**WHEREAS**, on September 25, 2018, this City Council adopted a resolution (No. 5366) entitled "A Resolution Of The City Council Of The City Of Perris, Intention To Establish A Community Facilities District And Future Annexation Area, Community Facilities District No. 2018-02 (Public Services District) (the "CFD") under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"); and

**WHEREAS**, notice was published as required by the Act relative to the intention of this City Council to form the CFD and to provide for the Services; and

**WHEREAS**, this City Council held a noticed public hearing as required by the Act relative to the determination to proceed with the formation of Community Facilities District No. 2018-02 (Public Services District) regarding the rate and method of apportionment of the special tax to be levied within the boundaries of the CFD to finance the costs of Services; and

**WHEREAS**, at said hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD and the levy of said special taxes were heard, substantial evidence was presented and considered by this City Council and a full and fair hearing was held; and

**WHEREAS**, subsequent to said public hearing the Board adopted its resolutions entitled "A Resolution Of The City Council Of The City Of Perris, California, Authorizing Formation Of City Of Perris Community Facilities District No. 2018-02 (Public Services District) And The Levy Of A Special Tax Therein (the "Resolution of Formation)", and "A Resolution Of The City Council Of The City Of Perris, California, Calling A Special Election For The Purpose Of Approving A Special Tax In The City Of Perris Community Facilities District No. 2018-02 (Public Services District) And Establishment Of An Appropriations Limit," which resolutions established the CFD and the Improvement Area of the CFD, authorized the levy of special tax within the Improvement Area of the CFD and called an election within the Improvement Area of the CFD on the propositions of levying a special tax and establishing an appropriations limit within the Improvement Area of the CFD; and

**WHEREAS**, an election was held within the boundaries of the CFD in which the eligible landowner electors approved said propositions by more than the two-thirds vote required by the Act.

***NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS,  
CALIFORNIA, DOES ORDAIN, AS FOLLOWS:***

**Section 1. Recitals.** The City Council of the City of Perris finds that the above recitals are true and correct and are incorporated herein by reference.

**Section 2. Levy of Special Tax.** By the passage of this Ordinance, the City Council authorizes and levies special taxes within the CFD pursuant to Sections 53328 and 53340 of the Act, at the rates and in accordance with the method of apportionment set forth in Exhibit A (the "Rate & Method of Apportionment"). The special taxes are hereby levied commencing in fiscal year 2018-2019 and in each fiscal year thereafter as provided in the Rate and Method of Apportionment.

**Section 3. Annual Levy.** The legislative body of the CFD and Improvement Area therein is hereby authorized each year, by resolution adopted pursuant to Government Code Section 53340, to determine the specific special tax rate and amount to be levied for the then-current or future tax years, except that the special tax rate to be levied shall not exceed the maximum rate set forth in the Rate & Method of Apportionment.

**Section 4. Property Exempt From Tax.** Subject to California Government Code Sections 53317.3 and 53317.5, properties or entities of the state, federal or local governments shall be exempt from any levy of the special taxes, to the extent set forth in the Rate & Method of Apportionment. In no event shall the special taxes be levied on any parcel within the CFD in excess of the maximum tax specified in the Rate & Method of Apportionment.

**Section 5. Taxable Property.** No other properties or entities are exempt from the authorized special tax unless the properties or entities are expressly exempted in the Rate & Method of Apportionment

**Section 6. Use of Proceeds.** All Special Tax proceeds shall be used as provided for in the Act and the Resolution of Formation. The Special Tax shall be levied only for so long as needed for the purposes described in the Resolution of Formation.

**Section 7. Manner of Collection.** The Special Tax shall be collected in the same manner as ordinary ad valorem property taxes and shall be subject to the same penalties and the same procedure, sale and lien priority in cases of delinquency as provided for ad valorem taxes; provided, however, that the CFD may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

**Section 8. Inconsistency.** To the extent that the terms and provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinances, resolutions, rules or regulations governing the same subject, the terms and provisions of this Ordinance shall prevail with respect to the subject matter thereof and such inconsistent or conflicting provisions of prior ordinances, resolutions, rules or regulations are hereby repealed as of the effective date of this Ordinance.

