

*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, March 28, 2017**  
**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 - Potential Litigation - Government Code Section 54956.9 (d)(4) - 1 case
- B. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(2) - 1 case
- C. Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(d)(2); 1 case:
  - 1. Vincent Scarpino, et al. v. City of Perris, et al. Case Number RIC 1510034

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

**2. *ROLL CALL:***

Corona, Rabb, Rogers, Burke, Vargas

**3. *INVOCATION:***

**4. PLEDGE OF ALLEGIANCE:**

Councilman 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.*

- A. Sigma Beta Xi and Life Lifters International will present Certificates of Recognition for participants in the Perris Employment Program.

**7. APPROVAL OF MINUTES:**

- A. Approve the Minutes of the Regular Joint Meeting 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 held March 14, 2017.

**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) Repealing Mandatory Water Conservation Regulations.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, REPEALING ORDINANCE NO. 1318 AND MUNICIPAL CODE CHAPTER 14.06 REGARDING MANDATORY WATER CONSERVATION REGULATIONS

- B. Approve fee waiver request for use of Foss Field, the Community Room, City Front Lawn and the City Mobile Stage for a Health Fair sponsored by Riverside University Health System-Behavioral Health to be held May 13, 2017.
- C. Approve the City of Perris General Plan Housing Element, 2016 Annual Progress Report.
- D. Approve Agreement with FR/CAL REDLANDS, LLC for the development of a distribution center in the Perris Business Park and

resolution of delinquent CFD penalties and interest (property north of Rider Street and west of Redlands Avenue).

- E. Adopt Resolution Number (next in order) amending the Homebuyer Assistance Program (HAP) and the Substantial Rehabilitation Loan Program (SRP) Guidelines to address the Declaration of Covenants, Conditions and Restrictions (CC&Rs), and the repayment terms and calculation formula for the First Time Homebuyers (FTHB) program.

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

A RESOLUTION OF THE GOVERNING BOARD OF THE CITY OF PERRIS HOUSING AUTHORITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AMENDING THE HOMEBUYER ASSISTANCE PROGRAM AND THE SUBSTANTIAL REHABILITATION LOAN PROGRAM DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, AND THE REPAYMENT TERMS OF THE FIRST TIME HOMEBUYER PROGRAM

- F. Adopt Resolution Number (next in order) and approve Professional Services Agreement with bond finance team consultants Stradling Yocca Carlson and Rauth, P.C. for CFD 2014-1 Avelina.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS AND THE PERRIS JOINT POWERS AUTHORITY APPOINTING A FINANCE TEAM AND PROVIDING FOR THE EXECUTION OF CERTAIN CONSULTANT CONTRACTS IN CONNECTION THEREWITH

- G. Adopt Resolution Number (next in order) approving Vacant land Purchase Agreement between the City of Perris and The Metz Road Trust Assessor's Parcel Numbers 326-062-017; 326-071-001; 326-072-005 for the future Enchanted Hills Park project.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, AUTHORIZING THE PURCHASE OF PROPERTY IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 326-062-017; 326-071-001; 326-072-005

- H. Adopt Resolution Number (next in order) approving the receipt of grant funds or services from Southern California Association of Governments (SCAG) for a Sustainability Planning Capacity Building

Grant Project awarded to the City for the Perris Green City Farm and Healthiest Cities and Counties Challenge.

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, APPROVING THE RECEIPT OF GRANT FUNDS OR SERVICES FROM SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS FOR A SUSTAINABILITY PLANNING CAPACITY BUILDING PROJECT AWARDED TO THE CITY OF PERRIS FOR THE PERRIS GREEN CITY FARM AND HEALTHIEST CITIES AND COUNTIES CHALLENGE

- I. Approve Check Register for February 2017.

**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 Annexation of DPR 06-0140 to the City's Maintenance Districts. The 4.74 acre project is an industrial building bordered on the east by Western Way and is located approximately 30 feet north of Harley Knox Boulevard. (Ownership of: Investment Building Group).

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, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF DPR 06-0140 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2016-2017

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 DPR 06-0140 TO BENEFIT ZONE 123, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING

**FINAL APPROVAL OF THE ENGINEER'S REPORT, AND  
LEVYING THE ASSESSMENT FOR FISCAL YEAR 2016-2017**

**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 DPR 06-0140 TO BENEFIT ZONE 92, CITY OF PERRIS  
FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1,  
GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT,  
AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2016-  
2017**

Introduced by: Habib Motlagh, City Engineer

**PUBLIC COMMENT:**

- B. Consideration to adopt Resolution Numbers (next in order) regarding  
acquisition of real property for the widening of Perris Boulevard.**

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST  
AND NECESSITY REQUIRE ACQUISITION OF REAL  
PROPERTY INTERESTS IN A PORTION OF THE PROPERTY  
KNOWN AS ASSESSOR'S PARCEL NO. 313-092-013**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST  
AND NECESSITY REQUIRE ACQUISITION OF REAL  
PROPERTY INTERESTS IN A PORTION OF THE PROPERTY  
KNOWN AS ASSESSOR'S PARCEL NO. 313-092-014**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST  
AND NECESSITY REQUIRE ACQUISITION OF THE FEE  
SIMPLE INTEREST IN A PORTION OF THE PROPERTY  
KNOWN AS ASSESSOR'S PARCEL NO. 310-022-001**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST  
AND NECESSITY REQUIRE ACQUISITION OF A FEE SIMPLE  
INTEREST IN A PORTION OF THE PROPERTY KNOWN AS  
ASSESSOR'S PARCEL NO. 310-024-001**

Introduced by: Eric Dunn, City Attorney

**PUBLIC COMMENT:**

- C. Consideration to adopt Resolution Numbers (next in order) regarding financing and issuance of bonds associated with Improvement Area No. 1 CFD No. 2014-1 (Avelina) (“CFD”) to fund public fees for public improvements. The District is generally bounded by the Orange Avenue to the north, Sunset to the south and Evans to the east.

The Proposed Resolution Numbers (next in order) are 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 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

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 (IAI-CFD NO. 2014-1 (AVELINA), 2017 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. 1, UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO

Introduced by: Jennifer Erwin, Assistant Director of Finance

PUBLIC COMMENT:

- D. Consideration to approve the draft Fiscal Year 2017-2018 Annual Action Plan Funding Recommendations for the Community Development Block Grant (CDBG) Program.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, APPROVING THE DRAFT FY 2017-2018 ACTION PLAN WITH PROPOSED FUNDING FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FEDERAL ENTITLEMENT PROGRAM

Introduced by: Sabrina Chavez, Assistant Director of Community Services and Housing

**PUBLIC COMMENT:**

- E. Consideration to introduce the First Reading of Ordinance Number (next in order) approving Plan Development Overlay (PDO) 14-00093 to apply a PDO zone over 14.5 acres zoned R-6,000 to facilitate a 111 unit planned residential development, located at the southwest corner of Orange Avenue and Dunlap Road and making findings in support thereof. (Applicant: Robert Furey, Groundwurk, Inc.)

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA APPROVING PLAN DEVELOPMENT OVERLAY 14-00093 TO APPLY A PDO ZONE OVER 14.5 ACRES ZONED R-6,000 TO FACILITATE A 111 UNIT PLANNED RESIDENTIAL DEVELOPMENT LOCATED AT THE SOUTHWEST CORNER OF ORANGE AVENUE AND DUNLAP ROAD, AND MAKING FINDINGS IN SUPPORT THEREOF

Introduced by: Clara Miramontes, Director of Development Services

**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. Discussion on SB1 and AB1 Transportation Funding Bills.

Introduced by: Michael McDermott, Interim Deputy City Manager

**PUBLIC COMMENT:**

- B. Consideration to approve the Purchase and Sales and No-fee License Agreements for the acquisition of Southern California Edison (SCE) Owned LS-1 Streetlights.

Introduced by: Michael Morales, Capital Improvement Project Manager

**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: March 28, 2017  
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 March 14, 2017 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, Records Clerk *JLH*  
Approved by: Nancy Salazar, City Clerk

**Attachments:**

- Minutes of the Regular Joint Meeting held on March 14, 2017 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: March 14, 2017

06:30 PM

Place of Meeting: City Council Chambers

### CLOSED SESSION

**Mayor Vargas called the Closed Session to order at 5:35 p.m.**

#### ROLL CALL

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

**Staff Present: City Manager Belmudez, City Attorney Dunn and Records Clerk Haughney**

- A. Conference with Real Property Negotiators – Government Code Section 54956.8  
Property: APN#'s 326-062-017; 326-071-001; 326-072-005 City Negotiator: Richard Belmudez, City Manager Negotiating Parties: The Metz Road Trust; Summer Creek Homes as Trustee Under Negotiation: Price and terms of payment
- B. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(2) - 1 case
- C. Conference with Legal Counsel – Existing Litigation – Government Code Section 54956.9(d)(2); 1 case:
  1. Vincent Scarpino, et al. v. City of Perris, et al. Case Number RIC 1510034

**The City Council adjourned to Closed Session at 5:36 p.m.**

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

**Mayor Vargas called the Regular City Council meeting to order at 6:34 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, Interim Assistant City Manager Madkin, Interim Deputy City Manager McDermott, Police Captain Ford, Director of Development Services Miramontes, Assistant Director of Administrative

Services Carlos, Assistant Director of Community Services and Housing Chavez, Assistant Finance Director Erwin, Assistant Director of Public Works Hartwill, Public Information Officer Vargo and Records Clerk Haughney.

City Clerk Salazar arrived at 7:04 p.m.

3. INVOCATION:

**Councilmember Rita Rogers gave the Invocation.**

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:

A. League of California Cities Update by Erin Sasse.

B. Team Mental Health Awareness Event presented by YAC.

C. Proclamation proclaiming the week of March 27-31, 2017 as National Boys and Girls Club Week.

7. APPROVAL OF MINUTES:

A. Approved the Minutes of the Regular Joint Meeting 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 held February 28, 2017.

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:

**The Mayor called for Public Comment. The following people spoke at Public Comment regarding item 8.A.:**

**Maya Davis  
Alfred Mata  
Eddy Jara**

**Mayor Pro Tem Rabb Requested that items G and I be pulled for separate discussion and vote.**

**The following Councilmembers spoke:**

**Rabb-Items G and I  
Burke-Item I  
Vargas-Items B, E, G and I**

- A. Adopted the Second Reading of Ordinance Number 1340 requiring food establishments in the City of Perris to provide a healthy beverage as the default beverage in children's meals.

The Second Reading of Ordinance Number 1340 is entitled:  
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ADDING CHAPTER 7.46 TO TITLE 7 OF THE PERRIS MUNICIPAL CODE ESTABLISHING DEFAULT BEVERAGES OFFERED IN CHILDREN'S MEALS

- B. Adopted the Second Reading of Ordinance Number 1341 repealing and replacing Chapter 3.32 of the Perris Municipal Code, Purchasing System and Informal Bid Procedures.

The Second Reading of Ordinance Number 1341 is entitled:  
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, REPEALING AND REPLACING CHAPTER 3.32 OF TITLE 3 OF THE CITY OF PERRIS MUNICIPAL CODE REGARDING THE PURCHASING SYSTEM

- C. Approved the Boys and Girls Club of Perris request for a fee waiver to use the Senior Center for an Imagination Playground held on March 3, 2017, hosted by the Boys and Girls Club of Perris.

- D. Adopted Resolution Number 5092 instituting foreclosure proceedings in regards to its Community Facilities Districts.

Resolution Number 5092 is entitled:  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS AUTHORIZING AND ORDERING JUDICIAL FORECLOSURE OF CURRENT AND FUTURE DELINQUENT SPECIAL TAXES RELATED TO ITS COMMUNITY FACILITIES DISTRICTS OF THE CITY OF PERRIS, PURSUANT TO THE MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

- E. Approved a Contract Services Agreement between the City of Perris and MHM Associates for Resource Development Services.

- F. Approved Extension of Time No. 17-05026 for Tentative Tract Map 33973, located north of San Jacinto River, west of McPherson Road, south of Ethanac Road and east of Sophie Street. (Applicant: Mitzman Land Development).
- G. SB1 and AB1 Transportation Funding Bills.

**This item was pulled from the Consent Calendar for separate discussion. Direction was given to staff to bring this item back for a presentation at a future City Council meeting.**

- H. Approved letters of support for SB 540 and SB2 and SB 3 Housing Bills.
- I. Awarded a Contract for design services to Hirsch and Associates, Inc. for site grading and drainage plans for the Enchanted Hills Park project and that the City Council did not approve a change order to Al Abbasi Construction and Engineering's existing contract for the Nuevo Interchange Project to include sidewalk improvements at the Enchanted Hills Park Project not to exceed \$200,000.

**This item was pulled from the Consent Calendar for separate discussion and vote.**

**The City Council took action to approve the portion of the item concerning the contract for design services with Hirsch & Associates and direction was given concerning the change order for Al Abbasi to proceed with the bid process for the construction portion of the item.**

The Mayor called for a motion.

M/S/C: Moved by David Starr Rabb, seconded by Tonya Burke to Approve the contract with Hirsch & Associates for design services and to direct staff to proceed with the bid process for the construction portion of this item.

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

NOES:

ABSENT:

ABSTAIN:

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by Malcolm Corona to Approve the balance of the Consent Calendar, with the exception of items G and I, as presented.

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

NOES:

ABSENT:

ABSTAIN:

9. PUBLIC HEARINGS:

**There were no Public Hearings.**

10. BUSINESS ITEMS:A. Presentation by Cindy Espinoza, Chief Executive Officer, Perris Chamber of Commerce.

**This item was introduced by Interim Deputy City Manager McDermott and turned over for presentation by Cindy Espinoza, Perris Chamber of Commerce.**

**The Mayor called for Public Comment. The following people spoke at Public Comment:**

**Catherine Fields**

**Dave Stewart**

**Julie Vargas**

**Mathew Campbell**

**Kelly Kaus**

**Lynn Durbin**

**Mayor Pro Tem Rabb left the City Council Chambers at 7:20 p.m. and returned at 7:21 p.m.**

**Councilmember Corona left the City Council Chambers at 7:30 p.m. and returned at 7:31 p.m.**

**The following Councilmember's spoke:**

**Rabb**

**Rogers**

**Corona**

**Burke**

**Vargas**

**The City Council gave direction to staff to bring this item back at a future meeting with alternatives for their consideration.**

B. Overview of drainage infrastructure.

**This item was introduced by City Engineer Motlagh and turned over for presentation by Bob Cullen, Riverside County Flood Control**

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

**Comment.**

**Mayor Pro Tem Rabb left the City Council Chambers at 8:26 p.m. and returned at 8:28 p.m.**

- C. Paul Jones, General Manager, Eastern Municipal Water District will give an update on the California drought and an overview of the California Waterfix.

**This item was introduced by City Manager Belmudez and turned over for presentation by Paul Jones, Eastern Municipal Water District.**

- D. Introduced the First Reading of Ordinance Number 1342 Repealing Mandatory Water Conservation Regulations.

The First Reading of Ordinance Number 1342 is entitled:  
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, CALIFORNIA, REPEALING ORDINANCE NO. 1318  
AND MUNICIPAL CODE CHAPTER 14.06 REGARDING  
MANDATORY WATER CONSERVATION REGULATIONS

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

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 1342 as presented.

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

NOES:

ABSENT:

ABSTAIN:

- E. Consideration of District-Based City Council Elections under the California Voting Rights Act.

**This item was presented by City Attorney Dunn.**

**The Mayor called for Public Comment.**

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

**Flo Cohen**

**Hope Tompkins**

**Jessie Hardin**

**Catherine Fields**

**Annie Hardwick-Cawthon**

**Julie Vargas**

**Steve Perez**

**Gregory Sean Berry**

**Kelly Kaus**

**The following Councilmember's spoke:**

**Rabb**

**Burke**

**Rogers**

**Corona**

**Vargas**

**The City Council gave direction to staff to retain the services of a consultant to provide a report to the City Council for further consideration of this item.**

- F. Approved the 2016-2017 Mid-Year Budget Review and amend the Capital Improvement Program as presented.

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

**Councilmember Corona left the City Council Chambers at 9:28 p.m. and returned at 9:30 p.m.**

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

**The following Councilmember's spoke:**

**Rabb**

**Vargas**

**The Mayor called for a motion.**

**M/S/C: Moved by Tonya Burke, seconded by David Starr Rabb to Approve the 2016-2017 Mid-Year Budget Review and Amend the Capital Improvement Program as presented.**

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

**NOES:**

**ABSENT:**

**ABSTAIN:**



11. PUBLIC COMMENT/CITIZEN PARTICIPATION:

**Councilmember Rogers left the City Council Chambers at 9:39 p.m. and returned at 9:42 p.m.**

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

**Bill Lamb**

**Juanita Thompson**

12. COUNCIL COMMUNICATIONS:

**Mayor Vargas left the City Council Chambers at 9:48 p.m. and returned at 9:50 p.m.**

**The following Councilmember's spoke:**

**Corona**

**Rogers**

**Burke**

**Rabb**

**Vargas**

13. CITY MANAGER'S REPORT:

14. ADJOURNMENT:

**There being no further business Mayor Vargas adjourned the Regular City Council meeting in memory of Karla and Bryant Brazley and David Morales who passed away on Saturday March 12, 2017 as the result of a traffic accident, at 10:07 p.m.**

**Respectfully Submitted,**

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

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: March 28, 2017

SUBJECT: Repealing Mandatory Water Conservation Regulations

REQUESTED ACTION: That the City Council Adopt Ordinance No. 1342 Repealing Ordinance No. 1318 Regarding Mandatory Water Conservation Regulations

CONTACT: Habib Motlagh, City Engineer; Eric Dunn, City Attorney

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BACKGROUND/DISCUSSION:

On March 14, 2017, the City Council introduced Ordinance No. 1342 repealing Ordinance No. 1318 regarding mandatory water conservation regulations. This followed Eastern Municipal Water District's recent action to ease the drought status to Stage 2 which asks for voluntary water use reductions instead of mandatory restrictions.

Staff recommends that the City Council adopt Ordinance No. 1342 repealing the mandatory conservation regulations imposed by Ordinance No. 1318 and replace the mandatory regulations with voluntary restrictions. Staff is preparing a resolution with voluntary restrictions that will be brought forward for Council consideration at a future meeting.

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BUDGET (or FISCAL) IMPACT:

None.

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City Attorney:   X    
Assistant City Manager:   SM    
Assistant Finance Director:   JF  

Consent: X  
Public Hearing:  
Business Item:

Attachments: Draft Ordinance

ORDINANCE NO. \_\_\_\_

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, REPEALING ORDINANCE NO. 1318 AND MUNICIPAL CODE CHAPTER 14.06 REGARDING MANDATORY WATER CONSERVATION REGULATIONS**

**WHEREAS**, on January 17, 2014, the Governor issued a proclamation of a state of emergency under the California Emergency Services Act based on drought conditions; and

**WHEREAS**, on April 1, 2015, the Governor issued an Executive Order directing the State Water Resources Control Board to adopt emergency drought conservation regulations that result in a collective statewide 25% reduction in potable urban water usage as compared to 2013; and

**WHEREAS**, on May 5, 2015, the State Water Resources Control Board amended and re-adopted the emergency drought regulations for statewide urban water conservation which became effective on May 18, 2015; and

**WHEREAS**, the amended emergency drought regulations adopted by the State Water Resources Control Board required the City of Perris to impose restrictions that limit outdoor watering of ornamental landscapes or turf with potable water to no more than two days per week; and

**WHEREAS**, the City of Perris adopted Urgency Ordinance No. 1318 on June 9, 2015, adding a chapter to the Perris Municipal Code for Water Conservation Regulations 2015 pursuant to the emergency drought regulations of the State Water Resources Control Board; and

**WHEREAS**, cumulative statewide water savings for June 2015 through December 2016 remains at 22.5 percent. Since June 2015, 2.43 million acre-feet of water have been saved, enough to supply more than 12 million people, close to a third of the state's population, for a year; and

**WHEREAS**, Eastern Municipal Water District's drought status has been eased to Stage 2 which asks for voluntary water use reductions as of February 9, 2017; and

**WHEREAS**, the City Council has determined that mandatory conservation regulations are no longer necessary, and that voluntary restrictions will be adequate.

**NOW, THEREFORE**, THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, HEREBY ORDAINS AS FOLLOWS:

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

**Section 2. Repeal of Ordinance No. 1318.** Ordinance No. 1318 (Chapter 14.06 of the Perris Municipal Code) is hereby repealed in its entirety.

**Section 3. Effective Date.** This Ordinance shall take effect 30 days after its adoption.

**Section 4. Severability.** If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held 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 passed this ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**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.

***PASSED, APPROVED, and ADOPTED*** on this \_\_\_\_<sup>th</sup> day of March, 2017.

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

ATTEST

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

ORDINANCE NO: \_\_\_\_\_

Page 3

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 and regularly adopted by the City Council of the City of Perris at a \_\_\_\_\_ meeting held the \_\_\_th day of \_\_\_\_\_, 2017, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: March 28, 2017**

**SUBJECT:** Riverside University Health System-Behavioral Health request for a fee waiver for use of Foss Field, the Community Room, City Front Lawn and the City Mobile Stage

**REQUESTED ACTION:** That the City Council consider a waiver of rental fees for the Health Fair sponsored by Riverside University Health System-Behavioral Health to be held May 13, 2017 at Foss Field, the Community Room, City Front Lawn and the City Mobile Stage.

**CONTACT:** Sabrina Chavez, Assistant Director   
Community Services and Housing Division

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**BACKGROUND/DISCUSSION:**

Riverside University Health System-Behavioral Health is a Riverside County based non-profit organization. They will be hosting a Health Fair at Foss Field, the Community Room, and City Front Lawn on May 13, 2017. The program is an annual event held by Riverside County.

Riverside University Health System-Behavioral Health is requesting that the City Council authorize the waiver of rental fees associated with the rental of Foss Field, the Community Room, City Front Lawn and the City Mobile Stage for their Health Fair. A copy of the letter request is attached with this submittal. The total value of the requested fee waiver is \$1,880.00

The proposed event is scheduled to be held from 7:00 a.m. to 4:00 p.m. on Saturday, May 13 during regular operating hours. The request includes usage after regular business hours that will require staff to remain on-site after their scheduled shift. It is recommended that the City Council consider waiving all rental fees and staff costs, as requested by Riverside University Health System-Behavioral Health in support of their event.

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**FISCAL IMPACT:** The fees for the Health Fair total \$1,880.00. This amount includes the rental of Foss Field, the Community Room, City Front Lawn and the City Mobile Stage for the event and staff costs for additional coverage after regular business hours.

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Prepared by: Spencer Campbell, Recreation Supervisor II 

City Attorney:

Interim Assistant City Manager: Darren Madkin 

Assistant Finance Director: Jennifer Erwin 

Attachments: Waiver Request Letter from Riverside University Health System-Behavioral Health.

Consent: X

Public Hearing:

Business Item:

Reply to: Mid-County Region Administration  
1688 N. Perris Blvd., Ste. L 1  
Perris, CA 92571

March 6, 2017

To the Mayor and the City Council of Perris:

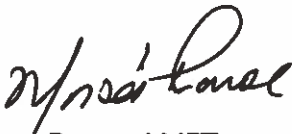
Riverside University Health System-Behavioral Health is having its "May is Mental Health Month" Health Fair event on Saturday, May 13, 2017. We would like to hold this event at City Hall-Front Lawn again this year.

We are seeking your approval for use of the park for the Health Fair, which aims to decrease the stigma of mental illness and to showcase services for our communities from agency vendors as well as from County clinics.

We would like to once again request the use of the community room, your stage structure for the day of the event and the waiver of rental fees for the stage, park and street banner.

Again, we thank you for working with us to bring information and services to our communities.

Sincerely,



Moises Ponce, LMFT  
Outreach and Engagement Coordinator  
Mid-County Region

Sincerely,

**CITY COUNCIL  
AGENDA SUBMITTAL**

**Meeting Date: March 28, 2017**

**SUBJECT:** City of Perris General Plan Housing Element, 2016 Annual Progress Report

**REQUESTED ACTION:** That the City Council approve the 2016 Annual Progress Report for the General Plan Housing Element.

**CONTACT:** Sabrina Chavez, Assistant Director of Housing and Community Services

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**BACKGROUND/DISCUSSION:**

On August 27, 2013, the City Council adopted the General Plan Housing Element for the planning period 2014-2021. The Housing Element establishes policies, procedures and incentives in its land use planning and redevelopment activities to guide the development, redevelopment and preservation of a balanced housing supply to adequately accommodate households currently living and expected to live in Perris. The Housing Element also outlines the City's housing action plan, which is a series of actions and programs to be implemented through 2016 in order to meet its fair share contribution of housing needs for all income groups established by Regional Housing Needs Allocation (RHNA).

The City is required to prepare an annual report each year detailing the progress it has made during the prior year in meeting its Housing Element goals, pursuant to State law (Government Code Section 65400(b)). The annual progress report must be submitted to the California State Department of Housing and Community Development (HCD) and to the Governor's Office of Planning and Research (OPR). The City's 2016 annual progress report is attached, which further details the goals, policies, programs and implementation actions implemented in the previous year. The annual progress report covers the three areas of information outlined by HCD, which are listed as follows:




- 1) Progress in meeting regional housing needs. A total of 257 building permits were issued for new residential construction in 2016.
- 2) The effectiveness of the Housing Element in attainment of the community's goals and objectives. Attached Table C includes a program-by-program status report relative to implementation schedule and status as of 2016. The City of Perris 2014-2021 Housing Element was adopted in August 27, 2013. Measuring the effectiveness of programs is a continued implementation and will be reported in the next annual progress report.
- 3) Progress towards mitigating governmental constraints indentified in the Housing Element. The City of Perris 2014-2021 Housing Element was adopted in August 27, 2013. Measuring the effectiveness of programs is a continued implementation and is reported in attached Table C.

City Staff is requesting that the City Council review and approve the attached 2016 Annual Progress Report. The annual progress report for year 2016 is due on April 1, 2017.

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**BUDGET (or FISCAL) IMPACT:** No cost is associated with the preparation of this report.

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Prepared by: Rebecca Miranda, Redevelopment Project Manager   
Reviewed by: Darren Madkin, Interim Assistant City Manager   
Jennifer Erwin, Assistant Director of Finance 

Attachments: 2016 Annual Housing Element Progress Report

Consent Item: X

Public Hearing:

Business Item:

Workshop:



**Table C  
CITY OF PERRIS**

**ANNUAL PROGRESS REPORT FOR 2016  
ON IMPLEMENTATION OF THE HOUSING ELEMENT  
General Plan Report requirement pursuant to Section 65400 of the Government Code**

Housing Program	Program Action 2014-2021	Implementing Entity	Time Frame for Implementation	Status as of 2016
<b>Goal 1: Promote and maintain a variety of housing types for all economic segments of the City.</b>				
Action 1.1:	Review and update the General Plan periodically (if an update is needed) to ensure that growth trends are addressed.	Planning Department	Ongoing Implementation	No up-date in 2016 General Plan.
Action 1.2:	Encourage opportunities for development of housing in lower density land use designations through various Overlay Zone alternatives (Senior Housing, Planned Development, Downtown Design) or with the density bonus incentives.	Housing Authority / Planning Department	Ongoing Implementation	The City continues to promote lower density land use designations. No proposed projects requesting these incentives were submitted in 2016.
Action 1.3:	The Perris Housing Authority will utilize funding, if available, and/or CDBG allocations to provide the following incentives which may be applied to an affordable housing project: 1) Lease or purchase of City owned property at low rates; 2) Provision of off-site improvements.	Housing Authority	Completed in 2015	
Action 1.4:	Require a mixture of diverse housing types and densities in new developments, guided by specific plans, around the downtown and throughout the City. Focus development activity within the Downtown Specific Plan area where suitably zoned underutilized land and the potential for mixed-use projects exists for the development of affordable housing.	Housing Authority / Planning Department	Continued Implementation	The City will continue to provide incentives which may be applied to an affordable housing project. No proposed project requesting these incentives were submitted in 2016.
Action 1.5:	Support the use of innovative building techniques and construction materials for residential development, such as energy efficient buildings that utilize solar panels and sustainable building materials that are recyclable.	Housing Authority / Planning Department	Ongoing Implementation	In 2016, the Building & Safety Division issued 528 permits to homeowners for the installation of solar panels on the roofs of their homes.
Action 1.6:	Work with Habitat for Humanity to identify and acquire vacant infill lots for single-family development to provide housing for lower and moderate-income families and individuals.	Housing Authority / Planning Department	Ongoing Implementation	The City continues to support Habitat for Humanity's effort to develop and provide housing for lower and moderate-income families and individuals.

Action 1.7:	Utilize the State HOME Investment Partnership Grant Program Funds to assist in rehabilitating lower-income households to correct code violations and make exterior improvements.	Housing Authority	Ongoing Implementation	In 2016, the Housing Authority continued its First Time Home Buyer Program and Owner-Occupied Rehabilitation Program. Both programs are funded by HOME Investment Partnerships Program. In addition, in 2016, the Housing Authority has processed four (4) First Time Home Buyer Applications and one (1) Owner-Occupied Rehabilitation Loan Application. The awarded amount is \$500,000.00.
Action 1.8:	Continue to track affordable housing units city-wide. This includes monitoring the method by which units remain affordable to lower-income households (i.e. covenants, deed restrictions, loans, etc.).	Housing Authority / Planning Department	Ongoing	CC&Rs-covenant, are recorded with the Riverside County Clerk's Office on properties that were rehabbed through the City's Substantial Rehabilitation Loan Program (SRP), Homebuyer Assistant Program (HRP), and First Time Homebuyer Program (FTHB), funded through the State HOME Program. Staff maintains file of recorded documents for each property, including an affordable housing database monitored by Housing Authority Staff.
Action 1.9:	Provide a progress report on the 2014-2021 Housing Element programs and quantified objectives as part of the annual General Plan status reports to the State.	Planning Department	Annual reporting	2016 Annual Progress report was completed and will be submitted to HCD by April 1, 2017.
Action 1.10:	The Planning Division will utilize design, development, impact fee, processing and streamlining incentives, such as reductions in setbacks, parking requirements, and other standards, to encourage residential uses and to promote more intense residential development in the Downtown Specific Plan area. Information on these financial and regulatory incentives will be made available on the City's website and in public places at City Hall.	Housing Authority / Planning Department	Ongoing Implementation	City Municipal Code, General Plans, Specific Plans, development applications and fees are made available to the public at the department counter and City's website. The City will continue to encourage and promote residential development in downtown Perris.
Action 1.11:	Reduce parking standards for senior and affordable housing developments that are located in proximity to transit stops.	Housing Authority / Planning Department	Ongoing Implementation	In 2016, the City did not received any request.
Action 1.12:	To encourage the development of residential and mixed-use projects within the Downtown Specific Plan area, the City will offer incentives such as a reduction in development standards (i.e. lot size, parking, and open space requirements) and with assistance from the Perris Housing Authority, subsidize a portion of development fees to encourage lot consolidation and to promote more intense residential and mixed-use development on vacant and underutilized sites within the Downtown Specific Plan area. While the City is more than able to accommodate the remaining RHNA allocation for the planning period on sites larger than one acre, this program allows for the City to begin planning for the future by encouraging property owners to consolidate adjacent properties to develop larger projects.	Housing Authority / Planning Department	Ongoing Implementation	City will continue to promote and encourage residential and mixed-use development in the downtown area. In 2016, the City did not receive any proposed mixed use projects.
<b>Goal 2: Promote and preserve suitable and affordable housing for persons with special needs, including lower income households, large families, single parent households, the disabled, senior citizens and shelter for the homeless.</b>				
Action 2.1:	Utilize resources such as HOME funds, California Housing Finance Agency single-family and multi-family programs, HUD Section 208/811 loans, and HOPE II and III Homeownership programs to stimulate private developer and non-profit entity efforts in the	Housing Authority	Ongoing	The City will continue to host its Housing Workshop that promotes City, private, and non-profit information to the public on existing housing programs such as homeownership programs. On April 9, 2016 the Housing Authority hosted a Homebuyer Workshop.

	development and financing of housing for lower and moderate-income households.				The workshop provided information on its existing housing programs and realtors, lenders, and a HUD counselor were available for assistance. City will continue to provide incentives to encourage affordable housing to meet the City's fair share housing needs.
Action 2.2:	The Perris Housing Authority should facilitate discussions between developers and local banks to meet their obligations pursuant to the California Community Reinvestment Act (CCRA) providing favorable financing to developers involved in projects designed to provide lower and moderate-income housing opportunities.	Housing Authority	Ongoing		In 2016, the City's Housing Authority proposed a concept affordable housing development; however, the City's contribution was not sufficient to be competitive with the Affordable Housing and Sustainable Communities Program. The City of Perris will continue to work with developers and seek additional funding resources to provide affordable housing opportunities.
Action 2.3:	Consider pursuing a program through the Perris Housing Authority, if funding is available, or through interested CHDO's and/or non-profit organizations, to purchase affordability covenants on existing multi-family units, subject to restrictions that the affordability covenants would be in effect for not less than 30 years, and that at least 20 percent of the units would be affordable to extremely low- and very low-income households.	Housing Authority	Ongoing		City will continue to require that multi-family complexes consist of units with affordability covenants ensuring that the units remain affordable.
Action 2.4:	To comply with Senate Bill 2, the City has amended Zoning Code Section 19.44, Industrial Zones, to permit emergency shelters by right in the General Industrial (GI) zone, excluding Specific Plan areas, without a conditional use permit or other discretionary permit. The City will continue to monitor the inventory of sites appropriate to accommodate emergency shelters and will work with appropriate organizations to ensure the needs of the homeless population whenever possible.	Housing Authority	Ongoing Implementation		There are no emergency shelters in the City. However, the City continues to work with Path of Life Ministries. Path of Life Ministries is a service agency that provides referral and supportive services to homeless population within the City's limits.
Action 2.5:	The City will maintain a list of mortgage lenders participating in the California Housing Finance Agency (CHFA) program and refer the program to builders or corporations interested in developing housing in the City.	Housing Authority	Ongoing		City maintains a list of City of approved lenders approved for the First Time Homebuyer Program.
Action 2.6:	Continue cooperation with the Riverside County Housing Authority to provide Section 8 rental assistance and work with property owners to encourage expansion of rental projects participating in the program, as well as provision of at least 20 units of public housing within the City.	Housing Authority and Riverside County Housing Authority	Continued Implementation		City will continue to support the Riverside County Housing Authority to provide rental assistance in Perris. In 2016, 407 families were assisted with section 8.
Action 2.7:	Provide incentives for development of lower income housing through the density bonus program. Actively promote its use in conjunction with mixed-use projects in the Downtown, for senior housing, and within Specific Plans.	Planning Department/Housing Authority	Continued Implementation		The City will continue to provide density bonus to projects that meet the requirements for density bonus in accordance with Municipal Development Code, Chapter 19.57.
Action 2.8:	Continue to support the City's effort of encouraging multi-family developments with affordability covenants on units through offering development incentives. These incentives could include reduction in development standards, and expedited permit processing.	Housing Authority	Continued Implementation		City will continue to provide development incentives to encourage multi-family developments that include affordability covenants on units.

<p>Action 2.9:</p>	<p>Pursuant to Government Code Section 65583, the City of Perris is obligated to remove potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with disabilities. To address the needs of this population, the City amended the Zoning Code to adopt formal reasonable accommodation procedures. Reasonable accommodation provides a basis for residents with disabilities to request flexibility in the application of land use and zoning regulations or, in some instances, even a waiver of certain restrictions or requirements from the local government to ensure equal access to housing opportunities. The City will provide information regarding the City's reasonable accommodation ordinance and make information on the program more widely available to residents.</p>	<p>Planning Department</p>	<p>Continued Implementation</p>	<p>City will continue to support reasonable accommodation procedures through the Senior Housing Overlay Zone.</p>
<p>Action 2.10:</p>	<p>Prioritize resources such as HOME funds, California Housing Finance Agency single-family and multi-family programs, HUD Section 208/811 loans, and HOPE II and III Homeownership programs for the development of rental projects that provide units with two or three bedrooms.</p>	<p>Planning Department/Housing Authority</p>	<p>Ongoing</p>	<p>In 2016 the City of Perris continues its First Time Home Buyer's Program. The City was awarded \$500,000.00 which \$195,000.00 is allocated for this program to provide down payment assistance. In 2016 four (4) mortgage assist loans were funded. This amount exceeded its goal by one (1).</p> <p>In 2016, there were no proposed rental projects that provided units with two or three bedrooms restricted for extremely low, very low, or low income tenants.</p>
<p>Action 2.11:</p>	<p>To facilitate development of affordable housing to accommodate the 1,707 lower-income RHNA, the City adopted the Downtown Specific Plan in 2012 and identified approximately 95 acres of underutilized and vacant land. The Downtown Specific Plan utilizes a form based approach to regulate land uses. This form based Regulating Code focuses attention on the form, placement, and appropriate use of buildings (i.e. mass, height, site layout) rather than traditional development standards such as minimum and maximum densities. Its design standards and guidelines promote an attractive and pedestrian-oriented environment.</p> <p>To demonstrate adequate sites for the City's 4th cycle housing element update, the City included an adequate sites program (Action 2.11) to rezone sites within the Downtown Specific Plan for higher density residential uses. As these sites were to be rezoned to accommodate the City's lower-income need the rezoned sites were required to be consistent with Sections 65583.2(h) and (i) and 65583(c)(1) (AB 2348) as follows: Require a minimum density of 20 units per acre; Ensure at least 50 percent of the lower-income need accommodated on sites designated for residential use only; and Permit owner-occupied and rental multifamily uses by-right, without a conditional use or other discretionary review or approval.</p> <p>While sites were rezoned, not all of statutory requirements of the adequate sites program requirements were addressed. To comply with AB 2348, at least 50 percent of the remaining lower income</p>	<p>Planning Department</p>	<p>Continued Implementation</p>	<p>The City will pursue affordable housing projects to provide housing opportunities and meet RHNA fair share of City's housing units.</p>

<p>need (854 units) will be accommodated on sites designated for exclusively residential uses allowing a minimum 20 dwelling units per acre. To address this requirement the City has identified approximately 45 acres within the Urban Village district which can accommodate approximately 1,575 units and will be zoned exclusively for residential uses as identified in Appendix A, Map 4. To address minimum density requirements the City will ensure sites A through L, as identified in Section VII Housing Resources, as well as exclusively residential Urban Village district sites identified in Map 4 of Appendix A, are developed at a minimum density of 20 units per acre. If a parcel is developed at less than 20 units per acre, pursuant to Government Code Section 56863, the City will immediately identify and zone an alternative site with established minimum density requirements consistent with GC Section 65583.2(h) and (i). The City will report on the progress of development in the Downtown Specific Plan area in its annual progress reports required pursuant to Government Code Section 65400 and due on April 1st of each year. The inventory of available sites will also be made available to the development community through various outreach methods.</p>	<p>need (854 units) will be accommodated on sites designated for exclusively residential uses allowing a minimum 20 dwelling units per acre. To address this requirement the City has identified approximately 45 acres within the Urban Village district which can accommodate approximately 1,575 units and will be zoned exclusively for residential uses as identified in Appendix A, Map 4. To address minimum density requirements the City will ensure sites A through L, as identified in Section VII Housing Resources, as well as exclusively residential Urban Village district sites identified in Map 4 of Appendix A, are developed at a minimum density of 20 units per acre. If a parcel is developed at less than 20 units per acre, pursuant to Government Code Section 56863, the City will immediately identify and zone an alternative site with established minimum density requirements consistent with GC Section 65583.2(h) and (i). The City will report on the progress of development in the Downtown Specific Plan area in its annual progress reports required pursuant to Government Code Section 65400 and due on April 1st of each year. The inventory of available sites will also be made available to the development community through various outreach methods.</p>	<p>Planning Department</p>	<p>Continued Implementation</p>	<p>City will expedite and prioritize development processing time of applications for new construction of affordable housing developments.</p>
<p><b>Goal 3: Removal or mitigation of constraints to the maintenance, improvement and development of affordable housing, where appropriate and legally possible.</b> Action 3.1:</p>	<p>The City shall expedite and prioritize development processing time of applications for new construction or rehabilitation of housing for lower and moderate-income households and seniors. Expedited permit processing would allow complete development applications to be reviewed at an accelerated rate by City Staff in order to ensure that permit processing times do not create a potential constraint on the development of affordable units by adding to the overall cost of the project.</p>	<p>Planning Department</p>	<p>Continued Implementation</p>	<p>City will expedite and prioritize development processing time of applications for new construction of affordable housing developments.</p>
<p>Action 3.2:</p>	<p>Extremely low-income households and households with special needs have limited housing options. Housing types appropriate for these groups include transitional and supportive housing. To accommodate this population and comply with Senate Bill 2, the City amended Zoning Code Chapters 19.21 through 19.28, R-20,000 through MFR-22 and Section 19.34, R-5 Districts (Mobilehome Subdivisions), to allow transitional and supportive housing as a permitted use without a conditional use permit or other discretionary permit, subject only to those regulations that apply to other residential uses of the same type in the same zone. To ensure consistency with the Perris Valley Airport Land Use Compatibility Plan, areas designated Airport Area I and II and within Compatibility Zones A, B1, B2 and C of the Airport Influence Area as mapped at www.rcaluc.org, will allow transitional and supportive housing subject to all applicable restrictions places on other residential uses permitted within those areas. The City will continue to monitor the inventory of sites appropriate to accommodate transitional and supportive housing and will work with the appropriate organizations to ensure the needs of extremely low-income residents are met. The City is committed to prioritizing funding and other available</p>	<p>Planning Department</p>	<p>Ongoing Implementation</p>	<p>The City will continue to monitor the inventory of sites appropriate to accommodate transitional and supportive housing and will work with the appropriate organizations to ensure the needs of extremely low-income residents are met.</p>

	incentives for projects that provide housing for extremely low-income residents whenever possible.				
Action 3.3:	To accommodate the needs of extremely low-income households and households with special needs and comply with Senate Bill 2, the City amended Zoning Code Section 19.21 through 19.28, R-20,000 through MFR-22 and Section 19.34, R-5 Districts (Mobilehome Subdivisions), all residential zones of the City, to allow Single Room Occupancy (SRO) housing as a permitted use without a conditional use permit or other discretionary permit, except within Airport Area 1 as mapped at www.rcaluc.org and within Compatibility Zones A, B1, and B2 of the Airport Influence Area of Perris Valley Airport, in effect as of July 1, 2011. The City will continue to monitor the inventory of sites appropriate to accommodate single-room occupancy units and will work with the appropriate organizations to ensure the needs of extremely low-income residents are met.	Planning Department	Ongoing		In 2016, the City did not received any request.
Action 3.4:	Continue to permit manufactured housing on permanent foundations in residential zones if it meets compatibility criteria.	Planning Department	Continued Implementation		According to Building permit activity database for 2016, 9 permits were issued to install permanent foundations to mobile homes.
Action 3.5:	In accordance with Government Code Section 65589.7 as revised in 2005, immediately following City Council adoption, the City must deliver a copy of the 2014-2021 Housing Element to all public agencies or private entities that provide water or sewer services to properties within the City of Perris.	Planning Department	Completed		
<b>Goal 4: Provide increased opportunities for homeownership.</b>					
Action 4.1:	Continue to provide favorable home purchasing options to lower and moderate-income households, when funds are available, through the County of Riverside's First Time Homebuyers Down Payment Assistance Program and homeownership assistance with the County Mortgage Credit Certificate (MCC) program.	Housing Authority/ Planning Department	Ongoing		The City continues its First Time Home Buyer Program. The program will help with down payment assistance or gap financing for low and moderate income persons.  The City of Perris supports the Mortgage Credit Certificate (MCC) and information about this program is available in the Housing Authority.
Action 4.2:	Continue to work with Habitat for Humanity in the development of single-family homes for lower income families. Continue to work with the Workforce Investment Act (WIA), formerly known as the Jobs Training Partnership Act (JTPA), in the provision of single-family homes for lower income households.	Housing Authority	Continued Implementation		
Action 4.3:	The Perris Housing Authority shall provide support to the California Housing Finance Agency (CHFA) program, which supports construction of new owner-occupied units in conjunction with non-profit organizations and/or private developers through advertisement and referral to the program.	Housing Authority	Ongoing Implementation		City will continue to support CHFA and encourage construction of residential developments.
Action 4.4:	The City shall establish relationships with local lenders, developers and other constituencies such as realtors, and non-profit	Housing Authority	Ongoing Program		City continues to establish relationships with local lenders, developers, realtors, and nonprofit

	<p>organizations through community outreach workshops that emphasize specific ideas, issues, and expectations for future development in Perris.</p>			<p>organizations through affordable housing programs being offered through the City. The City maintains a City approved lists for lenders and contractors list, which is made available to the public. The City refers potential homebuyers to Riverside Fair Housing Council for HUD-approved homebuyer education workshops at no charge to the public at the City Senior Center. In 2016, three homebuyer workshops were offered, with approximately 53 participants at each workshop.</p>
<p><b>Goal 5: Enhance the quality of existing residential neighborhoods in Perris, through maintenance and preservation, while minimizing displacement impacts.</b></p>				
<p>Action 5.1:</p>	<p>As a means of further leveraging housing assistance, the City will cooperate with the Riverside County Housing Authority to promote resident awareness and application for County-run housing assistance programs. These programs include: 1) Home Improvement Program; 2) Rental Rehabilitation Program; 3) Enhanced Senior Home Repair Program and; 4) Department of Community Action (DCA) Utilities and Weatherization Program. The County offers a variety of housing assistance programs that can supplement the City's current housing programs. As the City has little control over how the County's programs are administered the City will be responsible for providing program information on the City's website, in the City's newsletter and at City Hall.</p>	<p>Housing Authority/County of Riverside Housing Authority</p>	<p>Completed</p>	<p>On April 9, 2016 the City hosted a Housing Expo that provided information on its existing housing programs. Also, the expo provided information that included the importance of budgeting to make on-time mortgage payments, the home-buying process, how to identify predatory lending, understanding the mortgage-loan process and how a credit score can affect a potential purchase.</p> <p>The Riverside County Housing Authority provided information on their existing homebuyer and rehabilitation programs.</p>
<p>Action 5.2:</p>	<p>Maintain code compliance to ensure building safety and integrity of residential neighborhoods. Enforce the building code through issuance of a permit prior to construction, repair, addition to, or relocation of any residential structure.</p>	<p>Planning Division and Building Division</p>	<p>Ongoing Implementation</p>	<p>The City continues to maintain code compliance by ensuring building safety and integrity of residential neighborhoods.</p>
<p>Action 5.3:</p>	<p>Monitor the substandard dwellings which cannot be economically repaired and remove when necessary and feasible.</p>	<p>Housing Authority</p>	<p>Continued Implementation</p>	<p>According to the building and safety activity summary, in 2016, no dwellings were demolished due to fire damage, abandoned, and unsafe conditions.</p>
<p><b>Goal 6: Encourage energy conservation activities in all neighborhoods.</b></p>				
<p>Action 6.1:</p>	<p>Encourage maximum utilization of Federal, State, and local government programs, such as the County of Riverside Home Weatherization Program and Western Riverside Council of Governments HERO program, and assist homeowners in providing energy conservation measures.</p>	<p>Housing Authority/Riverside County Home Weatherization Program</p>	<p>Ongoing Implementation</p>	<p>On April 9, 2016, the City hosted a Homebuyer Workshop that provided information on solar system installation through Grid Alternatives.</p>
<p>Action 6.2:</p>	<p>Maintain and distribute literature on energy conservation, including solar power, additional insulation, and subsidies available from utility companies, and encourage homeowners and landlords to incorporate these features into construction and remodeling projects.</p>	<p>Planning Division</p>	<p>Ongoing Implementation</p>	<p>The City continues to provide its residents with literature about energy conservation such as solar power. Also, energy conservation information is included in the Housing Authority's newsletter.</p> <p>The city supports and continues to work with a non-profit to help promote its solar panel program.</p>
<p>Action 6.3:</p>	<p>Facilitate sustainable development in the City by enforcing the goals, policies, and implementation measures established in the Sustainable Community section in the Conservation Element.</p>	<p>Planning Division/Building Division</p>	<p>Ongoing Implementation</p>	<p>New buildings within the City are required to have a multitude of sustainable measures as required by the CA Building Code (Green Code).</p>

				<p><b>(LEED Certified Building):</b> Environmental Impact Report (SCH# 2012111003), Development Plan Review 12-10-0005, Specific Plan Amendment 12-10-0006, Street Vacation 13-05-0018, Tentative Parcel Map 13-05-0017 (TPM 36512) and Tentative Parcel Map 13-05-0016 (TPM 36582) – Environmental Impact Report, Development Plan Review, Specific Plan Amendment, Street Vacation and two Tentative Parcel Maps for a proposed industrial development "Optimus Logistics Center I" to construct two high-cube warehouse buildings, totaling 1,455,781 square feet, located north of Ramona Expressway between the I-215 Freeway and Ramona Expressway. The Specific Plan Amendment is to amend the land use designation of approximately 68.99 acres from Commercial (C) and Business Professional Office (BPO) to Light Industrial (LI) and to amend the circulation plan for Patterson Avenue.</p> <p><b>(LEED Certified Building):</b> Environmental Impact Report 14-01-0017 (SCH NO. 2014051034), Development Plan Review (DPR) 14-01-0015, Tentative Parcel Map 36678 (TPM) 14-01-0016, Specific Plan Amendment 14-04-0001 and Street Vacation (SV) 14-04-0002 – Proposal to construct a high-cube warehouse development in two phases consisting of two buildings totaling 1,0378,811 square feet on 48.38 acres of land, located on the north side of Markham Street between Patterson and Webster Avenues. The request will require a Specific Plan Amendment to change the land use designation of approximately 16 acres from General Industrial to Light Industrial, along with a Tentative Parcel to consolidate 55 lots into two parcels, Street Vacation to abandon unimproved streets within the site and Development Plan Review for the site plan and building elevations.</p>
Action 6.4:	The City shall develop a local action plan for reduction of greenhouse gas emissions.	Planning Division/Development Services Department	Completed	<p>On February 23, 2016, the City adopted a Climate Action Plan. This plan was developed to address global climate change through the reduction of harmful greenhouse gas emissions.</p> <p>The City is in the participation progress with WRCOG for the sub-regional Climate Action Plan (CAP).</p>
<b>Goal 7: Equal housing opportunity for all residents of Perris, regardless of race, religion, sex, marital status, ancestry, national origin, color, or handicap.</b>				
Action 7.1:	The City, in conjunction with the Riverside County Fair Housing Council, shall support efforts dedicated to working towards the elimination of the discrimination of housing by actively pursuing any	Housing Authority/Riverside	Ongoing Implementation	<p>City supports the activities of Fair Housing Council of Riverside County, and activities are contracted through the CDBG program.</p>



Action 7.2:	<p>complaints of housing discrimination within the City. Information detailing fair housing practices will be made available at City Hall and on the City's website. Additionally, the City will participate with the Riverside County Fair Housing Council to conduct workshops and seminars about landlord and tenant responsibilities and rights.</p> <p>The housing needs of persons with developmental disabilities are typically not addressed by Title 24 Regulations, and requires in addition to basic affordability, slight modifications to existing units, and in some instances, a varying range of supportive housing facilities. To accommodate residents with developmental disabilities, the City will seek State and Federal monies, as funding becomes available, in support of housing construction and rehabilitation targeted for persons with developmental disabilities. Perris will also provide regulatory incentives, such as expedited permit processing, and fee waivers and deferrals, to projects targeted for persons with developmental disabilities. To further facilitate the development of units to accommodate persons with developmental disabilities, the City shall reach out annually to developers of supportive housing to encourage development of projects targeted for special needs groups. Finally, as housing is developed or identified, Perris will work with the Inland Regional Center to implement an outreach program informing families within the City of housing and services available for persons with developmental disabilities. Information will be made available on the City's website.</p>	County Fair Housing Council	Ongoing Implementation	City has a contract with Fair Housing Council of Riverside County to provide education and training classes, advocacy services, investigate allegations of housing discrimination, and mediate landlord-tenant complaints.
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CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: March 28, 2017**

**SUBJECT:** Agreement with FR/CAL REDLANDS, LLC for the development of a distribution center in the Perris Business Park and resolution of delinquent CFD penalties and interest (property north of Rider Street and west of Redlands Avenue).

**REQUESTED ACTION:** That the City Council approve the amended and restated agreement that was previously approved in 2006 conditionally waiving the penalties and interest on the delinquent CFD taxes.

**CONTACT:** Eric Dunn, City Attorney

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**BACKGROUND/DISCUSSION:**

In 1988 the City established a community facilities district (“CFD”) and issued bonds to finance various public improvements for the Perris Business Park, north of Rider Street and west of Redlands Avenue. The Business Park was never fully developed and at times accumulated significant CFD tax delinquencies due to non-payment by different owners. In 2006 the Alere Property Group, LLC (“Alere”) acquired a portion of the Business Park that was encumbered by delinquent CFD taxes and related penalties and interest. Alere proposed to build an approximately 650,000 square foot warehouse distribution center on the site (the “Project”).

In 2006 the City Council approved an agreement outlining the parameters of the Project development and the resolution of the CFD tax delinquencies (the “Waiver Agreement”). Essentially, the Waiver Agreement provided that the City would waive approximately \$1.3 million of interest and penalties that accrued on delinquent CFD taxes prior to Alere’s acquisition of the property. The waiver was conditioned upon the completion of the Project within three years, subject to reasonable delays in the entitlement and permitting process that were beyond the developer’s control. The waiver applied only to the penalties and interest, and not to the outstanding delinquent principal. In 2006 the City Council adopted a resolution for the conditional waiver of the penalties and interest. The outstanding principal amount was paid to the City, and all CFD tax payments have since been kept current.

In 2008, FR/CAL Redlands LLC (the “Developer”) acquired the property from Alere and assumed all the rights and obligations of Alere under the Waiver Agreement. In 2009 the Developer obtained entitlements for the Project, including certification of an EIR and approval of Development Plan Review 06-0432 and Tentative Parcel Map 35268. All the entitlements remain in effect. However, due to the recession and other factors, the Project has not been constructed. The Developer is in escrow to sell the property to the SunCap Property Group who will construct the Project. The Developer has requested that the City approve an amended and restated Waiver Agreement with essentially the same terms as the original Waiver Agreement, providing for the waiver of penalties and interest upon construction of the Project. The Developer may also submit applications for modifications to the existing entitlements or new entitlements, which will be subject to the normal discretionary approval process.

If the amended and restated Waiver Agreement is approved, the waiver of the penalties and interest will be implemented by resolution which makes the findings and determinations required by the Mello-Roos Act. The agreement and resolution contain a mechanism whereby the developer must certify in writing that the Project is complete and that the developer has timely paid all ongoing CFD taxes in order to make the waiver effective.

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**BUDGET (or FISCAL) IMPACT:**

Implementation of the proposed agreement will have no adverse financial impact on the City. According to the latest Annual District Administration Report for Fiscal Year 2016/2017 for CFD 88-3, the district is in good health with only minor delinquencies (not caused by the Developer).

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**Reviewed by:**

City Attorney   X    
Assistant City Manager   DM    
Assistant Finance Director   je  

**Attachments:** Amended and Restated Agreement for the Development of a Distribution Center in the Perris Business Park and Resolution of Delinquent CFD Penalties and Interest

Consent: X  
Public Hearing:  
Business Item:  
Other:

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

City of Perris  
101 North "D" Street  
Perris, CA 92570  
Attn: City Clerk

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Space Above This Line for Recorder's Use

**AMENDED AND RESTATED AGREEMENT FOR THE DEVELOPMENT OF A  
DISTRIBUTION CENTER IN THE PERRIS BUSINESS PARK AND RESOLUTION OF  
DELINQUENT CFD PENALTIES AND INTEREST**

THIS AMENDED AND RESTATED AGREEMENT FOR THE DEVELOPMENT OF A DISTRIBUTION CENTER IN THE PERRIS BUSINESS PARK AND RESOLUTION OF DELINQUENT CFD PENALTIES AND INTEREST (this "Agreement") is executed on this \_\_\_ day of \_\_\_\_\_, 2017 (the "Effective Date"), by and between the CITY OF PERRIS, a municipal corporation (hereinafter "City") and FR/CAL REDLANDS, LLC, a Delaware limited liability company (hereinafter "Developer") (each, a "Party" and collectively, the "Parties").

**RECITALS**

A. WHEREAS, on September 27, 2006, Developer's predecessor-in-interest, Perris Alere LLC, a Delaware limited liability company (the "Prior Developer"), and the City entered into that certain Agreement with Perris Alere LLC for the Development of a Distribution Center in the Perris Business Park and Resolution of Delinquent CFD Penalties and Interest, which was recorded on October 25, 2006 in the Office of the County Recorder of Riverside County as Document No. 2006-0784991 (the "Original Agreement"), in connection with that certain property located in the City of Perris, County of Riverside, State of California and legally described on Exhibit A attached hereto (the "Property").

B. WHEREAS, on August 31, 2006, the City Council of the City of Perris (the "City Council") passed Resolution 3754 to effectuate the terms of the Original Agreement.

C. WHEREAS, on January 8, 2008, Developer purchased the Property from Prior Developer and assumed the obligations of Prior Developer under the Original Agreement pursuant to that certain Assignment and Assumption Agreement dated as of January 8, 2008 and recorded on January 8, 2008 in the Office of the County Recorder of Riverside County as Document No. 2008-0010282 (the "Assignment and Assumption"). As used herein, the term

**“Original Agreement”** shall mean the Original Agreement as assumed by Developer pursuant to the Assignment and Assumption.

D. WHEREAS, in 1988, the City adopted the Community Facilities District 88-3 (the **“CFD”**) and issued bonds to finance various public improvements for the Property and certain other property in or otherwise affected by the CFD, and such bonds were and are to be repaid in whole or in part by the levy of special taxes (as such special taxes relate to the Property, the **“CFD Taxes”**).

E. WHEREAS, prior to the date of the Original Agreement, the Property accumulated significant CFD Tax delinquencies due to the non-payment of CFD Taxes by previous owners of the Property, including accrued penalties and interest levied against the Property in the aggregate amount of One Million Three Hundred Seven Thousand One Hundred Sixty-Two and 66/100 Dollars (\$1,307,162.66) (collectively, the **“Penalties and Interest”**).

F. WHEREAS, in connection with Prior Developer’s purchase of the Property, Prior Developer (i) paid the full amount of the CFD Taxes that were outstanding as of the date on which Prior Developer purchased the Property (including all administrative and legal fees due in connection therewith) and (ii) agreed to develop the **“Original Project”** (hereafter defined), in exchange for the City agreeing to enter into the Original Agreement and waiving the Penalties and Interest as set forth therein.

G. WHEREAS, the Original Agreement contemplated that Developer would build an approximately 650,000 square foot industrial warehouse distribution center (the **“Original Project”**) on the Property.

H. WHEREAS, in accordance with Section 1.1 of the Original Agreement, Developer timely processed the **“Entitlement Application”** for the Original Project, which was subsequently approved by the City Council on March 31, 2009 under an adopted Final Environmental Impact Report (FEIR), Development Plan Review (DPR 06-0432), a Tentative Parcel Map 35268 (TPM 06-0432) and Street Vacation (ST-VAC 07-12-0013) (collectively, the **“Entitlements”**), which, as of the Effective Date, remain in full force and effect.

I. WHEREAS, due to the economic recession and other factors beyond the control of the City and Developer, Developer did not complete the development of the Original Project, nor did Developer process the **“Building Permit Application”** (as hereinafter defined) in accordance with the Original Agreement.

J. WHEREAS, Developer now intends to build an approximately 643,273 square foot industrial warehouse distribution center or a substantially similar project (the **“Project”**) on the Property in exchange for the City agreeing to continue to waive all Penalties and Interest as set forth herein and entering into this Agreement so as to facilitate development of the Project.

K. WHEREAS, the Parties desire to amend and restate the Original Agreement in its entirety as set forth herein, such amendment and restatement to be effective as of the Effective Date.

## TERMS

NOW, THEREFORE, in consideration of the above recitals and of the mutual terms hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Original Agreement is hereby superseded, amended and restated in full by this Agreement, and the Parties agree as follows:

### **1. CONSTRUCTION OF THE PROJECT.**

**1.1** Developer shall submit to the City for approval (a) any applications for modifications to the Entitlements, or applications for new entitlements (either, a “**New Entitlement Application**”), and (b) a complete application for building and construction permits sought by Developer for the Project, or a development substantially similar to the Project (the “**Building Permit Application**”) within two (2) years following the Effective Date and thereafter diligently and in good faith pursue and cooperate with the finalization of these permits with the City. In the event Developer submits a New Entitlement Application to the City, the City, acting in good faith and using commercially reasonable efforts, shall review and consider for approval the New Entitlement Application in a timely manner and in any event within six (6) months of Developer’s submission thereof, subject to the City’s normal procedures for processing similar projects. If the New Entitlement Application is not approved within such six (6) month period for reasons beyond the reasonable control of Developer, the delay in the approval of the Entitlement Application shall be considered a force majeure event for Developer’s benefit for purposes of this Agreement and Section 4.10 shall apply. The City, acting in good faith and using commercially reasonable efforts, shall review and consider for approval the Building Permit Application in a timely manner and in any event within one hundred twenty (120) days of Developer’s submission thereof, subject to the City’s normal procedures for processing of similar projects. If the Building Permit Application is not approved within such one hundred twenty (120) day period for reasons beyond the reasonable control of Developer, the delay in the approval of the Building Permit Application shall be considered a force majeure event for Developer’s benefit for purposes of this Agreement and Section 4.10 shall apply. If the City determines there is a defect or deficiency in the New Entitlement Application or the Building Permit Application, the City shall as soon as reasonably practicable after such determination notify Developer of same, and the Parties together shall endeavor to rectify any such defect or deficiency, subject to force majeure delay as set forth in Section 4.10.

Subject to the force majeure events specified in this Section 1 and in Section 4.10, Developer shall pursue commercially reasonable efforts to complete the Project within three (3) years after the Effective Date (the “**Construction Period**”). For all purposes of this Agreement, the Project shall be deemed “completed” when Developer is entitled to receive a Certificate of Occupancy for the Project. For purposes of this Section 1, the phrase “reasons beyond the reasonable control of Developer” shall include, but not be limited to, instances where Developer exercised good faith and commercially reasonable efforts, but could not reasonably have anticipated the circumstances that caused the delay.

**1.2** Except as to the Entitlements, which the City previously approved and which remain in full force and effect, nothing herein shall be construed as an agreement by the City to approve the Project, or approve the Project with or without any particular conditions, except as

contemplated by this Agreement. The Project shall be subject to the applicable notice, hearings, and discretionary approval process by the City for projects of similar type. Notwithstanding anything to the contrary contained herein, if, in accordance with applicable law, Developer challenges any conditions that may be imposed by the City in connection with the Project, the time periods set forth in Section 1.1 shall be tolled during the time of such challenge.

**1.3** If Developer's interest in the Property is transferred or otherwise conveyed by judicial foreclosure, pursuant to a power of sale, sheriff's sale or trustee's sale or by a deed in lieu of foreclosure or any such sale or by any other similar manner (each, a "**Foreclosure Action**"), to a mortgagee of a mortgage or a beneficiary of a deed of trust encumbering the Property, or any part thereof, or to any other third party purchaser at a Foreclosure Action (each such mortgagee, beneficiary or other third party purchaser, a "**Third Party Purchaser**"), such Third Party Purchaser shall have such additional time beyond the initial Construction Period as may be reasonably necessary to complete the Project; provided, however in no event (except as provided in Section 4.10) shall the Construction Period be extended for more than eighteen (18) months. In furtherance and in confirmation of the foregoing, the City agrees that nothing contained in this Agreement shall be construed to prevent (i) Developer from obtaining financing in connection with the Project, (ii) Developer from encumbering the Property, or any part thereof, in connection with such financing, or (iii) the mortgagee of any mortgage or the beneficiary of any deed of trust encumbering the Property, or any part thereof, from exercising any rights or remedies it may have under such mortgage or deed of trust, including, without limitation, any Foreclosure Action.

## **2. WAIVER OF PENALTIES AND INTEREST.**

**2.1** The City represents, warrants and confirms that, as of the Effective Date, all CFD Taxes have been paid in full (the "**Paid Taxes**"), that no additional penalties, interest or fees will accrue on or in connection with the Paid Taxes or the Penalties and Interest, and that the Penalties and Interest are in the liquidated, non-increasing amount of One Million Three Hundred Seven Thousand One Hundred Sixty-Two and 66/100 Dollars (\$1,307,162.66). Developer agrees to pay all on-going CFD Taxes and County of Riverside taxes duly levied and applicable to the Property that accrue from and after the Effective Date.

**2.2** Subject to the passage of the "**Resolution**" (defined below), the City agrees to waive the Penalties and Interest upon satisfaction of the following two (2) conditions: (i) the Project is completed within the Construction Period described in Section 1.1 and (ii) Developer has paid all CFD Taxes levied and first becoming due after the Effective Date (the "**Waiver Conditions**").

Within ninety (90) days of the Effective Date, the City shall cause its staff and/or legal counsel to present to the City Council a resolution in form attached hereto as Exhibit C (the "**Resolution**") for approval as required by applicable law, including Government Code §53340, subdivision (f), to make certain determinations in order to validly waive or authorize the City to waive the Penalties and Interest in accordance with and as more fully described in this Agreement, including that: (1) the waiver provided for in this Agreement, when made, will be applied only to the Penalties and Interest; (2) all past and currently due special taxes and costs are paid in full; (3) the current owner of the Property receiving the waiver did not cause the

delinquencies; and (4) the waiver provided for in this Agreement is in the best interest of the bondholders, and to otherwise re-authorize such waiver and re-approve this Agreement.

Notwithstanding the adoption of the Resolution, the waiver of the Penalties and Interest shall not take effect until and unless the Waiver Conditions have been satisfied. Upon completion of the Project, Developer shall give written notice to the City that the Waiver Conditions have been satisfied. The notice shall be sent to the City Manager and shall be in the form of the letter attached hereto as Exhibit D. Upon the City's verification that the Waiver Conditions have been satisfied, the City Manager shall countersign the notice, direct the City's Finance Director and the City's tax consultant to implement the waiver of the Penalties and Interest and take any and all other actions as may be necessary to effect the waiver contemplated by this Agreement. Such waiver shall be irrevocable.

**2.3** If the Project is not completed as provided by this Agreement, if the Resolution fails to be approved by the City Council, or Developer fails to comply with the terms of this Agreement, for whatever reason, then, as the only recourse against Developer, Developer shall be responsible for the payment of the Penalties and Interest, which shall not be waived and shall remain as a lien on the Property.

**2.4** The City shall not foreclose on or exercise any other rights or remedies with respect to the Property or the Penalties and Interest during the Construction Period, provided that all CFD Taxes first becoming due after the Effective Date are timely paid when due, and Developer does not default on any other liens, if any, securing amounts owed to the City after the Effective Date that are subject to judicial foreclosure or any other rights or remedies of the City.

**2.5** This Agreement shall not be effective until the City Council approves, adopts and passes the Resolution.

### **3. INDEMNIFICATION.**

**3.1** Developer shall indemnify the City, its officers, employees, attorneys and agents (collectively, the "**Indemnitees**") against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities that may be asserted or claimed by any person, firm, or entity arising out of or in connection with this Agreement or the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Property (the "**Claims or Liabilities**"), whether or not there is current passive or active negligence on the part of the Indemnitees in connection therewith, except to the extent such Claims or Liabilities arise from the gross negligence or willful misconduct of the Indemnitees. In connection with the implementation of this Section 3.1:

(a) Developer shall defend any action or actions filed in connection with any of said Claims or Liabilities and will pay all reasonable costs and expenses, including legal costs and attorneys' fees, incurred in connection therewith.

(b) Developer shall promptly pay any judgment rendered against the Indemnitees for any such Claims or Liabilities, and Developer shall save and hold the Indemnitees harmless therefrom.



(c) In the event the Indemnitees are made a party to the action or proceeding for such Claims or Liabilities, Developer shall pay to the Indemnitees any and all reasonable costs and expenses incurred by the Indemnitees in such action or proceeding, including, but not limited to, reasonable legal costs and attorneys' fees.

#### **4. MISCELLANEOUS PROVISIONS.**

**4.1 Recordation of Agreement.** This Agreement shall be recorded with the County Recorder by the City Clerk. Any amendment to this Agreement that is approved by the Parties, and any cancellation hereof, shall be similarly recorded. The force and effect of this Agreement shall run with the Property and shall be binding upon the successors and permitted assigns of Developer hereto.

**4.2 Entire Agreement.** This Agreement sets forth and contains the entire understanding and agreement of the Parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. 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.

**4.3 Severability.** If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

**4.4 Interpretation and Governing Law.** This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. 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 the City shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

**4.5 Section Headings.** All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

**4.6 Singular and Plural.** As used herein, the singular of any word includes the plural.

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

**4.8 Waiver.** Failure of a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, or the failure by a Party to exercise its rights upon the default of the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by the other Party with the terms of this Agreement thereafter.

**4.9 No Third Party Beneficiaries.** This Agreement is made and entered into for the sole protection and benefit for the Parties and their successors and assigns. No other person or entity, except for Third Party Purchasers under Section 1.3, shall have any right of action based upon any provision of this Agreement.

**4.10 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 inclement weather, earthquakes, other acts of God, fires, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the Party's control (including, without limitation, the Party's employment force and staffing constraints of Developer's technical consultants [traffic, air quality, habitat, noise, etc.]), government regulations, court actions (such as restraining orders or injunctions), the other Party's failure to timely perform its obligations hereunder, 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 each such event, provided, however, that the term of this Agreement shall not be extended under any circumstances for more than twenty four (24) total months due to such events on a cumulative basis, unless the event is the other Party's actions or inactions, including, but not limited to, the failure to perform its obligations hereunder, in which case there shall be no limitation on how long this Agreement may be extended. Notwithstanding any specific cross-references in this Agreement to this Section 4.10, this Section 4.10 shall apply to all of the terms, provisions and time periods contained in this Agreement even if reference is not specifically made to this Section 4.10.

**4.11 Mutual Covenants.** The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the Party benefited thereby of the covenants to be performed hereunder by such benefited Party.

**4.12 Counterparts.** This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

**4.13 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, based on any allegation or assertion in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

**4.14 Amendments in Writing.** This Agreement may be amended only by a written instrument signed by the affected Parties specifically approving the amendment.

**4.15 No Assignment.** Subject to Section 1.3, the Parties agree that this Agreement shall not be assignable without the prior written consent of the Parties, which consent shall not be unreasonably withheld, conditioned or delayed; provided, however, the Parties agree that Developer shall have the right to assign this Agreement to SunCap Property Group, LLC, a North Carolina limited liability company, or any other reputable developer of commercial or industrial real property ("SunCap"), or any entity controlled by or under common control with

SunCap (collectively, the “Assignee”), without the written consent of the City, provided that Assignee expressly assumes in writing all obligations and liabilities of Developer hereunder and such written assignment is recorded with the County Recorder by the City Clerk.

**4.16 Corporate Authority.** The Parties hereto each represent and warrant that (i) it is duly organized and existing, (ii) such Party and the individual signing on its behalf 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 law, statute, code, ordinance, regulation, rule or provision of any other agreement to which such Party is bound.

*[End - Signatures Follow on Next Page]*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement, consisting of a total of \_\_\_ pages on the day and year first set forth above.

ATTEST:

**CITY:**

CITY OF PERRIS, a municipal corporation

By: \_\_\_\_\_  
Nancy Salazar, City Clerk

By: \_\_\_\_\_  
Richard Belmudez, City Manager

APPROVED AS TO FORM:

**DEVELOPER:**

ALESHIRE & WYNDER, LLP

FR/CAL RIDER STREET, LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Eric L. Dunn, City Attorney

By: FirstCal Industrial, LLC,  
a Delaware limited liability company,  
its sole member

By: California State Teachers' Retirement  
System, a public entity, its member

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name and Title)

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

STATE OF CALIFORNIA )  
 ) SS:  
COUNTY OF YOLO )

On \_\_\_\_\_, 2017, before me, \_\_\_\_\_, Notary Public  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature: \_\_\_\_\_

[Seal]

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Real property in the City of Perris, County of Riverside, State of California, described as follows:

LOTS 168 THROUGH 358, INCLUSIVE OF TRACT NO. 4269 AS SHOWN BY MAP ON FILE IN BOOK 76 PAGE(S) 9 THROUGH 14, INCLUSIVE OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA

**EXHIBIT B**

**INTENTIONALLY OMITTED**

EXHIBIT C

[NOTE: Subject to further input from the City Attorney]

RESOLUTION WAIVING PENALTIES AND INTEREST

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

*A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, CALIFORNIA, WAIVING PENALTIES AND INTEREST  
FOR CERTAIN PARCELS WITHIN COMMUNITY FACILITIES  
DISTRICT 88-3 PURSUANT TO GOVERNMENT CODE § 53340*

*WHEREAS*, an “Amended and Restated Agreement For The Development Of A Distribution Center In The Perris Business Park And Resolution Of Delinquent CFD Penalties And Interest” (hereinafter, the “**Agreement**”) has been prepared by and between the CITY OF PERRIS, a municipal corporation (hereinafter, the “**City**”) and FR/CAL REDLANDS, LLC, a Delaware limited liability company (hereinafter, with its permitted successors and assigns, the “**Developer**”) (together referred to as the “**Parties**”).

*WHEREAS*, under the Agreement, the Developer is proposing to build an approximately 643,273 square foot industrial warehouse distribution center (the “**Project**”) on the “**Property**,” which is legally described on Exhibit A attached to the Agreement, in exchange for the City agreeing to waive all penalties and interest in the amount of One Million Three Hundred Seven Thousand One Hundred Sixty-Two and 66/100 Dollars (\$1,307,162.66) for the Property that accrued on the delinquent “**CFD Taxes**” (as defined in the Agreement) through no fault of the Developer (the “**Penalties and Interest**”).

*WHEREAS*, Government Code §53340, subdivision (f), authorizes the City to waive the delinquency penalties and redemption penalties, including the Penalties and Interest for the Property, pursuant to the findings made by the City Council below.

*NOW, THEREFORE*, THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. The foregoing recitals are incorporated herein as if set forth in full.
2. The City Council finds that each of the conditions under Government Code § 53340, subdivision (f), are met as follows:
  - A. The waiver provided for herein and in the Agreement will be applied only to present delinquencies, and shall not be applied to penalties and interest that accrue on special taxes that become delinquent subsequent to the date of this Resolution, if any;
  - B. All past and currently due special taxes and costs are paid in full as of the date of this Resolution;



- C. The current owner of the Property that is receiving the waiver did not cause the delinquencies; and
- D. The waiver provided for herein and in the Agreement is in the best interest of the bondholders in that it will result in the payment of past special taxes and facilitate the development of the Property, thus providing greater security for future special taxes.

3. Notwithstanding the adoption of this Resolution, the waiver of the Penalties and Interest shall not take effect until and unless each of the “**Waiver Conditions**”, as defined and as set forth in Section 2.2 of the Agreement, have been satisfied.

4. Upon completion of the Project, Developer shall give written notice to City that the Waiver Conditions have been satisfied. The notice shall be sent to the City Manager and shall be in the form of the letter attached to the Agreement as Exhibit D. Upon City’s verification that the Waiver Conditions have been satisfied, the City Manager shall countersign the notice, direct City’s Finance Director and tax consultant MuniFinancial to implement the waiver of the Penalties and Interest and take any and all other actions as may be necessary to effect the waiver contemplated by this Agreement. Such waiver shall be irrevocable.

5. The Agreement and the waiver of the Penalties and Interest provided for therein are hereby re-approved and re-authorized.

*ADOPTED, SIGNED and APPROVED* this \_\_\_\_ day of \_\_\_\_\_, 2017

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

Attest:

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

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

I, Nancy Salazar, City Clerk of the City of Perris, do hereby certify that the foregoing Resolution Number \_\_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting of said City Council on the \_\_ day of \_\_\_\_\_, 2017, and that it was so adopted by the following vote:

AYES:            COUNCIL MEMBERS:  
NOES:            COUNCIL MEMBERS:  
ABSENT:         COUNCIL MEMBERS:  
ABSTAIN:        COUNCIL MEMBERS:

(SEAL)

---

Nancy Salazar, City Clerk

EXHIBIT D

NOTICE OF SATISFACTION OF WAIVER CONDITIONS

NOTICE OF SATISFACTION OF WAIVER CONDITIONS

To: City Manager  
City of Perris, California

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Re: Amended and Restated Agreement with Perris Alere LLC For The Development Of A Distribution Center In The Perris Business Park And Resolution Of Delinquent CFD Penalties And Interest, dated April \_\_, 2017 (the "Agreement")**

This "Notice of Satisfaction of Waiver Conditions" is being delivered to you pursuant to Section 2.2 of the above referenced Agreement, a copy of which is attached hereto as Schedule 1. The undersigned hereby gives you notice that the Project (as defined in the Agreement) has been "completed" in accordance with the terms of the Agreement and that all of the other Waiver Conditions (as defined in the Agreement) have been satisfied. Please verify that you are in agreement with the foregoing by executing this Notice where indicated below and returning it to \_\_\_\_\_ at \_\_\_\_\_, Attention: \_\_\_\_\_. Pursuant to the Agreement, please direct your Finance Director and the City's tax consultant to implement the waiver of the Penalties and Interest (as defined in the Agreement) and take any and all other actions as may be necessary to effect the waiver contemplated by the Agreement.

\_\_\_\_\_  
By: \_\_\_\_\_

By: \_\_\_\_\_

Acknowledged and agreed:

CITY OF PERRIS

By: \_\_\_\_\_  
City Manager, City of Perris

**CITY COUNCIL/HOUSING AUTHORITY  
AGENDA SUBMITTAL  
March 28, 2017**

**SUBJECT:** Resolution amending the Homebuyer Assistance Program (HAP) and the Substantial Rehabilitation Loan Program (SRP) Guidelines to address the Declaration of Covenants, Conditions, and Restrictions (CC&Rs), and the repayment terms and calculation formula for the First Time Homebuyers (FTHB) program.

**REQUESTED ACTION:**

That the City Council sitting as the Board of Directors of the Perris Housing Authority approve the attached resolution which amends the HAP and SRP Program Guidelines related to the CC&Rs, and approve the amended repayment terms for the FTHB program:

1. Approve the amendment of Section B, Item 8 in the HAP Program Guidelines and Section 7, Page 9 in the SRP Program Guidelines to allow removal of CC&Rs upon sale of the home at market rate and repayment of the loan.
2. Approve the amended repayment terms and calculation formula for the FTHB program.

**CONTACT:** Sabrina Chavez, Assistant Director of Community Services & Housing

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**BACKGROUND/DISCUSSION:**

The City of Perris Housing Authority is currently servicing two (2) down payment assistance programs and one (1) rehabilitation loan program that assist low to moderate income families within city limits. The Homebuyer Assistance Program (HAP) was originally launched in 2008 under the Redevelopment Agency and assisted first time homebuyers with down payment assistance of up to \$25,000.00. This program is no longer available; however, the City currently processes loan repayment transactions and subordination requests for existing loans under this program.

The First Time Homebuyer Program (FTHB) is the City's current down payment assistance program. This program is funded by the HOME Investment Partnerships Program (HOME). The program and assists low to moderate income families who are first time homebuyers with down payment assistance amounts of up to \$65,000.00. The City currently processes new loan transactions under this program.

The Substantial Rehabilitation Loan Program (SRP) was originally launched in 2008 under the Redevelopment Agency, designed to assist low to moderate income families with a 2% simple interest rate rehabilitation of loan up to \$50,000.00. This program is no longer available; however, the City currently processes loan repayment transactions and conducts annual reporting on existing loans under this program.

### **HAP and SRP Declaration of Covenants, Conditions, and Restrictions (CC&Rs)**

Affordability covenants, also known as deed restrictions are a widely used mechanism to preserve affordable housing units. Cities across the country use deed restrictions to maintain a supply of affordable housing units reserved for income eligible buyers. To protect the long-term affordability of below-market units, deed restrictions are recorded with the property deed; and buyers of the properties sign a secondary deed of trust and related documents acknowledging the restrictions. The length of the affordability period in deed-restricted Perris Housing Authority programs is 45 years. Pursuant to Health and Safety Code Section 34176.1, the successor agency to former redevelopment agencies are required to follow provisions of the redevelopment law that relate to maintaining affordable housing which have not been repealed or superseded. As the designated Low and Moderate income housing successor agency to the Perris Redevelopment Agency, the Perris Housing Authority is responsible for monitoring 292 deed restricted properties in the city.

Both the HAP and SRP programs require CC&Rs to be recorded on the land and remain in force for a period of 45 years. The housing market is recovering in Perris and as a result all available housing unit types are attracting buyers. In some cases, the buyers are signing purchase contracts on deed restricted units who are not income qualified. The CC&Rs restrict all new buyers purchasing deed restricted properties within the 45 year period to comply with current low to moderate income limits. Unfortunately, if the potential buyer does not meet the income requirement for the home they would not be able to close escrow. Consequently, this restriction can limit the pool of buyers available to our current program participants when and if they decide to sell their homes in the future.

Amending the program guidelines to allow Housing Authority staff to remove CC&Rs will allow program participants to sell their homes at market rate, and provide the Perris Housing Authority with program income that can be used to provide first time home ownership opportunities through other programs. Under Health and Safety Code Section 33334.3(f)(1)(B), the sale of a covenant-restricted housing unit at market rate is permitted as long as there is an adopted program which protects the agency's investment of monies, such as equity sharing program.

### **FTHB Repayment Terms and Calculation Formula**

The FTHB program is the City's newest first time homebuyer program that follows the same repayment terms and calculation formula as the previous HAP program.

Although down payment assistance amounts are different for each program, the City currently follows the following calculation formula for both programs when determining equity share percentage and payoff amounts:

Current Equity Share Formula: Down payment amount received / Home purchase price

Example for HAP:  $\$25,000 / \$200,000 = 13\%$   
Example for FTHB:  $\$65,000 / \$200,000 = 33\%$

The equity share percentage represents the percentage of equity, the City will demand for payoff in addition to the original loan amount. In recent months, the equity in most homes that have used this program has increased by as much as \$100k. Should property values continue to increase in the future, the payoff amounts under this current equity share formula would increase exponentially for the City's FTHB participants and/or reduce the likelihood of these homes being sold due to the higher payoff amounts.

Based on the City's current equity share percentage formula above, for a home with \$100k in equity, the HAP participant would pay back a total of \$38k (\$25k + equity share); whereas, a FTHB participant would pay back a total of \$98k (\$65k + equity share). In this scenario, this would not allow a payoff transaction to complete without the homeowner having to bring additional funds to close.

In an effort to remain relatively consistent with the equity share contribution rate for HAP, the following equity share of 40% to be included in the calculation formula is being proposed for the City's FTHB program:

$$\$65,000 \times 0.40 (40\%) / \$200,000 (\text{example home price}) = 13\%$$

This formula would require participants to be responsible for only a percentage of the original equity share contribution which is more consistent with the percentage of our previous HAP program. Program participants would still be required to pay back the original loan amount in addition to this equity share contribution.

#### **Housing Authority Proposed Program Changes**

Staff recommends the following amendments to the program guidelines:

1. Amendment of Section B, Item 8 in the HAP Program Guidelines and Section 7, Page 9 in the SRP Program Guidelines to allow removal of the CC&Rs upon sale of the home at market rate and repayment of the loan.
2. Amend repayment terms and calculation formula for the FTHB program to the following formula:  $(\text{loan amount}) \times 0.40 / (\text{home price}) = (\text{equity share percentage})$

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**BUDGET (or FISCAL) IMPACT:** There is no fiscal impact with this action. There will be program income reductions as the result of revising the repayment terms of the FTHB program. If the recommended amendment is made to the program guidelines for the HAP and SRP program, there may be an increase in program income from loan payoffs.

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Prepared by: Kisa Puckett, Administrative Assistant III

Reviewed by: Jennifer Erwin, Assistant Director of Finance JE

Reviewed by: Darren Madkin, Interim Assistant City Manager DM

Consent: X

Attachments: Resolution

RESOLUTION NUMBER \_\_\_\_\_

A RESOLUTION OF THE GOVERNING BOARD OF THE CITY OF PERRIS HOUSING AUTHORITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AMENDING THE HOMEBUYER ASSISTANCE PROGRAM AND THE SUBSTANTIAL REHABILITATION LOAN PROGRAM DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS, AND THE REPAYMENT TERMS OF THE FIRST TIME HOMBUYER PROGRAM

WHEREAS, City of Perris Housing Authority (Authority) is operating in Riverside County, California, and

WHEREAS, the Governing Board of the Authority is authorized to amend guidelines and terms for Authority loan programs by resolution, and

WHEREAS, Governing Board of the Authority wishes to remove Covenants, Conditions, and Restrictions from active loans under the Homebuyer Assistance Program and Substantial Rehabilitation Loan Program at time of a payoff transaction, and

WHEREAS, Governing Board of the Authority wishes to revise the calculation formula for the First Time Homebuyer Program to the following:

$$(\text{loan amount}) \times 0.40 / (\text{home price}) = (\text{equity share percentage})$$

WHEREAS, pursuant to Health and Safety Code Section 33334.3(f)(1)(B), the sale of a covenant-restricted housing unit at market rate is permitted as long as there is an adopted program which protects the agency's investment of monies, such as an equity sharing program.

NOW, THEREFORE BE IT RESOLVED, by the Governing Board of the City of Perris Housing Authority as follows:

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

Section 2. The Chairman shall sign and the Board Secretary shall certify to the passage and adoption of this Resolution.

***ADOPTED, SIGNED and APPROVED this 28<sup>th</sup> of March, 2017.***

---

Chairman, Michael Vargas

ATTEST:

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Board Secretary, Nancy Salazar

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

I Nancy Salazar, Board Secretary of the City of Perris Housing Authority do hereby certify that the foregoing Resolution Number \_\_\_\_\_ was duly and regularly adopted by the Governing Board of the City of Perris Housing Authority at a regular meeting thereof held on the 28<sup>th</sup> day of March 2017, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

Board Secretary, Nancy Salazar



**CITY COUNCIL  
CITY COUNCIL  
PERRIS JOINT POWERS AUTHORITY  
AGENDA SUBMITTAL**

**Meeting Date: March 28, 2017**

**SUBJECT:** Appoint Bond Finance Team Consultants for Community Facilities District 2014-1 Avelina and Perris Joint Powers Authority

**REQUESTED ACTION:** Approve Bond Finance Team Consultants for CFD 2014-1 Avelina and Authorize the City Manager to sign the Agreement for Professional Services from Stradling Yocca Carlson & Rauth, P.C.

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

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**BACKGROUND/DISCUSSION:**

Perris City Council approved Resolution No. 4799 on January 13, 2015 determining the necessity to incur bonded indebtedness in three improvement areas of the Community Facilities District 2014-1 (Avelina) ("CFD") to fund the acquisition and construction of certain public facilities. The first improvement area of the district is nearing completion and a request to issue bonds has been received by the developer, Pulte Homes, for that improvement area only.

The coordinated efforts of a specialized group of professionals, or "Finance Team," is required to successfully administer the formation of community facilities districts and issue bonds. At minimum, the Finance Team includes the debt issuer (City/CFD), bond counsel, financial advisor, disclosure counsel, special tax consultant, bond trustee, and underwriter. The City of Perris currently contracts professional services for the roles of bond counsel (Aleshire & Wynder), financial advisor (Fieldman Rolapp and Associates), special tax consultant (Willdan Financial Services), and bond trustee (U.S. Bank, National Association).

It is in the best interest of the City to keep continuity with the same consultant firm for most of the roles listed above to ensure proper reporting and compliance in addition to reducing the economies of scale in terms of familiarity with the City. However, it is typical for local agencies to fill the underwriter and disclosure counsel roles using competitive bidding practices. In order to facilitate competitive bidding, an RFP for both services in connection with the Community Facilities District 2014-1 bond issuance was released to multiple agencies familiar with the municipal bond market. Local experience with other municipalities as well as fees for service of each firm were reviewed by staff and the City's Financial Advisor, Fieldman Rolapp and Associates.

Stradling Yocca Carlson & Rauth, P.C. ("Stradling") was chosen as Disclosure Counsel and Brandis Tallman LLC ("Brandis") as Underwriter. Stradling served as Disclosure Counsel in California on more transactions than any other firm in 2015 and 2016, and has worked

recently with Eastern Municipal Water District, the City of Ontario, and the City of Chino. Stradling will charge a flat fee of \$32,500 for disclosure services that will be paid from bond proceeds. Brandis is a firm that solely serves California public agencies and has recently underwritten bonds for the Elsinore Valley Municipal Water District, Lake Elsinore Unified School District, and the Lake Elsinore Public Financing Authority (City of Lake Elsinore).

The resolution presented will appoint the Finance Team consultants for the Community Facilities District 2014-1 (Avelina). In the future, a resolution will be brought to the City Council for approval to appoint the Finance Team once it is time to issue bonds for a particular district, and an underwriter and disclosure counsel are needed. If it is deemed beneficial to contract for either service for multiple bond issuances, a competitive bidding process will be undertaken and the contract will be presented to the City Council for approval.

***\*\*Special Note: In 2016, the Attorney General released an opinion that precludes some consultants from charging "contingency" fees based on a percentage of the bond issuance for professional services rendered in bond transactions. Although this has been taken into consideration for any new consultant contracts, this directly affects the services we receive from Aleshire & Wynder as Bond Counsel. Aleshire & Wynder is no longer able to charge a contingency fee based on a percentage of the bond issuance at the time bonds are issued and instead are now billing on an hourly basis (the hourly rates are listed in their current contract at \$350 per hour for bond counsel). The resolution attached includes this change in billing as part of "Section 2." These charges will continue to be funded by developer deposits and bond proceeds or surplus special taxes, but will not be contingent, and staff will monitor the charges to ensure they are reasonable.\*\****

Staff has discussed the new consultants and fees with the Ways & Means Subcommittee. Staff recommends that the City Council appoint the Finance Team consultants as outlined in the resolution attached and approve the contract for Stradling to be executed by the City Manager.

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**BUDGET (or FISCAL) IMPACT:** Professional services provided by Finance Team consultants are paid for by each CFD bond issuance and developer deposits. There is no fiscal impact to the general fund.

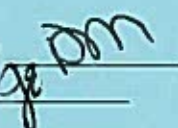
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Reviewed by:

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

Interim Assistant City Manager \_\_\_\_\_

Assistant Director of Finance \_\_\_\_\_



Attachments:

1. Resolution
2. Agreement for Professional Services- Stradling Yocca Carlson & Rauth, P.C.

Consent

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS AND THE PERRIS JOINT POWERS AUTHORITY APPOINTING A FINANCE TEAM AND PROVIDING FOR THE EXECUTION OF CERTAIN CONSULTANT CONTRACTS IN CONNECTION THEREWITH**

**WHEREAS**, the City Council of the City of Perris (the “City”), a general law city, and the Perris Joint Powers Authority, a joint powers authority duly organized under the laws of the State of California (the “Authority”), is determining to embark on various financings and/or refinancings on behalf of the City’s community facilities districts, including Community Facilities District No. 2014-1 (Avelina) of the City of Perris (“Avelina District”); and

**WHEREAS**, the City Council and the Authority desires to appoint certain consultants in connection therewith; and

**WHEREAS**, the City and Authority desire to authorize the Mayor or City Manager on behalf of the City and the Chair or Executive Director on behalf of the Authority (the “Authorized Officers”), respectively, to take such acts necessary to accomplish the purposes of this Resolution.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS AND THE PERRIS JOINT POWERS AUTHORITY DO HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** That the Recitals hereto are true and correct and are adopted herein by this reference.

**Section 2.** That the City Council and Authority hereby appoint (a) Aleshire & Wynder, LLP, as Bond Counsel, in accordance with its hourly rate for bond counsel services pursuant to its contract with the City, (b) Fieldman Rolapp and Associates, as Municipal Advisor in accordance with its contract with the City, (c) Willdan Financial Services, as Special Tax Consultant, in accordance with its contract with the City, (d) U.S. Bank, National Association, as bond trustee, in accordance with its contract with the City, and (e) Stradling Yocca Carlson & Rauth, P.C., as disclosure counsel, in accordance with a contract to be entered into with the City and executed by an Authorized Officer.

**Section 4.** That the firm of Brandis Tallman LLC is hereby appointed as underwriter in connection with the Avelina District.

**Section 5.** That the officers and agents of the Agency are hereby authorized and directed to take all further actions necessary and convenient to carry out the purposes of this resolution.

**Section 6.** That this Resolution shall take effect from and after its adoption.

**ADOPTED, SIGNED and APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2017

\_\_\_\_\_  
MAYOR OF THE CITY OF PERRIS

ATTEST:

\_\_\_\_\_  
City Clerk

State of California )  
County of Riverside ) SS  
City of Perris )

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Resolution Number \_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the \_\_\_ day of \_\_\_\_\_, 2017, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:

By: \_\_\_\_\_  
City Clerk

**PROFESSIONAL SERVICES AGREEMENT**  
**WITH STRADLING YOCCA CARLSON & RAUTH**  
**FOR DISCLOSURE COUNSEL SERVICES**

THIS PROFESSIONAL SERVICES AGREEMENT, dated as of January 25, 2017 (this "Agreement"), is entered into by and between the City of Perris, a municipal corporation and a political subdivision of the State of California (hereinafter referred to as the "City") and Stradling, Yocca, Carlson and Rauth, a Professional Corporation (hereinafter referred to as the "Disclosure Counsel").

**RECITALS:**

WHEREAS, City desires to retain professional consulting services for legal matters in connection with the issuance of Community Facilities District No. 2014-1 (Improvement Area No. 1) (Avelina) Special Tax Bonds, Series 2017 (the "Bonds"); and

WHEREAS, City desires to retain Disclosure Counsel to do the necessary legal work as disclosure counsel hereinafter outlined, upon the terms and conditions hereinafter set forth, for the sale and issuance of the Bonds; and

WHEREAS, Disclosure Counsel is qualified by virtue of experience, training, education and expertise to accomplish such services.

NOW, THEREFORE, City and Disclosure Counsel mutually agree as follows:

**Section 1. Scope of Work.**

The scope of work to be performed by the City shall consist of those tasks as set forth in Exhibit A, attached and incorporated herein by reference. To the extent that there are any conflicts between the provisions described in Exhibit A and those provisions contained within this Agreement, the provisions in this Agreement shall control.

**Section 2. Term.**

This Agreement shall be effective from and after the date first above written until the completion of all tasks involved in the sale and delivery of the Bonds, or until the City determines not to proceed with the issuance of the Bonds or any additional series of Bonds.

**Section 3. Compensation to Disclosure Counsel.**

Disclosure Counsel's compensation for all work performed in accordance with this Agreement is contingent upon the sale and delivery of the Bonds. Disclosure Counsel's fee for serving as disclosure counsel with respect to the Bonds shall be a flat fee of \$32,500.00, inclusive of any costs or expenses incurred by Disclosure Counsel in connection with rendering its services to the City pursuant to this Agreement.

In the event the Firm is requested to perform special services outside the scope of normal disclosure counsel services or services following the issuance of the bonds for the following hourly fees will apply: \$375 for shareholders, \$275 for associates and \$150 for paralegals.

**Section 4. Independent Contractor.**

It is agreed that Disclosure Counsel shall act and be an independent contractor and not an agent or employee of City, and shall obtain no rights to any benefits which accrue to City's employees.

**Section 5. Changes to Scope of Work.**

For extra work not part of this Agreement, a written authorization from City is required prior to Disclosure Counsel undertaking any extra work. In the event of a change in the Scope of Work provided for in the contract documents as requested by the City, the Parties hereto shall execute an addendum to this Agreement setting forth with particularity all terms of the new agreement, including but not limited to any additional Disclosure Counsel's fees.

**Section 7. Compliance with Law.**

Disclosure Counsel shall comply with all applicable laws, ordinances, codes and regulations of federal, state and local government.

**Section 8. Conflicts of Interest.**

Disclosure Counsel represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the services contemplated by this Agreement. However, Disclosure Counsel represents several underwriters on matters not related to the City or the Bonds. In the event the City selects a municipal underwriter which Disclosure Counsel represents, Disclosure Counsel shall request the City provide its informed written consent to such representation by Disclosure Counsel.

**Section 9. Copies of Work Product.**

At the completion of the work, Disclosure Counsel shall have delivered to City at least one (1) copy of any final reports and/or notes containing Disclosure Counsel's findings, conclusions, and recommendations with any supporting documentation. All reports submitted to the City shall be in reproducible format, or in the format otherwise approved by the City in writing.

**Section 10. Ownership of Documents.**

All reports, information, data and exhibits prepared or assembled by Disclosure Counsel in connection with the performance of its services pursuant to this Agreement are confidential to the extent permitted by law, and Disclosure Counsel agrees that they shall not be made available to any individual or organization without prior written consent of the City. All such reports, information, data, and exhibits shall be the property of the City and shall be delivered to the City upon demand without additional costs or expense to the City. The City acknowledges such documents are instruments of Disclosure Counsel's professional services.

**Section 11. Subcontracting.**

The parties recognize that a substantial inducement to City for entering into this Agreement is the professional reputation, experience and competence of Disclosure Counsel. Assignments of any or all rights, duties or obligations of the Disclosure Counsel under this Agreement will be permitted

only with the express written consent of City. Disclosure Counsel shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of City.

**Section 12. Termination.**

The City shall have the right to terminate this Agreement without cause by giving thirty (30) days' advance written notice of termination to Disclosure Counsel.

**Section 13. Notices.**

All notices shall be personally delivered or mailed to the below listed addresses, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process:

To City: City of Perris  
101 N. D Street  
Perris, California 92570  
Attention: Assistant Director of Finance

To Disclosure Counsel: Stradling, Yocca, Carlson and Rauth  
660 Newport Center Drive, Suite 1600  
Newport Beach, California 92660  
Attention: Bradley R. Neal

**Section 14. Attorneys' Fees.**

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which he may be entitled.

**Section 15. Dispute Resolution.**

In the event of a dispute arising between the parties regarding performance or interpretation of this Agreement, the dispute shall be resolved by binding arbitration under the auspices of the Judicial Arbitration and Mediation Service ("JAMS").

**Section 16. Governing Law.**

This Agreement shall be deemed to be made in, and shall be construed in accordance with and governed by the laws of the State of California.

**Section 17. No Assignment.**

Without the written consent of the City, this Agreement may not be assigned by Disclosure Counsel in whole or in part.



**Section 18.    Severability.**

If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

**Section 19.    Entire Agreement.**

This Agreement constitutes the entire understanding and agreement between the parties and supersedes all previous negotiations between them pertaining to the subject matter thereof.

[REST OF THIS PAGE LEFT BLANK INTENTIONALLY]

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement.

**CITY OF PERRIS**

By: \_\_\_\_\_  
Jennifer Erwin  
Assistant Director of Finance

**DISCLOSURE COUNSEL**

By: \_\_\_\_\_  
Bradley R. Neal, Shareholder  
Stradling, Yocca, Carlson, and Rauth, a  
Professional Corporation

**EXHIBIT A**  
**SCOPE OF WORK**

**1. SERVICES**

The City retains Disclosure Counsel to provide, and Disclosure Counsel agrees to provide, legal services in connection with the sale and issuance of each series of Bonds. In connection therewith the Disclosure Counsel shall:

- (i) supervise and prepare documentation regarding disclosure with respect to each series of Bonds including:
  - a. preparing the preliminary official statement and final official statement for the Bonds;
  - b. preparing a continuing disclosure agreement or certificate with respect to the Bonds.
  - c. reviewing the resolution of the City Council or other instrument pursuant to which the Bonds will be issued, the Bond Purchase Contract, and all associated documents and participating in the related negotiations;
  - d. attending information meetings and other conferences scheduled by the City, the City's financial advisor, the City's Bond Counsel, the underwriter of the Bonds (the "Underwriter"), and other parties;
  - e. consulting with Bond Counsel and/or counsel to the City concerning any legislation or litigation during the course of the financing;
  - f. reviewing current legislation and/or state budget actions relevant to the Bonds; and
  - g. rendering a 10(b)5 letter, addressed to the City with a reliance letter provided to the Underwriter.

**2. INDIVIDUALS RESPONSIBLE FOR PROVIDING SERVICES**

The City agrees to accept and Disclosure Counsel agrees to provide the aforementioned services through Bradley R. Neal and Lawrence Chan.

Should the above attorney be unable to provide such services due to death, disability, or similar event, Disclosure Counsel reserves the right to substitute, with City's consent, another of its attorneys to provide such services, and such substitution shall not alter or affect in any way Disclosure Counsel's other obligations under this Agreement.

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: March 28, 2017

SUBJECT: Resolution authorizing approval of a Vacant Land Purchase Agreement between the City of Perris and The Metz Road Trust

REQUESTED ACTION: City Council approval of a resolution authorizing the purchase of Assessor's Parcel #'s: 326-062-017; 326-071-001; 326-072-005 for the future Enchanted Hills Park project

CONTACT: Darren Madkin, Interim Assistant City Manager 

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**BACKGROUND:**

In 2014 and again in 2015 the California Department of Housing and Community Development granted funds to the City of Perris under the Housing-Related Parks Program (HRP). Funding through HRP is to be allocated to local governments, exclusively for the creation, development, or rehabilitation of parks and recreation facilities. The Enchanted Hills area was identified as a park deficient community and the HRP award for both 2014 and 2015 were allocated to acquire land for development of a park in the Enchanted Hills community.

**DISCUSSION**


After considering multiple locations and site plans; and following a series of public meetings to gather community input, a group of vacant parcels in the Enchanted Hills neighborhood between Metz Road on the north and Weston Road on the south was selected as the preferred park site. Last year two parcels were acquired by the City totaling 5.2 acres. Three additional parcels, totaling 8.53 acres, have been listed for sale in the Enchanted Heights community that have value as park/open space acquisitions. The parcels are located in the 1300 block of Metz Road and are adjacent to the two other parcels that are owned by the City. The purchase price of the parcels is \$159,990 or \$18,756 per acre. If this acquisition is approved by the City Council, the combined acreage in the area dedicated for the development of parkland will be approximately 17.79 acres. This total acreage includes City right-of-way. It is recommended that the City Council approve a resolution authorizing the purchase of Assessor's Parcel #'s: 326-062-017; 326-071-001; 326-072-005 for the future Enchanted Hills Park project.

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**BUDGET (or FISCAL) IMPACT:** The Enchanted Hills Park Project (CIP#P034) is funded through two Housing Related Parks Grants from the State of California Housing and Community Development Department, totaling \$1.1 million. There is sufficient funding in the CIP budget for this acquisition.

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Reviewed by:

Assistant Finance Director 

Attachment: Resolution

Purchase Agreement & Amendment

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

***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS  
AUTHORIZING THE PURCHASE OF PROPERTY IDENTIFIED AS  
ASSESSOR'S PARCEL NUMBER 326-062-017; 326-071-001; 326-072-005***

***WHEREAS***, The California Department of Housing and Community Development (the "Department") is authorized to allocate Housing-Related Parks Program ("HRP") funds made available from the U.S. Department of Housing and Urban Development ("HUD"); and

***WHEREAS***, the Department granted HRP funds to the City of Perris in 2014 and 2015; and

***WHEREAS***, funding through HRP is to be allocated to local governments, exclusively for the creation, development, or rehabilitation of parks and recreation facilities; and

***WHEREAS***, the Enchanted Hills area was identified as a park deficient community and the HRP award for both 2014 and 2015 were allocated to acquire land for development of a park in the Enchanted Hills community; and

***WHEREAS***, after considering multiple locations and site plans; and following a series of public meetings to gather community input, the Enchanted Hills neighborhood between Metz Road on the north and Weston Road on the south was selected as the preferred park site; and

***WHEREAS***, three parcels, identified as Assessor's Parcel Numbers 326-062-017; 326-071-001; 326-072-005 totaling 8.53 acres, have been listed for sale for \$159,990.

***NOW, THEREFORE***, the City Council of the City and the Board of the Authority do 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.*** The City Council authorizes the purchase of property identified as assessor's parcel numbers; 326-062-017; 326-071-001; 326-072-005.