**Section 9. Invalidity.** If any provision of this Ordinance or application thereof to any person or circumstance is held invalid, no other provision of this Ordinance shall be affected thereby.

**Section 10. Publication of Ordinance.** The Mayor shall sign this Ordinance and the City Clerk shall attest this Ordinance and cause the same to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated in the City.

**Certification.**

The City Clerk shall certify to the passage and adoption of this Ordinance by the City Council of the City of Perris and shall cause a summary of this Ordinance to be published or posted in accordance with applicable law.

**Effective Date.**

This Ordinance shall take effect thirty (30) days after its passage.

**PASSED, APPROVED, AND ADOPTED** as an **ORDINANCE** this 13<sup>th</sup> day of November, 2018

\_\_\_\_\_  
Mayor, Michael M. Vargas

ATTEST

\_\_\_\_\_  
City Clerk, Nancy Salazar

**EXHIBIT A**

**CITY OF PERRIS  
Community Facilities District No. 2018-02  
(Public Services District)**

**Rate and Method of Apportionment**

**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT NO. 2018-02  
(PUBLIC SERVICES DISTRICT)  
CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels of Taxable Property in City of Perris Community Facilities District No. 2018-02 (Public Services District), City of Perris, County of Riverside, State of California ("CFD No. 2018-02") and collected each Fiscal Year commencing in Fiscal Year 2018-19, in an amount determined by the City Council through the application of the appropriate Special Tax, as described below. All of the real property in CFD No. 2018-02, unless exempted by law or by the provisions hereof, shall be taxed for these purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2018-02: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or any designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs to the City, CFD No. 2018-02, or any designee thereof of complying with CFD No. 2018-02 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2018-02, or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2018-02 for any other administrative purposes of CFD No. 2018-02, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Assessor's Parcel" or "Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

**"Assessor's Parcel Map"** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**"Authorized Services"** means those services eligible to be funded by CFD No. 2018-02, as defined in the Resolution of Formation and authorized to be financed by CFD No. 2018-02 pursuant to Section 53313 and Section 53313.5 of the Act. CFD No. 2018-02 shall finance Authorized Services only to the extent that they are in addition to those provided

in the territory of CFD No. 2018-02 before the CFD was created and such Authorized Services may not supplant services already available within CFD No. 2018-02 when the CFD was created.

**“Building Permit”** means a permit issued by the City or other governmental agency for the construction of a residential or non-residential building on an Assessor’s Parcel.

**“CFD Administrator”** means an official of CFD No. 2018-02, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**“CFD No. 2018-02”** means City of Perris Community Facilities District No. 2018-02 (Public Services District), City of Perris, County of Riverside, State of California.

**“City”** means the City of Perris, California.

**“City Council”** means the City Council of the City.

**“Consumer Price Index”** means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All items in Los Angeles-Riverside-Orange County, CA, all urban consumers, not seasonally adjusted” index (Series Id: CUURA421SA0), measured as of the month of December in the calendar year that ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index.

**“County”** means the County of Riverside.

**“Developed Property”** means, for each Fiscal Year, all Assessor’s Parcels for which a Building Permit was issued after January 1, 2017 and on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

**“Fiscal Year”** means the period starting July 1 and ending on the following June 30.

**“Floor Area”** means the total building square footage of non-residential building(s) or the non-residential portion of a building with both residential and non-residential areas located on an Assessor’s Parcel of Taxable Property, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two (2) sides. The determination of Floor Area shall be made by reference to the Building Permit(s) issued for such Assessor’s Parcel and/or to the appropriate records kept by the City’s Building Division, as reasonably determined by the CFD Administrator.