***Section 3.*** 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 4.*** This Resolution shall go into effect immediately upon its adoption.

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

**ADOPTED, SIGNED, and APPROVED** this 28th day of March, 2017.

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Mayor, Michael Vargas

ATTEST:

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City Clerk, Nancy Salazar



**REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE  
(FOR SELLER REPRESENTATIVES)**  
(C.A.R. Form RCSD-S, 12/15)

This form is not an assignment. It should not be used to add new parties after a contract has been formed.

This is a disclosure to the Purchase Agreement, Listing Agreement, Other \_\_\_\_\_ ("Agreement"), dated 03/08/2016,  
for the property known as Metz Road Perris, CA ("Property"),  
between \_\_\_\_\_ ("Buyer", Broker)  
and The Metz Road Trust, UTD 4/22/05, Summer Creek Homes as Trustee, 26th Corporation, and 32nd Corporation ("Seller").

1.  A. **ESTATE:** (1) Seller is an  estate,  conservatorship, or  guardianship identified by Superior Court Case name as \_\_\_\_\_, Case # \_\_\_\_\_.  
(2) The person(s) signing below is/are court approved representatives (whether designated as Sole or Co-Executor, Administrator, Conservator, Guardian) of the entity described in paragraph 1A1.
  - B. **TRUST:** (1) The Property is held in trust pursuant to a trust document dated \_\_\_\_\_, titled \_\_\_\_\_.  
(2) The person(s) signing below is/are Sole/Co/Successor Trustee(s) of the Trust.
  - C. **POWER OF ATTORNEY:** The Seller ("Principal") has authorized the person(s) signing below ("Attorney-In-Fact", "Power of Attorney" or "POA") to act on his/her behalf pursuant to a General Power of Attorney (  Specific Power of Attorney for the Property), dated \_\_\_\_\_. **This form is not a Power of Attorney. A Power of Attorney must have already been executed before this form is used.**
  - D. **ENTITY:** Seller is a  Corporation,  Limited Liability Company,  Partnership  Other: \_\_\_\_\_ which has authorized the officer(s), managing member(s), partner(s) or person(s) signing below to act on its behalf. An authorizing resolution of the applicable body of the entity described above \_\_\_\_\_ is \_\_\_\_\_ is not attached.
2. Seller's representative represents that the trust, power of attorney or entity for for which that Party is acting already exists.

**Representative Party (Seller):**

Name (If POA, Sign Principal's Name) 32nd Corporation  
By (Representative Signature) \_\_\_\_\_ Print Title: President  
(Print Representative Name) Jerry Stephens Date: 03/08/2016


Name (If POA, Sign Principal's Name) \_\_\_\_\_  
By (Representative Signature) \_\_\_\_\_ Print Title: \_\_\_\_\_  
(Print Representative Name) \_\_\_\_\_ Date: \_\_\_\_\_

**Acknowledgement of Receipt By Other Party:**  Buyer  Broker

(Signature) \_\_\_\_\_ Date: \_\_\_\_\_  
(Print Name) \_\_\_\_\_

(Signature) \_\_\_\_\_ Date: \_\_\_\_\_  
(Print Name) \_\_\_\_\_

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_



RCSD-S 12/15 (PAGE 1 OF 1)

**REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (RCSD-S PAGE 1 OF 1)**



**REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE  
(FOR SELLER REPRESENTATIVES)**

(C.A.R. Form RCSD-S, 12/15)

This form is not an assignment. It should not be used to add new parties after a contract has been formed.

This is a disclosure to the Purchase Agreement,  Listing Agreement,  Other \_\_\_\_\_ ("Agreement"), dated 03/08/2016,  
for the property known as Metz Road Perris, CA ("Property"),  
between City of Perris ("Buyer",  Broker)  
and The Metz Road Trust, UTD 4/22/05, Summer Creek Homes as Trustee, 26th Corporation, and 32nd Corporation ("Seller").

1.  A. **ESTATE:** (1) Seller is an  estate,  conservatorship, or  guardianship identified by Superior Court Case name as \_\_\_\_\_, Case # \_\_\_\_\_.  
(2) The person(s) signing below is/are court approved representatives (whether designated as Sole or Co-Executor, Administrator, Conservator, Guardian) of the entity described in paragraph 1A1.
- B. **TRUST:** (1) The Property is held in trust pursuant to a trust document dated 04/22/2005, titled The Metz Road Trust, UTD 4/22/05, Summer Creek Homes as Trustee.  
(2) The person(s) signing below is/are Sole/Co/Successor Trustee(s) of the Trust.
- C. **POWER OF ATTORNEY:** The Seller ("Principal") has authorized the person(s) signing below ("Attorney-In-Fact", "Power of Attorney" or "POA") to act on his/her behalf pursuant to a General Power of Attorney ( Specific Power of Attorney for the Property), dated \_\_\_\_\_. **This form is not a Power of Attorney. A Power of Attorney must have already been executed before this form is used.**
- D. **ENTITY:** Seller is a  Corporation,  Limited Liability Company,  Partnership  Other: \_\_\_\_\_ which has authorized the officer(s), managing member(s), partner(s) or person(s) signing below to act on its behalf. An authorizing resolution of the applicable body of the entity described above  is  is not attached.

2. Seller's representative represents that the trust, power of attorney or entity for for which that Party is acting already exists.

**Representative Party (Seller):**

Name (If POA, Sign Principal's Name) Summer Creek Home, Trustee  
By (Representative Signature) \_\_\_\_\_ Print Title: Trustee  
(Print Representative Name) Chris Shepard Date: 03/08/2016

Name (If POA, Sign Principal's Name) 26th Corporation  
By (Representative Signature) \_\_\_\_\_ Print Title: President  
(Print Representative Name) Doug Whitney Date: 03/08/2016

**Acknowledgement of Receipt By Other Party:**  Buyer  Broker

(Signature) \_\_\_\_\_ Date: 03/08/2016  
(Print Name) Chris Shepard

(Signature) \_\_\_\_\_ Date: \_\_\_\_\_  
(Print Name) \_\_\_\_\_

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RCSD-S 12/15 (PAGE 1 OF 1)

**REPRESENTATIVE CAPACITY SIGNATURE DISCLOSURE (RCSD-S PAGE 1 OF 1)**





**DISCLOSURE REGARDING  
REAL ESTATE AGENCY RELATIONSHIP**

(Selling Firm to Buyer)  
(As required by the Civil Code)  
(C.A.R. Form AD, Revised 12/14)

(If checked) This form is being provided in connection with a transaction for a leasehold interest exceeding one year as per Civil Code section 2079.13(k) and (m).

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

**SELLER'S AGENT**

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A Fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties. An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**BUYER'S AGENT**

A selling agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

**AGENT REPRESENTING BOTH SELLER AND BUYER**

A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, the agent may not, without the express permission of the respective party, disclose to the other party that the Seller will accept a price less than the listing price or that the Buyer will pay a price greater than the price offered.

The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. **I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

X Buyer  Seller  Landlord  Tenant \_\_\_\_\_ Date \_\_\_\_\_  
City of Perris

Buyer  Seller  Landlord  Tenant \_\_\_\_\_ Date \_\_\_\_\_

Agent Chris Shepard BRE Lic. # 00984970  
Real Estate Broker (Firm)

By \_\_\_\_\_ BRE Lic. # 00984970 Date 03/08/2016  
(Salesperson or Broker-Associate) Chris Shepard

**Agency Disclosure Compliance (Civil Code §2079.14):**

- When the listing brokerage company also represents Buyer/Tenant: The Listing Agent shall have one AD form signed by Seller/Landlord and a different AD form signed by Buyer/Tenant.
- When Seller/Landlord and Buyer/Tenant are represented by different brokerage companies: (i) the Listing Agent shall have one AD form signed by Seller/Landlord and (ii) the Buyer's/Tenant's Agent shall have one AD form signed by Buyer/Tenant and either that same or a different AD form presented to Seller/Landlord for signature prior to presentation of the offer. If the same form is used, Seller may sign here: 3/8/2016

Seller/Landlord \_\_\_\_\_ Date 03/08/2016 Seller/Landlord \_\_\_\_\_ Date 3/8/2016  
The Metz Road Trust, UTD 4/22/05, Summer 26th Corporation, and 32nd Corporation

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AD REVISED 12/14 (PAGE 1 OF 2)

**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP (AD PAGE 1 OF 2)**



**CIVIL CODE SECTIONS 2079.24 (2079.16 APPEARS ON THE FRONT)**

2079.13 As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings: (a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. (b) "Associate licensee" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into a written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee. The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When an associate licensee owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions. (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee. (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29. (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction. (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer. (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation. (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent. (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller. (k) "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. (l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase. (m) "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. (n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor. (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller. (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5 (commencing with Section 2349) of Chapter 1 of Title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in a real property transaction.

2079.14 Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows: (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a). (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller at his or her last known address, in which case no signed acknowledgement of receipt is required. (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

2079.15 In any circumstance in which the seller or buyer refuses to sign an acknowledgement of receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for an agent, shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17 (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. (b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller. (c) The confirmation required by subdivisions (a) and (b) shall be in the following form.

(DO NOT COMPLETE. SAMPLE ONLY) is the agent of (check one):  the seller exclusively; or  both the buyer and seller.

(Name of Listing Agent) \_\_\_\_\_  
 (DO NOT COMPLETE. SAMPLE ONLY) is the agent of (check one):  the buyer exclusively; or  the seller exclusively; or  both the buyer and seller.  
 (Name of Selling Agent if not the same as the Listing Agent) \_\_\_\_\_

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18 No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.  
 2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21 A dual agent shall not disclose to the buyer that the seller is willing to sell the property at a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

2079.23 A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.



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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_





VACANT LAND PURCHASE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

(C.A.R. Form VLPA, Revised 12/15)

Date Prepared: March 8, 2016

1. OFFER:

- A. THIS IS AN OFFER FROM City of Perris ("Buyer"),
B. THE REAL PROPERTY to be acquired is Metz Road Perris, CA, situated in Perris (City), Riverside (County), California, (Zip Code), Assessor's Parcel No. (Property). Further Described As APN 326-062-017; APN 326-071-001; APN 326-072-005
C. THE PURCHASE PRICE offered is One Hundred Fifty-Nine Thousand, Nine Hundred Ninety Dollars \$ 159,990.00
D. CLOSE OF ESCROW shall occur on X March 31, 2016 (date) (or Days After Acceptance).
E. Buyer and Seller are referred to herein as the "Parties." Brokers are not Parties to this Agreement.

2. AGENCY:

- A. DISCLOSURE: The Parties each acknowledge receipt of a X "Disclosure Regarding Real Estate Agency Relationships" (C.A.R. Form AD).
B. CONFIRMATION: The following agency relationships are hereby confirmed for this transaction: Listing Agent Chris Shepard (Print Firm Name) is the agent of (check one): the Seller exclusively; or X both the Buyer and Seller. Selling Agent Chris Shepard (Print Firm Name) (if not the same as the Listing Agent) is the agent of (check one): the Buyer exclusively; or the Seller exclusively; or X both the Buyer and Seller.
C. POTENTIALLY COMPETING BUYERS AND SELLERS: The Parties each acknowledge receipt of a X "Possible Representation of More than One Buyer or Seller - Disclosure and Consent" (C.A.R. Form PRBS).

3. FINANCE TERMS: Buyer represents that funds will be good when deposited with Escrow Holder.

- A. INITIAL DEPOSIT: Deposit shall be in the amount of \$ 5,000.00
(1) Buyer Direct Deposit: Buyer shall deliver deposit directly to Escrow Holder by electronic funds transfer, cashier's check, personal check, other within 3 business days after Acceptance (or );

- OR (2) Buyer Deposit with Agent: Buyer has given the deposit by personal check (or ) to the agent submitting the offer (or to ), made payable to . The deposit shall be held uncashed until Acceptance and then deposited with Escrow Holder within 3 business days after Acceptance (or ). Deposit checks given to agent shall be an original signed check and not a copy.

(Note: Initial and increased deposits checks received by agent shall be recorded in Broker's trust fund log.)

- B. INCREASED DEPOSIT: Buyer shall deposit with Escrow Holder an increased deposit in the amount of . . . \$ within Days After Acceptance (or ). If the Parties agree to liquidated damages in this Agreement, they also agree to incorporate the increased deposit into the liquidated damages amount in a separate liquidated damages clause (C.A.R. Form RID) at the time the increased deposit is delivered to Escrow Holder.

- C. X ALL CASH OFFER: No loan is needed to purchase the Property. This offer is NOT contingent on Buyer obtaining a loan. Written verification of sufficient funds to close this transaction IS ATTACHED to this offer or Buyer shall, within 3 (or ) Days After Acceptance, Deliver to Seller such verification.

D. LOAN(S):

- (1) FIRST LOAN: in the amount of \$ This loan will be conventional financing or FHA, VA, Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), subject to financing, Other . This loan shall be at a fixed rate not to exceed % or, an adjustable rate loan with initial rate not to exceed % . Regardless of the type of loan, Buyer shall pay points not to exceed % of the loan amount.

- (2) SECOND LOAN in the amount of \$ This loan will be conventional financing or Seller financing (C.A.R. Form SFA), assumed financing (C.A.R. Form AFA), subject to financing Other . This loan shall be at a fixed rate not to exceed % or, an adjustable rate loan with initial rate not to exceed % . Regardless of the type of loan, Buyer shall pay points not to exceed % of the loan amount.

- (3) FHA/VA: For any FHA or VA loan specified in 3D(1), Buyer has 17 (or ) Days After Acceptance to Deliver to Seller written notice (C.A.R. Form FVA) of any lender-required repairs or costs that Buyer requests Seller to pay for or otherwise correct. Seller has no obligation to pay or satisfy lender requirements unless agreed in writing. A FHA/VA amendatory clause (C.A.R. Form FVAC) shall be a part of this transaction.

E. ADDITIONAL FINANCING TERMS:

Buyer's Initials ( ) ( )

Seller's Initials ( ) ( )

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VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 1 OF 11)



F. BALANCE OF DOWN PAYMENT OR PURCHASE PRICE in the amount of \$ 154,990.00 to be deposited with Escrow Holder pursuant to Escrow Holder instructions.

G. PURCHASE PRICE (TOTAL): \$ 159,990.00

H. VERIFICATION OF DOWN PAYMENT AND CLOSING COSTS: Buyer (or Buyer's lender or loan broker pursuant to paragraph 3J(1)) shall, within 3 (or N/A) Days After Acceptance, Deliver to Seller written verification of Buyer's down payment and closing costs. (Verification attached.)

I. APPRAISAL CONTINGENCY AND REMOVAL: This Agreement is (or X is NOT) contingent upon a written appraisal of the Property by a licensed or certified appraiser at no less than the purchase price. Buyer shall, as specified in paragraph 19B(3), in writing, remove the appraisal contingency or cancel this Agreement within 17 (or N/A) Days After Acceptance.

J. LOAN TERMS:

(1) LOAN APPLICATIONS: Within 3 (or N/A) Days After Acceptance, Buyer shall Deliver to Seller a letter from Buyer's lender or loan broker stating that, based on a review of Buyer's written application and credit report, Buyer is prequalified or preapproved for any NEW loan specified in paragraph 3D. If any loan specified in paragraph 3D is an adjustable rate loan, the prequalification or preapproval letter shall be based on the qualifying rate, not the initial loan rate. (Letter attached.)

(2) LOAN CONTINGENCY: Buyer shall act diligently and in good faith to obtain the designated loan(s). Buyer's qualification for the loan(s) specified above is a contingency of this Agreement unless otherwise agreed in writing. If there is no appraisal contingency or the appraisal contingency has been waived or removed, then failure of the Property to appraise at the purchase price does not entitle Buyer to exercise the cancellation right pursuant to the loan contingency if Buyer is otherwise qualified for the specified loan. Buyer's contractual obligations regarding deposit, balance of down payment and closing costs are not contingencies of this Agreement.

(3) LOAN CONTINGENCY REMOVAL:

Within 21 (or O) Days After Acceptance, Buyer shall, as specified in paragraph 19, in writing, remove the loan contingency or cancel this Agreement. If there is an appraisal contingency, removal of the loan contingency shall not be deemed removal of the appraisal contingency.

(4) NO LOAN CONTINGENCY: Obtaining any loan specified above is NOT a contingency of this Agreement. If Buyer does not obtain the loan and as a result Buyer does not purchase the Property, Seller may be entitled to Buyer's deposit or other legal remedies.

(5) LENDER LIMITS ON BUYER CREDITS: Any credit to Buyer, from any source, for closing or other costs that is agreed to by the Parties ("Contractual Credit") shall be disclosed to Buyer's lender. If the total credit allowed by Buyer's lender ("Lender Allowable Credit") is less than the Contractual Credit, then (i) the Contractual Credit shall be reduced to the Lender Allowable Credit, and (ii) in the absence of a separate written agreement between the Parties, there shall be no automatic adjustment to the purchase price to make up for the difference between the Contractual Credit and the Lender Allowable Credit.

K. BUYER STATED FINANCING: Seller is relying on Buyer's representation of the type of financing specified (including but not limited to, as applicable, all cash, amount of down payment, or contingent or non-contingent loan). Seller has agreed to a specific closing date, purchase price and to sell to Buyer in reliance on Buyer's covenant concerning financing. Buyer shall pursue the financing specified in this Agreement. Seller has no obligation to cooperate with Buyer's efforts to obtain any financing other than that specified in the Agreement and the availability of any such alternate financing does not excuse Buyer from the obligation to purchase the Property and close escrow as specified in this Agreement.

L. SELLER FINANCING: The following terms (or the terms specified in the attached Seller Financing Addendum) (C.A.R. Form SFA) apply ONLY to financing extended by Seller under this Agreement.

(1) BUYER'S CREDIT-WORTHINESS: Buyer authorizes Seller and/or Brokers to obtain, at Buyer's expense, a copy of Buyer's credit report. Within 7 (or N/A) Days After Acceptance, Buyer shall provide any supporting documentation reasonably requested by Seller.

(2) TERMS: Buyer's promissory note, deed of trust and other documents as appropriate shall incorporate and implement the following additional terms: (i) the maximum interest rate specified in paragraph 3D shall be the actual fixed interest rate for Seller financing; (ii) deed of trust shall contain a REQUEST FOR NOTICE OF DEFAULT on senior loans; (iii) Buyer shall sign and pay for a REQUEST FOR NOTICE OF DELINQUENCY prior to Close Of Escrow and at any future time if requested by Seller; (iv) note and deed of trust shall contain an acceleration clause making the loan due, when permitted by law and at Seller's option, upon the sale or transfer of the Property or any interest in it; (v) note shall contain a late charge of 6% of the installment due (or ) if the installment is not received within 10 days of the date due; (vi) title insurance coverage in the form of a joint protection policy shall be provided insuring Seller's deed of trust interest in the Property (any increased cost over owner's policy shall be paid by Buyer); and (vii) tax service shall be obtained and paid for by Buyer to notify Seller if property taxes have not been paid.

(3) ADDED, DELETED OR SUBSTITUTED BUYERS: The addition, deletion or substitution of any person or entity under this Agreement or to title prior to Close Of Escrow shall require Seller's written consent. Seller may grant or withhold consent in Seller's sole discretion. Any additional or substituted person or entity shall, if requested by Seller, submit to Seller the same documentation as required for the original named Buyer. Seller and/or Brokers may obtain a credit report, at Buyer's expense, on any such person or entity.

M. ASSUMED OR "SUBJECT TO" FINANCING: Seller represents that Seller is not delinquent on any payments due on any loans. Seller shall, within the time specified in paragraph 19, provide Copies of all applicable notes and deeds of trust, loan balances and current interest rates to Buyer. Buyer shall then, as specified in paragraph 19B(3), remove this contingency or cancel this Agreement. Differences between estimated and actual loan balances shall be adjusted at Close Of Escrow by cash down payment. Impound accounts, if any, shall be assigned and charged to Buyer and credited to Seller. Seller is advised that Buyer's assumption of an existing loan may not release Seller from liability on that loan. If this is an assumption of a VA Loan, the sale is contingent upon Seller being provided a release of liability and substitution of eligibility, unless otherwise agreed in writing. If the Property is acquired subject to an existing loan, Buyer and Seller are advised to consult with legal counsel regarding the ability of an existing lender to call the loan due, and the consequences thereof.

Buyer's Initials ( ) ( )

Seller's Initials ( ) ( )



4. SALE OF BUYER'S PROPERTY:

- A. This Agreement and Buyer's ability to obtain financing are NOT contingent upon the sale of any property owned by Buyer.
OR B. This Agreement and Buyer's ability to obtain financing are contingent upon the sale of property owned by Buyer as specified in the attached addendum (C.A.R. Form COP).
5. MANUFACTURED HOME PURCHASE: The purchase of the Property is contingent upon Buyer acquiring a personal property manufactured home...
6. CONSTRUCTION LOAN FINANCING: The purchase of the Property is contingent upon Buyer obtaining a construction loan...

7. ADDENDA AND ADVISORIES:

- A. ADDENDA: Addendum # (C.A.R. Form ADM)
Back Up Offer Addendum (C.A.R. Form BUO)
Court Confirmation Addendum (C.A.R. Form CCA)
Septic, Well and Property Monument Addendum (C.A.R. Form SWPI)
Short Sale Addendum (C.A.R. Form SSA)
Other

B. BUYER AND SELLER ADVISORIES:

- Buyer's Inspection Advisory (C.A.R. Form BIA)
Probate Advisory (C.A.R. Form PA)
Statewide Buyer and Seller Advisory (C.A.R. Form SBSA)
Trust Advisory (C.A.R. Form TA)
REO Advisory (C.A.R. Form REO)
Short Sale Information and Advisory (C.A.R. Form SSIA)
Other

8. OTHER TERMS: Buyer removes any/all contingencies. Buyer waives Natural Hazard Disclosure Report.

9. ALLOCATION OF COSTS

A. INSPECTIONS, REPORTS AND CERTIFICATES: Unless otherwise agreed, in writing, this paragraph only determines who is to pay for the inspection, test, certificate or service ("Report") mentioned; it does not determine who is to pay for any work recommended or identified in the Report.

- (1) Buyer Seller shall pay for a natural hazard zone disclosure report, including tax environmental Other: Buyer waives NHD report prepared by
(2) Buyer Seller shall pay for the following Report prepared by
(3) Buyer Seller shall pay for the following Report prepared by

B. ESCROW AND TITLE:

- (1) (a) Buyer Seller shall pay escrow fee Each to pay their own as customary
(b) Escrow Holder shall be Buyer's choice
(c) The Parties shall, within 5 (or ) Days After receipt, sign and return Escrow Holder's general provisions.
(2) (a) Buyer Seller shall pay for owner's title insurance policy specified in paragraph 18E
(b) Owner's title policy to be issued by
(Buyer shall pay for any title insurance policy insuring Buyer's lender, unless otherwise agreed in writing.)

C. OTHER COSTS:

- (1) Buyer Seller shall pay County transfer tax or fee
(2) Buyer Seller shall pay City transfer tax or fee
(3) Buyer Seller shall pay Homeowners' Association ("HOA") transfer fee
(4) Seller shall pay HOA fees for preparing all documents required to be delivered by Civil Code §4525.
(5) Buyer to pay for any HOA certification fee.
(6) Buyer Seller shall pay HOA fees for preparing all documents other than those required by Civil Code §4525.
(7) Buyer Seller shall pay for any private transfer fee
(8) Buyer Seller shall pay for
(9) Buyer Seller shall pay for

10. CLOSING AND POSSESSION: Possession shall be delivered to Buyer: (i) at 6 PM or ( AM/ PM) on the date of Close Of Escrow; (ii) no later than calendar days after Close Of Escrow; or (iii) at AM/ PM on
The Property shall be unoccupied, unless otherwise agreed in writing. Seller shall provide keys and/or means to operate all Property locks. If Property is located in a common interest subdivision, Buyer may be required to pay a deposit to the Homeowners' Association ("HOA") to obtain keys to accessible HOA facilities.

11. ITEMS INCLUDED IN AND EXCLUDED FROM SALE:

A. NOTE TO BUYER AND SELLER: Items listed as included or excluded in the MLS, flyers or marketing materials are not included in the purchase price or excluded from the sale unless specified in 11B or C.

Buyer's Initials ( ) ( )

Seller's Initials ( ) ( )



**B. ITEMS INCLUDED IN SALE:**

- (1) All EXISTING fixtures and fittings that are attached to the Property;
- (2) The following items: \_\_\_\_\_

- (3) Seller represents that all items included in the purchase price, unless otherwise specified, are owned by Seller.
- (4) All items included shall be transferred free of liens and without Seller warranty.

**C. ITEMS EXCLUDED FROM SALE:** \_\_\_\_\_

**12. STATUTORY AND OTHER DISCLOSURES AND CANCELLATION RIGHTS:**

**A. NATURAL AND ENVIRONMENTAL HAZARD DISCLOSURES AND OTHER BOOKLETS:** Within the time specified in paragraph 19A, Seller shall, if required by Law: (i) Deliver to Buyer earthquake guide(s) (and questionnaire), environmental hazards booklet; (ii) disclose if the Property is located in a Special Flood Hazard Area; Potential Flooding (Inundation) Area; Very High Fire Hazard Zone; State Fire Responsibility Area; Earthquake Fault Zone; and Seismic Hazard Zone; and (iii) disclose any other zone as required by Law and provide any other information required for those zones.

**B. WITHHOLDING TAXES:** Within the time specified in paragraph 19A, to avoid required withholding, Seller shall Deliver to Buyer or qualified substitute, an affidavit sufficient to comply with federal (FIRPTA) and California withholding Law (C.A.R. Form AS or QS).

**C. MEGAN'S LAW DATABASE DISCLOSURE:** Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at [www.meganslaw.ca.gov](http://www.meganslaw.ca.gov). Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (Neither Seller nor Brokers are required to check this website. If Buyer wants further information, Broker recommends that Buyer obtain information from this website during Buyer's inspection contingency period. Brokers do not have expertise in this area.)

**D. NOTICE REGARDING GAS AND HAZARDOUS LIQUID TRANSMISSION PIPELINES:** This notice is being provided simply to inform you that information about the general location of gas and hazardous liquid transmission pipelines is available to the public via the National Pipeline Mapping System (NPMS) Internet Web site maintained by the United States Department of Transportation at <http://www.npms.phmsa.dot.gov/>. To seek further information about possible transmission pipelines near the Property, you may contact your local gas utility or other pipeline operators in the area. Contact information for pipeline operators is searchable by ZIP Code and county on the NPMS Internet Web site.

**E. CONDOMINIUM/PLANNED DEVELOPMENT DISCLOSURES:**

(1) SELLER HAS: 7 (or N/A) Days After Acceptance to disclose to Buyer whether the Property is a condominium, or is located in a planned development or other common interest subdivision (C.A.R. Form VLQ).

(2) If the Property is a condominium or is located in a planned development or other common interest subdivision, Seller has 3 (or N/A) Days After Acceptance to request from the HOA (C.A.R. Form HOA1): (i) Copies of any documents required by Law; (ii) disclosure of any pending or anticipated claim or litigation by or against the HOA; (iii) a statement containing the location and number of designated parking and storage spaces; (iv) Copies of the most recent 12 months of HOA minutes for regular and special meetings; and (v) the names and contact information of all HOAs governing the Property (collectively, "CI Disclosures"). Seller shall itemize and Deliver to Buyer all CI Disclosures received from the HOA and any CI Disclosures in Seller's possession. Buyer's approval of CI Disclosures is a contingency of this Agreement as specified in paragraph 19B(3). The Party specified in paragraph 9, as directed by escrow, shall deposit funds into escrow or direct to HOA or management company to pay for any of the above.

**13. SELLER DOCUMENTATION AND ADDITIONAL DISCLOSURE:**

**A.** Within the time specified in paragraph 19, if Seller has actual knowledge, Seller shall provide to Buyer, in writing, the following information:

- (1) **LEGAL PROCEEDINGS:** Any lawsuits by or against Seller, threatening or affecting the Property, including any lawsuits alleging a defect or deficiency in the Property or common areas, or any known notices of abatement or citations filed or issued against the Property.
- (2) **AGRICULTURAL USE:** Whether the Property is subject to restrictions for agricultural use pursuant to the Williamson Act (Government Code §§51200-51295).
- (3) **DEED RESTRICTIONS:** Any deed restrictions or obligations.
- (4) **FARM USE:** Whether the Property is in, or adjacent to, an area with Right to Farm rights (Civil Code §3482.5 and §3482.6).
- (5) **ENDANGERED SPECIES:** Presence of endangered, threatened, 'candidate' species, or wetlands on the Property.
- (6) **ENVIRONMENTAL HAZARDS:** Any substances, materials, or products that may be an environmental hazard including, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, and contaminated soil or water on the Property.
- (7) **COMMON WALLS:** Any features of the Property shared in common with adjoining landowners, such as walls, fences, roads, and driveways, and agriculture and domestic wells whose use or responsibility for maintenance may have an effect on the Property.
- (8) **LANDLOCKED:** The absence of legal or physical access to the Property.
- (9) **EASEMENTS/ENCROACHMENTS:** Any encroachments, easements or similar matters that may affect the Property.
- (10) **SOIL FILL:** Any fill (compacted or otherwise), or abandoned mining operations on the Property.
- (11) **SOIL PROBLEMS:** Any slippage, sliding, flooding, drainage, grading, or other soil problems.
- (12) **EARTHQUAKE DAMAGE:** Major damage to the Property or any of the structures from fire, earthquake, floods, or landslides.
- (13) **ZONING ISSUES:** Any zoning violations, non-conforming uses, or violations of "setback" requirements.
- (14) **NEIGHBORHOOD PROBLEMS:** Any neighborhood noise problems, or other nuisances.

**B. RENTAL AND SERVICE AGREEMENTS:** Within the time specified in paragraph 19, Seller shall make available to Buyer for inspection and review, all current leases, rental agreements, service contracts and other related agreements, licenses, and permits pertaining to the operation or use of the Property.

**C.  TENANT ESTOPPEL CERTIFICATES:** Within the time specified in paragraph 19, Seller shall deliver to Buyer tenant estoppel certificates (C.A.R. Form TEC) completed by Seller or Seller's agent, and signed by tenants, acknowledging: (i) that tenants' rental or lease agreements are unmodified and in full force and effect (or if modified, stating all such modifications); (ii) that no lessor defaults exist; and (iii) stating the amount of any prepaid rent or security deposit.

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



Property Address: Metz Road Perris, CA, Perris,

Date: March 8, 2016

- D. **MELLO-ROOS TAX; 1915 BOND ACT:** Within the time specified in paragraph 19, Seller shall: (i) make a good faith effort to obtain a notice from any local agencies that levy a special tax or assessment on the Property (or, if allowed, substantially equivalent notice), pursuant to the Mello-Roos Community Facilities Act, and Improvement Bond Act of 1915, and (ii) promptly deliver to Buyer any such notice obtained.
- E. **SELLER VACANT LAND QUESTIONNAIRE:** Seller shall, within the time specified in paragraph 19, complete and provide Buyer with a Seller Vacant Land Questionnaire (C.A.R. Form VLQ).
14. **SUBSEQUENT DISCLOSURES:** In the event Seller, prior to Close Of Escrow, becomes aware of adverse conditions materially affecting the Property, or any material inaccuracy in disclosures, information or representations previously provided to Buyer of which Buyer is otherwise unaware, Seller shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items. However, a subsequent or amended disclosure shall not be required for conditions and material inaccuracies disclosed in reports ordered and paid for by Buyer.
15. **CHANGES DURING ESCROW:**
- A. Prior to Close Of Escrow, Seller may engage in the following acts, ("Proposed Changes"), subject to Buyer's rights in paragraph 15B: (i) rent or lease any part of the premises; (ii) alter, modify or extend any existing rental or lease agreement; (iii) enter into, alter, modify or extend any service contract(s); or (iv) change the status of the condition of the Property.
- B. At least 7 (or \_\_\_ ) Days prior to any Proposed Changes, Seller shall give written notice to Buyer of such Proposed Changes. Within 5 (or \_\_\_ ) Days After receipt of such notice, Buyer, in writing, may give Seller notice of Buyer's objection to the Proposed Changes, in which case Seller shall not make the Proposed Changes.
16. **CONDITION OF PROPERTY:** Unless otherwise agreed in writing: (i) the Property is sold (a) "AS-IS" in its PRESENT physical condition as of the date of Acceptance and (b) subject to Buyer's Investigation rights; (ii) the Property, including pool, spa, landscaping and grounds, is to be maintained in substantially the same condition as on the date of Acceptance; and (iii) all debris and personal property not included in the sale shall be removed by Close Of Escrow.
- A. Seller shall, within the time specified in paragraph 19A, DISCLOSE KNOWN MATERIAL FACTS AND DEFECTS affecting the Property, including known insurance claims within the past five years, and make any and all other disclosures required by law.
- B. Buyer has the right to conduct Buyer Investigations of the property and, as specified in paragraph 19B, based upon information discovered in those investigations: (i) cancel this Agreement; or (ii) request that Seller make Repairs or take other action.
- C. Buyer is strongly advised to conduct investigations of the entire Property in order to determine its present condition. Seller may not be aware of all defects affecting the Property or other factors that Buyer considers important. Property improvements may not be built according to code, in compliance with current Law, or have had permits issued.
17. **BUYER'S INVESTIGATION OF PROPERTY AND MATTERS AFFECTING PROPERTY:**
- A. Buyer's acceptance of the condition of, and any other matter affecting the Property, is a contingency of this Agreement as specified in this paragraph and paragraph 19B. Within the time specified in paragraph 19B(1), Buyer shall have the right, at Buyer's expense unless otherwise agreed, to conduct inspections, investigations, tests, surveys and other studies ("Buyer Investigations"), including, but not limited to, the right to: (i) inspect for lead-based paint and other lead-based paint hazards; (ii) inspect for wood destroying pests and organisms; (iii) review the registered sex offender database; (iv) confirm the insurability of Buyer and the Property; and (v) satisfy Buyer as to any matter specified in the attached Buyer's Inspection Advisory (C.A.R. Form BIA). Without Seller's prior written consent, Buyer shall neither make nor cause to be made: (i) invasive or destructive Buyer Investigations except for minimally invasive testing; or (ii) inspections by any governmental building or zoning inspector or government employee, unless required by Law.
- B. Seller shall make the Property available for all Buyer Investigations. Buyer shall (i) as specified in paragraph 19B, complete Buyer Investigations and, either remove the contingency or cancel this Agreement, and (ii) give Seller, at no cost, complete Copies of all Investigation reports obtained by Buyer, which obligation shall survive the termination of this Agreement.
- C. **Buyer Indemnity and Seller protection for entry upon property:** Buyer shall: (i) keep the Property free and clear of liens; (ii) repair all damage arising from Buyer Investigations; and (iii) indemnify and hold Seller harmless from all resulting liability, claims, demands, damages and costs of Buyer's Investigations. Buyer shall carry, or Buyer shall require anyone acting on Buyer's behalf to carry, policies of liability, workers' compensation and other applicable insurance, defending and protecting Seller from liability for any injuries to persons or property occurring during any Buyer Investigations or work done on the Property at Buyer's direction prior to Close Of Escrow. Seller is advised that certain protections may be afforded Seller by recording a "Notice of Non-responsibility" (C.A.R. Form NNR) for Buyer Investigations and work done on the Property at Buyer's direction. Buyer's obligations under this paragraph shall survive the termination or cancellation of this Agreement and Close Of Escrow.
- D. **BUYER IS STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY AND ALL MATTERS AFFECTING THE VALUE OR DESIRABILITY OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO, THE ITEMS SPECIFIED BELOW. IF BUYER DOES NOT EXERCISE THESE RIGHTS, BUYER IS ACTING AGAINST THE ADVICE OF BROKERS. BUYER UNDERSTANDS THAT ALTHOUGH CONDITIONS ARE OFTEN DIFFICULT TO LOCATE AND DISCOVER, ALL REAL PROPERTY CONTAINS CONDITIONS THAT ARE NOT READILY APPARENT AND THAT MAY AFFECT THE VALUE OR DESIRABILITY OF THE PROPERTY. BUYER AND SELLER ARE AWARE THAT BROKERS DO NOT GUARANTEE, AND IN NO WAY ASSUME RESPONSIBILITY FOR, THE CONDITION OF THE PROPERTY. BROKERS HAVE NOT AND WILL NOT VERIFY ANY OF THE ITEMS IN THIS PARAGRAPH 17, UNLESS OTHERWISE AGREED IN WRITING.**
- E. **SIZE, LINES, ACCESS AND BOUNDARIES:** Lot size, property lines, legal or physical access and boundaries including features of the Property shared in common with adjoining landowners, such as walls, fences, roads and driveways, whose use or responsibility for maintenance may have an effect on the Property and any encroachments, easements or similar matters that may affect the Property. (Fences, hedges, walls and other natural or constructed barriers or markers do not necessarily identify true Property boundaries. Property lines may be verified by survey.) (Unless otherwise specified in writing, any numerical statements by Brokers regarding lot size are APPROXIMATIONS ONLY, which have not been and will not be verified, and should not be relied upon by Buyer.)
- F. **ZONING AND LAND USE:** Past, present, or proposed laws, ordinances, referendums, initiatives, votes, applications and permits affecting the current use of the Property, future development, zoning, building, size, governmental permits and inspections. Any zoning violations, non-conforming uses, or violations of "setback" requirements. (Buyer should also investigate whether these matters affect Buyer's intended use of the Property.)
- G. **UTILITIES AND SERVICES:** Availability, costs, restrictions and location of utilities and services, including but not limited to, sewerage, sanitation, septic and leach lines, water, electricity, gas, telephone, cable TV and drainage.

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

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VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 5 OF 11)

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Metz Land, Cll



Property Address: Metz Road Perris, CA, Perris,

Date: March 8, 2016

- H. **ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel, oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, including mold (airborne, toxic or otherwise), fungus or similar contaminant, materials, products or conditions.
- I. **GEOLOGIC CONDITIONS:** Geologic/seismic conditions, soil and terrain stability, suitability and drainage including any slippage, sliding, flooding, drainage, grading, fill (compacted or otherwise), or other soil problems.
- J. **NATURAL HAZARD ZONE:** Special Flood Hazard Areas, Potential Flooding (Inundation) Areas, Very High Fire Hazard Zones, State Fire Responsibility Areas, Earthquake Fault Zones, Seismic Hazard Zones, or any other zone for which disclosure is required by Law.
- K. **PROPERTY DAMAGE:** Major damage to the Property or any of the structures or non-structural systems and components and any personal property included in the sale from fire, earthquake, floods, landslides or other causes.
- L. **NEIGHBORHOOD, AREA AND PROPERTY CONDITIONS:** Neighborhood or area conditions, including Agricultural Use Restrictions pursuant to the Williamson Act (Government Code §§51200-51295), Right To Farm Laws (Civil Code §3482.5 and §3482.6), schools, proximity and adequacy of law enforcement, crime statistics, the proximity of registered felons or offenders, fire protection, other government services, availability, adequacy and cost of any speed-wired, wireless internet connections or other telecommunications or other technology services and installations, proximity to commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, abandoned mining operations on the Property, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.
- M. **COMMON INTEREST SUBDIVISIONS: OWNER ASSOCIATIONS:** Facilities and condition of common areas (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others), Owners' Association that has any authority over the subject property, CC&Rs, or other deed restrictions or obligations, and possible lack of compliance with any Owners' Association requirements.
- N. **SPECIAL TAX:** Any local agencies that levy a special tax on the Property pursuant to the Mello-Roos Community Facilities Act or Improvement Bond Act of 1915.
- O. **RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants and the right of a landlord to terminate a tenancy.
- P. **MANUFACTURED HOME PLACEMENT:** Conditions that may affect the ability to place and use a manufactured home on the Property.
18. **TITLE AND VESTING:**
- A. Within the time specified in paragraph 19, Buyer shall be provided a current preliminary title report ("Preliminary Report"). The Preliminary Report is only an offer by the title insurer to issue a policy of title insurance and may not contain every item affecting title. Buyer's review of the Preliminary Report and any other matters which may affect title are a contingency of this Agreement as specified in paragraph 19B. The company providing the Preliminary Report shall, prior to issuing a Preliminary Report, conduct a search of the General Index for all Sellers except banks or other institutional lenders selling properties they acquired through foreclosure (REOs), corporations, and government entities. Seller shall within 7 Days After Acceptance, give Escrow Holder a completed Statement of Information.
- B. Title is taken in its present condition subject to all encumbrances, easements, covenants, conditions, restrictions, rights and other matters, whether of record or not, as of the date of Acceptance except for: (i) monetary liens of record (which Seller is obligated to pay off) unless Buyer is assuming those obligations or taking the Property subject to those obligations; and (ii) those matters which Seller has agreed to remove in writing.
- C. Within the time specified in paragraph 19A, Seller has a duty to disclose to Buyer all matters known to Seller affecting title, whether of record or not.
- D. At Close Of Escrow, Buyer shall receive a grant deed conveying title (or, for stock cooperative or long-term lease, an assignment of stock certificate or of Seller's leasehold interest), including oil, mineral and water rights if currently owned by Seller. Title shall vest as designated in Buyer's supplemental escrow instructions. THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES. CONSULT AN APPROPRIATE PROFESSIONAL.
- E. Buyer shall receive a "CLTA/ALTA Homeowner's Policy of Title Insurance", if applicable to the type of property and buyer. A title company, at Buyer's request, can provide information about the availability, desirability, coverage, and cost of various title insurance coverages and endorsements. If Buyer desires title coverage other than that required by this paragraph, Buyer shall instruct Escrow Holder in writing and shall pay any increase in cost.
19. **TIME PERIODS; REMOVAL OF CONTINGENCIES; CANCELLATION RIGHTS:** The following time periods may only be extended, altered, modified or changed by mutual written agreement. Any removal of contingencies or cancellation under this paragraph by either Buyer or Seller must be exercised in good faith and in writing (C.A.R. Form CR or CC).
- A. **SELLER HAS: 7 (or ) Days After Acceptance to Deliver to Buyer all Reports, disclosures and information for which Seller is responsible under paragraphs 3M, 7A, 8, 9, 12A, B, and E, 13, 16A and 18A.** Buyer after first Delivering to Seller a Notice to Seller to Perform (C.A.R. Form NSP) may cancel this Agreement if Seller has not Delivered the items within the time specified.
- B. (1) **BUYER HAS: 17 (or 0 ) Days After Acceptance, unless otherwise agreed in writing, to:**
- (i) complete all Buyer Investigations; review all disclosures, reports, and other applicable information, which Buyer receives from Seller; and approve all matters affecting the Property; and (ii) Deliver to Seller Signed Copies of Statutory Disclosures and other disclosures Delivered by Seller in accordance with paragraph 12A.
- (2) Within the time specified in paragraph 19B(1), Buyer may request that Seller make repairs or take any other action regarding the Property (C.A.R. Form RR). Seller has no obligation to agree to or respond to (C.A.R. Form RRRR) Buyer's requests.
- (3) By the end of the time specified in paragraph 19B(1) (or as otherwise specified in this Agreement), Buyer shall Deliver to Seller a removal of the applicable contingency or cancellation (C.A.R. Form CR or CC) of this Agreement. However, if any report, disclosure or information for which Seller is responsible is not Delivered within the time specified in paragraph 19A, then Buyer has 5 (or ) Days After Delivery of any such items, or the time specified in paragraph 19B(1), whichever is later, to Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement.

Buyer's Initials ( ) ( )

Seller's Initials ( ) ( )

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Metz Land, LLC





(4) Continuation of Contingency: Even after the end of the time specified in paragraph 19B(1) and before Seller cancels, if at all, pursuant to paragraph 19C, Buyer retains the right, in writing, to either (i) remove remaining contingencies, or (ii) cancel this Agreement based on a remaining contingency. Once Buyer's written removal of all contingencies is Delivered to Seller, Seller may not cancel this Agreement pursuant to paragraph 19C(1).

**C. SELLER RIGHT TO CANCEL:**

(1) Seller right to Cancel; Buyer Contingencies: If, by the time specified in this Agreement, Buyer does not Deliver to Seller a removal of the applicable contingency or cancellation of this Agreement, then Seller, after first Delivering to Buyer a Notice to Buyer to Perform (C.A.R. Form NBP), may cancel this Agreement. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

(2) Seller right to Cancel; Buyer Contract Obligations: Seller, after first delivering to Buyer a NBP, may cancel this Agreement if, by the time specified in this Agreement, Buyer does not take the following action(s): (i) Deposit funds as required by paragraph 3A or 3B or if the funds deposited pursuant to paragraph 3A or 3B are not good when deposited; (ii) Deliver a notice of FHA or VA costs or terms as required by paragraph 3D(3) (C.A.R. Form FVA); (iii) Deliver a letter as required by paragraph 3J(1); (iv) Deliver verification as required by paragraph 3C or 3H or if Seller reasonably disapproves of the verification provided by paragraph 3C or 3H; (v) Return Statutory Disclosures as required by paragraph 12A; or (vi) Sign or initial a separate liquidated damages form for an increased deposit as required by paragraphs 3B and 27B; or (vii) Provide evidence of authority to sign in a representative capacity as specified in paragraph 19. In such event, Seller shall authorize the return of Buyer's deposit, except for fees incurred by Buyer.

D. NOTICE TO BUYER OR SELLER TO PERFORM: The NBP or NSP shall: (i) be in writing; (ii) be signed by the applicable Buyer or Seller; and (iii) give the other Party at least 2(or \_\_\_ ) Days After Delivery (or until the time specified in the applicable paragraph, whichever occurs last) to take the applicable action. A NBP or NSP may not be Delivered any earlier than 2 Days Prior to the expiration of the applicable time for the other Party to remove a contingency or cancel this Agreement or meet an obligation specified in paragraph 19.

E. EFFECT OF BUYER'S REMOVAL OF CONTINGENCIES: If Buyer removes, in writing, any contingency or cancellation rights, unless otherwise specified in writing, Buyer shall conclusively be deemed to have: (i) completed all Buyer Investigations, and review of reports and other applicable information and disclosures pertaining to that contingency or cancellation right; (ii) elected to proceed with the transaction; and (iii) assumed all liability, responsibility and expense for Repairs or corrections pertaining to that contingency or cancellation right, or for the inability to obtain financing.

F. CLOSE OF ESCROW: Before Buyer or Seller may cancel this Agreement for failure of the other Party to close escrow pursuant to this Agreement, Buyer or Seller must first Deliver to the other Party a demand to close escrow (C.A.R. Form DCE). The DCE shall: (i) be signed by the applicable Buyer or Seller; and (ii) give the other Party at least 3 (or \_\_\_ ) Days After Delivery to close escrow. A DCE may not be Delivered any earlier than 3 Days Prior to the scheduled close of escrow.

G. EFFECT OF CANCELLATION ON DEPOSITS: If Buyer or Seller gives written notice of cancellation pursuant to rights duly exercised under the terms of this Agreement, the Parties agree to Sign mutual instructions to cancel the sale and escrow and release deposits, if any, to the party entitled to the funds, less fees and costs incurred by that party. Fees and costs may be payable to service providers and vendors for services and products provided during escrow. Except as specified below, release of funds will require mutual Signed release instructions from the Parties, judicial decision or arbitration award. If either Party fails to execute mutual instructions to cancel escrow, one Party may make a written demand to Escrow Holder for the deposit (C.A.R. Form BDRD or SDRD). Escrow Holder, upon receipt, shall promptly deliver notice of the demand to the other Party. If, within 10 Days After Escrow Holder's notice, the other Party does not object to the demand, Escrow Holder shall disburse the deposit to the Party making the demand. If Escrow Holder complies with the preceding process, each Party shall be deemed to have released Escrow Holder from any and all claims or liability related to the disbursement of the deposit. Escrow Holder, at its discretion, may nonetheless require mutual cancellation instructions. A Party may be subject to a civil penalty of up to \$1,000 for refusal to sign cancellation instructions if no good faith dispute exists as to who is entitled to the deposited funds (Civil Code §1057.3).

20. REPAIRS: Repairs shall be completed prior to final verification of condition unless otherwise agreed in writing. Repairs to be performed at Seller's expense may be performed by Seller or through others, provided that the work complies with applicable Law, including governmental permit, inspection and approval requirements. Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials. It is understood that exact restoration of appearance or cosmetic items following all Repairs may not be possible. Seller shall: (i) obtain invoices and paid receipts for Repairs performed by others; (ii) prepare a written statement indicating the Repairs performed by Seller and the date of such Repairs; and (iii) provide Copies of invoices and paid receipts and statements to Buyer prior to final verification of condition.

21. FINAL VERIFICATION OF CONDITION: Buyer shall have the right to make a final verification of the Property within 5 (or \_\_\_ ) Days Prior to Close Of Escrow, NOT AS A CONTINGENCY OF THE SALE, but solely to confirm: (i) the Property is maintained pursuant to paragraph 16; (ii) Repairs have been completed as agreed; and (iii) Seller has complied with Seller's other obligations under this Agreement (C.A.R. Form VP).

22. ENVIRONMENTAL HAZARD CONSULTATION: Buyer and Seller acknowledge: (i) Federal, state, and local legislation impose liability upon existing and former owners and users of real property, in applicable situations, for certain legislatively defined, environmentally hazardous substances; (ii) Broker(s) has/have made no representation concerning the applicability of any such Law to this transaction or to Buyer or to Seller, except as otherwise indicated in this Agreement; (iii) Broker(s) has/have made no representation concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property; and (iv) Buyer and Seller are each advised to consult with technical and legal experts concerning the existence, testing, discovery, location and evaluation of/for, and risks posed by, environmentally hazardous substances, if any, located on or potentially affecting the Property.

23. PRORATIONS OF PROPERTY TAXES AND OTHER ITEMS: Unless otherwise agreed in writing, the following items shall be PAID CURRENT and prorated between Buyer and Seller as of Close Of Escrow: real property taxes and assessments, interest, rents, HOA regular, special, and emergency dues and assessments imposed prior to Close Of Escrow, premiums on insurance assumed by Buyer, payments on bonds and assessments assumed by Buyer, and payments on Mello-Roos and other Special Assessment

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



District bonds and assessments that are now a lien. The following items shall be assumed by Buyer WITHOUT CREDIT toward the purchase price: prorated payments on Mello-Roos and other Special Assessment District bonds and assessments and HOA special assessments that are now a lien but not yet due. Property will be reassessed upon change of ownership. Any supplemental tax bills shall be paid as follows: (i) for periods after Close Of Escrow, by Buyer; and (ii) for periods prior to Close Of Escrow, by Seller (see C.A.R. Form SPT or SBSA for further information). TAX BILLS ISSUED AFTER CLOSE OF ESCROW SHALL BE HANDLED DIRECTLY BETWEEN BUYER AND SELLER. Prorations shall be made based on a 30-day month.

**24. BROKERS:**

- A. **COMPENSATION:** Seller or Buyer, or both, as applicable, agrees to pay compensation to Broker as specified in a separate written agreement between Broker and that Seller or Buyer. Compensation is payable upon Close Of Escrow, or if escrow does not close, as otherwise specified in the agreement between Broker and that Seller or Buyer.
- B. **SCOPE OF DUTY:** Buyer and Seller acknowledge and agree that Broker: (i) Does not decide what price Buyer should pay or Seller should accept; (ii) Does not guarantee the condition of the Property; (iii) Does not guarantee the performance, adequacy or completeness of inspections, services, products or repairs provided or made by Seller or others; (iv) Does not have an obligation to conduct an inspection of common areas or areas off the site of the Property; (v) Shall not be responsible for identifying defects on the Property, in common areas, or offsite unless such defects are visually observable by an inspection of reasonably accessible areas of the Property or are known to Broker; (vi) Shall not be responsible for inspecting public records or permits concerning the title or use of Property; (vii) Shall not be responsible for identifying the location of boundary lines or other items affecting title; (viii) Shall not be responsible for verifying square footage, representations of others or information contained in Investigation reports, Multiple Listing Service, advertisements, flyers or other promotional material; (ix) Shall not be responsible for determining the fair market value of the Property or any personal property included in the sale; (x) Shall not be responsible for providing legal or tax advice regarding any aspect of a transaction entered into by Buyer or Seller; and (xi) Shall not be responsible for providing other advice or information that exceeds the knowledge, education and experience required to perform real estate licensed activity. Buyer and Seller agree to seek legal, tax, insurance, title and other desired assistance from appropriate professionals.

**25. REPRESENTATIVE CAPACITY:** If one or more Parties is signing the Agreement in a representative capacity and not for him/herself as an individual then that Party shall so indicate in paragraph 37 or 38 and attach a Representative Capacity Signature Addendum (C.A.R. Form RCSD). Wherever the signature or initials of the representative identified in the RCSD appear on the Agreement or any related documents, it shall be deemed to be in a representative capacity for the entity described and not in an individual capacity, unless otherwise indicated. The Party acting in a representative capacity (i) represents that the entity for which that party is acting already exists and (ii) shall Deliver to the other Party and Escrow Holder, within 3 Days After Acceptance, evidence of authority to act in that capacity (such as but not limited to: applicable portion of the trust or Certification Of Trust (Probate Code §18100.5), letters testamentary, court order, power of attorney, corporate resolution, or formation documents of the business entity).

**26. JOINT ESCROW INSTRUCTIONS TO ESCROW HOLDER:**

- A. The following paragraphs, or applicable portions thereof, of this Agreement constitute the joint escrow instructions of Buyer and Seller to Escrow Holder, which Escrow Holder is to use along with any related counter offers and addenda, and any additional mutual instructions to close the escrow: paragraphs 1, 3, 4B, 5, 6, 7A, 8, 9, 12B, 18, 19G, 23, 24A, 25, 26, 32, 35, 36, 37, 38 and paragraph D of the section titled Real Estate Brokers on page 11. If a Copy of the separate compensation agreement(s) provided for in paragraph 24A, or paragraph D of the section titled Real Estate Brokers on page 10 is deposited with Escrow Holder by Broker, Escrow Holder shall accept such agreement(s) and pay out from Buyer's or Seller's funds, or both, as applicable, the Broker's compensation provided for in such agreement(s). The terms and conditions of this Agreement not set forth in the specified paragraphs are additional matters for the information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions, if any, directly from Escrow Holder and will execute such provisions within the time specified in paragraph 9B(1)(c). To the extent the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller will execute additional instructions, documents and forms provided by Escrow Holder that are reasonably necessary to close the escrow and, as directed by Escrow Holder, within 3 (or \_\_\_ ) Days, shall pay to Escrow Holder or HOA or HOA management company or others any fee required by paragraphs 9, 12 or elsewhere in this Agreement.
- B. A Copy of this Agreement including any counter offer(s) and addenda shall be delivered to Escrow Holder within 3 Days After Acceptance (or \_\_\_\_\_). Buyer and Seller authorize Escrow Holder to accept and rely on Copies and Signatures as defined in this Agreement as originals, to open escrow and for other purposes of escrow. The validity of this Agreement as between Buyer and Seller is not affected by whether or when Escrow Holder Signs this Agreement. Escrow Holder shall provide Seller's Statement of Information to Title company when received from Seller. If Seller delivers an affidavit to Escrow Holder to satisfy Seller's FIRPTA obligation under paragraph 12B, Escrow Holder shall deliver to Buyer a Qualified Substitute statement that complies with federal Law.
- C. Brokers are a party to the escrow for the sole purpose of compensation pursuant to paragraph 24A and paragraph D of the section titled Real Estate Brokers on page 11. Buyer and Seller irrevocably assign to Brokers compensation specified in paragraph 24A, and irrevocably instruct Escrow Holder to disburse those funds to Brokers at Close Of Escrow or pursuant to any other mutually executed cancellation agreement. Compensation instructions can be amended or revoked only with the written consent of Brokers. Buyer and Seller shall release and hold harmless Escrow Holder from any liability resulting from Escrow Holder's payment to Broker(s) of compensation pursuant to this Agreement.
- D. Upon receipt, Escrow Holder shall provide Seller and Seller's Broker verification of Buyer's deposit of funds pursuant to paragraph 3A and 3B. Once Escrow Holder becomes aware of any of the following, Escrow Holder shall immediately notify all Brokers: (i) if Buyer's initial or any additional deposit is not made pursuant to this Agreement, or is not good at time of deposit with Escrow Holder; or (ii) if Buyer and Seller instruct Escrow Holder to cancel escrow.
- E. A Copy of any amendment that affects any paragraph of this Agreement for which Escrow Holder is responsible shall be delivered to Escrow Holder within 3 Days after mutual execution of the amendment.

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )



**27. REMEDIES FOR BUYER'S BREACH OF CONTRACT:**

- A. Any clause added by the Parties specifying a remedy (such as release or forfeiture of deposit or making a deposit non-refundable) for failure of Buyer to complete the purchase in violation of this Agreement shall be deemed invalid unless the clause independently satisfies the statutory liquidated damages requirements set forth in the Civil Code.
- B. **LIQUIDATED DAMAGES:** If Buyer fails to complete this purchase because of Buyer's default, Seller shall retain, as liquidated damages, the deposit actually paid. Buyer and Seller agree that this amount is a reasonable sum given that it is impractical or extremely difficult to establish the amount of damages that would actually be suffered by Seller in the event Buyer were to breach this Agreement. Release of funds will require mutual, Signed release instructions from both Buyer and Seller, judicial decision or arbitration award. **AT TIME OF ANY INCREASED DEPOSIT BUYER AND SELLER SHALL SIGN A SEPARATE LIQUIDATED DAMAGES PROVISION INCORPORATING THE INCREASED DEPOSIT AS LIQUIDATED DAMAGES (C.A.R FORM RID).**

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_ Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**28. DISPUTE RESOLUTION:**

A. **MEDIATION:** The Parties agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction, before resorting to arbitration or court action through the C.A.R. Consumer Mediation Center ([www.consumermediation.org](http://www.consumermediation.org)) or through any other mediation provider or service mutually agreed to by the Parties. The Parties also agree to mediate any disputes or claims with Broker(s), who, in writing, agree to such mediation prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. Mediation fees, if any, shall be divided equally among the Parties involved. If, for any dispute or claim to which this paragraph applies, any Party (i) commences an action without first attempting to resolve the matter through mediation, or (ii) before commencement of an action, refuses to mediate after a request has been made, then that Party shall not be entitled to recover attorney fees, even if they would otherwise be available to that Party in any such action. **THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.** Exclusions from this mediation agreement are specified in paragraph 28C.

B. **ARBITRATION OF DISPUTES:** The Parties agree that any dispute or claim in Law or equity arising between them out of this Agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration. The Parties also agree to arbitrate any disputes or claims with Broker(s), who, in writing, agree to such arbitration prior to, or within a reasonable time after, the dispute or claim is presented to the Broker. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of transactional real estate Law experience, unless the parties mutually agree to a different arbitrator. The Parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part 3 of the Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered into any court having jurisdiction. Enforcement of this agreement to arbitrate shall be governed by the Federal Arbitration Act. Exclusions from this arbitration agreement are specified in paragraph 28C.

**"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."**

**"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."**

Buyer's Initials \_\_\_\_\_ / \_\_\_\_\_ Seller's Initials \_\_\_\_\_ / \_\_\_\_\_

**C. ADDITIONAL MEDIATION AND ARBITRATION TERMS:**

- (1) **EXCLUSIONS:** The following matters are excluded from mediation and arbitration: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; and (iii) any matter that is within the jurisdiction of a probate, small claims or bankruptcy court.
- (2) **PRESERVATION OF ACTIONS:** The following shall not constitute a waiver nor violation of the mediation and arbitration provisions: (i) the filing of a court action to preserve a statute of limitations; (ii) the filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies; or (iii) the filing of a mechanic's lien.
- (3) **BROKERS:** Brokers shall not be obligated nor compelled to mediate or arbitrate unless they agree to do so in writing. Any Broker(s) participating in mediation or arbitration shall not be deemed a party to the Agreement.

29. **SELECTION OF SERVICE PROVIDERS:** Brokers do not guarantee the performance of any vendors, service or product providers ("Providers"), whether referred by Broker or selected by Buyer, Seller or other person. Buyer and Seller may select ANY Providers of their own choosing.

30. **MULTIPLE LISTING SERVICE ("MLS"):** Brokers are authorized to report to the MLS a pending sale and, upon Close Of Escrow, the sales price and other terms of this transaction shall be provided to the MLS to be published and disseminated to persons and entities authorized to use the information on terms approved by the MLS.

Buyer's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

Seller's Initials ( \_\_\_\_\_ ) ( \_\_\_\_\_ )

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VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 9 OF 11)





Property Address: Metz Road Perris, CA, Perris

Date: March 8, 2016

38. ACCEPTANCE OF OFFER: Seller warrants that Seller is the owner of the Property, or has the authority to execute this Agreement.

Seller accepts the above offer and agrees to sell the Property on the above terms and conditions, and agrees to the above confirmation of agency relationships. Seller has read and acknowledges receipt of a Copy of this Agreement, and authorizes Broker to Deliver a Signed Copy to Buyer.

(If checked) SELLER'S ACCEPTANCE IS SUBJECT TO ATTACHED COUNTER OFFER (C.A.R. Form SCO or SMCO) DATED:

X One or more Sellers is signing the Agreement in a representative capacity and not for him/herself as an individual. See attached Representative Capacity Signature Disclosure (C.A.R. Form RCSD-S) for additional terms.

Date 03/08/2016 SELLER

(Print name) The Metz Road Trust, UTD 4/22/05, Summer Creek Homes as Trustee

Date 03/08/2016 SELLER

(Print name) 26th Corporation, and 32nd Corporation

X Additional Signature Addendum attached (C.A.R. Form ASA).

( ) / ( ) (Do not initial if making a counter offer.) CONFIRMATION OF ACCEPTANCE: A Copy of Signed Acceptance was personally received by Buyer or Buyer's authorized agent on (date) at AM/ PM. A binding Agreement is created when a Copy of Signed Acceptance is personally received by Buyer or Buyer's authorized agent whether or not confirmed in this document. Completion of this confirmation is not legally required in order to create a binding Agreement; it is solely intended to evidence the date that Confirmation of Acceptance has occurred.

REAL ESTATE BROKERS:

- A. Real Estate Brokers are not parties to the Agreement between Buyer and Seller.
B. Agency relationships are confirmed as stated in paragraph 2.
C. If specified in paragraph 3A(2), Agent who submitted the offer for Buyer acknowledges receipt of deposit.
D. COOPERATING BROKER COMPENSATION: Listing Broker agrees to pay Cooperating Broker (Selling Firm) and Cooperating Broker agrees to accept, out of Listing Broker's proceeds in escrow, the amount specified in the MLS, provided Cooperating Broker is a Participant of the MLS in which the Property is offered for sale or a reciprocal MLS.

Real Estate Broker (Selling Firm) Chris Shepard CalBRE Lic. #00984970
By Chris Shepard CalBRE Lic. # 00984970 Date
Address City State Zip
Telephone Fax E-mail
Real Estate Broker (Listing Firm) Chris Shepard CalBRE Lic. #
By CalBRE Lic. # Date
Address City State Zip
Telephone Fax E-mail

ESCROW HOLDER ACKNOWLEDGMENT:

Escrow Holder acknowledges receipt of a Copy of this Agreement, (if checked, a deposit in the amount of \$ ), counter offer numbers Seller's Statement of Information and , and agrees to act as Escrow Holder subject to paragraph 26 of this Agreement, any supplemental escrow instructions and the terms of Escrow Holder's general provisions.

Escrow Holder is advised that the date of Confirmation of Acceptance of the Agreement as between Buyer and Seller is

Escrow Holder By Escrow #
Address Date
Phone/Fax/E-mail
Escrow Holder has the following license number #
Department of Business Oversight, Department of Insurance, Bureau of Real Estate.

PRESENTATION OF OFFER: ( ) Listing Broker presented this offer to Seller on (date).
Broker or Designee Initials

REJECTION OF OFFER: ( ) ( ) No counter offer is being made. This offer was rejected by Seller on (date).
Seller's Initials

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Buyer's Acknowledge that page 11 is part of this Agreement ( ) ( )

Reviewed by Broker or Designee



VACANT LAND PURCHASE AGREEMENT (VLPA PAGE 11 OF 11)



# BUYER'S INSPECTION ADVISORY

(C.A.R. Form BIA, Revised 11/14)

Property Address: Metz Road Perris, CA, Perris ("Property").

**1. IMPORTANCE OF PROPERTY INVESTIGATION:** The physical condition of the land and improvements being purchased is not guaranteed by either Seller or Brokers. You have an affirmative duty to exercise reasonable care to protect yourself, including discovery of the legal, practical and technical implications of disclosed facts, and the investigation and verification of information and facts that you know or that are within your diligent attention and observation. A general physical inspection typically does not cover all aspects of the Property nor items affecting the Property that are not physically located on the Property. If the professionals recommend further investigations, including a recommendation by a pest control operator to inspect inaccessible areas of the Property, you should contact qualified experts to conduct such additional investigations.

**2. BROKER OBLIGATIONS:** Brokers do not have expertise in all areas and therefore cannot advise you on many items, such as those listed below. If Broker gives you referrals to professionals, Broker does not guarantee their performance.

**3. YOU ARE STRONGLY ADVISED TO INVESTIGATE THE CONDITION AND SUITABILITY OF ALL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE FOLLOWING. IF YOU DO NOT DO SO, YOU ARE ACTING AGAINST THE ADVICE OF BROKERS.**

**A. GENERAL CONDITION OF THE PROPERTY, ITS SYSTEMS AND COMPONENTS:** Foundation, roof (condition, age, leaks, useful life), plumbing, heating, air conditioning, electrical, mechanical, security, pool/spa (cracks, leaks, operation), other structural and nonstructural systems and components, fixtures, built-in appliances, any personal property included in the sale, and energy efficiency of the Property.

**B. SQUARE FOOTAGE, AGE, BOUNDARIES:** Square footage, room dimensions, lot size, age of improvements and boundaries. Any numerical statements regarding these items are APPROXIMATIONS ONLY and have not been verified by Seller and cannot be verified by Brokers. Fences, hedges, walls, retaining walls and other barriers or markers do not necessarily identify true Property boundaries.

**C. WOOD DESTROYING PESTS:** Presence of, or conditions likely to lead to the presence of wood destroying pests and organisms.

**D. SOIL STABILITY:** Existence of fill or compacted soil, expansive or contracting soil, susceptibility to slippage, settling or movement, and the adequacy of drainage.

**E. WATER AND UTILITIES; WELL SYSTEMS AND COMPONENTS; WASTE DISPOSAL:** Water and utility availability, use restrictions and costs. Water quality, adequacy, condition, and performance of well systems and components. The type, size, adequacy, capacity and condition of sewer and septic systems and components, connection to sewer, and applicable fees.

**F. ENVIRONMENTAL HAZARDS:** Potential environmental hazards, including, but not limited to, asbestos, lead-based paint and other lead contamination, radon, methane, other gases, fuel oil or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions (including mold (airborne, toxic or otherwise), fungus or similar contaminants).

**G. EARTHQUAKES AND FLOODING:** Susceptibility of the Property to earthquake/seismic hazards and propensity of the Property to flood.

**H. FIRE, HAZARD AND OTHER INSURANCE:** The availability and cost of necessary or desired insurance may vary. The location of the Property in a seismic, flood or fire hazard zone, and other conditions, such as the age of the Property and the claims history of the Property and Buyer, may affect the availability and need for certain types of insurance. Buyer should explore insurance options early as this information may affect other decisions, including the removal of loan and inspection contingencies.

**I. BUILDING PERMITS, ZONING AND GOVERNMENTAL REQUIREMENTS:** Permits, inspections, certificates, zoning, other governmental limitations, restrictions, and requirements affecting the current or future use of the Property, its development or size.

**J. RENTAL PROPERTY RESTRICTIONS:** Some cities and counties impose restrictions that limit the amount of rent that can be charged, the maximum number of occupants, and the right of a landlord to terminate a tenancy. Deadbolt or other locks and security systems for doors and windows, including window bars, should be examined to determine whether they satisfy legal requirements.

**K. SECURITY AND SAFETY:** State and local Law may require the installation of barriers, access alarms, self-latching mechanisms and/or other measures to decrease the risk to children and other persons of existing swimming pools and hot tubs, as well as various fire safety and other measures concerning other features of the Property.

**L. NEIGHBORHOOD, AREA, SUBDIVISION CONDITIONS; PERSONAL FACTORS:** Neighborhood or area conditions, including schools, law enforcement, crime statistics, registered felons or offenders, fire protection, other government services, availability, adequacy and cost of internet connections or other technology services and installations, commercial, industrial or agricultural activities, existing and proposed transportation, construction and development that may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, other nuisances, hazards, or circumstances, protected species, wetland properties, botanical diseases, historic or other governmentally protected sites or improvements, cemeteries, facilities and condition of common areas of common interest subdivisions, and possible lack of compliance with any governing documents or Homeowners' Association requirements, conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements and preferences of Buyer.

By signing below, Buyers acknowledge that they have read, understand, accept and have received a Copy of this Advisory. Buyers are encouraged to read it carefully.

Buyer \_\_\_\_\_  
City of Perris

Buyer \_\_\_\_\_

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BIA REVISED 11/14 (PAGE 1 OF 1)

## BUYER'S INSPECTION ADVISORY (BIA PAGE 1 OF 1)



**POSSIBLE REPRESENTATION OF MORE THAN ONE BUYER  
OR SELLER - DISCLOSURE AND CONSENT**

(C.A.R. Form PRBS, 11/14)

A real estate broker (Broker), whether a corporation, partnership or sole proprietorship, may represent more than one buyer or seller. This multiple representation can occur through an individual licensed as a broker or salesperson or through different individual broker's or salespersons (associate licensees) acting under the Broker's license. The associate licensees may be working out of the same or different office locations.

**Multiple Buyers:** Broker (individually or through its associate licensees) may be working with many prospective buyers at the same time. These prospective buyers may have an interest in, and make offers on, the same properties. Some of these properties may be listed with Broker and some may not. Broker will not limit or restrict any particular buyer from making an offer on any particular property whether or not Broker represents other buyers interested in the same property.

**Multiple Sellers:** Broker (individually or through its associate licensees) may have listings on many properties at the same time. As a result, Broker will attempt to find buyers for each of those listed properties. Some listed properties may appeal to the same prospective buyers. Some properties may attract more prospective buyers than others. Some of these prospective buyers may be represented by Broker and some may not. Broker will market all listed properties to all prospective buyers whether or not Broker has another or other listed properties that may appeal to the same prospective buyers.

**Dual Agency:** If Seller is represented by Broker, Seller acknowledges that broker may represent prospective buyers of Seller's property and consents to Broker acting as a dual agent for both seller and buyer in that transaction. If Buyer is represented by Broker, buyer acknowledges that Broker may represent sellers of property that Buyer is interested in acquiring and consents to Broker acting as a dual agent for both buyer and seller with regard to that property.

In the event of dual agency, seller and buyer agree that: (a) Broker, without the prior written consent of the Buyer, will not disclose to seller that the Buyer is willing to pay a price greater than the offered price; (b) Broker, without the prior written consent of the seller, will not disclose to the buyer that seller is willing to sell property at a price less than the listing price; and (c) other than as set forth in (a) and (b) above, a dual agent is obligated to disclose known facts materially affecting the value or desirability of the property to both parties.

**Offers not necessarily confidential:** Buyer is advised that seller or listing agent may disclose the existence, terms, or conditions of buyer's offer unless all parties and their agent have signed a written confidentiality agreement. Whether any such information is actually disclosed depends on many factors, such as current market conditions, the prevailing practice in the real estate community, the listing agent's marketing strategy and the instructions of the seller.

Buyer and seller understand that Broker may represent more than one buyer or more than one seller and even both buyer and seller on the same transaction and consents to such relationships.

**Seller and/or Buyer acknowledges reading and understanding this Possible Representation of More Than One Buyer or Seller - Disclosure and Consent and agrees to the agency possibilities disclosed.**

Seller \_\_\_\_\_ *The Metz Road Trust, UTD 4/22/05, Summer Creek* Date \_\_\_\_\_  
Seller \_\_\_\_\_ *26th Corporation, and 32nd Corporation* Date \_\_\_\_\_

Buyer \_\_\_\_\_ *City of Perris* Date \_\_\_\_\_  
Buyer \_\_\_\_\_ Date \_\_\_\_\_

Real Estate Broker (Firm) *Chris Shepard* CalBRE Lic # *00984970* Date \_\_\_\_\_  
By \_\_\_\_\_ CalBRE Lic # \_\_\_\_\_ Date \_\_\_\_\_

Real Estate Broker (Firm) *Chris Shepard* CalBRE Lic # *00984970* Date \_\_\_\_\_  
By *Chris Shepard* CalBRE Lic # *00984970* Date \_\_\_\_\_

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_





ADDENDUM

(C.A.R. Form ADM, Revised 12/15)

No. 1

The following terms and conditions are hereby incorporated in and made a part of the:  Purchase Agreement,  Residential Lease or Month-to-Month Rental Agreement,  Transfer Disclosure Statement (Note: An amendment to the TDS may give the Buyer a right to rescind),  Other

dated March 8, 2016, on property known as Metz Rd. Perris, CA

in which City of Perris is referred to as ("Buyer/Tenant") and The Metz Road Trust, UTD 4/22/05, Summer Creek Homes as Trustee is referred to as ("Seller/Landlord").

All parties understand that there is currently litigation regarding ownership on all 3 parcels. Buyer and Sellers agree to close escrow in 60 days or sooner from offer acceptance. Escrow to hold all proceeds in escrow until litigation is resolved and Seller can deliver free and clear title, along with a title policy to Buyer.

The foregoing terms and conditions are hereby agreed to, and the undersigned acknowledge receipt of a copy of this document.

Date \_\_\_\_\_ Date \_\_\_\_\_

Buyer/Tenant \_\_\_\_\_ Seller/Landlord \_\_\_\_\_ City of Perris The Metz Road Trust, UTD 4/22/05, Summer Creek

Buyer/Tenant \_\_\_\_\_ Seller/Landlord \_\_\_\_\_

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Reviewed by \_\_\_\_\_ Date \_\_\_\_\_






**CITY COUNCIL  
AGENDA SUBMITTAL**

**Meeting Date: March 28, 2017**

**SUBJECT:** Resolution Approving the Receipt of Grant Funds or Services from Southern California Association of Governments (SCAG) for a Sustainability Planning Capacity Building Grant Project Awarded to the City for the Perris Green City Farm and Healthiest Cities and Counties Challenge.

**REQUESTED ACTION:** That the City of Perris Adopt the following Resolution:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING THE RECEIPT OF GRANT FUNDS OR SERVICES FROM SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS FOR A SUSTAINABILITY PLANNING CAPACITY BUILDING PROJECT AWARDED TO THE CITY OF PERRIS FOR THE PERRIS GREEN CITY FARM AND HEALTHIEST CITIES AND COUNTIES CHALLENGE

**CONTACT:** Isabel Carlos, Assistant Director of Administrative Services 

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**BACKGROUND/DISCUSSION:**

In November 2016, Staff submitted a grant application for a 2016 Sustainability Planning Capacity Building Grant ("Grant") for the amount of \$50,000 through the Southern California Association of Governments ("SCAG"). The grant will aid in securing funding for the implementation of the Perris Green City Farm and Healthiest Cities and Counties Challenge projects. These projects aim to expand health equity and improve health outcomes for Perris residents by increasing access to healthy foods, supporting economic vitality and creating platforms to promote healthy behaviors. One of the main project goals of the Healthiest Cities and Counties Challenge is to develop 31 community gardens allowing Perris residents to have access to food gardens within a .5 mile radius.

Through the Grant, the City will secure additional funding for the sustainable planning, design, construction, and policy development of the gardens. Planning strategies will include integration of water conservation practices, best practices for storm water management and capture, integration of native vegetation, proper landscape management, removing nuisances that compromise visual character and adding significant natural elements and visual interest at the garden sites.

In February 2017, the Regional Council for SCAG approved the \$50,000 Award for the City of Perris. SCAG Sustainability Program Guidelines require a resolution certifying the approval of the application by the City's governing body before receipt of the Award. SCAG will work collaboratively with the City in developing the Scope of Work and Request for Proposals to achieve the desired results proposed in the grant application.

Resolution Approving Grant Funds from Southern California Association of Governments.  
March 28, 2017

Staff respectfully recommends that the City Council adopt the subject Resolution approving the receipt of grant funds or services from SCAG for the purposes as presented herein.

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**BUDGET (or FISCAL) IMPACT:**

If the Resolution is adopted, implementation of the grant funds will redirect existing staff time.

---

Reviewed by:

City Attorney \_\_\_\_\_  
Interim Assistant City Manager DM  
Assistant Director of Finance J

Attachments: Resolution No. (Next in order)

Consent Item: March 28, 2017

***RESOLUTION NUMBER (Next in order)***

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING THE RECEIPT OF GRANT FUNDS OR SERVICES FROM SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS FOR A SUSTAINABILITY PLANNING CAPACITY BUILDING PROJECT AWARDED TO THE CITY OF PERRIS FOR THE PERRIS GREEN CITY FARM AND HEALTHIEST CITIES AND COUNTIES CHALLENGE

***WHEREAS***, The Southern California Association of Governments (“SCAG”) has allocated funds for projects that promote the policies and programs of the 2016-2040 Regional Transportation Plan/ Sustainability Communities Strategy (2016 RTP/SCS); and

***WHEREAS***, SCAG has evaluated, ranked and awarded proposals submitted for Projects under the Program; and

***WHEREAS***, SCAG selected and desires to award funding to the City of Perris (“City”)to further the progress of planning strategies in the Perris Green City Farm and Healthiest Cities and Counties Challenge; and

***WHEREAS***, the Perris Green City Farm and Healthiest Cities Challenge projects aim to expand health equity and improve health outcomes for Perris Residents by increasing access to healthy foods, supporting economic vitality and creating platforms to promote healthy behaviors; and

***WHEREAS***, The City wishes to incorporate innovative planning strategies including the integration of water conservation practices, best practices for storm water management and capture, integration of native vegetation, proper landscape management, removing nuisances that compromise visual character and adding significant natural elements and visual interest in its Perris Green City Farm and the Healthiest Cities and Counties Challenge projects; and

***WHEREAS***, The City desires to receive SCAG funds and services to assist in the implementation of said innovative planning strategies for its Perris Green City Farm and the Healthiest Cities and Counties Challenge projects; and

***WHEREAS***, the grant requires a resolution certifying the approval of the application by the City’s governing body before receipt of Award; and

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

**SECTION 1.** The receipt of the Award for the Sustainability Planning Grant Program is hereby approved by the City of Perris.

**SECTION 2.** The Mayor is hereby authorized to affix his signature to this resolution signifying approval of the City Council of the City of Perris for application for grant funds.

Resolution Approving Grant Funds from Southern California Association of Governments

**SECTION 3.** That the City Clerk shall certify to the passage and adoption of this resolution and enter it in the book of original resolutions.

***ADOPTED, SIGNED and APPROVED*** this 28th day of March, 2017.

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

Attest:

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

Resolution Approving Grant Funds from Southern California Association of Governments

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 (next in order) was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 28<sup>th</sup> day of March, 2017, by the following called vote:

AYES;

NOES:

ABSENT:

ABSTAIN:

---

City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: March 28, 2017**

**SUBJECT:** Check Register for February 2017

**REQUESTED ACTION:** Approve the City's Monthly Check Register for February 2017

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

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**BACKGROUND/DISCUSSION:**

The check register for the month of February 2017 are presented for City Council approval.

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

---

Reviewed by: Jennifer Erwin, Assistant Director of Finance *JE*  
Darren Madkin, Interim Assistant City Manager *DM*

Consent Item: X

**CITY OF PERRIS  
CHECK REGISTER  
February 28, 2017**

CK NUMBER	DATE ISSUED	VENDOR	DESCRIPTION	AMOUNT
125368	02/01/2017	VOID	VOID	\$ -
125369	02/02/2017	ACCOMTEMP	TEMP STAFF SERVICES W/E 1/06/17	904.05
125370	02/02/2017	ACTION SURVEYS	SURVEYING & MAPPING FOR GOETZ RD	43,880.00
125371	02/02/2017	AFFANT COMMUNICATION, INC	SHORETEL MONTHLY MAINT/FEB17	739.74
125372	02/02/2017	ALL AMERICAN ASPHALT	REDLANDS AVE. CONSTRUCTION	60,708.36
125373	02/02/2017	AMERICAN ASPHALT SOUTH, INC.	2016 PAVEMENT REHABILITATION P8-10B3	434,862.36
125374	02/02/2017	AMERIPRIDE SERVICES INC.	UNIFORM SERVICES	1,997.05
125375	02/02/2017	ANDERSON ELECTRIC	ELECTRICAL REPAIRS & MAINT- ALL DEPARTMENTS	5,485.00
125376	02/02/2017	APPLEONE EMPLOYMENT SERVICES	TEMP STAFF SERVICES W/E 12/24/16	186.25
125377	02/02/2017	AT&T	PHONE/FAX LINES DEC-JAN 2017	3,691.26
125378	02/02/2017	AUTO ZONE COMMERCIAL	FUEL CAP/TIRE PRESSURE MOUNT SENSOR	51.46
125379	02/02/2017	AYERS DISTRIBUTING	BREAKFAST WITH BUNNY EVENT	804.00
125380	02/02/2017	BARRY KAY ENTERPRISES, INC	WINTER BASKETBALL LEAGUE: LOGO T-SHIRTS	1,100.03
125381	02/02/2017	BART DEL RIO'S MARTIAL ARTS	TAE KWON DO INSTRUCTOR 11/29-12/22/16	867.30
125382	02/02/2017	BILL & DAVE'S LDSC MAINTENANCE	MONTHLY MAINTENANCE DECEMBER 2016	3,510.00
125383	02/02/2017	BSN SPORTS	10 PT BACKSTOP INSPECTION	1,275.00
125384	02/02/2017	CHEF LEE BURTON	NEOP: CHEF IN GARDEN	415.00
125385	02/02/2017	CAL STRIPE, INC	MONUMENT RANCH & AVOCADO AVE.	11,055.00
125386	02/02/2017	CALOLYMPIC SAFETY	ORANGE SAFETY VESTS	606.46
125387	02/02/2017	CAMERON WELDING SUPPLY	ARGON GAS WELDING SUPPLY	19.47
125388	02/02/2017	CATHY OWENS	KAJUKENBO INSTRUCTOR 1/04-1/28/17	238.76
125389	02/02/2017	CHO DESIGN ASSOCIATES, INC.	ENGINEERING SERVICES: NUEVO RD BRIDGE	7,150.00
125390	02/02/2017	CINTAS	FIRST AID KIT SUPPLIES	271.79
125391	02/02/2017	CITY CLERKS ASSOCIATION OF CA	MEMBERSHIP RENEWAL	170.00
125392	02/02/2017	COLONIAL LIFE & ACCIDENT INSURANCE	JANUARY 2017	115.56
125393	02/02/2017	RODNEY CONNOR II	WINTER BASKETBALL LEAGUE: GAME OFFICIAL	237.00
125394	02/02/2017	CORPORATE PAYMENT SYSTEMS	FEDEX/OFFICE SUPPLIES/PAYPAL FOR PLANNING DEPT.	294.35
125395	02/02/2017	CORPORATE PAYMENT SYSTEMS	NEOP CONF. AIR FARE/CABINET	651.26
125396	02/02/2017	CORPORATE PAYMENT SYSTEMS	TEEN CENTER DIY/CHRISTMAS LUNCHEON/CLASSROOM SUPPLIES	1,340.37
125397	02/02/2017	CORPORATE PAYMENT SYSTEMS	FIRE STATION SUPPLIES/SENIOR CENTER EVENT CATERING	1,437.13
125398	02/02/2017	CORPORATE PAYMENT SYSTEMS	STAFF LUNCH MEETING/BREAKFAST WITH SANTA EVENT	1,567.29
125399	02/02/2017	CORPORATE PAYMENT SYSTEMS	LIVWELL HIKE & BIKE	1,573.71
125400	02/02/2017	CORPORATE PAYMENT SYSTEMS	LIVWELL SUPPLIES/CHRISTMAS PARADE/REC EVENTS	2,001.55
125401	02/02/2017	SARA CORTES DE PAVON	VISION REIMBURSEMENT	450.00
125402	02/02/2017	CR&R	TRASH COLLECT BY EMWD & CONTAINER RENTALS	314,526.11
125403	02/02/2017	CREATIVE PRINTING	CHEF IN GARDEN FLYER	406.22
125404	02/02/2017	D & D SERVICES, INC.	ANIMAL DISPOSAL/DEC16	324.00
125405	02/02/2017	DAN'S FEED AND SEED INC.	SANDBAGS/RUBBER BOOTS/PROPANE/GLOVES	925.37
125406	02/02/2017	DISCOUNT PLAYGROUND SUPPLY	FAST PATCH	1,973.99
125407	02/02/2017	DISPENSING TECHNOLOGY CORP	COLD PATCH WINTER MIX	1,387.42
125408	02/02/2017	DUTALE, INC. DBA MCS	WIRELESS ADAPTER FOR SENIOR CENTER	325.00
125409	02/02/2017	EASTERN MUNICIPAL WATER DISTRICT	UTILITIES 12/08-1/10/17	5,281.02
125410	02/02/2017	ECOLINE INDUSTRIAL SUPPLY	HAND CLEANER	529.27
125411	02/02/2017	ELAINE HORN LONGO	DRIVE-IN MOVIES FOR TOTS- FEB 3, 2017	370.00
125412	02/02/2017	EMERGENCY PET CLINIC OF TEMECULA	EMERGENCY CONSULTATION	60.00
125413	02/02/2017	ENTENMANN-ROVIN COMPANY	CITY HALL BADGES	280.82
125414	02/02/2017	FEDERAL EXPRESS CORP	SERVICES 12/28-12/29	95.52
125415	02/02/2017	FRONTIER	WATER DEPT 1/16-2/18/17	340.74
125416	02/02/2017	GARCIA'S GARAGE	SMOG CHECKS	240.00
125417	02/02/2017	GODOY CABINETS	INSTALLED LOCKS ON KITCHEN CABINETS	640.00
125418	02/02/2017	GORM, INC.	TISSUE/ODOR CONTROL/MICROFIBER CLOTH/LINERS	996.80
125419	02/02/2017	GRAINGER	RESTROOM REPAIRS, FIRE STATION	311.18
125421	02/02/2017	HAULAWAY	20FT CONTAINER RENTAL	329.26
125422	02/02/2017	HERNANDEZ LANDSCAPE CO, INC	REPAIRED PAVERS AT 4 LOCATIONS	4,600.00
125423	02/02/2017	HIDDEN EYE SECURITY / H.E.S.	FIRE SYSTEM MONITORING & MAINT.	273.00
125424	02/02/2017	HIRSCH & ASSOCIATES INC	PATRIOT PARK FOOTBALL/BOXING BLDG RESTROOM	1,912.30
125425	02/02/2017	HOME DEPOT CREDIT SERVICES	VIGORO NATURAL WEEDBLOCK	32.28
125426	02/02/2017	HONEYWELL GLOBAL FINANCE	ENERGY CHARGES/DECEMBER 16	10,603.27
125427	02/02/2017	IB REPROGRAPHICS	4TH & A STREET PLAN COPIES	25.92
125428	02/02/2017	IMPERIAL SPRINKLER SUPPLY	MISC PARTS FOR PARKS	117.57
125429	02/02/2017	INLAND PRESORT & MAILING SERVICES	SENIOR CENTER MONTHLY MAILERS	68.21
125430	02/02/2017	JLC ENGINEERING & CONSULTING	NUEVO CULVERT CROSSING	8,932.00
125431	02/02/2017	JOLLY JUMPS	SNOW DAY PROP AND DECOR	1,100.00
125432	02/02/2017	JOSE GARCIA	WATER DEPOSIT REFUND	84.88
125433	02/02/2017	LAKE CHEVROLET	TRUCK REPAIRS, PARTS & LABOR	530.44
125434	02/02/2017	CAMEL FINANCIAL, INC	TEEN CENTER TUTORING	2,610.00
125435	02/02/2017	ANTHONY LLOYD	WINTER BASKETBALL LEAGUE. 1/07/17	69.00
125436	02/02/2017	CRYSTAL LOPEZ	EDUCATION REIMBURSEMENT	1,500.00
125437	02/02/2017	MAC TOOLS DISTRIBUTOR	FACILITIES MAINTENANCE VAN	485.98
125438	02/02/2017	MAMCO INC.	NUEVO ROAD INTERCHANGE I-215	237,229.48
125439	02/02/2017	MANPOWER TEMP SERVICES, INC	TEMP STAFF SERVICES W/E 12/25/16	7,811.18
125440	02/02/2017	LEMUEL NEAL	WINTER BASKETBALL LEAGUE: 1/07 & 1/14	196.00
125441	02/02/2017	PACIFIC CODE COMPLIANCE	INSPECTION SERVICES: RIVERA, DEC 2016	4,564.94
125442	02/02/2017	PATH OF LIFE MINISTRIES	HOMELESS SERVICES: OCT & DEC 2016	13,893.74
125443	02/02/2017	PERRIS PROGRESS NEWSPAPER	LEGAL PUBLICATIONS	823.96

**CITY OF PERRIS  
CHECK REGISTER  
February 28, 2017**

CK NUMBER	DATE ISSUED	VENDOR	DESCRIPTION	AMOUNT
125444	02/02/2017	PERRIS VALLEY CHAMBER OF COMMERCE	PVCC MEMBERSHIP	5,000.00
125445	02/02/2017	PERRIS VALLEY PRINTING CO.	WINDOW ENVELOPES	316.27
125446	02/02/2017	KENNETH PHUNG	PLANNING PROJECTS, JANUARY 17	4,140.00
125447	02/02/2017	PITNEY BOWES INC	PROFESSIONAL SERVICES, 12/30/16	150.00
125448	02/02/2017	PUBLIC ENTITY RISK MANAGEMENT	WORKER'S COMP JAN-MAR 2016-17 DEPOSIT PREM	52,537.00
125449	02/02/2017	RELIABLE OFFICE SOLUTIONS INC	OFFICE SUPPLIES	794.74
125450	02/02/2017	RIGHTWAY	PORTABLE TOILET SERVICES	1,284.67
125451	02/02/2017	COUNTY OF RIVERSIDE	ANIMAL CONTROL SHELTER SVCS/NOV 16	8,775.00
125452	02/02/2017	COUNTY OF RIVERSIDE	FY '17 NOV 2016 SLF COSTS	30,245.72
125453	02/02/2017	RK ENGINEERING GROUP INC	TRAFFIC STUDY REPORTS	4,490.00
125454	02/02/2017	ROSA'S BRIDE & TUX SHOP	BREAKFAST WITH SANTA EVENT	4,587.84
125455	02/02/2017	SAFETY-KLEEN CORPORATION	BRAKE CLEANER/PARTS WASH SERVICE	637.37
125456	02/02/2017	SCE	12/13-1/11/17	148.11
125457	02/02/2017	SCOTT FAZEKAS & ASSOCIATES, INC	PLAN CHECK SERVICES/NOV 16	1,250.00
125458	02/02/2017	SEVERN TRENT ENVIRONMENTAL SVC	PASS THRU NORTH & SOUTH/JULY 16	548.19
125459	02/02/2017	SHEPHERD & STAATS INC	LANDSCAPE MAINT. DISTRICT SUPPORT	1,170.00
125460	02/02/2017	SMART & FINAL	GYM REFRESHMENTS	533.29
125461	02/02/2017	GILBERT SMITH	WINTER YOUTH BASKETBALL LEAGUE	46.00
125462	02/02/2017	THE SoCo GROUP INC	FUEL	1,765.06
125463	02/02/2017	SPARKLETT'S	BOTTLED WATER SERVICES	368.50
125464	02/02/2017	STANLEY CONVERGENT SECURITY, INC	MONITOR & MAINT. 2/01-4/30/17	850.08
125465	02/02/2017	STATER BROS MARKETS	SENIOR CENTER SUPPLIES	94.73
125466	02/02/2017	NAPA AUTO PARTS	ACCUFIT CONVENTIONAL	325.83
125467	02/02/2017	SUNGARD PUBLIC SECTOR INC	CONTRACT MAINT. 2/01-2/28/17	3,388.00
125468	02/02/2017	SUNSTATE EQUIPMENT CO	RENTALS: PUMP-TRASH & SAW BLADE	1,217.13
125469	02/02/2017	SWANK MOTION PICTURES, INC	TOTS DRIVE-IN MOVIES IN THE PARK	2,731.00
125470	02/02/2017	T.Y. CUSTOM DESIGN, INC.	CITY KEY LABEL PINS	1,366.67
125471	02/02/2017	TAYLOR'S APPLIANCE	GAS DRYER: FIRE STATION #90	967.60
125472	02/02/2017	TEMECULA GLASS INC.	REPLACED GLASS AT CHAMBER OF COMMERCE	550.00
125473	02/02/2017	SPECTRUM BUSINESS	PHONE/INTERNET SVCS ALL DEPTS	2,422.67
125474	02/02/2017	TRANSPORT GRAPHICS	CITY LOGO PEXIGLASS SIGNS	1,076.00
125475	02/02/2017	TRI-LAKE CONSULTANTS, INC.	ENGINEERING SERVICES- NUEVO RD/REDLANDS/GOETZ	99,593.24
125476	02/02/2017	UNITED WAY OF THE INLAND VALLEYS	JANUARY 2017	140.66
125477	02/02/2017	VERIZON WIRELESS	12/14-1/13/17	4,226.47
125478	02/02/2017	VISTA PAINT CORPORATION	PAINT	706.04
125479	02/02/2017	RALPH WILLEY	WINTER YOUTH BASKETBALL LEAGUE	115.00
125480	02/02/2017	XEROX CORPORATION	COPIER LEASE	305.37
125481	02/07/2017	BIG LEAGUE DREAMS PERRIS	STRATEGIC PLAN WORKSESSION	1,102.35
125482	02/09/2017	AMERICAN FORENSIC NURSES LLC	BLOOD DRAWS	240.00
125483	02/09/2017	AMERICAN FORENSIC NURSES LLC	BLOOD DRAWS	600.00
125484	02/09/2017	AMERIPRIDE SERVICES INC.	UNIFORM SERVICES	287.62
125485	02/09/2017	ANDERSON ELECTRIC	ELECTRICAL REPAIRS & MAINT- ALL DEPARTMENTS	3,525.00
125486	02/09/2017	AT&T	PW FAX LINE 1/22-2/21/17	241.01
125487	02/09/2017	AT&T	PHONE/FAX LINES 11/06-12/05/16	276.13
125488	02/09/2017	AWARDS AND SPECIALTIES	NAME PLATE FOR MAYOR PRO-TEM	21.55
125489	02/09/2017	BARRY KAY ENTERPRISES, INC	WINTER YOUTH BASKETBALL LEAGUE	5,846.32
125490	02/09/2017	BASTION SECURITY INC.	OLD MONUMENT PARK-FINAL EQUIPMENT	7,855.26
125491	02/09/2017	BILL & DAVE'S LDSC MAINTENANCE	DECEMBER MAINT. & RELEASE OF PERFORMANCE BONDS	129,379.55
125492	02/09/2017	BIO-TOX LABORATORIES	BLOOD ANALYSIS	856.30
125493	02/09/2017	BMW MOTORCYCLES OF RIVERSIDE	SERVICES AND SUPPLIES	627.11
125494	02/09/2017	ROSALBA BONILLA	VISION REIMBURSEMENT	180.68
125495	02/09/2017	CADENCE ENVIRONMENTAL CONSULTANTS	GREEN VALLEY PHASE 1A 15-05180	2,868.75
125496	02/09/2017	SABRINA CHAVEZ	REIMBURSEMENT: ANIMOTO INC.	264.00
125497	02/09/2017	CHO DESIGN ASSOCIATES, INC.	MURRIETA BRIDGES-STRUCTURAL	2,000.00
125498	02/09/2017	CINTAS	FIRST AID KIT SUPPLIES	146.39
125499	02/09/2017	CLIFF CHAPPLE	WINTER YOUTH BASKETBALL LEAGUE	92.00
125500	02/09/2017	CMS COMMUNICATIONS, INC	ANTI-GLARE SCREEN	1,202.10
125501	02/09/2017	RODNEY CONNOR II	WINTER YOUTH BASKETBALL LEAGUE	161.00
125502	02/09/2017	CORPORATE PAYMENT SYSTEMS	SENIOR CENTER HOLIDAY LUNCHEON/CHRISTMAS EVENT SUPPLIES	1,765.17
125503	02/09/2017	CREATIVE PRINTING	POSTER FOR CITY GARDEN & BUSINESS CARDS	209.04
125504	02/09/2017	CRIME SCENE STERI-CLEAN, LLC	CLEAN UP PARK AVE & 4TH STREET	750.00
125505	02/09/2017	DAN'S FEED AND SEED INC	SINGLE CUT KEY	4.30
125506	02/09/2017	DENNIS GRUBB & ASSOCIATES	PLAN CHECK SERVICES	9,575.00
125507	02/09/2017	DFM ASSOCIATES	2017 CALIFORNIA ELECTIONS CODE	53.88
125508	02/09/2017	DIVERSIFIED DISTRIBUTION	778MF BATTERY, SYNTHETIC OIL	292.66
125509	02/09/2017	EASTERN MUNICIPAL WATER DISTRICT	UTILITIES 12/27-1/26/17	96,264.13
125510	02/09/2017	ELITE ROAD SERVICES & TIRE, INC	TRUCK TIRES	2,820.14
125511	02/09/2017	EMPLOYMENT SCREENING SERVICES	BACKGROUND CHECK SERVICES	29.00
125512	02/09/2017	EXPERIAN	CREDIT SERVICES DECEMBER 16	74.47
125513	02/09/2017	FAIR HOUSING COUNCIL OF RIVERSIDE COUNTY	NOVEMBER 2016 SERVICES, CDBG PROGRAM	1,646.00
125514	02/09/2017	FEDERAL EXPRESS CORP	SERVICES 1/05-1/12/17	154.85
125515	02/09/2017	GREG GARAY	WORK BOOTS	134.68
125516	02/09/2017	GARCIA'S GARAGE	SMOG CHECKS	840.00
125517	02/09/2017	THE GAS COMPANY	12/27-1/25/17	2,456.94
125518	02/09/2017	GAVILAN SPRINGS NURSERY	40 TONS OF SE30 SAND	3,135.79



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125519	02/09/2017	GORM, INC.	TOILET TISSUE, ROLL LINER	234.42
125520	02/09/2017	GRANICUS, INC.	OPEN PLATFORM SERVICES, FEBRUARY 17	283.25
125521	02/09/2017	EVERETT HAMBLY IV	PROFESSIONAL SERVICES, 1/23-2/05/17	2,306.14
125522	02/09/2017	HOME DEPOT CREDIT SERVICES	WATER PUMP MATERIALS/KITCHEN FAUCET/SMALL TOOLS	908.19
125523	02/09/2017	IB REPROGRAPHICS	LAMINATION/BID SPECS	62.75
125524	02/09/2017	IMPERIAL SPRINKLER SUPPLY	MISC SUPPLIES FOR PARKS	391.92
125525	02/09/2017	INLAND PRESORT & MAILING SERVICES	SENIOR CENTER MONTHLY MAILERS	69.61
125526	02/09/2017	IRON MOUNTAIN	STORAGE 2/01-2/28/17	334.99
125527	02/09/2017	LAKE CHEVROLET	TRUCK ENGINE REPLACEMENT	7,267.81
125528	02/09/2017	LEGALSHIELD	JANUARY 2017	25.90
125529	02/09/2017	ANTHONY LLOYD	WINTER YOUTH BASKETBALL LEAGUE	92.00
125530	02/09/2017	LOMA LINDA UNIV MEDICAL CTR -MURRIETA	EMERGENCY SERVICES/ANIMAL CONTROL STAFF	759.00
125531	02/09/2017	MANPOWER TEMP SERVICES, INC	TEMP STAFF SERVICES	27,797.56
125532	02/09/2017	MOORE FENCE COMPANY	MURRIETA & WILSON/FIRE STATION 101	16,430.71
125533	02/09/2017	LEMUEL NEAL	WINTER YOUTH BASKETBALL LEAGUE	272.00
125534	02/09/2017	DANIKA NELSON	REIMBURSEMENT/PHARMACY EXPENSE	61.19
125535	02/09/2017	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.	CARCH BASIN MAINTENANCE	85,611.60
125536	02/09/2017	OCHOA'S BACKFLOW SYSTEMS	SERVICE AT BRADLEY RD	300.00
125537	02/09/2017	PERDUE & RUSSELL REAL ESTATE	APPRAISAL: 171 E 1ST STREET	5,000.00
125538	02/09/2017	PERRIS PROGRESS NEWSPAPER	INVITING BIDS	211.19
125539	02/09/2017	PERRIS VALLEY AFRICAN AMERICAN HISTORY COMMITTEE	SPONSORSHIP: BLACK HISTORY CELEBRATION	3,500.00
125540	02/09/2017	PHOTOGRAPHY BY KELLEN MURPHY	TOTS DRIVE-IN: WIZARD OF OZ	348.75
125541	02/09/2017	PREFERRED CONCRETE INC.	PROPER ELEVATION: D STREET	5,000.00
125542	02/09/2017	PREMIERE GLOBAL SERVICES	CONFERENCE SERVICES 12/01-12/31/16	15.69
125543	02/09/2017	PVP COMMUNICATIONS, INC	HELMET KIT INSTALL	90.00
125544	02/09/2017	RB TRUCK REPAIR INC	BIT INSPECTION 90 DAY	366.13
125545	02/09/2017	RELIABLE OFFICE SOLUTIONS INC	OFFICE SUPPLIES	277.20
125546	02/09/2017	RIGHTWAY	PORTABLE TOILET SERVICES	1,119.76
125547	02/09/2017	RIVERSIDE COUNTY SHERIFF'S DEP	LAW ENFORCEMENT CONTRACT/OCT-DEC 2016	2,074,069.66
125548	02/09/2017	RIVERSIDE COUNTY SHERIFF'S DEP	EXTRA DUTY/COUNCIL MEETINGS/VET'S DAY PARADE	8,981.90
125549	02/09/2017	COUNTY OF RIVERSIDE	INSTALLATION OF TRAFFIC SIGNAL	118.73
125550	02/09/2017	SAM'S CLUB DIRECT	MEMBERSHIP RENEWAL/SUPPLIES FOR KITCHEN	195.22
125551	02/09/2017	SCE	12/23-1/25/17	9,046.23
125552	02/09/2017	SECRETARY OF STATE	CALIFORNIA NOTARY PUBLIC EXAM	40.00
125553	02/09/2017	SECRETARY OF STATE	CALIFORNIA NOTARY PUBLIC EXAM	40.00
125554	02/09/2017	SECRETARY OF STATE	CALIFORNIA NOTARY PUBLIC EXAM	40.00
125555	02/09/2017	SEVERN TRENT ENVIRONMENTAL SVC	JANUARY 2017 OPERATIONS/DEC 2016 PASS THRU	81,325.88
125556	02/09/2017	SHEPHERD & STAATS INC	PROFESSIONAL SERVICES: ANNEXATION	3,000.00
125557	02/09/2017	LAURA SOSA	FITNESS INSTRUCTOR 1/23-2/06/17	2,012.00
125558	02/09/2017	SPARKLETT'S	BOTTLED WATER SERVICES	141.84
125559	02/09/2017	STANLEY CONVERGENT SECURITY, INC	MONITOR & MAINTENANCE 2/01-4/30/17	560.85
125560	02/09/2017	STATE BOARD OF EQUALIZATION	HAZARDOUS WASTE GENERATOR FEE RETURN	220.00
125561	02/09/2017	STATE OF CALIFORNIA	BLOOD ALCOHOL ANALYSIS	105.00
125562	02/09/2017	STATER BROS MARKETS	BREAKFAST W/ SANTA/COUNCIL MEETING SUPPLIES	363.48
125563	02/09/2017	NAPA AUTO PARTS	TRUFLEX V-BELT	47.13
125564	02/09/2017	SUNGARD PUBLIC SECTOR INC	CONTRACT MAINT. 1/01-1/31/17	3,388.00
125565	02/09/2017	SUNSTATE EQUIPMENT CO	PUMP TRASH SERVICES	1,185.53
125566	02/09/2017	SYNTECH	TOUCHSCREENS FOR DESKTOP	3,837.79
125567	02/09/2017	TASO TECH, INC	I.T. SUPPORT/FEB 2017	1,050.00
125568	02/09/2017	TEMECULA VALLEY EMERGENCY	WORKS COMP/ANIMAL CONTROL	249.00
125569	02/09/2017	SPECTRUM BUSINESS	24 S D ST 1/16-2/15/17	12.60
125570	02/09/2017	TRI-LAKE CONSULTANTS, INC.	ENGINEERING SERVICES: 4TH ST FAÇADE/GROVE LUMBER/ETC	129,383.78
125571	02/09/2017	TRI-R GENERAL CONTRACTORS INC	FAÇADE PROGRAM: FERRELLGAS	5,690.00
125572	02/09/2017	TYLER BUSINESS FORMS	1099 TAX FORMS	149.65
125573	02/09/2017	TYLER TECHNOLOGIES, INC.	MAYOR SIGNATURE DIGITIZATION/KEY/PAYROLL FORMS	1,654.41
125574	02/09/2017	U.S. HEALTHWORKS MEDICAL GROUP	JANUARY 2017	212.48
125575	02/09/2017	JOE VARGO	MILEAGE REIMBURSEMENT	155.61
125576	02/09/2017	RALPH WILLEY	WINTER YOUTH BASKETBALL LEAGUE	115.00
125577	02/09/2017	XEROX CORPORATION	COPIERS LEASE	1,139.59
125578	02/16/2017	ADAME LANDSCAPE, INC.	MONTHLY LANDSCAPE MAINTENANCE	786.25
125579	02/16/2017	ADORAMA	DIGITAL CAMERA FOR SHERIFF'S DEPT.	1,089.49
125580	02/16/2017	AMERICAN FENCE COMPANY, INC	RENTAL COPPER CREEK PARK	100.80
125581	02/16/2017	AMERIPRIDE SERVICES INC.	UNIFORM SERVICES	981.66
125582	02/16/2017	ANDERSON ELECTRIC	ELECTRICAL REPAIRS & MAINT- ALL DEPARTMENTS	9,033.00
125583	02/16/2017	AUTO ZONE COMMERCIAL	OIL/AIR FILTERS/V-BELT/THERMOSTAT	218.00
125584	02/16/2017	AVANT GARDE, INC	ACTIVE TRANSPORTATION PROGRAM	207.50
125585	02/16/2017	BARRY KAY ENTERPRISES, INC	WINTER YOUTH BASKETBALL LEAGUE	237.49
125586	02/16/2017	BMW MOTORCYCLES OF RIVERSIDE	TIRE/BRAKE SERVICES	2,709.74
125587	02/16/2017	BOYS & GIRLS CLUB OF PERRIS	1ST QUARTER REIMBURSEMENT	3,538.00
125588	02/16/2017	CHEF LEE BURTON	HORIZONS CHARTER SCHOOL/MEAD VALLEY ELEM & MEETING	525.00
125589	02/16/2017	CALIFORNIA STATE DISBURSEMENT	GARNISHMENT	21.23
125590	02/16/2017	CALIFORNIA STATE DISBURSEMENT	GARNISHMENT	75.23
125591	02/16/2017	CHO DESIGN ASSOCIATES, INC.	TRIPLE CROWN WALL	1,400.00
125592	02/16/2017	CLIFF CHAPPLE	WINTER YOUTH BASKETBALL LEAGUE	115.00
125593	02/16/2017	COMMUNITY WORKS DESIGN GROUP	PERRIS VALLEY STORM DRAIN	1,858.40