**“Industrial Zone(s)”** means zoning designation identified in the Chapter 19.44 of the City’s Zoning Ordinance (as amended by the City from time to time).



**“Maximum Special Tax”** means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C, below, that can be levied on any Assessor’s Parcel.

**“Non-Residential Property”** means any and each Assessor’s Parcel of Developed Property for which a Building Permit permitting the construction of one or more non-residential units or facilities, has been issued by the City or some other governmental agency.

**“Property Owner Association Property”** means, for each Fiscal Year, any Assessor’s Parcel within the boundaries of CFD No. 2018-02 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association, not including any such property that is located directly under a residential or non-residential structure.

**“Proportionately”** means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Property.

**“Public Property”** means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2018-02 that is owned by or irrevocably offered for dedication to the Federal government, the State, the City, or any other public agency; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act, as such section may be amended or replaced, shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2018-02 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Rate and Method of Apportionment”** or **“RMA”** means this Rate and Method of Apportionment of Special Tax.

**“Resolution of Formation”** means the resolution forming CFD No. 2018-02.

**“Special Tax”** or **“Special Taxes”** means the special tax or special taxes to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

**“Special Tax Requirement”** means that amount to be collected in any Fiscal Year for CFD No. 2018-02 to pay for certain costs as required to meet the needs of CFD No. 2018-02 in that Fiscal Year. The costs to be covered shall be the direct costs for (i) Authorized Services, including the establishment of reserves for future costs of Authorized Services, (ii) Administrative Expenses, and (iii) an amount to cover anticipated delinquencies for the payment of the Special Tax, based on the delinquency rate for the preceding Fiscal Year; less (iv) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax Requirement include debt service payments for debt financings by CFD No. 2018-02.

**“State”** means the State of California.

**“Taxable Property”** means an Assessor’s Parcel of Non-Residential Property (i) for which a Building Permit has been issued permitting the construction of one or more land uses allowed in an Industrial Zone, and (ii) that is not exempt from the Special Tax pursuant to law or Section E below.

**“Non-Taxable Property”** means, for each Fiscal Year, all property not classified as Taxable Property.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Assessor’s Parcels within CFD No. 2018-02 shall be classified by the CFD Administrator as Taxable Property or Non-Taxable Property, and shall be subject to annual Special Taxes in accordance with this Rate and Method of Apportionment as determined by the CFD Administrator pursuant to Sections C and D below. The CFD Administrator’s allocation of property to each type of Land Use Class shall be conclusive and binding. However, only Taxable Property shall be subject to annual Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX RATE**

**1. Taxable Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2018-19 for Taxable Property is shown below in Table 1.

**TABLE 1**

**Maximum Special Taxes  
For Fiscal Year 2018-19  
Community Facilities District No. 2018-02**

<b>Land Use Class</b>	<b>Land Use</b>	<b>Fiscal Year 2018-2019 Maximum Special Tax</b>
1	Taxable Property	\$18.47 per Thousand Square Feet of Floor Area

b. Multiple Land Use Classes

In some instances, an Assessor's Parcel of Taxable Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor's Parcel.

c. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2019, the Maximum Special Tax for Taxable Property shall be increased annually by the greater of the change in the Consumer Price Index during the twelve (12) months prior to December of the previous Fiscal Year, or two percent (2.00%).

**2. Non-Taxable Property**

No Special Taxes shall be levied on Non-Taxable Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2018-19 and for each following Fiscal Year, the City Council shall levy the annual Special Tax Proportionately for each Assessor's Parcel of Taxable Property at up to 100% of the applicable Maximum Special Tax, until the amount of Special Taxes equals the Special Tax Requirement.

**E. EXEMPTIONS**

No Special Tax shall be levied on Non-Taxable Property, Property Owner Association Property, or Public Property. However, should an Assessor's Parcel no longer be classified as Non-Taxable Property, Property Owner Association Property, or Public Property, such Assessor's Parcel shall, upon each reclassification, no longer be exempt from Special Taxes.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has thirty (30) days in which to appeal to the City Council

by filing a written notice of appeal with the clerk of the City, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for the appellant's disagreement with the CFD Administrator's determination. The CFD Administrator may charge the appellant a reasonable fee for processing the appeal.

The City may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City will be final and binding as to all persons.

**G. MANNER OF COLLECTION**

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the City may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary or otherwise advisable to meet its financial obligations for CFD No. 2018-02, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. FUTURE ANNEXATIONS**

It is anticipated that additional properties will be annexed to CFD No. 2018-02 from time to time. As each annexation is proposed, an analysis may be prepared to determine the annual cost for providing Authorized Services to such parcels. Based on this analysis, any parcels to be annexed, pursuant to California Government Code Section 53339 *et seq.* will be assigned the approximate Maximum Special Tax rates when annexed and included in Exhibit A.

**I. TERM OF SPECIAL TAX**

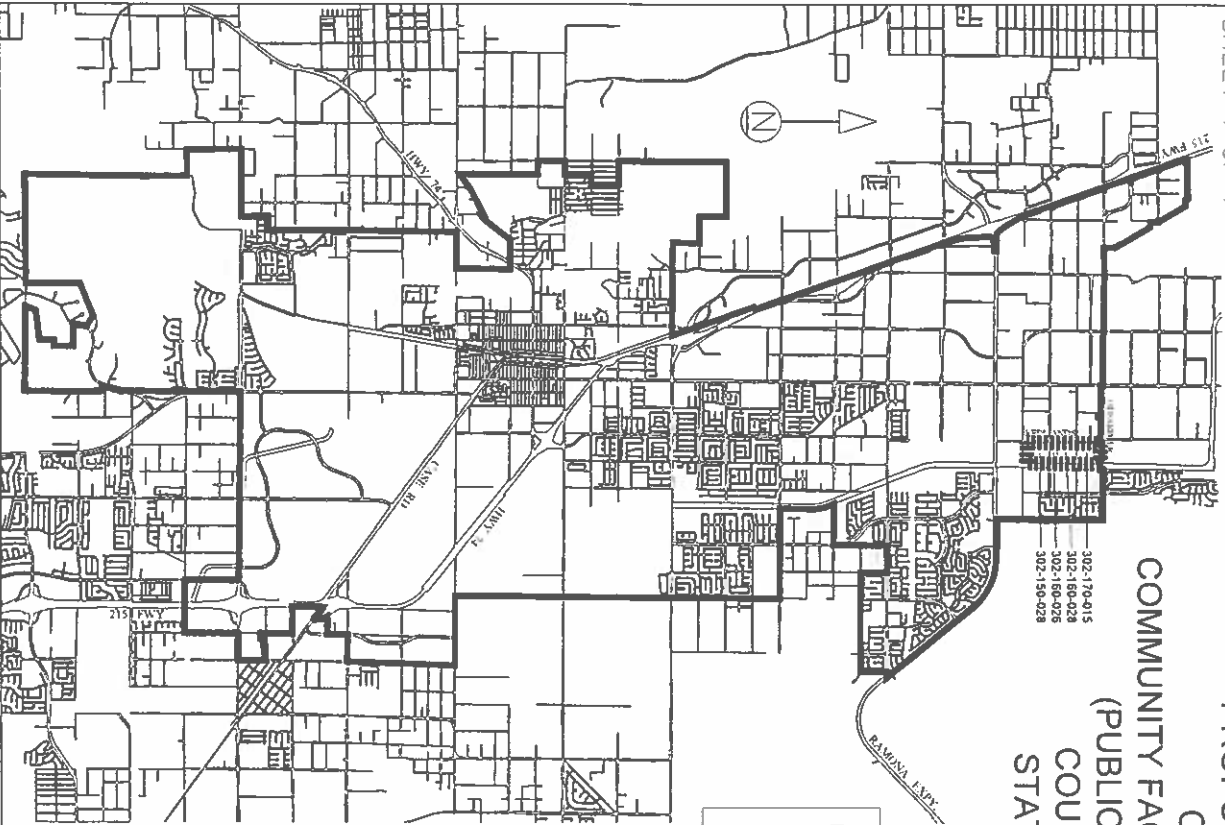
The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement, unless no longer required to pay for Authorized Services as determined at the discretion of the City.