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125594	02/16/2017	RODNEY CONNOR II	WINTER YOUTH BASKETBALL LEAGUE	115.00
125595	02/16/2017	COOPERATIVE PERSONNEL SERVICES	PROFESSIONAL SERVICES: CLASS & COMP	6,431.34
125596	02/16/2017	CORPORATE PAYMENT SYSTEMS	CREDIT CARD LATE FEE	9.35
125597	02/16/2017	CORPORATE PAYMENT SYSTEMS	MIRAMONTES BUSINESS MEALS/DEVELOPMENT SERVICES	374.17
125598	02/16/2017	CR&R	SOLID WASTE COLLECTIONS/JAN 17	91,224.90
125599	02/16/2017	CREATIVE PRINTING	BUSINESS CARDS/BOOKLETS/POSTCARDS	373.43
125600	02/16/2017	D & D SERVICES, INC.	ANIMAL DISPOSAL SERVICES/JAN 17	324.00
125601	02/16/2017	DAN'S FEED AND SEED INC.	RUBBER BOOTS/PROPANE/DUCT TAPE/SANDBAGS	190.06
125602	02/16/2017	DATA TICKET, INC.	DAILY CITATIONS/DEC 16	228.75
125603	02/16/2017	DISPENSING TECHNOLOGY CORP	COLD PATCH #2	1,235.56
125604	02/16/2017	EASTERN MUNICIPAL WATER DISTRICT	WHOLESALE WATER/DEC 16	978.00
125605	02/16/2017	EASTERN MUNICIPAL WATER DISTRICT	UTILITIES 1/10-2/08/17	1,801.66
125606	02/16/2017	EASTERN MUNICIPAL WATER DISTRICT	SEWER COLLECTIONS/JAN 17	186,012.13
125607	02/16/2017	EMERGENCY PET CLINIC OF TEMECULA	EMERGENCY SERVICES/ANIMAL CONTROL	60.00
125608	02/16/2017	EWING	MISC PARTS FOR PARKS	493.15
125609	02/16/2017	FAIR HOUSING COUNCIL OF RIVERSIDE COUNTY	FAIR HOUSING SERVICES/JAN 17	1,725.45
125610	02/16/2017	FAMILY SERVICE ASSOC/MOBILE FRESH	"MORE THAN A MEAL" PROGRAM	4,058.93
125611	02/16/2017	FASTENAL COMPANY	ORANGE SAFETY VESTS	864.42
125612	02/16/2017	FEDERAL EXPRESS CORP	DELIVERY 11/23/16	125.59
125613	02/16/2017	THE GAS COMPANY	NATURAL GAS FUEL/UTILITIES 12/27-2/01/17	105.37
125614	02/16/2017	GENERAL MASTRIX CONSTRUCTION	REPAIRS AT FIRE STATION/SENIOR CENTER/PATRIOT PARK	10,650.00
125615	02/16/2017	GOLDSTAR ASPHALT PRODUCTS	COLDPATCH ASPHALT	405.00
125616	02/16/2017	GOVERNMENT FINANCE OFFICERS ASSOC	ANNUAL MEMBERSHIP THROUGH 11/30/17	595.00
125617	02/16/2017	GRAFFITI TRACKER INC	GRAFFITI TRACKING SERVICES/FEB-APR 2017	4,725.00
125618	02/16/2017	GRANICUS, INC.	MONTHLY MANAGED SERVICE	3,836.75
125619	02/16/2017	GUARANTEED JANITORIAL SERVICE	BOB GLASS GYM-DEEP CLEAN/QUARTERLY TILE CARE	1,505.00
125620	02/16/2017	H & H GENERAL CONTRACTORS, INC.	MURRIETA ROAD IMPROVEMENTS	115,543.39
125621	02/16/2017	DARYL HARTWILL	REIMBURSEMENT: CWEA RENEWAL & TRAINING EXPENSE	158.00
125622	02/16/2017	HERNANDEZ LANDSCAPE CO, INC	LANDSCAPE BENEFIT ZONE/NOV 16	8,998.37
125623	02/16/2017	HOME DEPOT CREDIT SERVICES	COMMERCIAL GRADE BLACKTOP/CABINET/WOOD/GLUE	974.77
125624	02/16/2017	HUB CONSTRUCTION SPECIALTIES, INC	RAMPUP MAT/ADHESIVE/NAILS	659.88
125625	02/16/2017	IB REPROGRAPHICS	LA GARE AIR VENTS	50.54
125626	02/16/2017	IMPACT ADVERTISING	PROMO ITEMS FOR SHADOW DAY	698.69
125627	02/16/2017	IMPERIAL SPRINKLER SUPPLY	MISC STOCK PARTS FOR PARKS	71.10
125628	02/16/2017	INLAND DESERT SECURITY & COMMUNICATIONS, INC	ANSWERING SERVICES MARCH 17	687.60
125629	02/16/2017	JERRET CARTER	WINTER YOUTH BASKETBALL LEAGUE	69.00
125630	02/16/2017	JIM ROGERS' LOCK & KEY	DUPLICATE KEYS/VARIOUS DEPTS.	493.87
125631	02/16/2017	JOBS AVAILABLE INC.	RECRUITMENT/JOB POSTS	1,404.00
125632	02/16/2017	LAKE CHEVROLET	AUTO SUPPLIES, CLIPS	18.34
125633	02/16/2017	LARRY MORITA	REIMBURSEMENT: OFFICE SUPPLIES	39.86
125634	02/16/2017	LYNN MERRILL & ASSOCIATES, INC	INTERIM PARKS SUPPORT/DEC 16	2,171.02
125635	02/16/2017	MANPOWER TEMP SERVICES, INC	TEMP STAFF SERVICES	7,358.16
125636	02/16/2017	MICHAEL J MCDERMOTT	VISION REIMBURSEMENT	655.00
125637	02/16/2017	MIRROR FINISH DETAIL AND SUPPLY	PRESSURE WASH MOBILE STAGE	150.00
125638	02/16/2017	MR. G'S PLUMBING	CHAMBER OF COMMERCE/CITY HALL REPAIRS	1,460.00
125639	02/16/2017	NAPA AUTO PARTS	TRUFLEX V-BELT	26.18
125640	02/16/2017	LEMUEL NEAL	WINTER YOUTH BASKETBALL LEAGUE	143.00
125641	02/16/2017	NPG CORPORATION	SERVICE LOCATION RAMONA EXPWY & GOETZ/GOLDENROD AVE	94,835.31
125642	02/16/2017	PACIFIC CODE COMPLIANCE	INTERIM BLDG OFFICIAL/EMERGENCY/CDBG JANUARY 17	15,764.74
125643	02/16/2017	PERRIS AUTO SPEEDWAY	SPONSORSHIP	10,000.00
125644	02/16/2017	PERRIS VALLEY PRINTING CO.	ENVELOPES/SUPPLIES	831.14
125645	02/16/2017	KENNETH PHUNG	PROFESSIONAL SERVICES: PLANNING DEPT.	6,080.00
125646	02/16/2017	PRESS-ENTERPRISE, THE	SUBSCRIPTION THROUGH 1/27/17	36.36
125647	02/16/2017	RB TRUCK REPAIR INC	BIT INSPECTION 90 DAY	95.00
125648	02/16/2017	RELIABLE OFFICE SOLUTIONS INC	OFFICE SUPPLIES	829.94
125649	02/16/2017	RIVCO COATINGS	TEEN CENTER OFFICE	1,770.90
125650	02/16/2017	COUNTY OF RIVERSIDE	ANIMAL CONTROL SHELTER SERVICES/DEC 2016	8,775.00
125651	02/16/2017	COUNTY OF RIVERSIDE	FLEET/NOV 2016	807.51
125652	02/16/2017	RK ENGINEERING GROUP INC	TRAFFIC SIGNAL- A & 4TH STREET	1,000.00
125653	02/16/2017	SCE	UTILITIES 12/22-1/26/17	85,818.23
125654	02/16/2017	SEVERN TRENT ENVIRONMENTAL SVC	MAINT. & REPAIR FUND/DEC2016	1,712.80
125655	02/16/2017	SPARKLETT'S	BOTTLED WATER SERVICES	414.73
125656	02/16/2017	SPEC CONSTRUCTION CO., INC	PERRIS THEATER	75,469.68
125657	02/16/2017	STAFFMARK	TEMP STAFF SERVICES	1,693.57
125658	02/16/2017	THE STANDARD	LIFE/AD&D LTD/FEB 2017	1,383.11
125659	02/16/2017	STATER BROS MARKETS	CLASSROOM SUPPLIES/HEALTH FAIR MEETING/CLASS & COMP	326.33
125660	02/16/2017	STETSON ENGINEERS INC	PROFESSIONAL SERVICES, 11/10-11/30/16	4,975.10
125661	02/16/2017	STEVE LEMON AIR CONDITIONING	MONTHLY MAINTENANCE	3,228.00
125662	02/16/2017	SYNTECH	DELL P2017H	1,542.28
125663	02/16/2017	SPECTRUM BUSINESS	400 5 D ST 2/02-3/01/17	94.01
125664	02/16/2017	COUNTY OF RIVERSIDE	SLF COSTS DECEMBER 2016	15,634.09
125665	02/16/2017	TRI-LAKE CONSULTANTS, INC.	ATP GRANT SERVICES	3,644.40
125666	02/16/2017	TRI-R GENERAL CONTRACTORS INC	1751 YUCATECA/3157 LAKEVIEW DR	19,645.00
125667	02/16/2017	VAR RESOURCES	TELECOM EQUIPMENT 2/15-3/14/17	990.90
125668	02/16/2017	VISTA PAINT CORPORATION	BOB LONG PARK BUILDING	163.01

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125669	02/16/2017	VOYAGER FLEET	FUEL, CLOSING DATE 1/24/17	1,198.72
125670	02/16/2017	WATER EDUCATION SERVICES, INC	SERVICES RENDERED FOR JANUARY 2017	4,500.00
125671	02/16/2017	WESTERN RIVERSIDE COUNTY MSHCP	MSHCP FEES COLLECTED/JAN 2017	1,992.00
125672	02/16/2017	WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS	TUMF FEES COLLECTED/JAN 2017	8,873.00
125673	02/16/2017	YOURMEMBERSHIP.COM, INC	GOVTJOBS.COM VARIOUS POSTINGS	825.00
125674	02/22/2017	CLARA E. MIRAMONTES	REIMBURSE RETIREMENT DINNER FOR DAVE STUART	793.22
125675	02/23/2017	ADAME LANDSCAPE, INC.	MONTHLY MAINTENANCE/JAN 2017	550.00
125676	02/23/2017	AFB GROUP	PROFESSIONAL SERVICES, PARKS	7,920.00
125677	02/23/2017	AFFANT COMMUNICATION, INC	SHORETEL MONTHLY MAINT/MAR17	739.74
125678	02/23/2017	ALERE TOXICOLOGY SERVICES, INC	DRUG TEST 12/01/16	50.25
125679	02/23/2017	ALL AMERICAN ASPHALT	P8-1216 REDLANDS AVE	100,660.25
125680	02/23/2017	AMERICAN FORENSIC NURSES LLC	BLOOD DRAWS	520.00
125681	02/23/2017	AMERIPRIDE SERVICES INC.	UNIFORM SERVICES	486.73
125682	02/23/2017	VERONICA ARANA	VISION REIMBURSEMENT	165.00
125683	02/23/2017	AT&T	PW FAX LINE 1/06-2/05/17	21.14
125684	02/23/2017	AUTO AIDE TOWING	TOWING SERVICES 11/24 & 12/07	781.00
125685	02/23/2017	BASTION SECURITY INC.	MONTHLY TOWER MONITORING/JAN 2017	1,900.00
125686	02/23/2017	BILL & DAVE'S LDSC MAINTENANCE	BENEFIT ZONES MAINT. JANUARY 2017	4,940.00
125687	02/23/2017	BIO-TOX LABORATORIES	BLOOD ANALYSIS	1,461.10
125688	02/23/2017	TONYA BURKE	REIMBURSEMENT: VISION EXP & LEAGUE OF CA CITIES	275.90
125689	02/23/2017	CHEF LEE BURTON	CHEF IN GARDEN/BOYS & GIRLS CLUB	310.00
125690	02/23/2017	CALIFORNIA STATE DISBURSEMENT	GARNISHMENT	21.23
125691	02/23/2017	CALIFORNIA STATE DISBURSEMENT	GARNISHMENT	75.23
125692	02/23/2017	CAPITAL ONE PUBLIC FUNDING	HONEYWELL LEASE	2,563.82
125693	02/23/2017	ISABEL CARLOS	REIMBURSE EMPLOYEE RECOGNITION & CONF ROOM DÉCOR	190.83
125694	02/23/2017	CINTAS	FIRST AID KIT SUPPLIES	99.71
125695	02/23/2017	CITIZENS BUSINESS BANK	REPLENISH PETTY CASH	994.00
125696	02/23/2017	COMCATE	RENEWAL & MOBILE CITIZENS APP	6,431.98
125697	02/23/2017	CORPORATE PAYMENT SYSTEMS	BIANCO: LATE PAYMENT FEE	9.46
125698	02/23/2017	CORPORATE PAYMENT SYSTEMS	TEEN CENTER DIY WORKSHOP	89.65
125699	02/23/2017	CORPORATE PAYMENT SYSTEMS	CA SOCIETY OF MUNI. FINANCIAL OFFICERS	110.00
125700	02/23/2017	CORPORATE PAYMENT SYSTEMS	TYLER FORMS- CHECKS	349.63
125701	02/23/2017	CORPORATE PAYMENT SYSTEMS	SENIOR CENTER OFFICE SUPPL/PLANNING COMM/GARDEN SUPPLIES	897.06
125702	02/23/2017	CORPORATE PAYMENT SYSTEMS	RECREATION: SPECIAL EVENTS/CITY FARM MATERIALS	1,607.17
125703	02/23/2017	COUNTS UNLIMITED INC	TRAFFIC DATA COLLECTION	600.00
125704	02/23/2017	COZAD & FOX, INC.	ENGINEERING SERVICES AT 406 S D STREET	1,000.00
125705	02/23/2017	CREATIVE PRINTING	LAMINATE POSTER & ANIMAL CTRL BUSINESS CARDS	110.98
125706	02/23/2017	DENNIS GRUBB & ASSOCIATES	PLAN CHECK SERVICES	1,400.00
125707	02/23/2017	EASTERN MUNICIPAL WATER DISTRICT	UTILITIES 1/10-2/07/17	1,465.25
125708	02/23/2017	EMBASSY SUITES BY HILTON	CA SEX OFFENDER CONFERENCE MAR 1-3, 2017	423.00
125709	02/23/2017	EMPLOYMENT DEVELOPMENT DEPARTMENT	PERIOD ENDING 12/31/16	2,214.00
125710	02/23/2017	EMPLOYMENT SCREENING SERVICES	BACKGROUND CHECK 2/08/17	149.50
125711	02/23/2017	EXPERIAN	CREDIT SERVICES 1/03-1/26/17	55.67
125712	02/23/2017	FEDERAL EXPRESS CORP	SERVICES 1/04-1/24/17	268.72
125713	02/23/2017	FRANCHISE TAX BOARD	2015-16 CEDC CALIFORNIA EXEMPT	10.00
125714	02/23/2017	FULL THROTTLE	GRAFFITI ABATEMENT SERVICES 2/01-2/28/17	4,582.00
125715	02/23/2017	GORM, INC.	GRAY ROLL LINERS/FOAMCLEAN	444.64
125716	02/23/2017	GREER'S CONCRETE	REMOVED TREES, ORANGE AVE & CONSTRUCTION SERVICES	369,188.75
125717	02/23/2017	GUARANTEED JANITORIAL SERVICE	CITY FACILITIES JAN 2017	6,895.00
125718	02/23/2017	EVERETT HAMBLY IV	I.T. SUPPORT 2/06-2/19/17	1,950.00
125719	02/23/2017	HD SUPPLY WATERWORKS, LTD	CHAMBER OF COMMERCE	172.17
125720	02/23/2017	HINDERLITER DeLLAMAS & ASSOCIATES	SALES TAX AUDIT SERVICES, 3RD QTR	3,284.88
125721	02/23/2017	HOME DEPOT CREDIT SERVICES	MATERIALS FOR RETENTION BASIN REPAIRS/DRAINAGE/COMPRESSOR	1,095.69
125722	02/23/2017	HONEYWELL GLOBAL FINANCE	JANUARY 2017	7,563.58
125723	02/23/2017	IB REPROGRAPHICS	BOB GLASS GYM & MURRIETA @ ORANGE	165.07
125724	02/23/2017	IMPERIAL SPRINKLER SUPPLY	BENEFIT ZONES/PARKS	600.47
125725	02/23/2017	JOLLY JUMPS	HOLIDAY DÉCOR FOR TRAIN & SANTA AREA	4,185.00
125726	02/23/2017	JOSHUA D. NAGGAR	INDIAN HILLS CIR/RAMONA EXPWY	10,000.00
125727	02/23/2017	LOR GEOTECHNICAL GROUP INC	NUEVO RD & I-215 INTERCHANGE	10,220.75
125728	02/23/2017	LYNN MERRILL & ASSOCIATES, INC	NPDES INSPECTIONS/TECH SUPPORT DEC 2016	3,824.00
125729	02/23/2017	MAMCO INC.	NUEVO ROAD INTERCHANGE	240,912.73
125730	02/23/2017	MANPOWER TEMP SERVICES, INC	TEMP STAFF SERVICES	7,250.80
125731	02/23/2017	NAPA AUTO PARTS	WEDGE SPOT MIRROR	7.46
125732	02/23/2017	NATIONAL DRIVE	TEAMSTERS 911 DRIVE/FEB 17	24.00
125733	02/23/2017	ORLANDO BEN MORA	ACCELA CONSULTING FEES	4,000.00
125734	02/23/2017	PERRIS PROGRESS NEWSPAPER	PUBLIC HEARING	1,065.95
125735	02/23/2017	PERRIS VALLEY PRINTING CO.	48HR NOTICES	356.96
125736	02/23/2017	POSTER COMPLIANCE CENTER	1 YEAR COMPLIANCE PLAN RENEWAL	170.24
125737	02/23/2017	PREFERRED BENEFIT INSURANCE	DELTA DENTAL/FEB17	4,850.36
125738	02/23/2017	PREMIERE GLOBAL SERVICES	CONFERENCE SERVICES 1/01-1/31/17	8.19
125739	02/23/2017	PURCHASE POWER	POSTAGE METER SUPPLIES/LATE FEES	188.64
125740	02/23/2017	RCGIA	IE GANG CONFERENCE MARCH 2017	300.00
125741	02/23/2017	RELIABLE OFFICE SOLUTIONS INC	OFFICE SUPPLIES	1,170.31
125742	02/23/2017	RIGHTWAY	PORTABLE TOILET SERVICES	1,148.87
125743	02/23/2017	RCIT	APX 7500M DUAL BAND 12/01-12/31	1,027.40

**CITY OF PERRIS  
CHECK REGISTER  
February 28, 2017**

<b>CK NUMBER</b>	<b>DATE ISSUED</b>	<b>VENDOR</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
125744	02/23/2017	COUNTY OF RIVERSIDE	FIRE CONTRACT SERVICES OCT-DEC 2016	1,038,461.89
125745	02/23/2017	SCE	UTILITIES 1/07-2/07/17	133.31
125746	02/23/2017	THE SoCo GROUP INC	FUEL	2,366.77
125747	02/23/2017	SPARKLETTS	BOTTLED WATER SERVICES	333.44
125748	02/23/2017	STANLEY CONVERGENT SECURITY, INC	MONITOR & MAINTENANCE 3/01-3/31	440.25
125749	02/23/2017	STATER BROS MARKETS	LUNCHEON/COUNCIL MEETING/RECRUITMENTS/NEOP FOOD DEMOS	263.67
125750	02/23/2017	STOTZ EQUIPMENT	SKIP LOADER REPAIRS	9,868.54
125751	02/23/2017	SUNDOWN WINDOW TINTING	INSTALLED 13 PCS SOLAR FILM	386.00
125752	02/23/2017	SUNGARD PUBLIC SECTOR INC	MAINTENANCE 3/01-3/31	3,388.00
125753	02/23/2017	SYNTECH	BACK-UP SERVER SERVICES/JAN17	2,022.26
125754	02/23/2017	TEAMSTERS LOCAL 911	TEAMSTERS UNION DUES/FEB17	2,346.00
125755	02/23/2017	SPECTRUM BUSINESS	PUBLIC WORKS 2/11-3/10/17	21.58
125756	02/23/2017	TRI-LAKE CONSULTANTS, INC.	WATER FEASIBILITY STUDY	5,542.50
125757	02/23/2017	TYLER TECHNOLOGIES, INC.	ONSITE SUPPORT 1/23-1/27	2,110.78
125758	02/23/2017	U. S. POSTAL SERVICE	BULK PERMIT POSTAGE	4,000.00
125759	02/23/2017	U.S. HEALTHWORKS MEDICAL GROUP	ALCOHOL TEST SERVICE 1/10/17	39.00
125760	02/23/2017	UNITED STORM WATER, INC	STORM DRAIN & POST CONSTRUCTION BMP5	43651.08
125761	02/23/2017	UNITED WAY OF THE INLAND VALLEY	EMPLOYEE DONATION/FEB16	140.66
125762	02/23/2017	XEROX CORPORATION	COPIERS LEASE	267.58
125763	02/23/2017	XEROX CORPORATION	EQUIPMENT & SOFTWARE CHARGES	75.43
<b>TOTAL REGISTER</b>				<b>\$ 7,024,325.27</b>

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date March 28, 2017**

**SUBJECT:** Annexation of DPR 06-0140 to the City's Maintenance Districts

**REQUESTED ACTION:**

Open and Close of Public Hearing, Open 3 Ballots and Adoption of 3 Resolutions Ordering the Annexation of DPR 06-0140 to the City's Maintenance Districts, Giving Final Approval to the Engineer's Reports, and the Levying of the 2016-2017 Assessments

**CONTACT:** Habib Motlagh, City Engineer

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**BACKGROUND/DISCUSSION:** DPR 06-0140 is a 4.74-acre project under the ownership of Investment Building Group. The project is bordered on the east by Western Way, and is located approximately 300 feet north of Harley Knox Boulevard. An industrial building is to be constructed.

On January 31, 2017, resolutions were approved stating the City Council's intention to annex this project into the City's maintenance districts and set a Public Hearing for March 28, 2017.


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
**BUDGET (or FISCAL) IMPACT:** The proposed maximum annual assessments are subject to Standard Inflation Factors for labor, energy and water. The current maximum annual assessments, by district, are as follows:

<u>Maintenance District</u>	<u>Maximum Annual Assessment</u>
Maintenance District No. 84-1 (streetlights & traffic signals)	\$ 921.34
Landscape Maintenance District 1	4,746.06
Flood Control Maintenance District 1	5,490.00
Total Maximum Annual Assessment	\$11,157.40

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Reviewed by:

Interim Assistant City Manager 

Assistant Director of Finance 

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

**Attachments:**

1. Location Map
2. Resolution Ordering the Annexation of DPR 06-0140 to MD 84-1, Giving Final Approval to the Engineer's Report, and the Levying of the 2016-2017 Assessments.
3. Resolution Ordering the Annexation of DPR 06-0140 to LMD 1, Giving Final Approval to the Engineer's Report, and the Levying of the 2016-2017 Assessments.
4. Resolution Ordering the Annexation of DPR 06-0140 to FCMD 1, Giving Final Approval to the Engineer's Report, and the Levying of the 2016-2017 Assessments.

**Public Hearing:**

**ANNEXATION OF DPR 06-0140 TO CITY OF PERRIS MAINTENANCE DISTRICT NO. 84-1,  
LANDSCAPE MAINTENANCE DISTRICT NO. 1 AND FLOOD CONTROL MAINTENANCE DISTRICT NO. 1**

**MD 84-1**

2 Street Lights

Contribution towards traffic signals at the following intersections:  
 Harley Knox Boulevard and Patterson Avenue 5%  
 Harley Knox Boulevard and Western Way 15%

**LMD 1**

Western Way parkways along the east boundary

**FCMD 1**

Contribution towards flood control facilities that channel, contain, and convey storm flow to Oleander Storm Drain Channel, including:

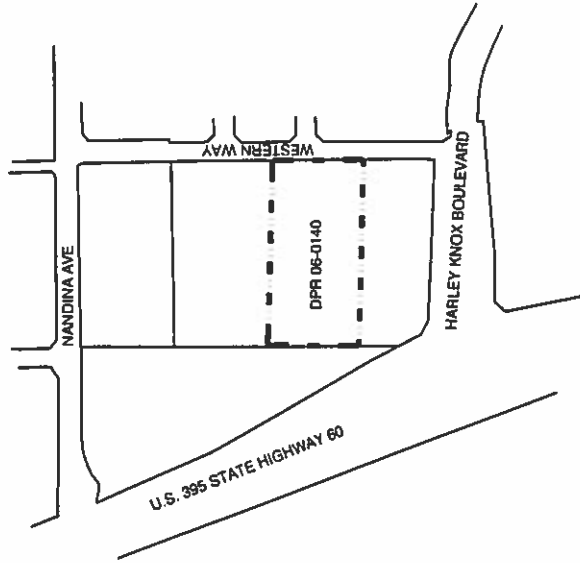
- Catch basins and outlets
- 18", 24" and 48" reinforced concrete pipe
- 2,450 lineal feet of 2' by 5' reinforced concrete box

Facility	Annual Assessment
Street Lights and Traffic Signals	\$ 921.34
Landscape Parkways	4,746.06
Flood Control Facilities	5,490.00
<b>Total Annual Assessments</b>	<b>\$ 11,157.40</b>

**Standard Inflation Factors (SIF)**

- 1) "Common Labor, Construction Cost Index", ENR
- 2) Southern California Edison rate increases
- 3) Eastern Municipal Water District rate increases

MD 84-1 Assessments include SIF 1 and 2  
 LMD 1 and FCMD 1 Assessments include SIF 1, 2, and 3



**4.74 Acres**

NTS

**RESOLUTION NUMBER**

***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 DPR 06-0140 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2016-2017***

**WHEREAS**, the City Council of the City of Perris, County of Riverside, California (“the City Council”) did on the 31st day of January 2017, adopt its Resolution of Intention Number 5078 to order the therein described work in connection with the annexation and assessment procedures in the City of Perris Maintenance District Number 84-1 (the “District”), which Resolution of Intention Number 5078 was duly and legally published in the time, form and manner as required by law, shown by the Affidavit of Publication of said Resolution of Intention on file in the office of the City Clerk; and

**WHEREAS**, after the adoption thereof, notice of the adoption of the Resolution of Intention, a Notice of Public Hearing and an Assessment Ballot were duly mailed to all persons owning real property proposed to be assessed for the improvements described in said Resolution of Intention Number 5078, according to the names and addresses of such owners as the same appears on the last equalized assessment roll for taxes of the County of Riverside or more recent information available to the City of Perris, which said documents were duly mailed in the time, form, and manner as required by law, as appears from the Affidavit of Mailing on file in the office of the City Clerk; and

**WHEREAS**, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in this proceedings and concerning the necessity for the contemplated work and the benefits to be derived therefrom and said City Council having now acquired jurisdiction to order the proposed maintenance work; and

**WHEREAS**, said City Council has determined that a majority protest does not exist.

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

***Section 1.*** That the public interest and convenience requires the annexation to the district and levying assessments for maintenance, and said City Council hereby orders that the work, as set forth and described in said Resolution of Intention Number 5078, be done and made.

**Section 2.** Be it further resolved that:

- A. The Riverside County assigned fund number for the Maintenance District No. 84-1 and the annexation thereto, is 68-2651.
- B. The assessments are in compliance with all laws pertaining to the levy of assessments in accordance with Section 53750 et seq. of the State of California Government Code.
- C. The assessments are in compliance with all laws pertaining to the levy of assessments in accordance with Section 22500 et seq. of the State of California Streets and Highways Code Code.
- D. The assessments are levied without regard to the property value.
- E. The purpose of the assessments is to provide for the energy and maintenance of streetlights and traffic signals that will benefit the parcels being assessed.

**Section 3.** That the report filed by the Engineer is hereby finally approved;  
and

**Section 4.** That pursuant to Sections 22640 and 22641 of the Code, the City Clerk shall file a certified copy of the diagram and assessment with the Riverside County Auditor-Controller not later than the third Monday in August.

**Section 5.** Be it finally resolved that the method of assessment in the Engineer's Report is hereby approved and the assessments for Fiscal Year 2016-2017 are hereby levied.

**ADOPTED, SIGNED and APPROVED** this 28th day of March 2017.

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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 \_\_\_\_ was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 28th day of March 2017, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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City Clerk, Nancy Salazar

**RESOLUTION NUMBER**

**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 DPR 06-0140 TO BENEFIT ZONE 123, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2016-2017**

**WHEREAS**, the City Council of the City of Perris, County of Riverside, California ("the City Council") did on the 31st day of January 2017, adopt its Resolution of Intention Number 5075 to order the therein described work in connection with the annexation and assessment procedures in the City of Perris Landscape Maintenance District Number 1 (the "District"), which Resolution of Intention Number 5075 was duly and legally published in the time, form and manner as required by law, shown by the Affidavit of Publication of said Resolution of Intention on file in the office of the City Clerk; and

**WHEREAS**, after the adoption thereof, notice of the adoption of the Resolution of Intention, a Notice of Public Hearing and an Assessment Ballot were duly mailed to all persons owning real property proposed to be assessed for the improvements described in said Resolution of Intention Number 5075, according to the names and addresses of such owners as the same appears on the last equalized assessment roll for taxes of the County of Riverside or more recent information available to the City of Perris, which said documents were duly mailed in the time, form, and manner as required by law, as appears from the Affidavit of Mailing on file in the office of the City Clerk; and

**WHEREAS**, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in this proceedings and concerning the necessity for the contemplated work and the benefits to be derived therefrom and said City Council having now acquired jurisdiction to order the proposed maintenance work; and

**WHEREAS**, said City Council has determined that a majority protest does not exist.

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

**Section 1.** That the public interest and convenience requires the annexation to the district and levying assessments for maintenance, and said City Council hereby orders that the work, as set forth and described in said Resolution of Intention Number 5075, be done and made.

**Section 2.** Be it further resolved that:

- A. The Riverside County assigned fund number for the Landscape Maintenance District No. 1 and the annexation thereto, is 68-2652.
- B. The assessments are in compliance with all laws pertaining to the levy of assessments in accordance with Section 53750 et seq. of the State of California Government Code.
- C. The assessments are in compliance with all laws pertaining to the levy of assessments in accordance with Section 22500 et seq. of the State of California Streets and Highways Code Code.
- D. The assessments are levied without regard to the property value.
- E. The purpose of the assessments is to provide landscape maintenance on those lands that will benefit the parcels being assessed.

**Section 3.** That the report filed by the Engineer is hereby finally approved;

and

**Section 4.** That pursuant to Sections 22640 and 22641 of the Code, the City Clerk shall file a certified copy of the diagram and assessment with the Riverside County Auditor-Controller not later than the third Monday in August.

**Section 5.** Be it finally resolved that the method of assessment in the Engineer's Report is hereby approved and the assessments for Fiscal Year 2016-2017 are hereby levied.

**ADOPTED, SIGNED and APPROVED** this 28th day of March 2017.

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Mayor, Michael M. Vargas

ATTEST:

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City Clerk, Nancy Salazar

*RESOLUTION NUMBER*

*Page 3*

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 28th day of March 2017, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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City Clerk, Nancy Salazar

**RESOLUTION NUMBER**

***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 DPR 06-0140 TO BENEFIT ZONE 92, CITY OF PERRIS FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2016-2017***

**WHEREAS**, the City Council of the City of Perris, County of Riverside, California (“the City Council”) did on the 31st day of January 2017, adopt its Resolution of Intention Number 5079 to order the therein described work in connection with the annexation and assessment procedures in the City of Perris Flood Control Maintenance District Number 1 (the “District”), and which a Notice of Public Hearing was duly and legally published in the time, form and manner as required by law, shown by the Affidavit of Publication of said Notice on file in the office of the City Clerk; and

**WHEREAS**, after the adoption of Resolution Number 5079, said Resolution was duly posted in the time, form and manner as required by law, shown by the Affidavit of Posting on file in the office of the City Clerk; and

**WHEREAS**, after the adoption thereof, notice of the adoption of the Resolution of Intention, a Notice of Public Hearing and an Assessment Ballot were duly mailed to all persons owning real property proposed to be assessed for the improvements described in said Resolution of Intention Number 5079, according to the names and addresses of such owners as the same appears on the last equalized assessment roll for taxes of the County of Riverside or more recent information available to the City of Perris, which said documents were duly mailed in the time, form, and manner as required by law, as appears from the Affidavit of Mailing on file in the office of the City Clerk; and

**WHEREAS**, said City Council having duly received and considered evidence, oral and documentary, concerning the jurisdiction facts in this proceedings and concerning the necessity for the contemplated work and the benefits to be derived therefrom and said City Council having now acquired jurisdiction to order the proposed maintenance work; and

**WHEREAS**, said City Council has determined that a majority protest does not exist.

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

**Section 1.** That the public interest and convenience requires the annexation to the district and levying assessments for maintenance, and said City Council hereby orders that the work, as set forth and described in said Resolution of Intention Number 5079, be done and made.

**Section 2.** Be it further resolved that:

- A. The Riverside County assigned fund number for the Flood Control Maintenance District No. 1 and the annexation thereto, is 68-2657.
- B. The assessments are in compliance with all laws pertaining to the levy of assessments in accordance with Section 53750 et seq. of the State of California Government Code.
- C. The assessments are in compliance with all laws pertaining to the levy of assessments in accordance with Section 22500 et seq. of the State of California Streets and Highways Code Code.
- D. The assessments are levied without regard to the property value.
- E. The purpose of the assessments is to provide flood control facility maintenance on those lands that will benefit the parcels being assessed.

**Section 3.** That the report filed by the Engineer is hereby finally approved;  
and

**Section 4.** Be it finally resolved that the method of assessment in the Engineer's Report is hereby approved and the assessments for Fiscal Year 2016-2017 are hereby levied.

**ADOPTED, SIGNED** and **APPROVED** this 28th day of March 2017.

\_\_\_\_\_  
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 28th day of March 2017, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: March 28, 2017**

**SUBJECT: Consider Adoption of Resolutions of Necessity to Acquire Real Property for the Widening of Perris Boulevard**

**REQUESTED ACTION:** (1) That the City Council hold a public hearing on the proposed Resolutions of Necessity and (2) adopt the Resolutions of Necessity authorizing the commencement of eminent domain actions to acquire fee simple interests and/or temporary construction easements in portions of APN 313-092-013, APN 313-092-014, APN 310-022-001, and APN 310-024-001 ("Real Property Interests")

**CONTACT:** Eric L. Dunn, City Attorney

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**BACKGROUND/DISCUSSION:**

Acquisition of the Real Property Interests (See Exhibits to proposed Resolutions) is necessary for the widening of Perris Boulevard between Interstate 215 and 4<sup>th</sup> Street ("Project"). A written offer was presented to each of the Owners of Record ("Owners"), as required by California Government Code Section 7267.2. The Owners have not accepted the offers made by the City or presented counter offers, and consequently, negotiated agreements have not been reached. The Real Property Interests are necessary for the City to proceed with the Project. Therefore, staff recommends the City Council authorize the acquisition of the Real Property Interests through eminent domain.

In accordance with California Government Code Section 1245.235, the City has prepared and mailed notice of this hearing to the Owners informing them of their right to appear at this hearing and be heard on the following issues: (1) whether the public interest and necessity require the Project; (2) whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; (3) whether the Real Property Interests are necessary for the Project; (4) whether the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or has not been made because the owner cannot be located with reasonable diligence; and (5) whether the offer required by Section 7267.2 of the Government Code was made in the form and substance required by law.

While a hearing on a resolution of necessity is often referred to as a public hearing, the only notice required is 15 days notice by regular mail to the property owner. No published notice is required.

The affirmative vote of two-thirds of all the members of the City Council is required to adopt the Resolutions of Necessity.

**COMPLIANCE WITH CEQA**

Acquisition of real property by a public agency for the widening of Perris Boulevard is a discretionary action subject to the California Environmental Quality Act ("CEQA"). Planning Division staff have reviewed the Project and have concluded it is exempt from CEQA under the



Class 4 categorical exemption for minor alterations to land for roadway widening purposes set forth in Section 15304 of the State CEQA Guidelines (Chapter 3 of Division 6 of Title 14 of the California Code of Regulations).

The Class 4 CEQA exemption applies to minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. Examples included in Section 15304, as relevant to the Project, include:

(a) Grading on land with a slope of less than 10 percent, except that grading shall not be exempt in a waterway, in any wetland, in an officially designated (by federal, state, or local government action) scenic area, or in officially mapped areas of severe geologic hazard such as an Alquist-Priolo Earthquake Fault Zone or within an official Seismic Hazard Zone, as delineated by a State Geologist.

(h) The creation of bicycle lanes on existing rights-of-way.

The Project will expand Perris Boulevard to three lanes in each direction between Interstate 215 and 4<sup>th</sup> Street per the General Plan. The grading will be on flat land with a slope of less than 10% and will not take place in a waterway, wetland, officially designated scenic area, or an officially mapped area of severe geologic hazard. The Project also includes the creation of bicycle lanes on Perris Boulevard.

Accordingly, the Section 15304 exemption is supported by substantial evidence. A Notice of Exemption was filed with the Riverside County Clerk on November 3, 2016.

#### EVIDENCE IN SUPPORT OF THE FINDINGS IN THE RESOLUTIONS

Public acquisition of private property by eminent domain for public streets and right-of-way is authorized by Section 19 of Article I of the California Constitution, California Code of Civil Procedure Sections 1240.010 through 1240.050 and Sections 1240.410 through 1240.430, and Government Code Sections 37350, 37350.5, 37353, and 40404.

Pursuant to California Government Code Section 1240.030, the power of eminent domain may be exercised to acquire property for a proposed project only if all of the following are established:

(a) The public interest and necessity require the project.

(b) The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

(c) The property sought to be acquired is necessary for the project.

In addition, a resolution of necessity must include a finding that the offer required by Government Code Section 7267.2 has been made to the owner or owners of record, or the offer was not made because the owner could not be located with reasonable diligence.

The public interest, convenience, and necessity require the Project to accommodate growth and development as anticipated in the Land Use Element. Perris Boulevard starts from 11<sup>th</sup> Street in the City of Perris and extends to the northern portion of the City of Moreno Valley. Currently, Perris Boulevard consists of four lanes from Placentia Avenue to 300 feet north of

Ramona Expressway and two lanes from 300 feet north of Ramona Expressway to the City limits. The Project will expand Perris Boulevard to three lanes in each direction per the General Plan. The Project will improve traffic safety and emergency vehicle response times.

The Project is planned in the manner which will be the most compatible with the greatest public good and the least private injury. Perris Boulevard is part of the City's General Plan and Circulation Element. Widening the existing roadway is the only practical means of achieving the necessary traffic capacity. Re-routing Perris Boulevard would be cost prohibitive and have a greater impact on private property owners because more private property would need to be acquired than is necessary for widening the existing roadway.

Acquisition of the fee simple interest and temporary construction easement in portions of one of the Kaus properties, APN 313-092-013, would result in a partial taking of the building on the property. While the building, in theory, could be repaired, the result would be an awkwardly configured structure. Acquisition of the entire property is not necessary. However, acquiring the portion of APN 313-092-013 that would be required for completion of the ultimate right-of-way shown in the Circulation Element of the City's General Plan will allow Kaus the potential to rebuild on the remaining land without risk that another permanent taking would be required in the future if Perris Boulevard is expanded to its ultimate width. Thus, the City has determined acquiring the portion of the property in which the building sits and demolishing the building, while leaving the remainder of the property to the owner, will result in less private injury than either a more limited taking or a complete taking.

The fee simple interest and temporary construction easement proposed to be acquired in portions of the other Kaus property, APN 313-092-014, would also result in a partial taking of the property. Similar to the reason for the partial taking on APN 313-092-013, acquiring the portion of APN 313-092-013 that would be required for completion of the ultimate right-of-way shown in the Circulation Element of the City's General Plan will allow Kaus to use or further develop the remainder of that property without risk that another permanent taking would be required in the future if Perris Boulevard is expanded to its ultimate width. Thus, acquiring the portion of APN 313-092-014 necessary for construction of the ultimate right-of-way will result in less private injury than a more limited taking.

The property interests proposed to be acquired in APN 310-022-001, owned by an affiliate of CEMEX, and in APN 310-024-001, are only the portions of the properties the City needs at the present time. Acquisition of a larger portion of either APN 310-022-001 or APN 310-024-001 at this time would affect improvements on those properties without any present benefit to the public or the property owners.

The acquisition of the Real Property Interests is necessary for the Project because, without the Real Property Interests, the Project cannot be constructed.

The City of Perris made offers to the owners of the Real Property Interests on the following dates:

APN	Date of Offer
313-092-013	September 24, 2015; August 31, 2016, February 9, 2017

313-092-014	July 6, 2015; January 23, 2017
310-022-001	May 19, 2016
310-024-001	July 7, 2015

**REQUIRED FINDINGS AND SUPPORTING EVIDENCE**

After the City receives testimony and evidence from all interested parties, the City Council must make a determination as to whether to acquire the Real Property Interests by eminent domain and adopt the proposed Resolutions of Necessity (Attachments "A" through "D"). The City must find and determine that based upon all the evidence and the existence of the above stated conditions, (a) public interest and necessity require the project, (b) the project is planned in the manner that will be most compatible with the greatest public good and the least private injury, (c) acquisition by eminent domain is necessary, and (d) the offer required by Government Code Section 7267.2 has been made to the owner or owners of record, or the offer was not made because the owner could not be located with reasonable diligence.

If this action is approved by the City Council, the City Attorney will be instructed to take all steps necessary to commence legal proceedings in a court of competent jurisdiction to acquire the Real Property Interests by eminent domain. Counsel will also be directed to seek and obtain an order of Prejudgment Possession in accordance with the provisions of the eminent domain law.

**BUDGET (or FISCAL) IMPACT:**

The cost of acquisition of right of way and construction of the Project will be funded with TUMF and local transportation funds.

Reviewed by:

City Attorney   X    
Assistant City Manager   DM    
Assistant Finance Director   JF  

Attachments:

- A. Resolution of Necessity for APN 313-092-013
- B. Resolution of Necessity for APN 313-092-014
- C. Resolution of Necessity for APN 310-022-001
- D. Resolution of Necessity for APN 310-024-001

Consent:  
Public Hearing: X  
Business Item:  
Other:

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST AND NECESSITY REQUIRE ACQUISITION OF REAL PROPERTY INTERESTS IN A PORTION OF THE PROPERTY KNOWN AS ASSESSOR'S PARCEL NO. 313-092-013**

**WHEREAS**, for the public purposes set forth herein, the City of Perris, California is authorized to acquire property through the exercise of eminent domain pursuant to Section 19 of Article 1 of the California Constitution, Section 1240.010 through 1240.050 of the California Code of Civil Procedure, and Sections 37350, 37350.5, 37353, and 40404 of the California Government Code; and

**WHEREAS**, the "Project" for the purposes of this acquisition consists of the Perris Boulevard Road Project, which generally consists of the widening of the Perris Boulevard Arterial between Interstate 215 and 4<sup>th</sup> Street (referred to herein as the "Project"); and

**WHEREAS**, in order to carry out and make effective the principal purpose of the Project, it is necessary for the City of Perris to acquire the fee simple interest, a temporary construction easement in portions of certain privately-owned real property located at 171 East 1<sup>st</sup> Street, in the City of Perris, County of Riverside, California, Assessor's Parcel No. 313-092-013, and the entire building located on Assessor's Parcel No. 313-092-013 ("Real Property Interests"); and

**WHEREAS**, the portion of the property in which the City seeks to acquire the fee simple interest is described in Exhibit "A" which is attached hereto and incorporated by this reference, and depicted on the diagram attached hereto as Exhibit "B" which is incorporated by this reference (hereinafter the "Property"); and

**WHEREAS**, the portion of the property in which the City seeks to acquire a temporary construction easement is described in Exhibit "C" which is attached hereto and incorporated by this reference, and depicted on the diagram attached hereto as Exhibit "D" which is incorporated by this reference; and

**WHEREAS**, on or about September 24, 2015 the City made a written offer to acquire portions of the Property together with certain improvements; and

**WHEREAS**, on or about August 31, 2016 the City made a written offer to acquire the whole of the Property; and

**WHEREAS**, since the August 31, 2016 offer the City has determined rather than acquire the whole Property, it is necessary to acquire a larger portion of the land area than was stated in the original offer; and

**WHEREAS**, on or about February 9, 2017 the City made a written offer to acquire the Real Property Interests at an amount that was not less than the appraised fair market value in compliance with Government Code Section 7267.2(a), and the owner of the Property has not accepted said offer or otherwise conveyed the Real Property Interests to the City as of the date of this Resolution; and

**WHEREAS**, on March 13, 2017 a Notice of Intent to Adopt a Resolution of Necessity for Acquisition of Real Property Interests in certain real property identified as Assessor's Parcel No. 313-092-013 (a copy of which is attached hereto as Exhibit "E" and incorporated by this reference) was mailed to all persons whose names appear on the last equalized County Assessment Roll as having an ownership interest in the Property, which Notice of Hearing advised said persons of their right to be heard on the matters referred to therein on the date and at the time and place stated therein; and

**WHEREAS**, the hearing that was the subject of said Notice of Hearing was held on March 28, 2017, at the time and place stated therein and all interested parties were given an opportunity to be heard on the following matters:

- (a) Whether the public interest and necessity require the Project;
- (b) Whether the Project is planned or located in a manner which is most compatible with the greatest public good and the least private injury;
- (c) Whether the Real Property Interests proposed to be acquired are necessary for the Project;

- (d) Whether an offer meeting the requirements of Government Code Section 7267.2 has been made to the owner or owners of record;
- (e) Whether the offer required by Section 7267.2 of the Government Code was made in the form and substance required by law; and

**WHEREAS**, the City Council, as a result of such hearing, has determined that the public health, safety, and welfare require the City to acquire the Real Property Interests in the Property for the stated purposes; and

**WHEREAS**, the Planning Division has determined the Project for which the Real Property Interests are being acquired is exempt from the California Environmental Quality Act pursuant to the Notice of Exemption filed with the Riverside County Clerk on November 3, 2016.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council hereby does find, determine, and declare based upon evidence presented to it as follows:

Section 1. The staff report presented regarding this matter at the March 28, 2017 hearing is incorporated herein by this reference. The facts referenced in this Resolution and the staff report, and specifically the recitals above, are found to be true and are incorporated herein by this reference. The findings made by the City Council herein are supported by substantial evidence contained in the record of this proceeding.

Section 2. The fee simple interest to be acquired is located within the City of Perris, County of Riverside, State of California, Assessor's Parcel No. 313-092-013, as more specifically described above and in Exhibit "A" and depicted in Exhibit "B". The temporary construction easement to be acquired, which will be in effect for a period of 12 months, commencing upon written notice to the owner of the Property from the City of Perris, located west of the fee simple right of way acquisition, and a total of 2,200 square feet is described in Exhibit "C" and depicted in Exhibit "D".

Section 3. The public interest, convenience, and necessity require the Project to accommodate growth and development as anticipated in the Land Use Element. Perris Boulevard starts from 11<sup>th</sup> Street in the City of Perris and extends to the northern portion of the

City of Moreno Valley. Currently, Perris Boulevard consists of four lanes from Placentia Avenue to 300 feet north of Ramona Expressway and two lanes from 300 feet north of Ramona Expressway to the City Limits. The Project will expand Perris Boulevard to three lanes in each direction per the General Plan. The Project will improve traffic safety and emergency vehicle response times.

Section 4. The Project is planned in the manner which will be the most compatible with the greatest public good and the least private injury. Perris Boulevard is part of the City's General Plan and Circulation Element. Acquisition of the Real Property Interests would result in a partial taking of the building on the Property. While the building, in theory, could be repaired, the result would be an awkwardly configured structure. Acquisition of the entire Property is not necessary. However, acquiring the portion of the Property that would be required for completion of the ultimate right-of-way shown in the Circulation Element of the City's General Plan will allow the owner of the Property the potential to rebuild on the remaining land without risk that another permanent taking would be required in the future if Perris Boulevard is expanded to its ultimate width. Thus, the City has determined acquiring the portion of the Property in which the building sits and demolishing the building, while leaving the remainder of the Property to the owner, will result in less private injury than either a more limited taking or a complete taking. Widening the existing roadway is the only practical means of achieving the necessary traffic capacity. Re-routing Perris Boulevard would be cost prohibitive and have a greater impact on private property owners because more private property would need to be acquired than is necessary for widening the existing roadway.