**EXHIBIT A**

**IDENTIFICATION OF FUTURE ANNEXATIONS**

PROPOSED BOUNDARIES OF  
CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT NO. 2018-02  
(PUBLIC SERVICES DISTRICT)  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA

302-170-015  
302-160-028  
302-160-026  
302-150-028



**LEGEND**

-  Proposed Boundaries of City of Perris Community Facilities District No. 2018-02 (Public Services District), County of Riverside, California
-  Assessor Parcel Line
-  Future Annexation Area

Reference is hereby made to the Assessor maps of the County of Riverside for a description of the lines and dimensions of these parcels.

The CFD Future Annexation Area is co-terminous with the City of Perris boundary as of January 1, 2018.

Assessor Parcels within City of Perris  
Community Facilities District No. 2018-02  
(Public Services District):  
302-170-015  
302-160-028  
302-160-026  
302-150-028

Prepared by David Taussing & Associates, Inc.

(1) Filed in the office of the Clerk of the City of Perris this \_\_\_\_ day of \_\_\_\_\_, 2018.

Nancy Salazar, Clerk of the City of Perris, California

(2) I hereby certify that the within map showing the proposed boundaries of City of Perris Community Facilities District No. 2018-02 (Public Services District), County of Riverside, State of California, was approved by the City Council of the City of Perris at a regular meeting thereof, held on this \_\_\_\_ day of \_\_\_\_\_, 2018, by its Resolution No. \_\_\_\_\_.

Nancy Salazar, Clerk of the City of Perris, California

(3) Filed this \_\_\_\_ day of \_\_\_\_\_, 2018, at the hour of \_\_\_\_ o'clock \_\_\_\_ m. in Book \_\_\_\_ of Maps of Assessment and Community Facilities Districts at Page \_\_\_\_ and as Instrument No. \_\_\_\_\_ in the office of the County Recorder in the County of Riverside, State of California.

Peter Aldana  
Assessor-County Clerk-Recorder,  
County of Riverside  
By \_\_\_\_\_ Deputy  
Fee \_\_\_\_\_  
Exempt recording requested,  
per CA Government Code §6103

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: November 13, 2018**

**SUBJECT:** Ordinance Amendment: Chapter 3.32 Purchasing System

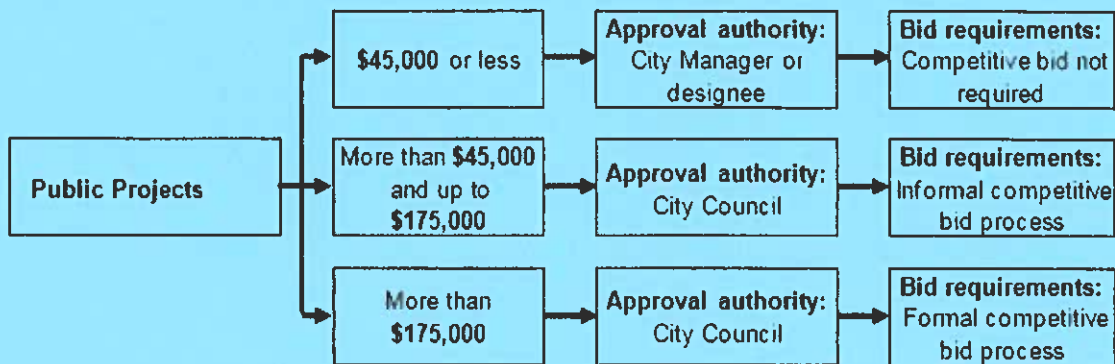
**AN ORDINANCE OF THE CITY COUNCIL OF THE  
CITY OF PERRIS, CALIFORNIA, AMENDING  
SECTION 3.32.200 AND SECTION 3.32.240 OF  
CHAPTER 3.32 OF TITLE 3 OF THE CITY OF  
PERRIS MUNICIPAL CODE REGARDING PUBLIC  
PROJECT BIDDING AND PURCHASING LIMITS**