Section 5. The acquisition of the Real Property Interests is necessary for the Project because without the Real Property Interests, the Project cannot be constructed. The Real Property Interests are part of the ultimate width of Perris Boulevard. Acquisition of the Real Property Interests for public right-of-way is expressly authorized by Section 19 of Article 1 of the California Constitution, California Code of Civil Procedure Sections 1240.010 through 1240.050 and Government Code Sections 37350, 37350.5, 37353, and 40404.

Section 6. The offer required by Government Code Section 7267.2 has been made to the owner of record of the Property, by way of letter dated February 9, 2017, yet no agreement has been reached.

Section 7. The City hereby declares its intent to acquire the Real Property Interests in a portion of the Property described in Exhibit "A" in the City's name, in accordance with the provisions of the law of the State of California and finds that all conditions, statutory requirements and prerequisites to the exercise of eminent domain to acquire the Real Property Interests described herein and the Project have been complied with by the City.

Section 8. The law firm of Aleshire & Wynder, LLP, is hereby authorized and directed to prepare, institute, and prosecute in the name of the City such proceedings, in the Court having proper jurisdiction thereof, as may be necessary for the acquisition of the Real Property Interests in accordance with the provisions of the California Eminent Domain Law and the Constitution of California. Said counsel are also authorized and directed to obtain any necessary order of the Court granting the City the right of immediate possession and occupancy of the Property.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the City Council of the City of Perris this 28<sup>th</sup> day of March 2017.

\_\_\_\_\_  
MICHAEL M. VARGAS  
MAYOR OF THE CITY OF PERRIS

ATTEST:

\_\_\_\_\_  
NANCY SALAZAR  
CITY CLERK



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 Resolution No. \_\_\_\_\_ was adopted by the City Council of the City of Perris at a regular meeting held on the 28<sup>th</sup> day of March, 2017, and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

NANCY SALAZAR  
CITY CLERK

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**A.P.N. 313-092-013**

**PARCEL "A"**

THE EAST 34.00 FEET OF LOT 21 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE 270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 5100 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

**PARCEL "B"**

THAT PORTION OF LOT 21 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE 270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA DESCRIBED AS FOLLOWS:

**BEGINNING AT THE NORTHWEST CORNER OF ABOVE DESCRIBED PARCEL "A":**

**THENCE SOUTH 00° 04' 59" EAST, ALONG THE WEST LINE OF SAID PARCEL "A", A DISTANCE OF 25.00 FEET:**

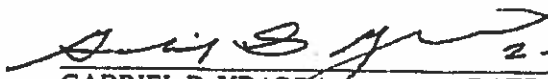
**THENCE NORTH 32° 40' 41" WEST, A DISTANCE OF 29.70 FEET TO THE NORTHWEST CORNER OF SAID LOT 21:**

**THENCE SOUTH 89° 59' 59" EAST, A DISTANCE OF 16.00 FEET TO THE POINT OF BEGINNING.**

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 200 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED UNDER THE SUPERVISION OF

  
GABRIEL D. YBARRA      2-7-2017      DATE  
LAND SURVEYOR NO. 4343  
REGISTRATION EXPIRES 06-30-2018



**EXHIBIT "B"**

**PLAT**

# EXHIBIT "B" PLAT

SHEET 1 OF 1 SHEET

SHOWING THE PROPOSED ACQUISITION OF RIGHT-OF-WAY OVER  
LOT 21 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS  
AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE  
270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

**KELLY CHARLES KAUS LIVING TRUST**  
**A.P.N. 313-092-013**

### LINE DATA

(N)	BEARING	DISTANCE
①	S 00°04'59" E	25.00'
②	N 32°40'41" W	29.70'
③	S 89°59'59" E	16.00'



PREPARED UNDER THE SUPERVISION OF:

*Gabriel D. Ybarra*  
2/07/17  
GABRIEL D. YBARRA L.S. 4343 DATE

**Record Owner:**

Kelly Charles Kaus, Trustee  
Kelly Charles Kaus Living Trust  
Dated August 19, 1997  
171 East First Street  
Perris, CA 92570

**Exhibit prepared by:**

Action Surveys  
1045 Main Street, Suite 102  
Riverside, CA 92501  
(951) 686-6166

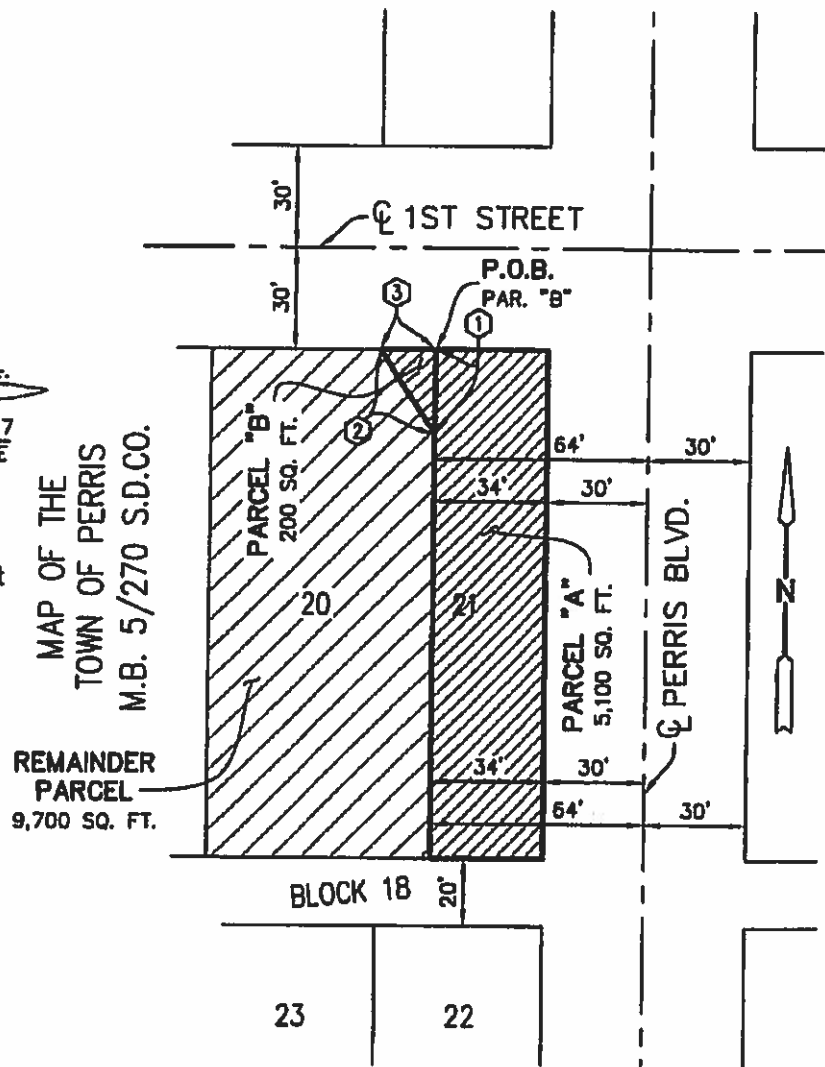
**Exhibit prepared for:**

Tri Lake Consultants, Inc.  
120 N. Perris Boulevard  
Perris, CA 92570  
(951) 943-6504

Scale: 1" = 50'

Assessor's Parcel Numbers:  
313-092-013

Date Exhibit Prepared:  
February 7, 2017



**EXHIBIT "C"**

**LEGAL DESCRIPTION FOR TEMPORARY CONSTRUCTION EASEMENT**

**EXHIBIT "C"**  
**LEGAL DESCRIPTION**  
**FOR TEMPORARY CONSTRUCTION EASEMENT**  
**A.P.N. 313-092-013**

**PARCEL "A"**

THAT PORTION OF LOT 21 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE 270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 21 IN BLOCK 18 OF SAID MAP;

THENCE SOUTH 32° 40' 41" EAST, A DISTANCE OF 29.70 FEET TO A POINT ON THE WEST LINE OF THE EAST 34.00 OF SAID LOT 21 WHICH IS 25.00 FEET SOUTH OF THE NORTH LINE OF SAID LOT 21;

THENCE SOUTH 00° 04' 59" EAST, ALONG SAID WEST LINE, A DISTANCE OF 125.00 FEET TO THE SOUTH LINE OF SAID LOT 21;


THENCE NORTH 89° 59' 59" WEST, A DISTANCE OF 16.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 21;

THENCE NORTH 00° 04' 59" WEST, ALONG THE WEST LINE OF SAID LOT 21, A DISTANCE OF 150.00 FEET POINT OF BEGINNING.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 2,200 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "D" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED UNDER THE SUPERVISION OF

  
GABRIEL D. YBARRA      2-7-2017      DATE  
LAND SURVEYOR NO. 4343  
REGISTRATION EXPIRES 06-30-2018



**EXHIBIT "D"**

**PLAT FOR TEMPORARY CONSTRUCTION EASEMENT**



# EXHIBIT "D" PLAT

SHEET 1 OF 1 SHEET

SHOWING THE TEMPORARY CONSTRUCTION EASEMENT OVER  
LOT 21 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS  
AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE  
270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

**KELLY CHARLES KAUS LIVING TRUST**  
**A.P.N. 313-092-013**

**LINE DATA**

④	BEARING	DISTANCE
①	S 32°40'41" E	29.70'
②	S 00°04'59" E	125.00'
③	N 89°59'59" W	18.00'
④	N 00°04'59" W	150.00'



PREPARED UNDER THE SUPERVISION OF:

*G. D. Ybarra*  
2/07/17  
GABRIEL D. YBARRA L.S. 4343 DATE

**Record Owner:**

Kelly Charles Kaus, Trustee  
Kelly Charles Kaus Living Trust  
Dated August 19, 1997  
171 East First Street  
Perris, CA 92570

**Exhibit prepared by:**

Action Surveys  
1045 Main Street, Suite 102  
Riverside, CA 92501  
(951) 686-6166

**Exhibit prepared for:**

Tri Lake Consultants, Inc.  
120 N. Perris Boulevard  
Perris, CA 92570  
(951) 943-6504

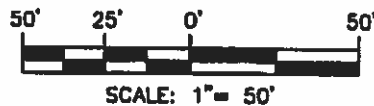
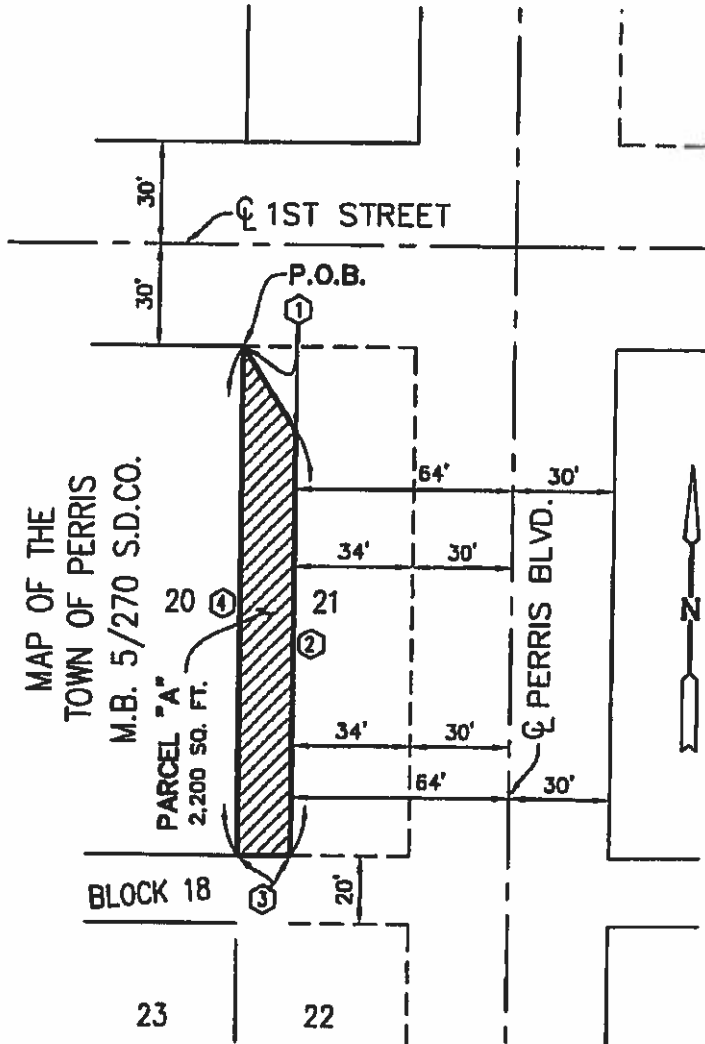
Scale: 1" = 50'

**Assessor's Parcel Numbers:**

313-092-013

**Date Exhibit Prepared:**

February 7, 2017



**EXHIBIT "E"**

**NOTICE OF INTENT TO ADOPT RESOLUTION OF NECESSITY**



**ALESHIRE &  
WYNDER LLP**  
ATTORNEYS AT LAW

ORANGE COUNTY | LOS ANGELES | RIVERSIDE | CENTRAL VALLEY

Nicolas D. Papajohn  
npapajohn@awattorneys.com  
(949) 223-1170

18881 Von Karman Avenue,  
Suite 1700  
Irvine, CA 92612  
P (949) 223-1170  
F (949) 223-1180

AWATTORNEYS.COM

March 13, 2017

**VIA U.S. PRIORITY MAIL**

Kelly Charles Kaus, Trustee  
THE KELLY CHARLES KAUS LIVING TRUST  
Post Office Box 1441  
Perris, California 92572

Re: APN: 313-092-013  
Property: 171 E. 1<sup>st</sup> Street, Perris, CA  
Subject: Offer to Purchase Property

Dear Mr. Kaus:

Our law firm is legal counsel to the City of Perris (the "City") and we are sending this letter on behalf of the City. As you are aware, the City previously made an offer on September 24, 2015, to purchase portions of your property identified as Assessor's Parcel No. 313-092-013 in the City of Perris, California, located at 171 E. 1<sup>st</sup> Street ("Property"), together with certain improvements pertaining to the Property. On August 31, 2016, the City made a revised offer to purchase the fee simple interest in all of the Property. Since August 31, 2016, the City has determined, rather than acquire the entire Property, it is necessary to acquire a larger portion of the land area than was stated in the original offer. On February 9, 2017, the City made an offer to purchase the fee simple interest in a 34 foot wide strip of land, the entire building located on Assessor's Parcel No. 313-092-013, and a temporary construction easement (the "Subject Interests").

The City reiterates its February 9, 2017, offer to purchase the Subject Interests for [REDACTED] subject to the conditions stated in the offer.

You are also hereby notified that the City intends to consider the adoption of a resolution of necessity authorizing acquisition of said Subject Interests by eminent domain. The City's governing body will consider that resolution at a meeting to be held at the following time and place:

Date: March 28, 2017  
Time: 6:30 p.m.  
Location: City of Perris, City Hall, Council Chambers, 101 North D Street, Perris, California

You have the right to appear at the meeting and be heard on the following issues:

Kelly Charles Kaus, Trustee  
March 13, 2017  
Page 2

1. Whether the public interest and necessity require the project;
2. Whether the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
3. Whether the property sought to be acquired is necessary for the project;
4. Whether the offer required by Section 7267.2 of the Government Code has been made to the owner(s) of record; and
5. Whether the offer required by Section 7267.2 of the Government Code was made in the form and substance required by law.


**NOTICE:** If you fail to file a written request to be heard at the hearing within 15 days after the date of this letter, then the City may decide not to hear or consider any evidence which you may have to present. Please also be advised that, if you do not appear and present information to the City at the hearing, then you may be precluded from later challenging the City's authority to acquire said Subject Interests through its use of the power of eminent domain.

We understand that you have been in discussions with the City regarding this matter. Neither the pendency of the City's consideration of the resolution of necessity, nor the initiation of formal eminent domain proceedings, in any way prevents further negotiations from occurring for the acquisition of said Subject Interests, and the City will be most willing to continue such negotiations.

Thank you for your cooperation in this matter.

Very truly yours,

ALESHIRE & WYNDER, LLP



Nicolas D. Papajohn  
Associate

NDP:kb:bb

cc: Habib Motlagh, City Engineer (via email)  
Eric Dunn, City Attorney (via email)  
June Ailin, Deputy City Attorney (via email)

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST AND NECESSITY REQUIRE ACQUISITION OF REAL PROPERTY INTERESTS IN A PORTION OF THE PROPERTY KNOWN AS ASSESSOR'S PARCEL NO. 313-092-014**

**WHEREAS**, for the public purposes set forth herein, the City of Perris, California is authorized to acquire property through the exercise of eminent domain pursuant to Section 19 of Article 1 of the California Constitution, Section 1240.010 through 1240.050 of the California Code of Civil Procedure, and Sections 37350, 37350.5, 37353, and 40404 of the California Government Code; and

**WHEREAS**, the "Project" for the purposes of this acquisition consists of the Perris Boulevard Road Project, which generally consists of the widening of the Perris Boulevard Arterial between Interstate 215 and 4<sup>th</sup> Street (referred to herein as the "Project"); and

**WHEREAS**, in order to carry out and make effective the principal purpose of the Project, it is necessary for the City of Perris to acquire the fee simple interest and a temporary construction easement ("Real Property Interests") in a portion of certain privately-owned real property located at 164 and 180 East 2<sup>nd</sup> Street, in the City of Perris, County of Riverside, California, Assessor's Parcel No. 313-092-014; and

**WHEREAS**, the portion of the property in which the City seeks to acquire the fee simple interest is described in Exhibit "A" which is attached hereto and incorporated by this reference, and depicted on the diagram attached hereto as Exhibit "B" which is incorporated by this reference (hereinafter the "Property"); and

**WHEREAS**, the portion of the property in which the City seeks to acquire a temporary construction easement is described in Exhibit "C" which is attached hereto and incorporated by this reference, and depicted on the diagram attached hereto as Exhibit "D" which is incorporated by this reference; and

**WHEREAS**, on or about July 6, 2015, the City made a written offer to acquire interests in the Property; and

**WHEREAS**, since the July 6, 2015 offer, the City has determined it is necessary to acquire a larger portion of the Property than was stated in the original offer; and

**WHEREAS**, on or about January 23, 2017 the City made a revised written offer to acquire the Real Property Interests at an amount that was not less than the appraised fair market value in compliance with Government Code Section 7267.2(a), and the owner of the Property has not accepted said offer or otherwise conveyed the Real Property Interests to the City as of the date of this Resolution; and

**WHEREAS**, on March 13, 2017 a Notice of Intent to Adopt a Resolution of Necessity for Acquisition of Real Property Interests in certain real property identified as Assessor's Parcel No. 313-092-014 (a copy of which is attached hereto as Exhibit "E" and incorporated by this reference) was mailed to all persons whose names appear on the last equalized County Assessment Roll as having an ownership interest in the Property, and to the address appearing on said Roll, which Notice of Hearing advised said persons of their right to be heard on the matters referred to therein on the date and at the time and place stated therein; and

**WHEREAS**, the hearing set out in said Notice of Hearing was held on March 28, 2017, at the time and place stated therein and all interested parties were given an opportunity to be heard on the following matters:

- (a) Whether the public interest and necessity require the Project;
- (b) Whether the Project is planned or located in a manner which is most compatible with the greatest public good and the least private injury;
- (c) Whether the Real Property Interests proposed to be acquired are necessary for the Project;
- (d) Whether an offer meeting the requirements of Government Code Section 7267.2 has been made to the owner or owners of record;
- (e) Whether all other prerequisites for the exercise of eminent domain to acquire the Interest have been met; and

**WHEREAS**, the City Council, as a result of such hearing, has determined that the public health, safety, and welfare require the City to acquire the Real Property Interests in the Property for the stated purposes; and

**WHEREAS**, the Planning Division has determined the Project for which the Real Property Interests are being acquired is exempt from the California Environmental Quality Act pursuant to the Notice of Exemption filed with the Riverside County Clerk on November 3, 2016.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council hereby does find, determine, and declare based upon evidence presented to it as follows:

Section 1. The staff report presented regarding this matter at the March 28, 2017 hearing is incorporated herein by this reference. The facts referenced in this Resolution and the staff report, and specifically the recitals above, are found to be true and are incorporated herein by this reference. The findings made by the City Council herein are supported by substantial evidence contained in the record of this proceeding.

Section 2. The fee simple interest to be acquired is located within the City of Perris, County of Riverside, State of California, Assessor's Parcel No. 313-092-014, as more specifically described above and in Exhibit "A" and depicted in Exhibit "B". The temporary construction easement to be acquired, which will be in effect for 12 months, commencing upon written notice to the owner of the Property from the City of Perris, located west of the fee simple right of way acquisition, and a total of 802 square feet is described in Exhibit "C" and Exhibit "D".

Section 3. The public interest, convenience, and necessity require the Project to accommodate growth and development as anticipated in the Land Use Element. Perris Boulevard starts from 11<sup>th</sup> Street in the City of Perris and extends to the northern portion of the City of Moreno Valley. Currently, Perris Boulevard consists of four lanes from Placentia Avenue to 300 feet north of Ramona Expressway and two lanes from 300 feet north of Ramona Expressway to the City Limits. The Project will expand Perris Boulevard to three lanes in each

direction per the General Plan. The Project will improve traffic safety and emergency vehicle response times.

Section 4. The Project is planned in the manner which will be the most compatible with the greatest public good and the least private injury. Perris Boulevard is part of the City's General Plan and Circulation Element. Acquiring the portion of the Property that would be required for completion of the ultimate right-of-way as shown in the Circulation Element of the City's General Plan will allow the owner of the Property to use or further develop the remainder of the Property without risk that another permanent taking would be required in the future if Perris Boulevard is expanded to its ultimate width. Thus, acquiring the portion of APN 313-092-014 necessary for construction of the ultimate right-of-way will result in less private injury than a more limited taking. Widening the existing roadway is the only practical means of achieving the necessary traffic capacity. Re-routing Perris Boulevard would be cost prohibitive and have a greater impact on private property owners because more private property would need to be acquired than is necessary for widening the existing roadway.

Section 5. The acquisition of the Real Property Interests in the Property is necessary for the Project because without the Real Property Interests, the Project cannot be constructed. The Real Property Interests are part of the ultimate width of Perris Boulevard. Acquisition of the Real Property Interests for public right-of-way is expressly authorized by Section 19 of Article 1 of the California Constitution, California Code of Civil Procedure Sections 1240.010 through 1240.050 and Government Code Sections 37350, 37350.5, 37353, and 40404.

Section 6. The offer required by Government Code Section 7267.2 has been made to the owner of record of the Property, by way of letter dated January 23, 2017, and the City has pursued negotiations thereafter, and negotiations with the owner of the Real Property Interests in the Property have not been successful.

Section 7. The City hereby declares its intent to acquire the Real Property Interests in a portion of the Property described in Exhibit "A" in the City's name, in accordance with the provisions of the law of the State of California and finds that all conditions, statutory



requirements and prerequisites to the exercise of eminent domain to acquire the Real Property Interests described herein and the Project have been complied with by the City.

Section 8. The law firm of Aleshire & Wynder, LLP, is hereby authorized and directed to prepare, institute, and prosecute in the name of the City such proceedings, in the Court having proper jurisdiction thereof, as may be necessary for the acquisition of the Real Property Interests in a portion of the Property in accordance with the provisions of the California Eminent Domain Law and the Constitution of California. Said counsel are also authorized and directed to obtain any necessary order of the Court granting the City the right of immediate possession and occupancy of the Property.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the City Council of the City of Perris this 28<sup>th</sup> day of March 2017.

---

MICHAEL M. VARGAS  
MAYOR OF THE CITY OF PERRIS

ATTEST:

---

NANCY SALAZAR  
CITY CLERK

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 Resolution No. \_\_\_\_\_ was adopted by the City Council of the City of Perris at a regular meeting held on the 28<sup>th</sup> day of March, 2017, and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

NANCY SALAZAR  
CITY CLERK

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**A.P.N. 313-092-014**

**PARCEL "A"**

THE EAST 34.00 FEET OF LOT 22 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE 270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 5,100 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

**PARCEL "B"**

THAT PORTION OF LOT 22 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE 270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA DESCRIBED AS FOLLOWS:

**BEGINNING AT THE SOUTHWEST CORNER OF ABOVE DESCRIBED PARCEL "A":**

**THENCE NORTH 89° 59' 59" WEST, ALONG THE SOUTH LINE OF SAID LOT 22, A DISTANCE OF 16.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 22;**


**THENCE NORTH 32° 33' 37" EAST, A DISTANCE OF 29.66 FEET TO A POINT ON THE WEST LINE OF SAID PARCEL "A" WHICH IS NORTH 00° 04' 59" WEST FROM THE SOUTHWEST CORNER OF SAID PARCEL "A";**

**THENCE SOUTH 00° 04' 59" EAST, A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING.**

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 200 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED UNDER THE SUPERVISION OF

  
GABRIEL D. YBARRA      DATE 1-19-2017  
LAND SURVEYOR NO. 4343  
REGISTRATION EXPIRES 06-30-2018



**EXHIBIT "B"**  
**LEGAL DESCRIPTION PLAT**

# EXHIBIT "B" PLAT

SHEET 1 OF 1 SHEET

SHOWING THE PROPOSED ACQUISITION OF RIGHT-OF-WAY OVER  
LOT 22 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS  
AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE  
270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

**KELLY CHARLES KAUS LIVING TRUST**  
A.P.N. 313-092-014

**LINE DATA**

(N)	BEARING	DISTANCE
①	N 89°59'59" W	16.00'
②	N 32°33'37" E	29.66'
③	S 00°04'59" E	25.00'



PREPARED UNDER THE SUPERVISION OF:

*Gabriel D. Ybarra*  
1/19/17  
GABRIEL D. YBARRA L.S. 4343 DATE

**Record Owner:**

Kelly Charles Kaus, Trustee  
Kelly Charles Kaus Living Trust  
Dated August 19, 1997  
180 East Second Street  
Perris, CA 92570

**Exhibit prepared by:**

Action Surveys  
1045 Main Street, Suite 102  
Riverside, CA 92501  
(951) 686-6166

**Exhibit prepared for:**

Tri Lake Consultants, Inc.  
24 S. "D" Street, Suite 100  
Perris, CA 92570  
(951) 943-6504

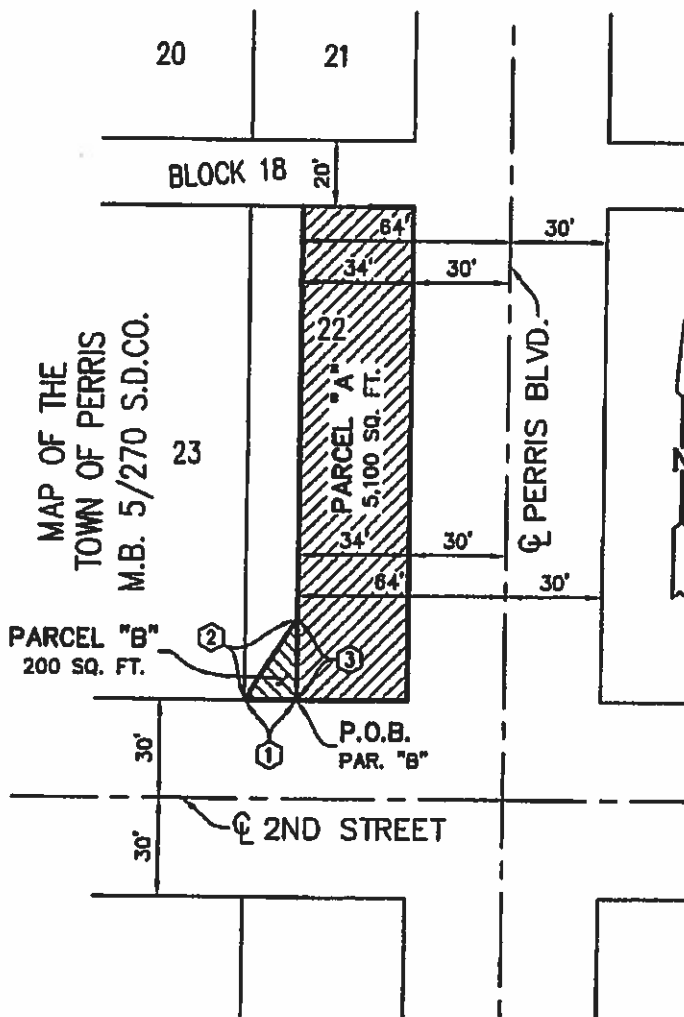
**Scale: 1" = 50'**

**Assessor's Parcel Numbers:**

313-092-014

**Date Exhibit Prepared:**

January 19, 2017



SCALE: 1" = 50'

**EXHIBIT "C"**

**LEGAL DESCRIPTION FOR TEMPORARY CONSTRUCTION EASEMENT**

**EXHIBIT "C"**  
**LEGAL DESCRIPTION**  
**FOR TEMPORARY CONSTRUCTION EASEMENT**  
**A.P.N. 313-092-014**

**PARCEL "A"**

THAT PORTION OF LOT 22 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE 270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA DESCRIBED AS FOLLOWS:

**BEGINNING AT THE SOUTHWEST CORNER OF LOT 22 IN BLOCK 18 OF SAID MAP;**

**THENCE NORTH 32° 33' 37" EAST, A DISTANCE OF 29.66 FEET TO A POINT ON THE WEST LINE OF THE EAST 34.00 OF SAID LOT 22;**

**THENCE NORTH 00° 04' 59" WEST, ALONG SAID WEST LINE, A DISTANCE OF 125.00 FEET TO THE NORTH LINE OF SAID LOT 22;**

**THENCE NORTH 89° 59' 59" WEST, A DISTANCE OF 16.00 FEET TO THE NORTHWEST CORNER OF SAID LOT 22;**

**THENCE SOUTH 00° 04' 59" EAST, ALONG THE WEST LINE OF SAID LOT 22, A DISTANCE OF 5.00 FEET;**

**THENCE SOUTH 89° 59' 59" EAST. A DISTANCE OF 11.00 FEET TO THE WEST LINE OF THE EAST 39.00 FEET OF SAID LOT 22;**

**THENCE SOUTH 00° 04' 59" EAST, ALONG SAID WEST LINE, A DISTANCE OF 118.54 FEET;**

**THENCE SOUTH 32° 33' 37" WEST, A DISTANCE OF 20.39 FEET TO A POINT ON THE WEST LINE OF SAID LOT 22:**

**THENCE SOUTH 00° 04' 59" EAST, A DISTANCE OF 9.27 FEET TO THE POINT OF BEGINNING.**

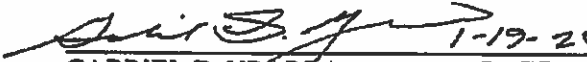


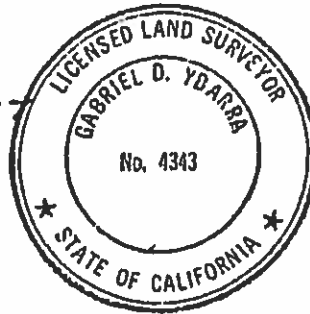
**EXHIBIT "C"**  
**LEGAL DESCRIPTION**  
**FOR TEMPORARY CONSTRUCTION EASEMENT**  
**A.P.N. 313-092-014**

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE,  
CALIFORNIA AND CONTAINS 802 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "D" ATTACHED  
HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED UNDER THE SUPERVISION OF

  
GABRIEL D. YBARRA      1-19-2017      DATE  
LAND SURVEYOR NO. 4343  
REGISTRATION EXPIRES 06-30-2018



**EXHIBIT "D"**

**PLAT FOR TEMPORARY CONSTRUCTION EASEMENT**

# EXHIBIT "D" PLAT

SHEET 1 OF 1 SHEET

SHOWING THE TEMPORARY CONSTRUCTION EASEMENT OVER  
LOT 22 IN BLOCK 18 OF THE MAP OF THE TOWN OF PERRIS  
AS SHOWN BY MAP ON FILE IN BOOK 5 OF MAPS, AT PAGE  
270, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

**KELLY CHARLES KAUS LIVING TRUST**  
A.P.N. 313-092-014



PREPARED UNDER THE SUPERVISION OF:

*Gabriel D. Ybarra*  
1/19/17  
GABRIEL D. YBARRA L.S. 4343 DATE

**Record Owner:**

Kelly Charles Kaus, Trustee  
Kelly Charles Kaus Living Trust  
Dated August 19, 1997  
180 East Second Street  
Perris, CA 92570

**Exhibit prepared by:**

Action Surveys  
1045 Main Street, Suite 102  
Riverside, CA 92501  
(951) 686-6166

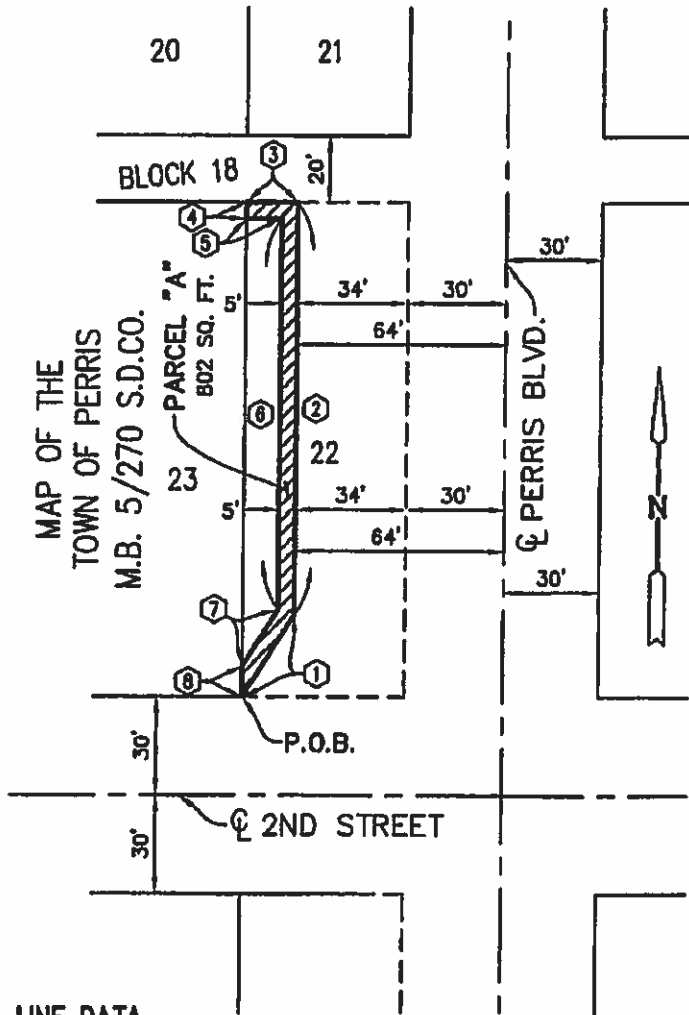
**Exhibit prepared for:**

Tri Lake Consultants, Inc.  
24 S. "D" Street, Suite 100  
Perris, CA 92570  
(951) 943-6504

Scale: 1" = 50'

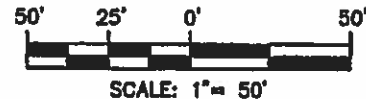
**Assessor's Parcel Numbers:**  
313-092-014

**Date Exhibit Prepared:**  
January 19, 2017



**LINE DATA**

①	BEARING	DISTANCE
①	N 32°33'37" E	29.86'
②	N 00°04'59" W	125.00'
③	N 89°59'59" W	18.00'
④	S 00°04'59" E	5.00'
⑤	S 89°59'59" E	11.00'
⑥	S 00°04'59" E	118.54'
⑦	S 32°33'37" W	20.38'
⑧	S 00°04'59" E	9.27'



**EXHIBIT "E"**

**NOTICE OF INTENT TO ADOPT RESOLUTION OF NECESSITY**



**ALESHIRE &  
WYNDER** LLP  
ATTORNEYS AT LAW

ORANGE COUNTY | LOS ANGELES | RIVERSIDE | CENTRAL VALLEY

Nicolas D. Papajohn  
npapajohn@awattorneys.com

18881 Von Karman Avenue,  
Suite 1700  
Irvine, CA 92612  
P (949) 223-1170  
F (949) 223-1180

AWATTORNEYS.COM

March 13, 2017

**VIA U.S. PRIORITY MAIL**

Kelly Charles Kaus, Trustee  
THE KELLY CHARLES KAUS LIVING TRUST  
P. O. Box 1441  
Perris, California 92572

Re: APN: 313-092-014  
Property: 164 and 180 E. 2<sup>nd</sup> Street, Perris, CA  
Subject: Offer to Purchase Property

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Dear Mr. Kaus:

Our law firm is legal counsel to the City of Perris (the "City") and we are sending this letter on behalf of the City. As you are aware, the City previously made an offer on July 6, 2015, to purchase portions of the property identified as Assessor's Parcel No. 313-092-014 in the City of Perris, California, located at 164 and 180 E. 2<sup>nd</sup> Street (the "Property"), together with certain improvements and a temporary construction easement. However, as a result of subsequent settlement negotiations and new appraisals, the City has determined it is necessary to acquire a larger portion of the Property than was stated in the original offer. On January 23, 2017, the City made an offer to purchase the fee simple interest in a 34 foot wide strip of the Property and a temporary construction easement (the "Subject Interests").

The City reiterates its January 23, 2017 offer to purchase the Subject Interests for [REDACTED] subject to the conditions stated in the offer.

You are also hereby notified that the City intends to consider the adoption of a resolution of necessity authorizing acquisition of said Subject Interests by eminent domain. The City's governing body will consider that resolution at a meeting to be held at the following time and place:

Date: March 28, 2017  
Time: 6:30 p.m.  
Location: City of Perris, City Hall, Council Chambers, 101 North D Street, Perris, California

You have the right to appear at the meeting and be heard on the following issues:

1. Whether the public interest and necessity require the project;

Kelly Charles Kaus, Trustee  
March 13, 2017  
Page 2

2. Whether the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
3. Whether the property sought to be acquired is necessary for the project;
4. Whether the offer required by Section 7267.2 of the *Government Code* has been made to the owner(s) of record; and
5. Whether the offer required by Section 7267.2 of the *Government Code* was made in the form and substance required by law.

NOTICE: If you fail to file a written request to be heard at the hearing within 15 days after the date of this letter, then the City may decide not to hear or consider any evidence which you may have to present. Please also be advised that, if you do not appear and present information to the City at the hearing, then you may be precluded from later challenging the City's authority to acquire said Subject Interests through its use of the power of eminent domain.

We understand that you have been in discussions with the City regarding this matter. Neither the pendency of the City's consideration of the resolution of necessity, nor the initiation of formal eminent domain proceedings, in any way prevents further negotiations from occurring for the acquisition of said Subject Interests, and the City will be most willing to continue such negotiations.

Thank you for your cooperation in this matter.

Very truly yours,

ALESHIRE & WYNDER, LLP



Nicolas D. Papajohn  
Associate

NDP:bb

cc: Habib Motlagh, City Engineer (via email)  
Eric Dunn, City Attorney (via email)  
June Ailin, Deputy City Attorney (via email)

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST AND NECESSITY REQUIRE ACQUISITION OF THE FEE SIMPLE INTEREST IN A PORTION OF THE PROPERTY KNOWN AS ASSESSOR'S PARCEL NO. 310-022-001**

**WHEREAS**, for the public purposes set forth herein, the City of Perris, California is authorized to acquire property through the exercise of eminent domain pursuant to Section 19 of Article 1 of the California Constitution, Section 1240.010 through 1240.050 of the California Code of Civil Procedure, and Sections 37350, 37350.5, 37353, and 40404 of the California Government Code; and

**WHEREAS**, the "Project" for the purposes of this acquisition consists of the Perris Boulevard Road Project, which generally consists of the widening of the Perris Boulevard Arterial between Interstate 215 and 4<sup>th</sup> Street (referred to herein as the "Project"); and

**WHEREAS**, in order to carry out and make effective the principal purpose of the Project, it is necessary for the City of Perris to acquire the fee simple interest ("Interest") in a portion of certain privately-owned real property located at the Southeast corner of Perris Boulevard and 1<sup>st</sup> Street, in the City of Perris, County of Riverside, California, with Assessor's Parcel No. 310-022-001 as more particularly described in Exhibit "A" which is attached hereto and incorporated by this reference, and depicted on the diagram attached hereto as Exhibit "B" which is incorporated by this reference (hereinafter the "Property"); and

**WHEREAS**, on or about May 19, 2016, the City made a written offer to acquire the Interest to the record owners of the Property at an amount that was not less than the appraised fair market value in compliance with Government Code Section 7267.2(a), and the owners of the Property have not accepted said offer or otherwise conveyed the Interest to the City as of the date of this Resolution; and

**WHEREAS**, on March 13, 2017, a Notice of Intent to Adopt a Resolution of Necessity for Acquisition of the Interest in certain real property identified as Assessor's Parcel No. 310-

022-001 (a copy of which is attached hereto as Exhibit "C" and incorporated by this reference) was mailed to all persons whose names appear on the last equalized County Assessment Roll as having an ownership interest in the Property, and to the address appearing on said Roll, as well as to an additional address provided by the property owner, which Notice of Hearing advised said persons of their right to be heard on the matters referred to therein on the date and at the time and place stated therein; and

**WHEREAS**, the hearing that was the subject of said Notice of Hearing was held on March 28, 2017, at the time and place stated therein and all interested parties were given an opportunity to be heard on the following matters:

- (a) Whether the public interest and necessity require the Project;
- (b) Whether the Project is planned or located in a manner which is most compatible with the greatest public good and the least private injury;
- (c) Whether the Interest proposed to be acquired is necessary for the Project;
- (d) Whether an offer meeting the requirements of Government Code Section 7267.2 has been made to the owner or owners of record;
- (e) Whether the offer required by Section 7267.2 of the Government Code was made in the form and substance required by law; and

**WHEREAS**, the City Council, as a result of such hearing, has determined that the public health, safety, and welfare require the City to acquire the Interest in the Property for the stated purposes; and

**WHEREAS**, the Planning Division has determined the Project for which the Interest is being acquired is exempt from the California Environmental Quality Act pursuant to the Notice of Exemption filed with the Riverside County Clerk on November 3, 2016.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council hereby does find, determine, and declare based upon evidence presented to it as follows:

Section 1. The staff report presented regarding this matter at the March 28, 2017 hearing is incorporated herein by this reference. The facts referenced in this Resolution and the staff report, and specifically the recitals above, are found to be true and are incorporated



herein by this reference. The findings made by the City Council herein are supported by substantial evidence contained in the record of this proceeding.

Section 2. The fee simple interest to be acquired consists of a portion of the Property located within the City of Perris, County of Riverside, State of California, Assessor's Parcel No. 310-022-001, as more specifically described above and in Exhibit "A" and depicted in Exhibit "B".

Section 3. The public interest, convenience, and necessity require the Project to accommodate growth and development as anticipated in the Land Use Element. Perris Boulevard starts from 11<sup>th</sup> Street in the City of Perris and extends to the northern portion of the City of Moreno Valley. Currently, Perris Boulevard consists of four lanes from Placentia Avenue to 300 feet north of Ramona Expressway and two lanes from 300 feet north of Ramona Expressway to the City Limits. The Project will expand Perris Boulevard to three lanes in each direction per the General Plan. The Project will improve traffic safety and emergency vehicle response times.

Section 4. The Project is planned in the manner which will be the most compatible with the greatest public good and the least private injury. Perris Boulevard is part of the City's General Plan and Circulation Element. Widening the existing roadway is the only practical means of achieving the necessary traffic capacity. Re-routing Perris Boulevard would be cost prohibitive and have a greater impact on private property owners because more private property would need to be acquired than is necessary for widening the existing roadway.

Section 5. The acquisition of the Interest in the Property is necessary for the Project because without the Interest, the Project cannot be constructed. The Interest is part of the ultimate width of Perris Boulevard. Acquisition of the Interest is expressly authorized by Section 19 of Article 1 of the California Constitution, California Code of Civil Procedure Section 1240.010 through 1240.050, and Government Code Sections 37350, 37350.5, 37353, and 40404.

Section 6. The offer required by Government Code Section 7267.2 has been made to the owner of record of the Property, by way of letter dated May 19, 2016, to which the

owner has since responded, and the City has been in negotiations with, yet no agreement has been reached.

Section 7. The City hereby declares its intent to acquire the Interest in a portion of the Property described in Exhibit "A" in the City's name, in accordance with the provisions of the law of the State of California and finds that all conditions, statutory requirements and prerequisites to the exercise of eminent domain to acquire the Interest described herein and the Project have been complied with by the City.

Section 8. The law firm of Aleshire & Wynder, LLP, is hereby authorized and directed to prepare, institute, and prosecute in the name of the City such proceedings, in the Court having proper jurisdiction thereof, as may be necessary for the acquisition of the Interest in a portion of the Property in accordance with the provisions of the California Eminent Domain Law and the Constitution of California. Said counsel are also authorized and directed to obtain any necessary order of the Court granting the City the right of immediate possession and occupancy of the Property.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the City Council of the City of Perris this 28<sup>th</sup> day of March 2017.

---

MICHAEL M. VARGAS  
MAYOR OF THE CITY OF PERRIS

ATTEST:

---

NANCY SALAZAR  
CITY CLERK

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 Resolution No. \_\_\_\_\_ was adopted by the City Council of the City of Perris at a regular meeting held on the 28<sup>th</sup> day of March, 2017, and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

NANCY SALAZAR  
CITY CLERK

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**A.P.N. 310-022-001**

**PARCEL "A"**

THE WEST 14.00 FEET OF THE EAST 20.00 FEET OF "E" STREET (PERRIS BOULEVARD) WHICH LIES BETWEEN THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 1 AND THE WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOT 12, OF THAT BLOCK OF REMEY'S SUBDIVISION, WHICH IS A PORTION OF BLOCK 2 OF CARPENTER'S ADDITION TO PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 15 OF MAPS, AT PAGE 712, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 4480 SQUARE FEET, MORE OR LESS.

**PARCEL "B"**

THAT PORTION OF THE EAST 20.00 FEET OF "E" STREET (PERRIS BOULEVARD) ADJACENT TO THE WESTERLY LINES OF LOT 1 AND LOT 2, TOGETHER WITH THAT PORTION OF SAID LOT 1 OF THAT BLOCK OF REMEY'S SUBDIVISION, WHICH IS A PORTION OF BLOCK 2 OF CARPENTER'S ADDITION TO PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 15 OF MAPS, AT PAGE 712, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF ABOVE DESCRIBED PARCEL "A";

THENCE SOUTH 00° 04' 59" EAST, ALONG THE EAST LINE OF SAID PARCEL "A", A DISTANCE OF 25.03 FEET;

THENCE NORTH 42° 34' 34" EAST, A DISTANCE OF 34.00 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 1;

THENCE NORTH 89° 59' 59" WEST, A DISTANCE OF 23.04 FEET TO THE POINT OF BEGINNING.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 288 SQUARE FEET, MORE OR LESS.

**PARCEL "C"**

THAT PORTION OF THE EAST 20.00 FEET OF "E" STREET (PERRIS BOULEVARD) ADJACENT TO THE WESTERLY LINE OF LOT 12, TOGETHER WITH THAT PORTION OF SAID LOT 12 OF THAT BLOCK OF REMEY'S SUBDIVISION, WHICH IS A PORTION OF BLOCK 2 OF CARPENTER'S ADDITION TO PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 15 OF MAPS, AT PAGE 712, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF ABOVE DESCRIBED PARCEL "A";

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**A.P.N. 310-022-001**

THENCE NORTH 00° 04' 59" WEST, ALONG THE EAST LINE OF SAID PARCEL "A", A DISTANCE OF 24.97 FEET;

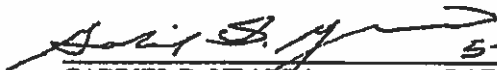
THENCE SOUTH 42° 39' 07" EAST, A DISTANCE OF 33.95 FEET TO A POINT ON THE SOUTH LINE OF SAID LOT 12;

THENCE NORTH 89° 59' 59" WEST, A DISTANCE OF 22.96 FEET TO THE POINT OF BEGINNING.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 287 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCELS OF LAND ARE SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED UNDER THE SUPERVISION OF

  
GABRIEL D. YBARRA      DATE 5-20-2015  
LAND SURVEYOR NO. 4343  
REGISTRATION EXPIRES 06-30-2016



**EXHIBIT "B"**  
**LEGAL DESCRIPTION PLAT**

# EXHIBIT "B" PLAT

SHEET 1 OF 1 SHEET

SHOWING THE PROPOSED ACQUISITION OF RIGHT-OF-WAY OVER A PORTION OF VACATED "E" STREET (PERRIS BOULEVARD) AND A PORTION OF LOTS 1 AND 12 OF REMEYS SUBDIVISION OF LOTS 1, 2, 3, 22, 23, AND 24 IN BLOCK 2 OF THE MAP OF CARPENTER'S ADDITION TO PERRIS AS SHOWN BY MAP ON FILE IN BOOK 15 OF MAPS, AT PAGE 712, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

**SUNBELT ACQUISITIONS, INC.**  
A.P.N. 310-022-001

### LINE DATA

①	BEARING	DISTANCE
①	S 00°04'59" E	25.03'
②	N 42°34'34" E	34.00'
③	N 89°59'58" W	23.04'
④	N 00°04'59" W	24.97'
⑤	S 42°38'07" E	33.95'
⑥	N 89°59'59" W	22.88'



PREPARED UNDER THE SUPERVISION OF:

*Gabriel D. Ybarra* 5/06/15  
GABRIEL D. YBARRA L.S. 4343 DATE

#### Record Owner:

Sunbelt Acquisitions, Inc.,  
A Delaware Corporation  
255 N. Perris Boulevard  
Perris, CA 92570

#### Exhibit prepared by:

Action Surveys  
1045 Main Street, Suite 102  
Riverside, CA 92501  
(951) 686-6166

#### Exhibit prepared for:

Tri Lake Consultants, Inc.  
120 N. Perris Boulevard  
Perris, CA 92570  
(951) 943-6504

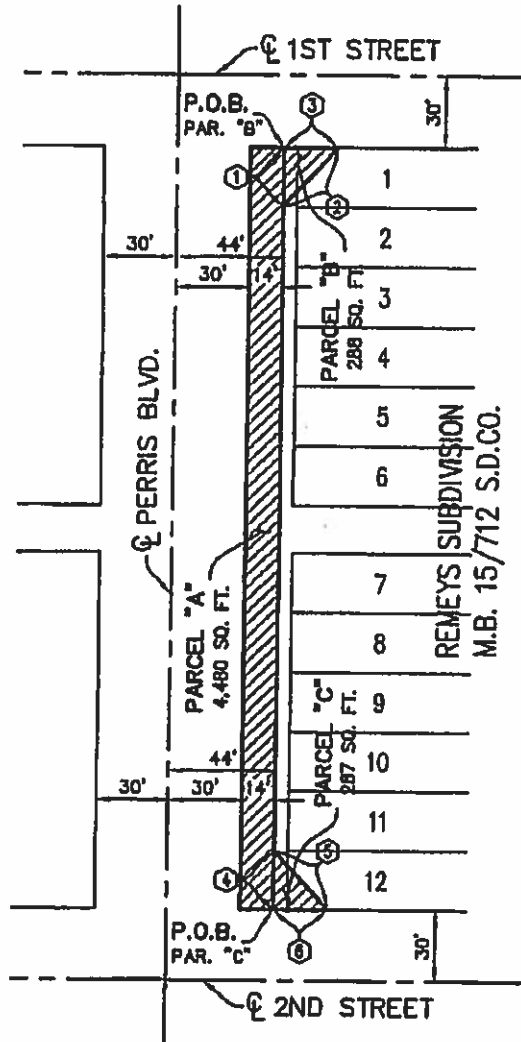
Scale: 1" = 60'

#### Assessor's Parcel Numbers:

310-022-001

#### Date Exhibit Prepared:

May 6, 2015





**EXHIBIT "C"**

**NOTICE OF INTENT TO ADOPT RESOLUTION OF NECESSITY**



**ALESHIRE &  
WYNDER LLP**  
ATTORNEYS AT LAW

ORANGE COUNTY | LOS ANGELES | RIVERSIDE | CENTRAL VALLEY

Nicolas D. Papajohn  
npapajohn@awattorneys.com  
(949) 223-1170

18881 Von Karman Avenue,  
Suite 1700  
Irvine, CA 92612  
P (949) 223-1170  
F (949) 223-1180

AWATTORNEYS.COM

March 13, 2017

**VIA OVERNIGHT DELIVERY**

MITCHELL CHADWICK LLP  
Patrick G. Mitchell, Partner  
3001 Lava Ridge Court, Suite 120  
Roseville, California 95661

SUNBELT ACQUISITIONS, INC.  
1501 Belvedere Road  
West Palm Beach, Florida 33406

Re: APN: 310-022-001  
Property: Southeast corner of Perris Boulevard and 1<sup>st</sup> Street, Perris, CA  
Subject: Offer to Purchase Property

Dear Mr. Mitchell:

As you are aware, our law firm is legal counsel to the City of Perris and we are sending this letter on behalf of the City. On May 19, 2016, the City of Perris (the "City") made an offer to purchase portions of the property identified as Assessor's Parcel No. 310-022-001 in the City of Perris, California, located at the southeast corner of Perris Boulevard and 1<sup>st</sup> Street, together with certain improvements ("Interests"). Since the May 19, 2016 offer, our firm has entered into negotiations with you regarding this matter. As a result of these negotiations, on February 6, 2017, the City made a revised offer to purchase the Interests for [REDACTED]

The City reiterates its February 6, 2017 offer to purchase the Interests for [REDACTED] subject to the conditions stated in that offer and the original May 19, 2016 offer.