**REQUESTED ACTION:** Introduce for first reading of Ordinance No. \_\_\_\_ to amend Chapter 3.32 of the Municipal Code of the City of Perris established by Ordinance No. 1341 in 2017

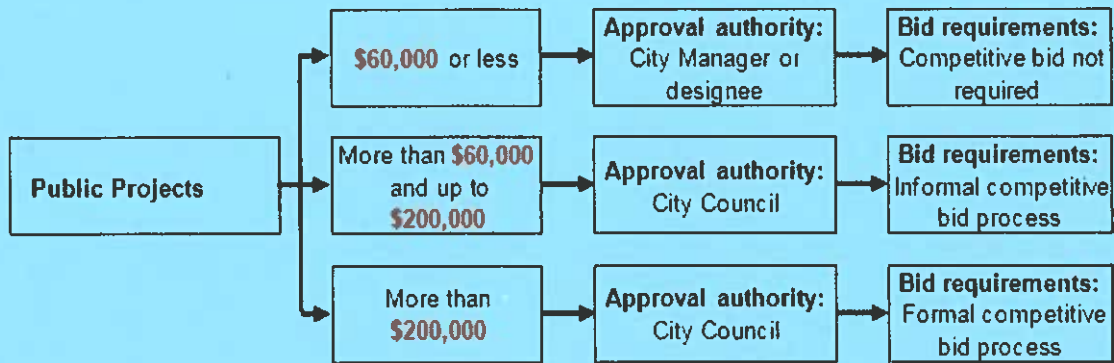
**CONTACT:** Jennifer Erwin, Director of Finance

**BACKGROUND/DISCUSSION:**

On March 14, 2017 the City Council approved Ordinance No. 1341 repealing and replacing Chapter 3.32 of the Perris Municipal Code. Ordinance No. 1341 expanded the bidding requirements and outlined the purchasing limits for procurement of goods and services, as well as public projects. In 1988, the City Council elected to be subject to the Uniform Public Construction Cost Accounting Procedures (UPCCAP) and Ordinance No. 1341 followed those procedures by setting up bidding limits for public projects as follows:



Staff received notification that the California Legislature approved an increase to the UPCCAP that will go into effect on January 1, 2019. The Ordinance amendment presented with this agenda item will adjust Perris' procurement procedures to align with the State's new limits. The following changes in red are set forth in this new Ordinance:



Staff recommends the City Council approve the amendment of this ordinance. A second reading will occur at the next regularly schedule City Council meeting.

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**BUDGET (or FISCAL) IMPACT:** None

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Reviewed by:

City Attorney  
 Assistant City Manager *DM*  
 Director of Finance *JF*

Attachments:

1. Letter from the California State Controller with New Public Contract Code Changes
2. City of Perris Ordinance Amending Chapter 3.32 of the Municipal Code

Public Hearing





**BETTY T. YEE**  
California State Controller



November 1, 2018

City Clerk  
City of Perris  
101 North "D" Street  
Perris, CA 92570

**SUBJECT: Notification Letter-Assembly Bill 2249 (Chaptered 169, Statutes of 2018)**

To Whom It May Concern:

The California Uniform Construction Cost Accounting Commission (CUCCAC) in agreement with the State Controller's Office (SCO) recommended an increase to the bid limit threshold prescribed in Public Contract Code (PCC) 22032, which was signed into law. Pursuant to PCC 22020, and on behalf of the State Controller Betty T. Yee, the SCO would like to inform on the following changes effective as of **January 1, 2019**:

- a) The change would allow projects costing \$60,000 or less to be performed by employees of a public agency by force account, by negotiated contract, or by purchase order;
- b) The change would allow projects costing up to \$200,000 to be contracted by informal bidding procedures; and projects costing over \$200,000 are subject to the formal bidding process.