You are also hereby notified that the City intends to consider the adoption of a resolution of necessity authorizing acquisition of said Interests by eminent domain. The City's governing body will consider that resolution at a meeting to be held at the following time and place:

Date: March 28, 2017  
Time: 6:30 p.m.  
Location: City of Perris, City Hall, Council Chambers, 101 North D Street, Perris, California

You have the right to appear at the meeting and be heard on the following issues:

1. Whether the public interest and necessity require the project;
2. Whether the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;

MITCHELL CHADWICK LLP  
SUNBELT ACQUISITIONS, INC.  
March 13, 2017  
Page 2

3. Whether the interests sought to be acquired are necessary for the project;
4. Whether the offer required by Section 7267.2 of the Government Code has been made to the owners(s) of record; and
5. Whether the offer required by Section 7267.2 of the Government Code was made in the form and substance required by law.

NOTICE: If you fail to file a written request to be heard at the hearing within 15 days after the date of this letter, then the City may decide not to hear or consider any evidence which you may have to present. Please also be advised that, if you do not appear and present information to the City at the hearing, then you may be precluded from later challenging the City's authority to acquire said Interests through its use of the power of eminent domain.

As indicated above, we are well aware that you have been in negotiations with our firm regarding this matter. It is not our intention to disrupt those negotiations. However, we need to move forward with acquisition of property for the widening of Perris Boulevard and are taking this step with other properties at this time. For project management and consistency purposes, we would like to keep all of the properties on the same track. In any event, neither the pendency of the City's consideration of the resolution of necessity, nor the initiation of formal eminent domain proceedings, in any way prevents negotiations from occurring for the acquisition of said Interests, and the City will be most willing to continue such negotiations.

Thank you for your cooperation in this matter.

Very truly yours,

ALESHIRE & WYNDER, LLP



Nicolas D. Papajohn  
Associate

NDP:kb:bb

cc: Habib Motlagh, City Engineer (via email)  
Eric Dunn, City Attorney (via email)  
June Ailin, Deputy City Attorney (via email)

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DECLARING THAT PUBLIC INTEREST AND NECESSITY REQUIRE ACQUISITION OF A FEE SIMPLE INTEREST IN A PORTION OF THE PROPERTY KNOWN AS ASSESSOR'S PARCEL NO. 310-024-001**

**WHEREAS**, for the public purposes set forth herein, the City of Perris, California is authorized to acquire property through the exercise of eminent domain pursuant to Section 19 of Article 1 of the California Constitution, Section 1240.010 through 1240.050 of the California Code of Civil Procedure, and Sections 37350, 37350.5, 37353, and 40404 of the California Government Code; and

**WHEREAS**, the "Project" for the purposes of this acquisition consists of the Perris Boulevard Road Project, which generally consists of the widening of the Perris Boulevard Arterial between Interstate 215 and 4<sup>th</sup> Street (referred to herein as the "Project"); and

**WHEREAS**, in order to carry out and make effective the principal purpose of the Project, it is necessary for the City of Perris to acquire the fee simple interest ("Interest") in portions of certain privately-owned real property located at 211 E. 3<sup>rd</sup> Street, in the City of Perris, County of Riverside, California, Assessor's Parcel No. 310-024-001; and

**WHEREAS**, the portion of the property in which the City seeks to acquire the fee simple interest is described in Exhibit "A" which is attached hereto and incorporated by this reference, and depicted on the diagram attached hereto as Exhibit "B" which is incorporated by this reference (hereinafter the "Property"); and

**WHEREAS**, on or about July 7, 2015, the City made a written offer to acquire the Interest to the record owners of the Property at an amount that was not less than the appraised fair market value in compliance with Government Code Section 7267.2(a), and the owners of the Property have not accepted said offer or otherwise conveyed the Interest to the City as of the date of this Resolution; and

**WHEREAS**, on March 13, 2017 a Notice of Intent to Adopt a Resolution of Necessity for Acquisition of the Interest in certain real property identified as Assessor's Parcel No. 310-024-001 (a copy of which is attached hereto as Exhibit "C" and incorporated by this reference) was mailed to all persons whose names appear on the last equalized County Assessment Roll as having an ownership interest in the Property, and to the address appearing on said Roll, which Notice of Hearing advised said persons of their right to be heard on the matters referred to therein on the date and at the time and place stated therein; and

**WHEREAS**, the hearing that was the subject of said Notice of Hearing was held on March 28, 2017, at the time and place stated therein and all interested parties were given an opportunity to be heard on the following matters:

- (a) Whether the public interest and necessity require the Project;
- (b) Whether the Project is planned or located in a manner which is most compatible with the greatest public good and the least private injury;
- (c) Whether the Interest proposed to be acquired is necessary for the Project;
- (d) Whether an offer meeting the requirements of Government Code Section 7267.2 has been made to the owner or owners of record;
- (e) Whether all other prerequisites for the exercise of eminent domain to acquire the Interest have been met; and

**WHEREAS**, the City Council, as a result of such hearing, has determined that the public health, safety, and welfare require the City to acquire the Interest in the Property for the stated purposes; and

**WHEREAS**, the Planning Division has determined the Project for which the Interest is being acquired is exempt from the California Environmental Quality Act pursuant to the Notice of Exemption filed with the Riverside County Clerk on November 3, 2016.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council hereby does find, determine, and declare based upon evidence presented to it as follows:

Section 1. The staff report presented regarding this matter at the March 28, 2017 hearing is incorporated herein by this reference. The facts referenced in this Resolution

and the staff report, and specifically the recitals above, are found to be true and are incorporated herein by this reference. The findings made by the City Council herein are supported by substantial evidence contained in the record of this proceeding.

Section 2. The fee simple interest to be acquired consists of a portion of the Property located within the City of Perris, County of Riverside, State of California, Assessor's Parcel No. 310-024-001, as more specifically described above and in Exhibit "A" and depicted in Exhibit "B".

Section 3. The public interest, convenience, and necessity require the Project to accommodate growth and development as anticipated in the Land Use Element. Perris Boulevard starts from 11<sup>th</sup> Street in the City of Perris and extends to the northern portion of the City of Moreno Valley. Currently, Perris Boulevard consists of four lanes from Placentia Avenue to 300 feet north of Ramona Expressway and two lanes from 300 feet north of Ramona Expressway to the City Limits. The Project will expand Perris Boulevard to three lanes in each direction per the General Plan. The Project will improve traffic safety and emergency vehicle response times.

Section 4. The Project is planned in the manner which will be the most compatible with the greatest public good and the least private injury. Perris Boulevard is part of the City's General Plan and Circulation Element. The Project only requires acquisition of what is necessary to complete the Project. Widening the existing roadway is the only practical means of achieving the necessary traffic capacity. Re-routing Perris Boulevard would be cost prohibitive and have a greater impact on private property owners because more private property would need to be acquired than is necessary for widening the existing roadway.

Section 5. The acquisition of the Interest in the Property is necessary for the Project because without the Interest, the Project cannot be constructed. The Interest is part of the ultimate width of Perris Boulevard. Acquisition of the Interest for public right-of-way is expressly authorized by Section 19 of Article 1 of the California Constitution, California Code of Civil Procedure Sections 1240.010 through 1240.050 and Government Code Sections 37350, 37350.5, 37353, and 40404.

Section 6. The offer required by Government Code Section 7267.2 has been made to the owner of record of the Property, by way of letter dated July 7, 2015, and the City has pursued negotiations thereafter, and negotiations with the owner of the Interest in the Property have not been successful.

Section 7. The City hereby declares its intent to acquire the Interest in a portion of the Property described in Exhibit "A" in the City's name, in accordance with the provisions of the law of the State of California and finds that all conditions, statutory requirements and prerequisites to the exercise of eminent domain to acquire the Interest described herein and the Project have been complied with by the City.

Section 8. The law firm of Aleshire & Wynder, LLP, is hereby authorized and directed to prepare, institute, and prosecute in the name of the City such proceedings, in the Court having proper jurisdiction thereof, as may be necessary for the acquisition of the Interest in a portion of the Property in accordance with the provisions of the California Eminent Domain Law and the Constitution of California. Said counsel are also authorized and directed to obtain any necessary order of the Court granting the City the right of immediate possession and occupancy of the Property.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the City Council of the City of Perris this 28<sup>th</sup> day of March 2017.

---

MICHAEL M. VARGAS  
MAYOR OF THE CITY OF PERRIS

ATTEST:

---

NANCY SALAZAR  
CITY CLERK

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 Resolution No. \_\_\_\_\_ was adopted by the City Council of the City of Perris at a regular meeting held on the 28<sup>th</sup> day of March, 2017, and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

NANCY SALAZAR  
CITY CLERK



**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Dan's Feed & Seed

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**A.P.N. 310-024-001**

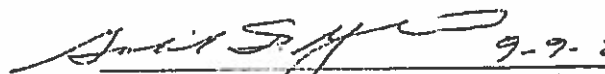
**PARCEL "A"**

THE WEST 14.00 FEET OF LOT 1 IN BLOCK 4 OF THE MAP OF CARPENTER'S ADDITION TO PERRIS, AS SHOWN BY MAP ON FILE IN BOOK 4 OF MAPS, AT PAGE 244, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

SAID LAND IS LOCATED IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, CALIFORNIA AND CONTAINS 2100 SQUARE FEET, MORE OR LESS.

THE ABOVE DESCRIBED PARCEL OF LAND IS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

PREPARED UNDER THE SUPERVISION OF

  
GABRIEL D. YBARRA      DATE 9-9-2014  
LAND SURVEYOR NO. 4343  
REGISTRATION EXPIRES 06-30-2016



**EXHIBIT "B"**  
**LEGAL DESCRIPTION PLAT**

# EXHIBIT "B" PLAT

SHEET 1 OF 1 SHEET

SHOWING THE PROPOSED ACQUISITION OF RIGHT-OF-WAY OVER  
LOT 1 IN BLOCK 4 OF THE MAP OF CARPENTER'S ADDITION  
TO PERRIS AS SHOWN BY MAP ON FILE IN BOOK 4 OF MAPS,  
AT PAGE 244, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA.

**DAN'S FEED AND SEED, INC.**  
A.P.N. 310-024-001

**LINE DATA**

(N)	BEARING	DISTANCE
①	S 89°59'59" E	23.04'
②	S 42°34'34" W	34.00'
③	N 00°04'59" W	25.03'



PREPARED UNDER THE SUPERVISION OF:  
*Gabriel D. Ybarra*  
9/09/14  
GABRIEL D. YBARRA L.S. 4343 DATE

**Record Owner:**  
Dan's Feed and Seed, Inc.,  
A California Corporation  
211 East Third Street  
Perris, CA 92570

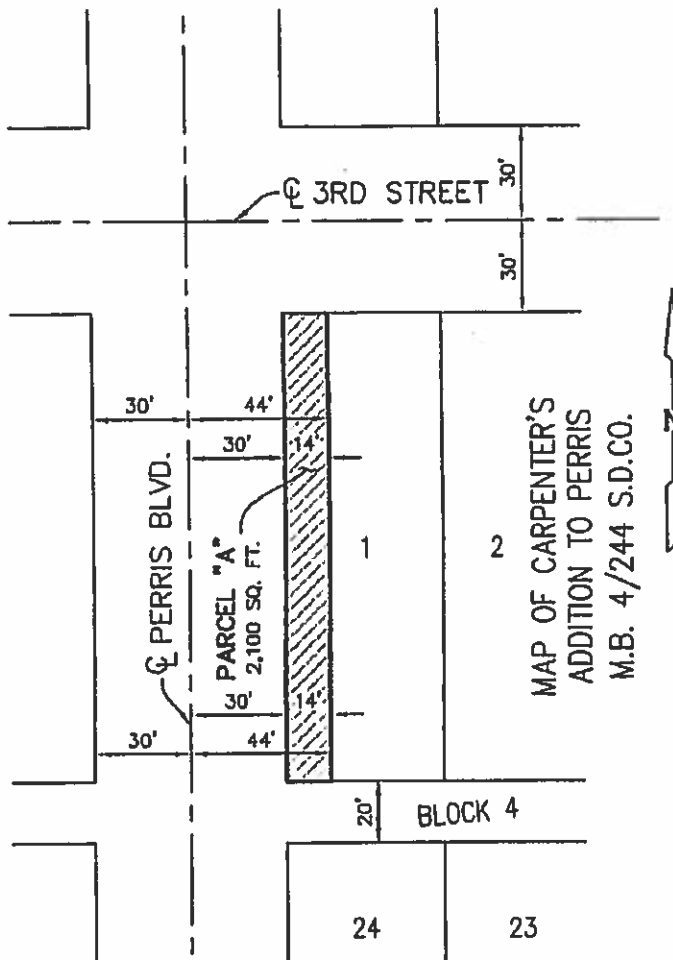
**Exhibit prepared by:**  
Action Surveys  
1045 Main Street, Suite 102  
Riverside, CA 92501  
(951) 686-6166

**Exhibit prepared for:**  
Tri Lake Consultants, Inc.  
120 N. Perris Boulevard  
Perris, CA 92570  
(951) 943-6504

**Scale:** 1" = 50'

**Assessor's Parcel Numbers:**  
310-024-001

**Date Exhibit Prepared:**  
September 9, 2014



SCALE: 1" = 50'

**EXHIBIT "C"**

**NOTICE OF INTENT TO ADOPT RESOLUTION OF NECESSITY**



**ALESHIRE &  
WYNDER LLP**  
ATTORNEYS AT LAW

ORANGE COUNTY | LOS ANGELES | RIVERSIDE | CENTRAL VALLEY

Nicolas D. Papajohn  
npapajohn@awattorneys.com  
(949) 223-1170

18881 Von Karman Avenue,  
Suite 1700  
Irvine, CA 92612  
P (949) 223-1170  
F (949) 223-1180

AWATTORNEYS.COM

March 13, 2017

**VIA OVERNIGHT DELIVERY**

DAN'S FEED AND SEED, INC.  
240 East 4<sup>th</sup> Street  
Perris, California 92750

Re: APN: 310-024-001  
Property: 211 E. 3<sup>rd</sup> Street, Perris, CA  
Subject: Offer to Purchase Property

---

Dear Property Owner:

Our law firm is legal counsel to the City of Perris and we are sending this letter on behalf of the City. On July 7, 2015, the City of Perris (the "City") made an offer to purchase portions of the property identified as Assessor's Parcel No. 310-024-001 in the City of Perris, California, located at 211 E. 3<sup>rd</sup> Street, together with certain improvements ("Interests"). The City reiterates its previous offer to purchase said Interests for [REDACTED] subject to the conditions stated in the offer.

You are also hereby notified that the City intends to consider the adoption of a resolution of necessity authorizing acquisition of said Interests by eminent domain. The City's governing body will consider that resolution at a meeting to be held at the following time and place:

Date: March 28, 2017  
Time: 6:30 p.m.  
Location: City of Perris, City Hall, Council Chambers, 101 North D Street, Perris, California

You have the right to appear at the meeting and be heard on the following issues:

1. Whether the public interest and necessity require the project;
2. Whether the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
3. Whether the interests sought to be acquired are necessary for the project;
4. Whether the offer required by Section 7267.2 of the Government Code has been

March 13, 2017  
Page 2

made to the owners(s) of record; and

5. Whether the offer required by Section 7267.2 of the Government Code was made in the form and substance required by law.

**NOTICE:** If you fail to file a written request to be heard at the hearing within 15 days after the date of this letter, then the City may decide not to hear or consider any evidence which you may have to present. Please also be advised that, if you do not appear and present information to the City at the hearing, then you may be precluded from later challenging the City's authority to acquire said Interests through its use of the power of eminent domain.

We understand that the Interests are currently in probate and that you have been in discussions with the City regarding this matter. Neither the pendency of the City's consideration of the resolution of necessity, nor the initiation of formal eminent domain proceedings, in any way prevents further negotiations from occurring for the acquisition of said Interests, and the City will be most willing to continue such negotiations.

Thank you for your cooperation in this matter.

Very truly yours,

ALESHIRE & WYNDER, LLP



Nicolas D. Papajohn  
Associate

NDP:krb

cc: Habib Motlagh, City Engineer (via email)  
Eric Dunn, City Attorney (via email)  
June Ailin, Deputy City Attorney (via email)  
Pietro Canestrelli, Probate Attorney (via email)

CITY COUNCIL / PERRIS JOINT POWERS AUTHORITY  
AGENDA SUBMITTAL

Meeting Date            March 28, 2017

SUBJECT:                    Financing and issuance of bonds associated with Improvement Area No. 1 CFD No. 2014-1 (Avelina) ("CFD") to fund public fees for public improvements

**The District is generally bounded by the Orange Avenue to the North, Sunset to the South and Evans to the East.**

REQUESTED ACTION:      That the City of Perris and the Perris Joint Powers Authority adopt the following resolutions, respectively:

1. ***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 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***
2. ***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 (LA1-CFD NO. 2014-1 (AVELINA)), 2017 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. 1, UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO***

CONTACT:                    Jennifer Erwin, Assistant Finance Director

---

BACKGROUND/DISCUSSION:

1. Formation of the District

Community Facilities District No. 2014-1(Avelina) of the City of Perris (the "District") was formed on January 13, 2015, pursuant to Resolution No. 4798, after which an election was held pursuant to the Mello-Roos Community Facilities Act of 1982 allowing for special taxes in each of three improvement



areas. The Landowners of the District approved the levy of a special tax pursuant to a rate and method of apportionment (the "RMA") for each improvement area at the election and the issuance of bonded indebtedness. The District is authorized to issue \$5,000,000 in bonds in each improvement area. The current financing concerns Improvement Area No. 1.

Improvement Area No. 1 is located on the northwest corner of Evans Road and Citrus Avenue and is bordered by Lemon Avenue to the north and Citrus Avenue to the south. Improvement Area No. 1 contains approximately 29.9 gross acres. The proposed development within Improvement Area No. 1 by the Developer (Centex Homes) consists of 156 single family homes. As of February 22, 2017, within Improvement Area No. 1, the Developer had completed 142 homes and conveyed 138 homes to individual homeowners. All the in-tract infrastructure necessary to complete the planned development within Improvement Area No. 1 has been constructed. As of February 22, 2017, within Improvement Area No. 1, the Developer owned 4 model homes and 14 finished lots. The Developer expects to use the four completed model homes and the 14 finished lots within Improvement Area No. 1 for the model home complex for its projects in Improvement Area Nos. 2 and 3 of the District. Therefore, the Developer does not expect to convey the homes built and to be built on such lots to individual homeowners until the entire Avelina project within the District is substantially built out.

The assessed value of the property in the District is \$36,591,349 based on the County rolls- providing for a value to lien ratio (including all assessment roll liens ) of 7:1, assuming a \$4,500,000 principal, which is more than required pursuant to the City's policies or the Act.

## 2. The Special Tax Bonds and Perris Joint Powers Authority Bonds

The City is issuing the District Bonds In order to fund capital fees related to the District, including TUMF and EMWD Fees. The City Council, acting as the legislative body of the District, will authorize the delivery of its Community Facilities District No. 2014-1 (Avelina) of the City of Perris Special Tax Bonds, 2017 Series (the "District Bonds") in a principal amount not to exceed \$5,000,000. The City has entered into agreements with the Developer to repay advances/loans for fees to the property owner and/or to pay fees from the proceeds of the Bonds.

The District Bonds will be secured by special taxes levied within Improvement Area No. 1 of the District, pursuant to the RMA. Taxes will be levied at the Assigned Special Tax under the rate and method of the special tax as approved by the landowner voters in the District which would generally be the maximum special tax which may be levied (allowing for a 2% increase each year) unless there is also a need for back up special tax pursuant to the rate and method of apportionment approved for the District. The Maximum Special Tax is the amount that was used in sizing the bond issue to keep in

line with the City's policy of a not to exceed total rate of 2% on the homes. The effective tax rate based on the Maximum Special Tax is approximately 1.64% based on the median size home within Improvement Area No. 1. The taxes for FY 17-18 are shown below and the Maximum Special Tax will increase by 2% per year.

**TABLE 1  
COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA)  
IMPROVEMENT AREA 1  
ESTIMATED FISCAL YEAR 2017-18 SPECIAL TAX LEVY**

<i>Land Use Type</i>	<i>Residential Floor Area (sq. ft.)</i>	<i>Maximum Special Tax Per Unit/(Acre)<sup>(1)</sup></i>	<i>Estimated Fiscal Year 2017-18 Special Tax Levied Per Unit/(Acre)<sup>(2)</sup></i>	<i>Number of Units</i>	<i>Aggregate Estimated Fiscal Year 2017-18 Special Tax Levy</i>	<i>Percent of Total</i>
1-Residential	Greater than 3,150 sq. ft.	\$1,780	\$1,780	31	\$ 55,184	26.39%
3-Residential	2,751 sq. ft. to 2,950 sq. ft.	1,546	1,546	26	40,197	19.22
4-Residential	2,551 sq. ft. to 2,750 sq. ft.	1,424	1,424	37	52,699	25.20
5-Residential	2,351 sq. ft. to 2,550 sq. ft.	1,359	1,359	28	38,045	18.19
7-Residential	1,951 sq. ft. to 2,150 sq. ft.	1,151	1,151	<u>20</u>	<u>23,014</u>	<u>11.00</u>
<b>Totals</b>				<b><u>142</u></b>	<b>\$209,139</b>	<b>100.00%</b>

<sup>(1)</sup> Based on the Maximum Special Tax rate for Developed Property for Fiscal Year 2017-18.

<sup>(2)</sup> Fiscal Year 2017-18 estimated Special Tax Revenues is equal to the Maximum Special Tax rates levied on 142 parcels of Developed Property based on development status as of February 22, 2017.

Source: Willdan Financial Services.

The District Bonds will be sold to the Perris Joint Powers Authority (the "Authority"). The City is holding a public hearing regarding the public benefits associated with the Authority issuing its bonds, including using parties familiar with the city, requesting proposals for underwriter services and saving costs associated with the financing.

The Authority proposes to issue its Local Agency Revenue Bonds (IA1-CFD No. 2014-1 (Avelina)), 2017 Series A, in an aggregate principal amount not to exceed \$5,000,000 (the "Authority Bonds"). The Authority will use the proceeds of the Authority Bonds to purchase the District Bonds, pay certain costs of issuance and fund reserve funds in connection with the issuance. The costs of issuance will be around \$290,000 for the Authority Bonds and the

District Bonds. Approximately \$332,000 will fund a reserve fund and \$3,450,000 will fund reimbursement to the developer or the payment of fees.

Adoption of the attached resolutions will authorize (a) the issuance of the District Bonds in a principal amount not to exceed 5,000,000, and (b) the issuance of the Authority Bonds in a principal amount not to exceed \$5,000,000. The resolutions will also authorize the execution and delivery of the documents described below.

The financing meets (or will meet by the time of issuance unless waived by the City) all City policies and procedures with respect to financing public improvements and certain public capital fees in connection with land development under the Mello-Roos Community Facilities Act of 1982 (constituting 53311 *et seq.* of the California Government Code) (the "Act"). The Resolution waives any conditions which are not met.

### **3. The Documents for the Financing.**

Each document required for the financing will be executed or entered into pursuant to the resolutions. The attached resolutions authorize the officers of the City and the Authority to execute or enter into these documents and other agreements and certificates needed to accomplish the purposes of the financing. All of the documents are or will be on file with the City Clerk and Secretary of the Authority.

The following documents must be executed in order to complete the financing:

**Fiscal Agent Agreement:** The District Bonds will be issued pursuant to a Fiscal Agent Agreement between the District and U.S. Bank National Association as fiscal agent. The Fiscal Agent Agreement describes the terms of the District Bonds, as well as provisions relating to the redemption, prepayment, defeasance, default and amendment of or to the District Bonds, including conditions under which delinquent property owners will be subject to foreclosure.

**Commitment Agreement:** The District Bonds will be sold to the Authority pursuant to the terms of the Commitment Agreement for the Purchase and Sale of Local Obligation Bonds by and between the District and the Authority.

**Indenture:** The Authority Bonds will be issued pursuant to an Indenture of Trust, by and between the Authority and U.S. Bank National Association, as trustee. The Indenture will describe the terms of the Authority Bonds, redemption provisions, defeasance provisions and security provisions. The security for the Authority Bonds will be the District Bond payments and certain funds and moneys described in the Indenture.

**Purchase Contract:** The Authority bonds will be sold to Brandis Tallman, LLC (the "Underwriter") pursuant to the terms of a Purchase Contract among the Authority, the District and the Underwriter. The parameters set forth in the Resolution for the Sale included a not-to-exceed true interest cost of 5.5% and a not-to-exceed Underwriter's discount of .90%.

The Purchase Contract includes representations of the District, including:

- The District was duly organized, is validly existing, has full legal rights to carry out the financing, and is not currently in violation of any law or other obligation that may have an adverse effect on the District's ability to issue or otherwise meet its obligations for the District Bonds, including creation of any lien or encumbrance on the property of the District;
- The District does not knowingly lack any authorizations, approvals, licenses, permits consents, and orders required to fully meet its obligations for the issuance of the District Bonds;
- As of the date the District enters into the Purchase Contract, there is no outstanding litigation, inquiry, or investigation at law or in equity pending or threatened that will affect the ability to issue or deliver the District Bonds, or otherwise affecting the ability to levy the special taxes securing the Bonds, nor is there any basis for litigation, inquiry, or investigation;
- As of the date thereof, the Preliminary Official Statement (described below) does not contain any false statements or omissions of material fact that are otherwise misleading to bond purchasers; and
- To the extent some event occurs that renders some material statement in the Official Statement false, or if a fact comes to light that is material and not present in the Official Statement, the District will prepare and pay for a supplement or amendment addressing this fact.

The Purchase Contract contains similar representations of the Authority.

**Official Statement:** The Authority Bonds will also be sold through distribution of the Preliminary Official Statement and the Official Statement to investors. The Official Statement describes the bonds, the relative risks associated with the purchase and other necessary information pertinent to investors. This includes representations related to the security and finances of the City.

The Authority and the District are required to review the Official Statement and make sure it provides to bondholders all material information relevant to the Bonds and does not omit anything relevant to a bondholders decision to purchase the bonds. The Preliminary Official Statement is included with this report. Material found within the official statement is subject to Rule 15c2-12

of the Securities Exchange Act of 1934 and other laws regulating material misstatements and omissions.

**Continuing Disclosure Agreement:** The District will enter into a continuing disclosure agreement for the purpose of complying with continuing disclosure obligations under Rule 15c2-12 of the Securities Exchange Act of 1934. Willdan Financial Services will serve as Dissemination-Agent thereunder.

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**BUDGET (or FISCAL) IMPACT:**

None. Costs will be paid from special taxes or from the proceeds of the bonds.

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Reviewed by: Don

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

Assistant Finance Director gfr

**Attachments:** Two Resolutions; Preliminary Official Statement, Binder Containing all Documents on File with City Clerk and Made Part of the Record, including:

1. Commitment Agreement and Purchase Contract for the Purchase and Sale of Local Obligation Bonds by and between the District and the Authority
2. Fiscal Agent Agreement by and between the Fiscal Agent and the District
3. Indenture by and between the Authority and Trustee
4. Purchase Contract, by and between the Authority, the District, and the Underwriter
5. Preliminary Official Statement
6. Continuing Disclosure Agreement (attached as exhibit to Official Statement)

Consent:

Public Hearing:

Business Item:

Other:

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

**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 (IAI-CFD NO. 2014-1 (AVELINA)), 2017 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. 1, UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO**

**WHEREAS**, the City of Perris (the “City”), located in Riverside County, California, and the Housing Authority of the City of Perris (the “Housing Authority”), have entered into a Joint Exercise of Powers Agreement, dated March 26, 2013 (the “Agreement”), creating the Perris Joint Powers Authority (the “Authority”), pursuant to Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Bond Law”); and

**WHEREAS**, pursuant to Article 4 of the Bond Law and the Agreement, the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, the City, the Housing Authority, and any associate member, and such other powers as may be provided under the Bond Law; and

**WHEREAS**, pursuant to Article 4 of the Bond Law and the Agreement, the Authority finds that it is necessary, appropriate, in the public interest, and in furtherance of the purposes of Article 4 of the Bond Law, to issue bonds and use the proceeds of the bonds to purchase bonds issued by the City on behalf of the District, as defined herein; and

**WHEREAS**, pursuant to the Bond Law and the Agreement, the Authority is further authorized to sell its bonds to public or private purchasers at public or negotiated sales; and

**WHEREAS**, the City Council (the “City Council”) of the City of Perris (the “City”), located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”) has, pursuant to its Resolution No. 4779 (the “Resolution of Intention”) adopted on October 14, 2014, as supplemented by Resolution No. 4781, adopted October 28, 2014, and Resolution No. 4798 (the “Resolution of Formation”) adopted on January 13, 2015, heretofore undertaken proceedings and declared the necessity of Community Facilities District No. 2014-1 (Avelina) of the City of Perris (the “District”) to issue bonds pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”); and

**WHEREAS**, pursuant to its Resolution of Formation, Resolution of Intention, and Resolution No. 4800 (collectively the “Resolutions”), adopted by the legislative body of the District on January 13, 2015, a certain bond proposition was submitted to the qualified electors within the District, and was approved by more than two-thirds of the votes cast at the election held on January 13, 2015, in addition to the levy of a special tax (the “Special Tax”) within each Improvement Area of the District in accordance with a rate and method of apportionment for each Improvement Area, including Improvement Area No. 1 (the “RMA”); and

**WHEREAS**, based upon Resolutions adopted by the legislative body of the District and the election, the District is authorized to issue bonds, pursuant to the Act, in an aggregate principal amount not to exceed \$5,000,000 for Improvement Area No. 1; and

**WHEREAS**, the City Council has heretofore undertaken proceedings and declared the necessity of the District to issue bonds pursuant to the terms and provisions of the Act, and desires to issue bonds at this time under the Act, with the assistance of the Authority, for the purpose of providing financing for the acquisition and construction of public facilities and public capital fees associated with the District, which the District is authorized to finance; and

**WHEREAS**, the District desires to accomplish the financing of certain public capital improvements through the issuance of bonds in an aggregate principal amount not to exceed \$5,000,000 designated as the “Improvement Area No. 1 of Community Facilities District No. 2014-1 (Avelina) of the City of Perris Special Tax Bonds, 2017 Series” (the “District Bonds”); and

**WHEREAS**, the legislative body of the District has determined in accordance with Government Code Sections 53360.4, and other applicable laws that a negotiated sale of the District Bonds to the Authority in accordance with the terms of a Commitment Agreement and Purchase Contract for Purchase and Sale of Local Obligation Bonds to be entered into by the District and the Authority (the “Local Obligation Bond Purchase Contract”), a form of which is on file with the City Clerk, will result in a lower overall cost to the District than a public sale of the District Bonds; and

**WHEREAS**, in order to raise the funds to purchase the District Bonds, the Authority will issue its Perris Joint Powers Authority Local Agency Revenue Bonds (IA1-CFD No. 2014-1(Avelina)), 2017 Series A (the “Authority Bonds”) pursuant to the Bond Law, and use the proceeds thereof to purchase the District Bonds from the District, to pay certain costs of issuance and fund a reserve fund and other funds in connection therewith; and

**WHEREAS**, the Authority desires to enter into an Indenture of Trust (the “Indenture”), by and between the Authority and U.S. Bank National Association, as Trustee (the “Trustee”), with respect to the issuance of the Authority Bonds and for the purpose of describing the terms, redemption provisions, defeasance provisions and security provisions of the Authority Bonds, and such other terms that are in the public interest to provide security and prevent defaults; and

**WHEREAS**, the Authority desires to purchase the District Bonds with the proceeds received from the Authority's concurrent sale of the Authority Bonds to Brandis

Tallman LLC (the “Underwriter”) pursuant to the Purchase Contract to be entered into by and among the Authority, the District and the Underwriter (the “Authority Purchase Contract”), and

**WHEREAS**, the District has caused a Preliminary Official Statement relating to the Authority Bonds (the “Preliminary Official Statement”) to be submitted to the Authority for approval for distribution to prospective purchasers of the Authority Bonds; and

**WHEREAS**, the District has held a public hearing in accordance with Government Code Section 6586.5 following which it has determined that the financing of the capital improvements described herein through the issuance of the Authority Bonds by the Authority will provide significant public benefits for the City and the District and its citizens of the type described in Government Code Section 6586(a).

**NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Perris Joint Powers Authority, as follows:

**Section 1.** Each of the above recitals is true and correct and is adopted by the Authority.

**Section 2.** The Authority is authorized pursuant to Article 4 of the Bond Law to issue the Authority Bonds for the purpose of purchasing the District Bonds.

**Section 3.** The issuance of the Authority Bonds in a principal amount not to exceed \$5,000,000 is hereby authorized, with the exact principal amount to be determined by the official signing of the Authority Purchase Contract for the Authority Bonds in accordance with Section 7 below. The Authority hereby determines that it is prudent in the management of its fiscal affairs to issue the Authority Bonds and hereby finds significant public benefits will result in accordance with the criteria set forth in Government Code Section 6586. The Authority Bonds shall mature on the dates and pay interest at the rates set forth in the Indenture (as hereinafter defined) and the Authority Purchase Contract to be executed on behalf of the Authority in accordance with Section 7 hereof. The Authority Bonds shall be sold at the time and in the manner provided in the Authority Purchase Contract.

**Section 4.** The proposed form of the Indenture, between the Authority and the Trustee, on file with the Secretary of the Authority is hereby approved. The Chairperson, the Executive Director, the Assistant Executive Director, and Treasurer of the Authority (each an “Authorized Officer”) are hereby each authorized and directed, for and in the name and on behalf of the Authority, to issue the Authority Bonds, subject to the terms and conditions of the Indenture, and to execute and deliver the Indenture in substantially the form hereof or with such changes as may be approved by the Authorized Officer, said Authorized Officer’s execution thereof to constitute conclusive evidence of said Authorized Officer’s approval of all such changes.

**Section 5.** The Authority Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of an Authorized Officer and the manual or facsimile signature of the Secretary or a duly authorized Deputy or Assistant Secretary of the Authority. U.S. Bank National Association is hereby appointed to act as Trustee for the Authority Bonds.



**Section 6.** The proposed form of the Local Obligation Bond Purchase Contract on file with the Secretary of the Authority is hereby approved. Each Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to purchase the District Bonds from the District with the proceeds of the Authority Bonds, subject to the terms and conditions of the Local Obligation Bond Purchase Contract, and to execute and deliver the Local Obligation Bond Purchase Contract to the District. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Local Obligation Bond Purchase Contract. The Authority shall purchase the District Bonds simultaneously with the issuance of the Authority Bonds.

**Section 7.** The proposed form of the Authority Purchase Contract on file with the Secretary of the Authority is hereby approved. Each Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to purchase the District Bonds from the District with the proceeds of the Authority Bonds and to accept the offer of the Underwriter to purchase the Authority Bonds from the Authority, subject to the terms and conditions of the Authority Purchase Contract, and to execute and deliver the Authority Purchase Contract to the District and the Underwriter; provided, however, that the true interest cost with respect to the Authority Bonds shall not exceed 5.5% and the Underwriter's Discount shall not exceed 0.90% of the principal amount of the Authority Bonds thereof, excluding any original issue discount or premium on the Authority Bonds. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Authority Purchase Contract.

**Section 8.** The Preliminary Official Statement presented at this meeting and on file with the Secretary is hereby approved, and the Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Authority Bonds. Each Authorized Officer is authorized to make such additions thereto and changes therein as are determined necessary by the such Authorized Officer to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading. Each the Authorized Officer is authorized to deem final the Preliminary Official Statement as of its date for the purpose of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The final Official Statement shall be submitted to the Chairperson or Executive Director for approval.

**Section 9.** The Chairperson, Vice Chairperson, Treasurer and Executive Director of the Authority and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, certificates related to tax exemption, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance of the Authority Bonds and the sale, issuance and delivery of the District Bonds to the Authority and Underwriter pursuant to the Authority Purchase Contract approved herein.

**Section 10.** This resolution shall take effect from and after the date of approval and adoption thereof.

**PASSED, APPROVED AND ADOPTED** at a regular meeting of the Perris Joint Powers Authority on this \_\_\_\_ day of March, 2017.

\_\_\_\_\_  
CHAIRPERSON OF THE PERRIS JOINT  
POWERS AUTHORITY

ATTEST:

\_\_\_\_\_  
SECRETARY OF THE PERRIS  
JOINT POWERS AUTHORITY

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) ss.  
PERRIS JOINT POWERS AUTHORITY )

I, Nancy Salazar, Secretary of the Perris Joint Powers Authority, hereby certify that Resolution No. \_\_\_\_\_ was adopted by the Perris Joint Powers Authority at a regular meeting held on the \_\_\_\_day of March, 2017, and that the same was adopted by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

By: \_\_\_\_\_  
SECRETARY

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

**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 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**

**WHEREAS**, the City Council (the “City Council”) of the City of Perris (the “City”), located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”) has, pursuant to its Resolution No. 4779 (the “Resolution of Intention”) adopted on October 14, 2014, as supplemented by Resolution No. 4781, adopted October 28, 2014, and Resolution No. 4798 (the “Resolution of Formation”) adopted on January 13, 2015, heretofore undertaken proceedings and declared the necessity of Community Facilities District No. 2014-1 (Avelina) of the City of Perris (the “District”) to issue bonds pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”); and

**WHEREAS**, pursuant to its Resolution of Formation, Resolution of Intention, and Resolution No. 4800 (collectively the “Resolutions”), adopted by the legislative body of the District on January 13, 2015, a certain bond proposition was submitted to the qualified electors within the District, and was approved by more than two-thirds of the votes cast at the election held on January 13, 2015, in addition to the levy of a special tax (the “Special Tax”) within each Improvement Area of the District in accordance with a rate and method of apportionment for each Improvement Area, including Improvement Area No. 1 (the “RMA”); and

**WHEREAS**, based upon Resolutions adopted by the legislative body of the District and the election, the District is authorized to issue bonds, pursuant to the Act, in an aggregate principal amount not to exceed \$5,000,000 for Improvement Area No. 1; and

**WHEREAS**, the City and the Housing Authority of the City of Perris, entered into a Joint Exercise of Powers Agreement, created under the Joint Exercise of Powers Act (Sections 6500 *et seq.* of the California Government Code) (the “Bond Law”), dated as of March 26, 2013, thereby forming the Perris Joint Powers Authority (the “Authority”) to assist the City and the Housing Authority of the City in their respective financings; and

**WHEREAS**, the City Council has heretofore undertaken proceedings and declared the necessity of the District to issue bonds pursuant to the terms and provisions of the

Act, and desires to issue bonds at this time under the Act, with the assistance of the Authority, for the purpose of providing financing for the acquisition and construction of public facilities and public capital fees associated with the District, which the District is authorized to finance; and

**WHEREAS**, the District desires to accomplish the financing of certain public capital improvements through the issuance of bonds in an aggregate principal amount not to exceed \$5,000,000 designated as the “Improvement Area No. 1 of Community Facilities District No. 2014-1 (Avelina) of the City of Perris Special Tax Bonds, 2017 Series” (the “District Bonds”); and

**WHEREAS**, in order to raise the funds to purchase the District Bonds, the Authority will issue its Perris Joint Powers Authority Local Agency Revenue Bonds (IA 1-CFD No. 2014-1(Avelina)), 2017 Series A (the “Authority Bonds”) pursuant to the Bond Law, and use the proceeds thereof to purchase the District Bonds from the District, to pay certain costs of issuance and/ or fund a reserve fund and other funds in connection therewith; and

**WHEREAS**, the legislative body of the District has determined in accordance with Government Code Sections 53360.4, and other applicable laws that a negotiated sale of the District Bonds to the Authority in accordance with the terms of the Commitment Agreement and Purchase Contract for Purchase and Sale of Local Obligation Bonds to be entered into by the District and the Authority (the “Local Obligation Bond Purchase Contract”), a form of which is on file with the City Clerk, will result in a lower overall cost to the District; and

**WHEREAS**, the Authority will sell the Authority Bonds to Brandis Tallman LLC (the “Underwriter”) pursuant to the terms of the Purchase Contract, by and among the Authority, the District and the Underwriter (the “Authority Purchase Contract”), a form of which is on file with the City Clerk; and

**WHEREAS**, in order to effect the issuance of the District Bonds by the District and the Authority Bonds, the legislative body of the District desires to approve the form of a Preliminary Official Statement for the Authority Bonds related to the District Bonds and to approve the form of and authorize the execution and delivery of a fiscal agent agreement, by and between the District and U.S. Bank National Association, as Fiscal Agent (the “Fiscal Agent Agreement”), with respect to the issuance of the District Bonds, forms of which are on file with the City Clerk; and

**WHEREAS**, the District further desires to approve the forms and authorize the execution and delivery of the Local Obligation Purchase Contract, the Authority Purchase Contract, a Continuing Disclosure Agreement (as hereinafter defined), and certain other agreements related thereto, the forms of which are on file with the City Clerk; and

**WHEREAS**, the legislative body of the District has determined that it is prudent in the management of its fiscal affairs to issue the District Bonds, that it will accomplish a public purpose; and

**WHEREAS**, in accordance with Government Code Section 6586.5, the County has published notice of a public hearing in a newspaper of general circulation and on the date hereof held a public hearing concerning the financing of the capital improvements described

herein through the issuance of the Authority Bonds as required by Government Code Section 6586.5(a)(2); and

**WHEREAS**, the value of the real property in Improvement Area No. 1 of the District subject to the special tax to pay debt service on the District Bonds is more than three times the principal amount of the District Bonds (based on assessed values on the records of the County of Riverside) and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within the Improvement Area No. 1 of the District, which fact is required as a precondition to the issuance of the District Bonds.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Perris, acting for itself and as the legislative body of Community Facilities District No. 2014-1 (Avelina) of the City of Perris, does hereby resolve, determine and order as follows:

**Section 1.** Each of the above recitals is true and correct and is adopted by the legislative body of the District.

**Section 2.** The District is authorized pursuant to the Act to issue the District Bonds for the purpose of financing capital improvements and public facilities in the District.

**Section 3.** The issuance of the District Bonds in a principal amount not to exceed \$5,000,000 is hereby authorized with the exact principal amount to be determined by the official signing of the Local Obligation Purchase Contract for the District Bonds in accordance with Section 7 below. The legislative body of the District hereby determines that it is prudent in the management of its fiscal affairs and a public purpose to issue the District Bonds. The District Bonds shall mature on the dates and pay interest at the rates set forth in the Local Obligation Purchase Contract to be executed on behalf of the District in accordance with Section 7 hereof.

**Section 4.** The form of the Fiscal Agent Agreement, a copy of which is on file with the City Clerk, be and is hereby approved in substantially the form thereof or with such changes as may be approved by the Mayor, City Manager, Assistant City Manager or Finance Director (each, an "Authorized Officer"), said Authorized Officer's execution thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes, and each of said Authorized Officers be and is hereby authorized, together or alone to execute and deliver said Fiscal Agent Agreement. The City Clerk or a duly authorized Deputy or Assistant City Clerk (the "City Clerk") is hereby authorized to attest to said Authorized Officer's signature.

**Section 5.** The District Bonds shall be executed on behalf of the District by the manual or facsimile signature of an Chairperson of the legislative body of the District, being the Mayor of the City, and attested with the manual or facsimile signature of the City Clerk. U.S. Bank National Association is hereby appointed to act as Fiscal Agent for the District Bonds.

**Section 6.** The covenants set forth in the Fiscal Agent Agreement to be executed in accordance with Section 4 above are hereby approved, shall be deemed to be covenants of the legislative body of the District, and shall be complied with by the District and its officers.

**Section 7.** The form of the Local Obligation Bond Purchase Contract and the Authority Purchase Contract relating to the purchase of the District Bonds by the Authority and relating to the purchase of the Authority Bonds by the Underwriter, respectively, copies of which are on file with the City Clerk, be and are hereby approved in the forms thereof, or with such changes as may be approved by an Authorized Officer, said Authorized Officer's execution thereof to constitute conclusive evidence of said officer's approval of all such changes, and each Authorized Officer be and is hereby authorized, together or alone, to execute and deliver said agreement or agreements to which the District is a party and to insert in each of the aforesaid Agreements the dollar amount which reflects the provisions of said purchase contracts; provided, however, that the true interest cost with respect to the Authority Bonds shall not exceed 5.5% and the Underwriter's discount shall not exceed 0.90% of the principal amount of the Authority Bonds thereof, excluding any original issue discount on the Authority Bonds and the purchase price of the District Bonds shall not exceed any amount prohibited by the Bond Law or the Act.

**Section 8.** The form of the Continuing Disclosure Agreement executed and delivered by the District and Willdan Financial Services, as Dissemination Agent thereunder, a copy of which is on file with the City Clerk (the "Continuing Disclosure Agreement"), be and is hereby approved in substantially the form thereof or with such changes as may be approved by an Authorized Officer, said Authorized Officer's execution thereof to constitute conclusive evidence of said Authorized Officer's approval of all such changes, and each Authorized Officer be and is hereby authorized, together or alone, to execute and deliver said Agreement.

**Section 9.** The form of the Preliminary Official Statement presented at this meeting and on file with the City Clerk is hereby approved, and the Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Authority Bonds. Each Authorized Officer is authorized to make such additions thereto and changes therein as are determined necessary by the such Authorized Officer to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"), including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading. Each Authorized Officer is authorized to deem final the Preliminary Official Statement as of its date for the purpose of Rule 15c2-12. The final Official Statement shall be submitted to an Authorized Officer for approval.

**Section 10.** In accordance with the requirements of Section 53345.8 of the Act, the legislative body of the District hereby determines that the value of the real property within the District subject to the respective special taxes to pay debt service on the District Bonds is not less than three times the principal amount of the respective District Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within Improvement Area No. 1 of the District. This determination is based on the assessed values of the property on the records of the County of Riverside.

**Section 11.** The City Council approves of the financing and hereby finds that significant public benefits exist in undertaking the financing in accordance with the criteria set forth in Government Code Section 6586.

**Section 12.** All conditions precedent to the financing pursuant to the City's policies relating to Mello-Roos Districts have been met or are hereby waived.

**Section 13.** Each Authorized Officer and the other officers and staff of the City and the District responsible for the fiscal affairs of the District are hereby authorized and directed to take any actions and execute and deliver any and all documents and certificates as are necessary to accomplish the issuance, sale and delivery of the District Bonds and to consummate the transactions contemplated by each aforesaid Agreement. In the event that the Mayor is unavailable to sign any document authorized for execution herein, any Authorized Officer may sign such document. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed deputy or assistant city clerk.

**Section 14.** This resolution shall take effect and be enforceable immediately upon its adoption.



**ADOPTED, SIGNED and APPROVED** this \_\_\_\_ day of March, 2017.

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MAYOR OF THE CITY OF PERRIS

Attest:

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CITY CLERK OF THE CITY OF PERRIS

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 Resolution Number \_\_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the \_\_\_ day of March, 2017, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

By: \_\_\_\_\_  
CITY CLERK

CITY COUNCIL AGENDA SUBMITTAL  
March 28, 2017

**SUBJECT:** Approval of the Draft FY 2017-2018 Annual Action Plan Funding Recommendations for the Community Development Block Grant (CDBG) Program

**REQUESTED ACTION:** That the City Council, after hearing all public comments, discussion and any amendments, adopt the attached resolution taking the following actions:

1. Preliminary funding awards for the Fiscal Year (FY) 2017-2018 CDBG Program
2. Adding the funding awards to the Annual Action Plan
3. Adding the Non-public Service projects to the City's Capital Improvement Program

**CONTACT:** Sabrina Chavez, Assistant Director of Community Services & Housing

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**BACKGROUND/DISCUSSION:**

The City of Perris currently receives Community Development Block Grant (CDBG) entitlement funds from the U.S. Department of Housing and Urban Development (HUD). The primary purpose of CDBG funds is to benefit persons who earn less than 80% of the area median income (AMI) or reside in an eligible area.

As part of the process to receive entitlement funds, the City is required to have a Consolidated Plan and an Annual Action Plan. The purpose of the Consolidated Plan is to identify community development and housing needs and outline goals and objectives to meet those needs. The Annual Action Plan is the yearly document that details what activities the City will undertake and the amount of funding to be expended on the activities during the current CDBG fiscal year. The City Council adopted its second Five-Year Consolidated Plan (2014-2019) on May 13, 2014, along with its first Annual Action Plan (FY 2014-2015). The second Annual Action Plan (FY 2015-2016) was adopted by City Council on April 28, 2015 and the third Annual Action Plan (FY 2016-2017) was adopted by City Council on April 26, 2016.

To date, HUD staff has not announced the Fiscal Year 2017-2018 allocations. For the purpose of this report, program staff has based their recommendations on the awarded amount for FY 2016-2017 of \$844,622.

**Proposed Action Plan Allocations for the CDBG Program**

The primary purpose of the CDBG funds are to: 1) provide decent housing; 2) provide a suitable living environment; and 3) expand economic opportunities, principally for low-to-moderate income persons. In accordance with the CDBG national objectives, an activity must meet one of three objectives: 1) serve low-moderate income persons; 2) aid in the elimination of slum and

blight; or 3) address recent, urgent health or welfare needs (e.g. national disaster). An activity may be eligible because it either benefits an area (activity serves a census tract which has 51% or more low-moderate income persons) or a limited clientele (persons and families with low-to-moderate income).

The following is a breakdown of CDBG-eligible funding categories for FY 2017-2018:

CDBG CATEGORY	CAP	AMOUNT
Planning/Administration	20%	\$168,924
Public Service	15%	\$126,693
Non-Public Service Activities	No cap	\$549,005
<b>Total Available CDBG Funds</b>		<b>\$844,622</b>

### **Administration**

A total of \$168,924 (20% of cap) is available for Planning and Administration of Entitlement Programs, including general management, oversight, and coordination and monitoring of programs.

### **Public Service Category**

A total of \$126,693 is available for public service activities. The City received four (4) requests from City departments for public service funds, as well as nine (9) requests from private non-profit agencies. All eligible applications were evaluated on criteria based on needs identified during development of the five-year Consolidated Plan. Staff recommends funding for one (1) of the City Department applicants and eight (8) of the nine (9) eligible private non-profit agency applicants. The private non-profit programs recommended for funding are: Fair Housing Council of Riverside County (Fair Housing Services), Perris Valley Youth Association Sports (Perris Valley Youth Mentoring Program), Life Lifters International, (Perris Employment Education and Mentoring Program), Boys and Girls Club of Perris (Youth Services), Community Connect (Information and Referral Services), Family Service Association (Senior Citizen Meals), Enhance the Gift Ministries (Enhance the Gift Performing Arts Academy), and The Grove Community Church (The Grove Community Outreach).