The noted increases are pursuant to the provisions and benefits found in the Uniform Public Construction Cost Accounting Act (Act), which provides public agencies economic benefits and greater freedom to expedite public works projects. Agencies which elect to follow the cost accounting procedures set forth by the CUCCAC in its *Cost Accounting Policies and Procedures Manual*, will benefit from these increased limits by expediting delivery of public work projects and reduced bid processing costs. A new resolution adopting the change in legislation is not required if your agency is currently subject to the Act.

We encourage participating agencies to sign up on the SCO website for CUCCAC's email subscription service to receive important information concerning CUCCAC updates and legislative changes via e-mail. For more details or to sign up for the email subscription services, please contact the Local Government Programs Services Division at [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov) or visit our website at [https://www.sco.ca.gov/ard\\_cuccac.html](https://www.sco.ca.gov/ard_cuccac.html).

Sincerely,

Sandeep Singh  
Manager, Local Government Policy

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

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, AMENDING SECTION 3.32.200 AND SECTION 3.32.240 OF CHAPTER 3.32 OF TITLE 3 OF THE CITY OF PERRIS MUNICIPAL CODE REGARDING PUBLIC PROJECT BIDDING AND PURCHASING LIMITS**

**WHEREAS**, on October 11, 1988 the City Council adopted Ordinance No. 1568 electing to become subject to the uniform public construction cost accounting procedures under the Public Contract Code (“PCC”); and

**WHEREAS**, the Public Contract Code has been amended to increase the bid limit threshold prescribed by PCC Section 22032 effective January 1, 2019; and

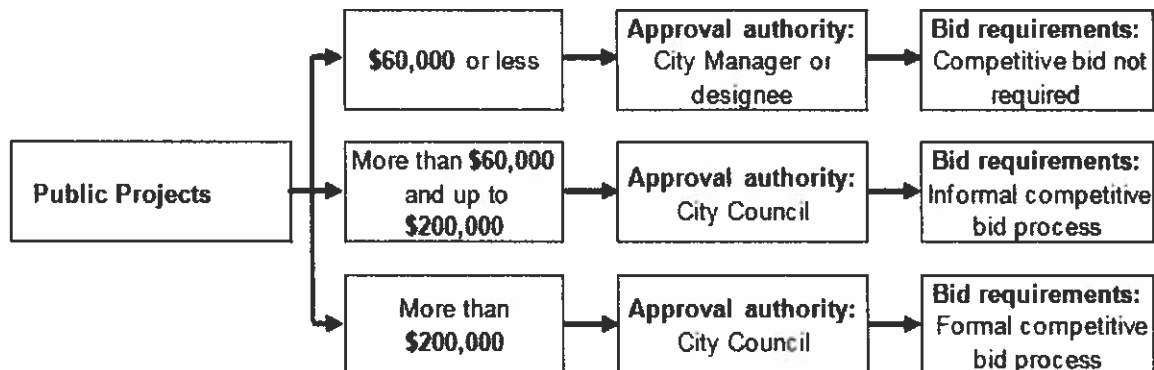
**WHEREAS**, Chapter 3.32 of the Perris Municipal Code provides procedures for the contracting of public projects pursuant to the uniform public construction cost accounting procedures; and

**WHEREAS**, the City Council now desires to amend Chapter 3.32 created by Ordinance No. 1341 to remain consistent with the newly revised PCC bidding limits.

**THE CITY COUNCIL OF THE CITY OF PERRIS HEREBY ORDAINS AS FOLLOWS:**

**Section 1.** Recitals Incorporated. The foregoing Recitals are incorporated herein by reference as if set forth in full.

**Section 2.** Amendment of Section 3.32.200. Section 3.32.200 (Public Projects Graphic) of the Perris Municipal Code is hereby amended to read as follows:



**Section 3.** First Amendment of Section 3.32.240. Section 3.32.240 (A) of the Perris Municipal Code is hereby amended to read as follows:

“Public project in the amount of Sixty Thousand Dollars (\$60,000) or Less or as set forth in Section 22032 subsection (a) of the Uniform Public Construction Cost Accounting Act and any amendments thereto by the California Legislature.”

**Section 4.** Second Amendment of Section 3.32.240. Section 3.32.240 (B) of the Perris Municipal code is hereby amended to read as follows:

“Projects more than Sixty Thousand Dollars (\$60,000) and up to Two Hundred and Thousand Dollars (\$200,000) or as provided under Section 22032 subsection (b) of the Uniform Public Construction Cost Accounting Act and any amendments thereto by the California Legislature.”

**Section 5.** Third Amendment of Section 3.32.240. Section 3.32.240 (C) of the Perris Municipal code is hereby amended to read as follows:

“Projects more than Two Hundred Thousand (\$200,000) or as provided under Section 22032 subsection (c) of the Uniform Public Construction Cost Accounting Act and any amendments thereto by the California Legislature.”

**Section 6.** Effective Date. This Ordinance shall take effect 30 days after its adoption.

**Section 7.** Severability. If any section, subsection, subdivision, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portions thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases or portions thereof be declared invalid or unconstitutional.

**Section 8.** Certification. The City Clerk shall certify as to the passage and adoption of this Ordinance and shall cause the same to be posted at the designated locations in the City of Perris.

**ADOPTED, SIGNED and APPROVED** this \_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Michael Vargas, Mayor

ATTEST:

\_\_\_\_\_  
Nancy Salazar, City Clerk

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )  
CITY OF PERRIS )

I, Nancy Salazar, City Clerk of the City of Perris that the foregoing Ordinance Number \_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the \_\_\_ day of \_\_\_\_\_, 2018, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:

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Nancy Salazar, City Clerk

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: November 13, 2018

SUBJECT: Presentation by the Social Work Action Group (SWAG) on Fiscal Year 2018/19 Homeless Services in the City of Perris

REQUESTED ACTION: Receive and file SWAG's 2018/19 Homeless Services Presentation

CONTACT: Dr. Grace Williams, Director of Planning & Economic Development

BACKGROUND DISCUSSION:

On June 12, 2018 the City Council authorized the award of the contract services agreement to Social Work Action Group (SWAG) to provide Fiscal Year 2018/19 Homeless Services in the City of Perris.

In July 2018 SWAG began conducting assessments of the homeless population within the City pursuant to its agreement. From July to October 31, 2018 SWAG has provided various intervention services to approximately 158 homeless individuals. SWAG has established collaborations including, but not limited to, the City of Perris Code Enforcement Department, Housing Authority and IT Staff, the Riverside County Sheriff's Department, non-profit agencies, faith-based organizations, and local businesses. SWAG's staff is present today to provide an introduction to City Council and the public of its services, and reveal the outcomes of staff's initial assessments of the City's homeless population from July through October 2018.

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BUDGET (or FISCAL) IMPACT: None

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Prepared by: Susan Almanza, Project Coordinator  
City Attorney: N/A  
Assistant City Manager: Darren Madkin *DM*  
Assistant City Manager: Clara Miramontes *CM*  
Director of Finance: Jennifer Erwin *JE*

**Business Agenda**                      **November 13, 2018**