### **Non-Public Service Category**

A total of \$549,005 is available for non-public service activities. The City received four (4) funding requests from City departments to carry out eligible non-public service activities. The City department applications included funding requests for Neighborhood Stabilization Acquisition Project, sidewalk and Pedestrian Ramps Installation, D Street Public Enhancements, Perris Green City Farm and Healthiest Cities and Counties Challenge Construction. CDBG-eligible activities for non-public services include: housing rehabilitation, housing services, public facility/infrastructure improvements, historic preservation, code enforcement, ADA improvements and economic development.

Under the direction of the City Council, staff is authorized to bring applications for funding to the Council before final allocations are approved and the Annual Action Plan is adopted and submitted

to HUD. It is requested that Council make preliminary funding recommendations based on the projected FY 2017-2018 CDBG Entitlement amount of \$844,622. Final allocations and adoption of the Annual Action Plan will be recommended for approval by the City Council at the April 25, 2017 City Council meeting. These final allocations will be submitted to HUD through the Annual Action Plan by May 17, 2017 as mandated by federal regulation.

In conformance with the strategy outlined by the Five Year Consolidated Plan, proposed allocations for the 2017-2018 Annual Action Plan are as follows:

**2017-2018 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

Estimated 2017-2018 CDBG Grant:	\$844,622
Estimated Carry-over/Unallocated Funds:	\$0
<b>Total Estimated Funding:</b>	<b>\$844,622</b>

**CDBG Allowable Distribution of Funds**

Public Services (15% of new grant):	\$126,693
Planning/Administration (20% of new grant):	\$168,924
Non-Public Services (Other Eligible Activities):	\$549,005
Estimated Carry-over/Unallocated Funds:	\$0
<b>Total Estimated Funding:</b>	<b>\$844,622</b>

**2017-2018 Funding Recommendation Summary**

Preliminary funding recommendations, as submitted by staff, are based on priorities as established by: prior year funding, survey data and stakeholder input. The final meeting for adoption of the Annual Action Plan is scheduled for April 25, 2017. Preliminary recommendations are as follows:

<b>Administration</b>	
<b>CDBG Administration</b>	<b>\$168,924</b>
<b>Public Service Allocations</b>	
Riverside Fair Housing Council: Fair Housing Program	\$26,000
Perris Valley Youth Association: Mentoring Program	\$24,693
Perris Community Svcs. Dept: Perris Youth Employment Program	\$20,000
Life Lifters International: Employment Training Program	\$18,000
Boys and Girls Club of Perris	\$12,000
Community Connect: 211 Riverside County Info & Referral Services	\$5,000
Family Service Association: FSA More than a Meal	\$11,000
Enhance the Gift Ministries: Performing Arts Academy	\$5,000
The Grove Community Church: Outreach	\$5,000
<b>TOTAL PUBLIC SERVICE ALLOCATIONS</b>	<b>\$126,693</b>
<b>Non-Public Service Allocations</b>	
Perris Public Works Administration: D. St. Public Area Enhancements- Open Space/Public Plazas	\$347,825
Perris Engineers Office: Sidewalk & Pedestrian Ramps Installation	\$201,180
<b>TOTAL NON-PUBLIC SERVICE ALLOCATIONS</b>	<b>\$549,005</b>
<b>TOTAL ESTIMATED CDBG ALLOCATIONS</b>	<b>\$844,622</b>

**PUBLIC NOTICE:** Notice was published on February 24, 2017, in the Perris Progress Newspaper (consistent with the City's Citizen Participation Plan) regarding the Action Plan Development and planned Council Meetings to provide citizens with an opportunity to comment on the Draft Annual Action Plan prior to adoption of the plan.

**BUDGET (or FISCAL) IMPACT:** The fiscal impact to the FY 2017-2018 City Operating Budget is an increase in revenue of \$844,622.

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Prepared by: Sara Cortes de Pavon, Grants Manager *sc*  
Reviewed by: Darren Madkin, Interim Assistant City Manager *DM*  
Attachments: Resolution *Assistant Director of Finance Jc*  
Public Hearing: X

**Attachment #1**

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS,  
APPROVING THE DRAFT FY 2017-2018 ACTION PLAN WITH  
PROPOSED FUNDING FOR THE COMMUNITY DEVELOPMENT  
BLOCK GRANT (CDBG) FEDERAL ENTITLEMENT PROGRAM**

**WHEREAS**, the City of Perris, pursuant to Federal regulations, and has solicited public input on the Draft FY 2017-2018 Annual Action Plan with proposed funding; and

**WHEREAS**, the City of Perris, after due consideration and review, has complied with the necessary Federal, State and local regulations and requirements; and

**WHEREAS**, On March 28, 2017, the City Council considered community development and housing needs and approved preliminary CDBG funding recommendations for the FY 2017-2018 Action Plan; and

**WHEREAS**, the approvals herein are preliminary for inclusion in the Draft Annual Action Plan; final approval will be adopted on April 25, 2017.

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

**SECTION 1.** That the City Council approves the recommended funding amounts for projects funded under the Federal CDBG Entitlement Program as indicated in Exhibit A.

**SECTION 2.** That the City Council hereby authorizes adding the recommended funding amounts to the Draft Action Plan to be submitted to the Department of Housing and Urban Development (HUD) for FY 2017-2018 for the Federal Entitlement Program.

**SECTION 3.** That the City Council authorizes adding the D. Street Area Enhancements- Open Space/Public Plazas and the Citywide Sidewalk and Pedestrian Ramps Installation non-public service projects to the Fiscal Year 2017-2018 Capital Improvement Program budget.

**SECTION 4.** That the City Council authorizes the City Manager, or his designee, to execute all documents related to the Fiscal Year 2017-2018 CDBG Entitlement Program.

**SECTION 5.** That the City Clerk shall attest and certify to the passage of this resolution and it shall thereupon take effect and be in full force.

**PASSED, APPROVED, AND ADOPTED ON March 28, 2017, BY THE FOLLOWING VOTE:**

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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, do hereby certify that the foregoing Resolution Number \_\_\_\_\_ was duly adopted by the City Council of the City of Perris at a regular meeting thereof held on the 28<sup>th</sup> day of March 2017, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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City Clerk, Nancy Salazar

Resolution Exhibits:

**Exhibit A: Proposed CDBG Allocations**



Exhibit A

# Proposed FY 2017-2018 Allocations

<b>Administration</b>		<b>\$168,924</b>
<b>Public Service Allocations</b>		
Fair Housing Council of Riv. Co: Fair Housing Services		\$26,000
Perris Valley Youth Assoc.: Mentoring Program		\$24,693
Perris Community Svcs. Dept: Perris Youth Employment Program		\$20,000
Life Lifters International: Employment Education Training Program		\$18,000
Boys and Girls Club		\$12,000
Community Connect: 211 Riverside Co. Information & Referral Services		\$5,000
Family Services Association: FSA More than a Meal		\$11,000
Enhance the Gift Ministries: Performing Arts Academy		\$5,000
The Grove Community Church: Community Outreach		\$5,000
<b>TOTAL PUBLIC SERVICE ALLOCATIONS</b>		<b>\$126,693</b>
<b>Non-Public Service Allocations</b>		
Perris Public Works Administration: D. St. Area Enhancements		\$347,825
Perris Engineers Office: Sidewalk & Pedestrian Ramps Installation		\$201,180
<b>TOTAL NON-PUBLIC SERVICE ALLOCATIONS</b>		<b>\$549,005</b>
<b>TOTAL ESTIMATED CDBG ALLOCATIONS</b>		<b>\$844,622</b>

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: March 28, 2017

**SUBJECT:** Plan Development Overlay (PDO) 14-00093 & Tentative Tract Map 14-00091 (TTM 37038) – Proposal to subdivide 14.5 acres of vacant land into a 111-unit planned residential development with common open-space amenities and to apply a Planned Development Overlay (PDO) zone located at the southwest corner of Orange Avenue and Dunlap Road. **Applicant:** Robert Furey, Groundwurk Inc.

**REQUESTED ACTION:** Introduce the First Reading of Ordinance No. (Next in order) approving Plan Development Overlay 14-00093 to apply a PDO zone over 14.5 acres zoned R-6,000 to facilitate a 111-unit planned residential development, located at the southwest corner of Orange Avenue and Dunlap Road, and making findings in support thereof.

**CONTACT:** Clara Miramontes, Development Services Director 

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**BACKGROUND/DISCUSSION:**

On February 28, 2017, the City Council voted unanimously to approve Plan Development Overlay (PDO) 14-00093 and Tentative Tract Map 14-00091 (TTM 37038) to subdivide 14.5 acres into a 111-unit planned residential development with common open-space amenities, located at the southwest corner of Orange Avenue and Dunlap Road. However, an ordinance is required for the PDO zone which was not included in the last meeting. In order to apply an overlay zone (PDO) to any project, an ordinance must be adopted since it is a change of zone. The City Council is being asked to conduct the first reading of Ordinance No. (next in order) to formally apply the PDO zone to this project. There are no changes to the project and all project plans remain the same as presented to the City Council on February 28, 2017.

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**BUDGET (or FISCAL) IMPACT:** Costs for staff preparation of this item are borne by the applicant.

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**Prepared by:** Kenneth Phung, Project Planner  
**City Attorney:** N/A  
**Interim Assistant City Manager:** Darren Madkin   
**Assistant Director of Finance:** Jennifer Erwin   
**Public Hearing:** March 28, 2017

**Attachments:**

- Attachment 1** City Council Ordinance Approving PDO and Land Use Exhibit
- Attachment 2** Plans
- Attachment 3** City Council Staff Report dated February 28, 2017
- Attachment 4** Planning Commission Staff Report dated December 7, 2016

Initial Study/MND and Associated Studies on File with the Planning Department and available on line at <http://www.cityofperris.org/city-hall/departments/development/planning.html>

**ORDINANCE NUMBER \_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA APPROVING PLAN DEVELOPMENT OVERLAY 14-00093 TO APPLY A PDO ZONE OVER 14.5 ACRES ZONED R-6,000 TO FACILITATE A 111-UNIT PLANNED RESIDENTIAL DEVELOPMENT LOCATED AT THE SOUTHWEST CORNER OF ORANGE AVENUE AND DUNLAP ROAD, AND MAKING FINDINGS IN SUPPORT THEREOF.**

**WHEREAS**, a Plan Development Overlay (PDO) application was submitted to enable a 111-unit planned residential development Project by applying a PDO zone on 14.5 acres zoned R-6,000 located at the southwest corner of Orange Avenue and Dunlap Road; and

**WHEREAS**, the proposed Plan Development Overlay (“PDO”) is consistent with the goals, policies, and implementation measures set forth in the General Plan; and

**WHEREAS**, on December 7, 2016, the Planning Commission conducted a duly noticed public hearing on the PDO zone and at the meeting recommended approval of the PDO zone after considering public testimony and materials in the staff report and accompanying documents; and

**WHEREAS**, on February 28, 2017, the City Council conducted a duly noticed public hearing on the project, at which time all interested persons were given full opportunity to be heard to present evidence; and

**WHEREAS**, after considering all of the information and data which constitutes the administrative record for the above-mentioned approvals, including all oral and written evidence presented to the City during all project meetings and hearings, the City Council, at its February 28, 2017 meeting, approved Resolution No. 258, which adopted Mitigated Negative Declaration 2327 and approved Plan Development Overlay (PDO) 14-00093 and Tentative Tract Map 14-00091 (TTM 37038) to subdivide 14.5 acres into a 111-unit planned residential development with common open-space amenities and to apply a PDO zone located at the southwest corner of Orange Avenue and Dunlap Road; and

**WHEREAS**, on March 28, 2017, the City Council conducted a duly noticed public hearing on this Ordinance, at which time all interested persons were given full opportunity to be heard to present evidence; and

**WHEREAS**, prior to taking action, the City Council has heard, been presented with, and/or reviewed all of the information and data which constitutes the administrative record for the above-mentioned approvals, including all oral and written evidence presented to the City during all project meetings and hearings; and

**ATTACHMENT - 1**

**WHEREAS**, all other legal prerequisites to the adoption of this Ordinance have occurred.

**NOW, THEREFORE**, City Council of the City of Perris hereby ordains as follows:

**Section 1.** The above recitals are all true and correct and are incorporated herein as if set forth in full.

**Section 2.** City Council Resolution Number No. 258 found that although the proposed project could have a significant effect on the environment, there would not be an adverse effect by this project because revisions in the project have been made by or agreed to by the project proponent with the adopted Mitigated Negative Declaration 2327.

**Section 3.** The City Council further finds, based upon the information contained within the staff report and accompanying attachments, as well as all oral and written testimony made at the public hearing, with respect to the Project, the following regarding Plan Development Overlay 14-00093 application with 10-percent density bonus:

- A. The proposed project is well designed and will create a superior environment than could otherwise be achieved by strict application of the underlying conventional zone.
- B. The project incorporates appropriate amenities necessary to create and maintain a desirable environment for residents (e.g., clubhouse, tot-lot, splash pad, common area landscaping, enhanced architectural standards, etc.).
- C. The proposed planned development is harmonious with surrounding development and does not create internal incompatibilities do to improper design, allowed land uses, or density/intensity of development.
- D. The proposed circulation system is adequate to carry the anticipated traffic volume.
- E. The existing or proposed public infrastructure is suitable to meet the needs of the planned development, and does not create capacity issues in other areas of the community.
- F. The proposed density increase is compatible with surrounding land uses as it will maintain a detached residential product and will not adversely affect the public health, safety, welfare, comfort, or convenience.
- G. Suitable infrastructure either exists or will be concurrently constructed to serve the proposed project (i.e., streets, water, sanitary sewer, power, drainage facilities, etc.).
- H. The project is in close proximity to schools, shopping, and related residential support services.
- I. The project is well planned, exhibiting excellence in architectural, site and landscape design.
- J. The project creates a superior residential environment as evidenced by the provision of open space that is readily accessible to dwelling units.

**Section 4.** The City Council hereby adopts PDO 14-00093, including its exhibits, to apply a Plan Development Overlay zone on approximately 14.5 acres of land zoned R-6,000 to enable the planned residential development Project, based upon the information and findings presented in staff report and subject to the attached Conditions of Approval and Mitigation Monitoring Program.

**Section 5.** The City Council declares that should any provision, section, paragraph, sentence, or word of this Ordinance be rendered or declared invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Ordinance shall remain in full force and effect.

**Section 6.** The Mayor shall sign this Ordinance and the City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be published and posted pursuant to the provisions of law in this regard, and this Ordinance shall take effect thirty days after its final passage.

**ADOPTED, SIGNED and APPROVED this \_\_\_\_ day of \_\_\_\_, 2017.**

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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 Ordinance (next in order) was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the \_\_\_ day of \_\_\_\_\_ 2017, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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City Clerk, Nancy Salazar

**Attachments:** PDO Landuse Amendment  
Conditions of Approval (Planning & MMRP, Engineering and Public Works)

# Proposed PDO Overlay on Land Zone R-6,000



City Council: March 28, 2017

PDO 14-00093 & TTM 14-00091 (TTM 37038)

**ATTACHMENT – 1**

**CITY OF PERRIS  
DEPARTMENT OF DEVELOPMENT SERVICES  
PLANNING DIVISION**

**CONDITIONS OF APPROVAL**

**Planned Development Overlay (PDO) 14-00093  
Tentative Tract Map 14-00091 (TTM 37038)**

**February 28, 2017**

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**PROJECT:** Proposal to subdivide 14.5 acres of vacant land into a 111-unit planned residential development with common open-space amenities and to apply a Planned Development Overlay (PDO) Zone located at the southwest corner of Orange Avenue and Dunlap Road. **Applicant:** Rob Furey, Groundwurk Inc.

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**\*MITIGATION, MONITORING AND REPORTING PROGRAM (MMRP)**

The Mitigation Monitoring and Reporting Program (MMRP) Checklist is attached to reduce potential traffic, noise, air quality, biological and cultural resource impacts, and shall be implemented in accordance with the timeline, reporting and monitoring intervals listed in the MMRP. The applicant is required to meet all the mitigation measures as conditions of approval.

**General Requirements:**

1. **Conformance to Approved Plans.** Development of the project site, building elevations, and conceptual landscaping shall conform substantially to the approved set of plans presented at the December 7, 2016 Planning Commission hearing, or as amended by these conditions and as approved by the City Council. Any deviation shall require appropriate Planning Division review and approval. *The following conditions were included at the Planning Commission to be incorporated as part of the project:*
  - a. *The rear elevations for the Craftsman and Spanish architecture shall provide an additional architectural treatment to the second floor to provide additional interest to the elevation.*
  - b. *The central open space area shall be enlarged to provide additional recreation area by eliminating two lots – from 113 to 111 lots – and to permit construction of a 2,000 sf. single-story clubhouse.*
2. **Construction Plans.** All Planning Division and Engineering Department Conditions of Approval, Mitigation Monitoring Plan, Security Plan and Landscape Plan Requirements shall be reproduced in full on construction drawings and grading plans, immediately following the cover sheet of such plans. Applicant shall annotate each Condition on the construction plans to indicate the manner by which each condition has been met (i.e., sheet and detail numbers).
3. **Residential Use and Development Restrictions.** The physical development of all structures and individual units shall be reviewed and approved by the City. Any use, activity, and/or development occurring on the site without appropriate City approvals shall



- constitute a code violation and shall be treated as such. Placement of any temporary leasing trailer shall require separate review and approval by the City.
4. **Expansion of Use.** Any future expansion of use will require Planning review and approval.
  5. **Term of Approval.** This approval shall be used within three (3) years of approval date; otherwise it shall become null and void. By use is meant the beginning of substantial construction contemplated by this approval within the three (3) year period which is thereafter diligently pursued to completion, or the beginning of substantial utilization contemplated by this approval. A maximum of three (3) one-year time extensions shall be permitted.
  6. **Building Official/Fire Marshal.** The proposed project shall adhere to all requirements of the Building Official/Fire Marshal. Fire hydrants shall be located on the project site pursuant to the Building Official. Water, gas, sewer, electrical transformers, power vaults and separate fire/water supply lines (if applicable) must be shown on the final set of construction plans pursuant to the requirements of the Building Official.
  7. **Engineering Conditions.** The project shall comply with all requirements of the City Engineer as indicated in the Engineering Conditions of Approval dated November 14, 2016.
  8. **Special District Conditions.** The project shall comply with all requirements of the Public Works Department Conditions of Approval dated January 26, 2014.
  9. **Southern California Edison.** Prior to issuance of building permits, the applicant shall contact the area service planner (951-928-8323) for Southern California Edison (SCE) to complete the required forms prior to commencement of construction.
  10. **Unit Identification.** Each building in the development shall include a lighted address fixture approved by the Fire Marshal. There must also be directional signs showing unit number intervals.
  11. **Exterior Downspouts.** Exterior downspouts are not permitted unless architecturally enhanced and approved by the Planning Division.
  12. **Utilities.** All utility facilities attached to buildings, including meters and utility boxes, shall be enclosed within cabinets, as appropriate, and/or painted to match the building to which they are affixed.
  13. **Graffiti.** Graffiti located on site shall be removed within 48 hours. The site shall be maintained in a graffiti-free state at all times.
  14. **Spark Arresters.** All spark arresters in the proposed tract shall be screened by sheet metal enclosures, or other material acceptable to the Building Official, and painted according to the approved paint palette.

15. **Indemnification.** The developer/applicant shall indemnify, protect, defend, and hold harmless, the City and any agency or instrumentality thereof, and/or any of its officers, employees and agents from any and all claims, actions, or proceedings against the City, or any agency or instrumentality thereof, or any of its officers, employees and agents, to attack, set aside, void, annul, or seek monetary damages resulting from an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board or legislative body including actions approved by the voters of the City, concerning General Plan Amendment (GPA) 14-00094, Zone Change (ZC) 14-00095, Plan Development Overlay (PDO) 14-00093, Tentative Tract Map 14-00091 (TTM 37038). The City shall promptly notify the developer/applicant of any claim, action, or proceeding for which indemnification is sought and shall further cooperate fully in the defense of the action.
  
16. **Construction Practices.** To reduce potential noise and air quality nuisances, the following items shall be listed as "General Notes" on the construction drawings:
  - a. Construction activity and equipment maintenance is limited to the hours between 7:00 a.m. and 7:00 p.m., on weekdays. Construction may not occur on weekends or State holidays, without prior consent of the Building Official. Non-noise generating activities (e.g., interior painting) are not subject to these restrictions.
  - b. Stationary construction equipment that generates noise in excess of 65 dBA at the project boundaries must be shielded and located at least 100 feet from occupied residences. The equipment area with appropriate acoustic shielding shall be designated on building and grading plans. Equipment and shielding shall remain in the designated location throughout construction activities.
  - c. Construction routes are limited to City of Perris designated truck routes.
  - d. Water trucks or sprinkler systems shall be used during clearing, grading, earth moving, excavation, transportation of cut or fill materials and construction phases to prevent dust from leaving the site and to create a crust after each day's activities cease. At a minimum, this would include wetting down such areas in the later morning and after work is completed for the day and whenever wind exceeds 15 miles per hour.
  - e. A person or persons shall be designated to monitor the dust control program and to order increased watering as necessary to prevent transport of dust off-site. The name and telephone number of such persons shall be provided to the City.
  - f. Project applicants shall provide construction site electrical hook ups for electric hand tools such as saws, drills, and compressors, to eliminate the need for diesel powered electric generators or provide evidence that electrical hook ups at construction sites are not practical or prohibitively expensive.
  - g. All development projects greater than 19 single-family residential units shall apply paints using either high volume low pressure (HVLP) spray equipment or by hand application.
  
17. **Energy Conservation.** To improve local air quality, the applicant is encouraged to incorporate any or all of the following energy-conservation features into the project:

- Low NO<sub>x</sub> water heaters per specifications in the Air Quality Attainment Plan;
  - Heat transfer modules in furnaces;
  - Light colored water-based paint and roofing materials;
  - Passive solar cooling/heating; and,
  - Energy efficient appliances and lighting.
18. **Tract Identification.** The developer shall provide community entry statements, including theme walls, monumentation and enhance landscaping at each entrance to the tract. Theme walls and monuments shall not occur within the public right-of-way. The design of entry statements shall be subject to the review and approval of the Planning Division.
19. **Signs.** All signs require separate Planning review and approval, and issuance of a building permit.
20. **Phasing.** Any Phasing Plan shall be reviewed and approved by the Planning Division and the City Engineer. Each Phase of the project shall provide adequate drainage and at least two points of access to all lots.
21. **Underground Utilities.** All utilities such as cable TV and electrical distribution lines (including those which provide direct service to the project site and/or currently exist along public right-of-ways) adjacent to the site shall be placed underground, except for electrical utility lines rated at 65kv or larger.
22. **City-Approved Waste Hauling.** The developer shall use only the City-approved waste hauler for all construction and other waste disposal.
23. **Pet Rules.** Resident pets are subject to the following requirements:
- a. Pet cats shall be kept indoors at all times.
  - b. Pet dogs shall be licensed per requirements of the City of Perris.
  - c. Pet dogs shall be leashed at all times when outdoors, unless within the confines of the Dog Park. Required fencing shall be maintained in good condition.
  - d. The Dog Park/WQMP Retention Basin shall be cleaned of dog waste daily.
  - e. Clean-up Stations shall be provided in the Dog Park, to include plastic bag dispenser and covered trash can.
24. **Vehicle Washing Prohibited Onsite.** Residents shall not be permitted to wash vehicles on the premises.
25. **Roof-Mounted Equipment.** No roof-mounted equipment is permitted.
26. **Compatibility with Perris Valley Airport.** The project is located within the Perris Valley Airport sphere of influence, therefore shall comply with the following measures:

- A. Any model home complex used in conjunction with the sale of homes shall prominently identify the location of the Perris Valley Airport on an aerial photo clearly visible to prospective buyers within the model home complex sales office. The model home complex shall also display a "Notice of Airport in Vicinity" disclosure in an area clearly visible and in a manner that is clearly legible to prospective buyers.

#### **NOTICE OF AIRPORT IN VICINITY**

"This property is presently located in the vicinity of an airport. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyance, if any are associated with the property before you complete your purchase and determine whether they are acceptable to you".

- B. Buyers shall also be provided the "Notice of Airport in Vicinity" disclosure at the time of closing for the purchase of a home or residential lot and shall be recorded as a deed notice.
- C. Any outdoor lighting installed shall be hooded or shielded to prevent either the spillage of lumens or reflection into the sky. Outdoor lighting shall be downward facing.
- D. The following uses shall be prohibited:
- (a) Any use which would direct a steady light or flashing light of red, white, green, or amber colors associated with airport operations toward an aircraft engaged in an initial straight climb following takeoff or toward an aircraft engaged in a straight final approach toward a landing at an airport, other than an FAA-approved navigational signal light or visual approach slope indicator.
  - (b) Any use which would cause sunlight to be reflected towards an aircraft engaged in an initial straight climb following takeoff or towards an aircraft engaged in a straight final approach towards a landing at an airport.
  - (c) Any use which would generate excessive smoke or water vapor or which would attract large concentrations of birds, or which may otherwise affect safe air navigation within the area. (Such uses include landscaping utilizing water features, aquaculture, production of cereal grains, sunflower, and row crops, artificial marshes, wastewater management facilities, composting operations, trash transfer stations that are open on one or more sides, recycling centers containing putrescible wastes, construction and demolition debris facilities, fly ash disposal, and incinerators.)
  - (d) Any use which would generate electrical interference that may be detrimental to the operation of aircraft and/or aircraft instrumentation.
  - (e) Highly noise-sensitive outdoor nonresidential uses.
- E. Any ground-level or aboveground water retention or detention basin or facilities

shall be designed so as to provide for a detention period for the design storm that does not exceed 48 hours and to remain totally dry between rainfalls. Vegetation in and around such facilities that would provide food or cover for bird species that would be incompatible with airport operations shall not be utilized in project landscaping. Landscaping shall utilize plant species that do not produce seeds, fruits, or berries. Trees shall be spaced so as to prevent large expanses of contiguous canopy, when mature.

**Prior to Issuance of Building Permit:**

27. **School District.** The proposed project shall adhere to the standard requirements and mitigation fees established by the School District.
28. **Dunlap Road Entrance.** The Dunlap Road entrance will need to be further modified to relocate the entry gate further back to provide additional stacking for cars and to provide an additional median to provide turn around access for visitors who are unable to reach residents who live in the community.
29. **Clubhouse.** The clubhouse square footage will need to be increased in size to approximately 2,000 sf. This can either be accomplished by constructing a two-story clubhouse or modifying the recreation area to provide a one-story 2,000 sf. clubhouse. Submittal of the revised clubhouse plan and recreation area will need to be submitted and approved by the Planning Division.
30. **Decorative Lighting.** Decorative lighting will need to be submitted for staff review and approval prior to installation.
31. **Water Resources Control Board.** The developer shall submit a copy of the State Water Resources Control Board permit letter with the WDID number.
32. **Landscaping.** The developer shall submit three (3) copies of construction level Landscape and Irrigation Plans to the Planning Division, accompanied by the appropriate filing fee. The plans shall be prepared by a registered landscape architect and include the location, number, genus species, and container size of the plants. Plants shall be consistent with Section 19.70 of the Perris Municipal Code. The cover page shall identify the total square footage of the landscaped area and note that it shall be maintained in accordance with Section 19.70 of the City Code. Use of water efficient fixtures and drought tolerant plants is encouraged. Additional landscape requirements include that front-yard landscaping and irrigation shall be provided for all lots, and landscaping, irrigation, and street trees along all arterial and collector road abutting the project. All slopes greater than two (2) feet in height shall be landscaped and irrigated. The landscaping shall be consistent with the conceptual landscape plan. The following shall apply:
  - a. **EMWD.** Landscape plans shall be submitted concurrently to Eastern Municipal Water District (EMWD) and the City for approval, and comply with required

- EMWD inspections.
- b. **BMPs for Water Quality.** All BMPs (vegetated swales, detention basins, etc.) shall be indicated on the landscape plans with appropriate planting and irrigation (except of detention basins).
  - c. **Water Conservation.** Landscaping must comply with AB 325 for water conservation. See Chapter 19.70 (cityofperris.org) for water conservation calculations (MAWA).
  - d. **Maintenance.** All required landscaping shall be maintained in a viable growth condition.
  - e. **Irrigation Rain Sensors.** Rain sensing override devices shall be required on all irrigation systems (PMC 19.70.040.D.16.b) for water conservation. Soil moisture sensors are required.
  - f. **Landscape Inspections.** The project applicant shall inform the on-site project manager and the landscape contractor of their responsibility to call for final landscape inspection after all the landscaping and irrigation have been installed and is completely operational. Before calling for final inspections a "Certificate of Compliance" form shall completed and signed by the designer/auditor responsible for the project, and this form must be submitted to the project planner. The project planner will need to sign off on the "Certificate of Compliance" to signify code compliance.
33. **Walls and Fences.** The developer shall submit and obtain approval from the Planning Division of a block wall/vinyl fence plan. At a minimum, this plan shall include the following items:
- a. The perimeter walls shall be decorative masonry or split face block with a cap and stone wrapped pilasters at corners, regular intervals of approximately 100-feet, and at terminus. The perimeter wall shall be at least 6-feet tall along Orange Avenue, Dunlap Drive and Lemon Avenue. **A 7-foot tall perimeter wall height shall be considered along Dunlap Drive for further screening of the tent farming operation across the street.** The wall along the school site shall be at least 8-feet tall at the request of the school district. Wrought iron with pilaster columns spaced approximately 50-feet can be provided along Lemon Avenue adjacent to the right-of-way in front of the storm drain easement.
  - b. All corner lots and or side yards adjacent to a public or private street or lots facing the open space area shall also provide decorative masonry or split-face wall along with all returns between residences. U.V. protected vinyl fence are allowed to the side and rear property lines not visible from the street.
  - c. Fencing for any proposed bioswales or detention basins shall be wrought iron with pilaster columns spaced approximately 50-feet apart.
34. **Fees.** The developer shall pay the following fees according to the timeline noted herein:
- a. The developer shall pay Stephens' Kangaroo Rat Mitigation Fees of \$500.00 per acre;

- b. The developer shall pay Multi-Species Habitat Conservation Plan fees in effect at that time;
  - c. The developer will pay the statutory school fees in effect at issuance of building permits to all appropriate school districts;
  - d. The developer shall pay any outstanding development processing fees.
35. **Site Lighting Plan.** The applicant shall submit a formal lighting plan with photometrics to the Planning Division for review and approval. Full cutoff, low sodium fixtures shall be used to prevent light and glare above the horizontal plane of the bottom of the lighting fixture. A minimum of one (1) foot-candle of light shall be provided in parking and pedestrian areas.
36. **Property Liens.** The developer shall pay all liens owed to the city prior to the issuance of building permits.

**Prior to Issuance of Grading Permit:**

37. **Final Map Submittal.** A final map application shall be submitted to the Planning Division with payment of appropriate fees for review and approval concurrently with application to the City Engineer.
38. **Assessment Districts.** Prior to recordation of the Final Map, the developer shall post an adequate maintenance performance bond to be retained by the City as required, and annex into the following maintenance districts:
- a. The North Perris Community Facilities Assessment District
  - b. The Landscape Maintenance District
  - c. The Street Lighting Maintenance District
  - d. The Flood Control Maintenance District
39. **Required Approvals.** The developer shall obtain the following clearances or approvals:
- a. Verification from the Planning Division that all pertinent conditions of approval have been met, including any Administrative Development Plan Review approvals, as mandated by the Perris Municipal Code;
  - b. Planning Commission approval of all proposed changes to street names; and,
  - c. All City Engineering conditions of approval have been completed, as required prior to map recordation.
40. **Plans and CC&Rs.** The developer shall submit and obtain approvals on the following items:
- a. Covenants, Conditions, and Restrictions (CC&Rs) shall be submitted to the Planning Division for review and approval by Planning Division and City Attorney's Office.

- b. Grading plans to the City Engineer, demonstrating compliance with National Pollution Discharge Elimination System requirements. The plans shall include a Storm Water Pollution Prevention Plan detailing water quality management controls and identifying Best Management Practices (BMPs) to control pollutant runoff. The applicant shall identify measures specified in Supplement A of the Riverside County Drainage Area Management Plans New Development Guidelines or other equally effective standard for implementing project BMPs, assignment of long-term maintenance responsibilities (specifying the developer, parcel owner, lessee, etc.) and shall reference the location(s) of structural BMPs.

**Prior to Issuance of Occupancy Permit:**

41. **Anti-Graffiti Coating.** Anti- Graffiti coating is required for perimeter walls and pilasters.
42. **Planning Inspection.** The applicant shall have complied with all pertinent Conditions of Approval and have all required parking, lighting, fencing, landscaping and automatic irrigation installed and in good condition. The irrigation system and landscaping shall conform to the approved landscaping and irrigation plans, and the Certificate of Compliance form shall be completed and submitted to the Planning Division.



## MITIGATION MONITORING REPORT

The following environmental mitigation measures shall be incorporated into the project development as Conditions of Approval. The Project Applicant shall secure a signed verification for the mitigation measures that indicates that the mitigation measures have been complied with and implemented, and fulfill the City of Perris environmental and other requirements (Public Resources Code Section 21081.6.) Final clearance shall require all applicable verifications as included in the following table. The City of Perris Development Services Department has primary responsibility for monitoring and reporting the implementation of the mitigation measures. The mitigation measures are identified by impact category and numbered for ease of reference.

City of Perris (Citrus Court)				
MITIGATION MONITORING PROGRAM				
MITIGATION MEASURE	TIMING	VERIFICATION OF COMPLIANCE		
		DEPARTMENT:	SIGNATURE:	DATE:
<p><b>BIO 1</b> Per the Western Riverside County Multi-Species Habitat Conservation Plan Burrowing Owl Survey Instructions (March 2006), focused burrowing owl surveys (Step II, Part A) shall be conducted by a qualified biologist during the breeding season (March 1 – August 31) in order to describe if, when, and how the project site is used by burrowing owls. In the event owls are observed onsite, County of Riverside Environmental Programs Department (EPD) will be contacted to discuss potential mitigation measures, such as passive or active relocation.</p>	<p>Prior to grading permit.</p>	<p>Planning and Engineering Divisions</p>		
<p><b>BIO-2</b> If pre-construction nesting bird surveys locate active nests, no construction-related activities shall take place within 300 feet of sensitive bird nests and within 500 feet of raptor nests, or as determined by a qualified biologist. Protective measures (e.g., sampling) shall be required to ensure compliance with the Migratory Bird Treaty Act and relevant California Fish and Game Code requirements.</p>	<p>Prior to grading permit.</p>	<p>Planning and Engineering Divisions</p>		
<p><b>CULT-1</b> The project developer shall retain a professional archaeologist prior to the issuance of grading permits. The task of the archaeologist shall be to monitor the initial ground-altering activities_ at the subject site and off-site project improvement areas for the unearthing of previously unknown archaeological and/or cultural resources. Selection of the archaeologist shall be subject to the approval of the City of Perris Director of Development Services and no grading activities shall occur at the site or within the off-site project improvement areas until the archaeologist has been approved by the City.</p> <p>The archaeological monitor shall be responsible for maintaining daily field notes and a photographic record, and for reporting all finds to the developer and the City of Perris in a timely manner. The archaeologist shall be equipped to record and salvage cultural resources that may be unearthed during grading activities. The archaeologist shall be empowered to temporarily halt or divert grading equipment to allow recording and removal of the unearthed resources.</p>	<p>Prior to grading permit and during construction if resources are found.</p>	<p>Planning and Engineering Divisions</p>		

**City of Perris (Citrus Court)**

**MITIGATION MONITORING PROGRAM**

MITIGATION MEASURE	TIMING	VERIFICATION OF COMPLIANCE		
		DEPARTMENT:	SIGNATURE:	DATE:
<p>In the event that archaeological resources are discovered at the project site or within the off-site project improvement areas, the handling of the discovered resources will differ. However, it is understood that all artifacts with the exception of human remains and related grave goods or sacred/ceremonial objects belong to the property owner. All artifacts discovered at the development site shall be inventoried and analyzed by the professional archaeologist. If any artifacts of Native American origin are discovered, all activities in the immediate vicinity of the find (within a 100-foot radius) shall stop and the project proponent and project archaeologist shall notify the City of Perris Planning Division, the Pechanga Band of Luiseño Indians and the Soboba Band of Luiseño Indians. A designated Native American observer from either the Pechanga Band of Luiseño Indians or the Soboba Band of Luiseño Indians shall be retained to help analyze the Native American artifacts for identification as everyday life and/or religious or sacred items, cultural affiliation, temporal placement, and function, as deemed possible. The significance of Native American resources shall be evaluated in accordance with the provisions of CEQA and shall consider the religious beliefs, customs, and practices of the Luiseño tribes. All items found in association with Native American human remains shall be considered grave goods or sacred in origin and subject to special handling.</p> <p>Native American artifacts that are relocated/reburied at the project site would be subject to a fully executed relocation/reburial agreement with the assisting Native American tribes or bands. This shall include measures and provisions to protect the reburial area from any future impacts. Relocation/reburial shall not occur until all cataloging and basic recordation have been completed. Native American artifacts that cannot be avoided or relocated at the project site shall be prepared in a manner for curation at an accredited curation facility in Riverside County that meets federal standards per 36 CFR Part 79 and makes the artifacts available to other archaeologists/researchers for further study such as University of California, Riverside Archaeological Research Unit (UCR-ARU) or the Western Center for Archaeology and Paleontology. If more than one Native American group is involved with the project and they cannot come to an agreement as to the disposition of Native American artifacts, they shall be curated at the Western Center by default. The archaeological consultant shall deliver the Native American artifacts, including title, to the accredited curation facility within a reasonable amount of time along with the fees necessary for permanent curation.</p> <p>Non-Native American artifacts shall be inventoried, assessed, and analyzed for cultural affiliation, personal affiliation (prior ownership), function, and temporal placement. Subsequent to analysis and reporting, these artifacts will be subjected to curation or returned to the property owner, as deemed appropriate.</p>				

**City of Perris (Citrus Court)**

**MITIGATION MONITORING PROGRAM**

MITIGATION MEASURE	TIMING	VERIFICATION OF COMPLIANCE		
		DEPARTMENT:	SIGNATURE:	DATE:
<p>Once grading activities have ceased or the archaeologist, in consultation with the designated Native American observer, determines that monitoring is no longer necessary, monitoring activities can be discontinued following notification to the City of Perris Planning Division.</p> <p>A report of findings, including an itemized inventory of recovered artifacts, shall be prepared upon completion of the steps outlined above. The report shall include a discussion of the significance of all recovered artifacts. The report shall provide evidence that any Native American and Non-Native American archaeological resources recovered during project development have been avoided, reburied, or curated at an accredited curation facility. A copy of the report shall also be filed with the Eastern Information Center (EIC) and submitted to the Pechanga Band of Luiseño Indians and the Soboba Band of Luiseño Indians.</p> <p><b>CULT-2</b> Prior to the issuance of grading permits, the project applicant shall submit to and receive approval from the City, a Paleontological Resource Impact Mitigation Monitoring Program (PRIMMP). The PRIMMP shall include the provision of a qualified professional paleontologist (or his or her trained paleontological monitor representative) during on-site and off-site subsurface excavation that exceeds three (3) feet in depth. Selection of the paleontologist shall be subject to approval of the City of Perris Director of Development Services and no grading activities shall occur at the site until the paleontologist has been approved by the City.</p> <p>Monitoring shall be restricted to undisturbed subsurface areas of older alluvium, which might be present below the surface. The approved paleontologist shall be prepared to quickly salvage fossils as they are unearthed to avoid construction delays. The paleontologist shall also remove samples of sediments which are likely to contain the remains of small fossil invertebrates and vertebrates. The paleontologist shall have the power to temporarily halt or divert grading equipment to allow for removal of abundant or large specimens.</p> <p>Collected samples of sediments shall be washed to recover small invertebrate and vertebrate fossils. Recovered specimens shall be prepared so that they can be identified and permanently preserved. Specimens shall be identified and curated and placed into an accredited repository (such as the Western Science Center or the Riverside Metropolitan Museum) with permanent curation and retrievable storage.</p> <p>A report of findings, including an itemized inventory of recovered specimens, shall be prepared upon completion of the steps outlined above. The report shall include a discussion of the significance of all recovered specimens. The report and inventory, when submitted to the City of Perris Planning Division, would signify completion of the program to mitigate impacts to paleontological resources.</p>	<p>Prior to grading permit and during construction if resources are found.</p>	<p>Planning and Engineering Divisions</p>		

**City of Perris (Citrus Court)**

**MITIGATION MONITORING PROGRAM**

MITIGATION MEASURE	TIMING	VERIFICATION OF COMPLIANCE		
		DEPARTMENT:	SIGNATURE:	DATE:
<p><b>CULT-3</b> In the event that human remains (or remains that may be human) are discovered at the project site during grading or earthmoving, the construction contractors, project archaeologist, and/or designated Native American observer shall immediately stop all activities within 100 feet of the find. The project proponent shall then inform the Riverside County Coroner and the City of Perris Planning Division immediately, and the coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).</p> <p>If the coroner determines that the remains are of Native American origin, the coroner would notify the Native American Heritage Commission (NAHC), which will identify the "Most Likely Descendent" (MLD). Despite the affiliation with any Native American representatives at the site, the NAHC's identification of the MLD will stand. The MLD shall be granted access to inspect the site of the discovery of Native American human remains and may recommend to the project proponent means for treatment or disposition, with appropriate dignity of the human remains and any associated grave goods. The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The disposition of the remains will be determined in consultation between the project proponent and the MLD. In the event that the project proponent and the MLD are in disagreement regarding the disposition of the remains, State law will apply and the median and decision process will occur with the NAHC (see Public Resources Code Section 5097.98(e) and 5097.94(k)).</p> <p>The specific locations of Native American burials and reburials will be proprietary and not disclosed to the general public. The locations will be documented by the consulting archaeologist in conjunction with the various stakeholders and a report of findings will be filed with the Eastern Information Center (EIC).</p>	<p>During construction if resources are found.</p>	<p>Planning and Engineering Divisions</p>		
<p><b>HYD-01</b> Prior to the issuance of a grading permit, the project proponent shall file a Notice of Intent (NOI) with the Santa Ana Regional Water Quality Control Board to be covered under the State National Pollutant Discharge Elimination System (NPDES) General Construction Permit for discharge of stormwater associated with construction activities. The project proponent shall submit the Waste Discharge Identification Number to the City of Perris as proof that the project's Notice of Intent (NOI) has been filed with the Santa Ana Regional Water Quality Control Board.</p>	<p>Prior to issuance of grading permit.</p>	<p>Planning and Engineering Divisions.</p>		
<p><b>HYD-02</b> Prior to the first issuance of a grading permit by the City for the project, the project design shall receive approval from the City of Perris a Storm Water Pollution Prevention Plan (SWPPP). The SWPPP shall include a surface water control plan and erosion control plan citing specific measures to control on-site and off-site erosion during the entire grading and construction period. In addition, the SWPPP shall</p>	<p>Prior to issuance of grading permit.</p>	<p>Planning and Engineering Divisions.</p>		

**City of Perris (Citrus Court)**

**MITIGATION MONITORING PROGRAM**

MITIGATION MEASURE	TIMING	VERIFICATION OF COMPLIANCE		
		DEPARTMENT:	SIGNATURE:	DATE:
<p>emphasize structural and nonstructural best management practices (BMPs) to control sediment and non-visible discharges from the site. Some of the BMPs to be implemented may include (but shall not be limited to the following:</p> <ul style="list-style-type: none"> <li>• Sediment discharges from the site may be controlled by the following: sandbags, silt fences, straw wattles and temporary debris basins (if deemed necessary), and other discharge control devices. The construction and condition of the BMPs would be periodically inspected during construction, and repairs would be made when necessary as required by the SWPPP.</li> <li>• All materials that have the potential to contribute non-visible pollutants to stormwater must not be placed in drainage ways and must be contained, elevated, and placed in temporary storage containment areas.</li> <li>• All loose piles of soil, silt, clay, sand, debris, and other earthen material shall be protected in a reasonable manner to eliminate any discharge from the site. Stockpiles would be surrounded by silt fences and covered with plastic tarps.</li> <li>• The SWPPP would include inspection forms for routine monitoring of the site during the construction phase to ensure NPDES compliance.</li> <li>• Additional BMPs and erosion control measures would be documented in the SWPPP and utilized if necessary.</li> <li>• The SWPPP would be kept on site for the entire duration of project construction and will also be available to the local RWQCB for inspection at any time.</li> </ul> <p><b>HYD-03</b> The Construction Contractor shall be responsible for performing and documenting the application of BMPs identified in the SWPPP. Weekly inspections shall be performed on sediment control measures called for in the SWPPP. Monthly reports shall be maintained by the Contractor and available for City inspection. In addition, the Contractor would also be required to maintain an inspection log and have the log on site available for review by the City of Perris and the representatives of the Regional Water Quality Control Board</p>				
<p><b>NOISE 1:</b> Construction activity and equipment maintenance is limited to the hours between 7:00 a.m. and 7:00 p.m. Per Zoning Ordinance, Noise Control, Section 7.34.060, it is unlawful for any persons between the hours of 7:00 p.m. of any day and 7:00 a.m. of the following day, or on a legal holiday, or on Sundays to erect, construct, demolish, excavate, alter or repair any building or structure in a manner as to create disturbing excessive or offensive noise. Construction activity shall not exceed 80 dBA in residential zones in the City.</p>	Prior to issuance of grading and/or building permits.	Planning and Engineering Divisions.		
<p><b>NOISE 2:</b> Stationary construction equipment that generates noise in excess of 65 dBA at the project boundaries must be shielded and located at least 100 feet from occupied residences. The equipment area with appropriate acoustic shielding shall be designated on building and grading plans. Equipment and shielding shall remain in the designated</p>	Prior to issuance of grading and/or building permits.	Planning, Building and Engineering Divisions.		

**City of Perris (Citrus Court)**

**MITIGATION MONITORING PROGRAM**

MITIGATION MEASURE	TIMING	VERIFICATION OF COMPLIANCE		
		DEPARTMENT:	SIGNATURE:	DATE:
location throughout construction activities.				
<b>NOISE 3:</b> Construction routes are limited to City of Perris designated truck routes. The applicant must provide property owners within 300' feet of the project site a construction activity schedule and construction routes 30 days in advance of construction activities. The applicant must submit copy of schedule and mailing list to the City prior to initiation of any earth movement.	Prior to issuance of a grading and/or building permit.	Planning, Building and Engineering Divisions.		
<b>Traffic-1:</b> Construct the intersections of Wilson Avenue, Murrieta Road and Evans Avenue along Orange Avenue to its ultimate classification according to the General Plan Circulation Element. Improvements would provide additional east-west roadway capacity therefore reducing the cumulative impacts.	Prior to occupancy permit.	Engineering Division		
<b>Traffic-2:</b> Construct the intersections of Murrieta Road, Evans Road and El Nido Avenue with Nuevo Road to its ultimate classification according to the General Plan Circulation Element. Improvements would provide additional east-west roadway capacity therefore reducing the cumulative impacts.	Prior to occupancy permit.	Engineering Division		
<b>Traffic-3:</b> Fair Share Payment per the Traffic Study	Prior to Grading Permit.	Engineering Division		



# CITY OF PERRIS

HABIB MOTLAGH, CITY ENGINEER

## CONDITIONS OF APPROVAL

P8-625

November 14, 2016, Revised Planning Commission December 8, 2016, *Revised Council Meeting February 28, 2017*

Tr. 37038 (Private Subdivision)

With respect to the Conditions of Approval for the above referenced project, the City of Perris requires that the land divider provide the following street improvements and/or road dedications in accordance with the City of Perris Municipal Code Title 18. It is understood that the Site Plan correctly shows all existing easements, traveled ways and drainage courses with appropriate Q's and that their omission may require the map to be resubmitted for further consideration. These Ordinances and the following conditions are essential parts and requirement occurring in ONE is as binding as though occurring in all. They are intended to be complimentary and to describe the conditions for a complete design of the improvements. All questions regarding the true meaning of the conditions shall be referred to the City Engineers' office.

1. Drainage and flood control facilities and improvements shall be installed in accordance with Riverside County Flood Control and Water Conservation District Master Plan and the City of Perris requirements and standards and in conformance with Riverside County Flood Control's letter dated October 24, 2016 and as modified herein:
  - a. Final drainage and hydraulic reports to support the project design shall be submitted to meet Riverside County Flood Control Standards and criteria of the City of Perris. These reports shall be reviewed and approved by RCFC and City of Perris.
  - b. Onsite drainage facilities located outside of road right-of-way if required shall be constructed within minimum of 15' dedicated drainage easements. Drainage easement shall not straddle lot lines.
  - c. Drainage facilities outletting sump conditions shall be designed to convey the tributary 100-year storm flows. Additional emergency escape shall also be provided.

- d. The property's street and lot grading shall be designed in a manner that perpetuates the existing natural drainage patterns with respect to tributary drainage area. No ponding or concentration of water to upstream and downstream properties shall be permitted.
- e. Drainage easements shall be obtained from the affected property owners for the release of concentrated or diverted storm flows onto adjacent properties. A copy of the drainage easement shall be submitted to the City for review prior to its recordation.
- h. All grading and drainage improvements shall comply with NPDES and Best Management Practices. Erosion control plans shall be prepared and submitted to Water Quality Board and the City as part of the grading plans.
- i. Prior to start of the design of any drainage master planned facilities, the applicant shall contact RCFC to determine the rules and regulations for drainage credit (as approved by RCFC).
- j. Construction of master drainage facilities Line A-J as shown on adopted master plan and conveyance to an acceptance outlet, i.e., Perris Valley Channel and other improvements shall be required as approved by City. Construction of interim drainage facilities along east side of Dunlap Drive (County side) and to collect all offsite runoff and convey to Line A-J via underground pipe(s). Additional inlet(s) at west side of Dunlap Drive shall be required to mitigate ponding and eliminate nuisance runoff as determined by City Engineer. Maintenance of drainage facilities located in County area shall be discussed with County and if not accepted by County, annex to City of Perris Flood Control Maintenance District.
- k. Construction of Line A-J from Dunlap Drive and connection to existing facilities recently installed by School District shall be required, in addition, construction of minimum of 8' wide concrete x-gutter within the existing open parkway / drainage facilities along the west side of Evans Road and connection to proposed Line A-J planned by Tr. 30850 shall also be required. This concrete x-gutter shall receive no drainage credit.

Drainage credit is limited only to facilities maintained and accepted by Flood Control.

- l. To mitigate nuisance runoff, construction of catch basin(s) and minimum 18" RCP at existing and proposed intersections with Dunlap, Lemon, and Orange Avenue and connection to proposed underground drainage facilities will be required.



- m. A detailed hydrology report and hydraulic calculation shall be submitted to the City and Flood Control for review and approval. The report shall address the offsite flow, accumulative onsite runoff and the impact to adjacent downstream and upstream properties.
  - n. Encroachment permit from RCFC, Riverside County Transportation and other appropriate environmental agencies shall be secured for any work within Perris Valley Channel and County of Riverside.
2. Orange Avenue from Dunlap Drive to westerly tract boundary shall be improved with a minimum of 30' of new pavement and curb and gutter located 32' south of centerline and 14' of new pavement along the north side within 50' ½ width dedicated right-of-way.
  3. Additional improvements along all perimeter intersections shall be installed to provide for dedicated right, left and transition lanes.
  4. Dunlap Drive from Orange Avenue to southerly tract boundary shall be improved on the west side to provide for 36' of new pavement and curb, gutter located 38' west of centerline within 50' ½-width dedicated right-of-way. Dunlap Drive along the east side shall be improved with minimum of 15' new paving.
  5. Intersections of Dunlap Drive with Orange and Lemon Avenue shall be constructed in a manner to convey the 100-year storm runoff under the road.
  6. Lemon Avenue from Dunlap Drive to existing improvements recently installed by School District shall be improved along the north side with minimum of 18' new paving, curb, gutter located 20' from centerline within 30 ½' width dedicated right-of-way. ~~Dunlap Drive~~ Lemon Avenue along south side shall be improved with minimum of 15' paving within dedicated right-of-way.
  7. All private interior streets shall be improved with concrete curb, gutter, and paving located 15' from either side of centerline.
  8. Streetlights shall be installed along all interior and exterior streets as approved by City Engineer per Riverside County and Southern California Edison standards.
  9. 6' wide concrete sidewalk shall be installed along the perimeter streets and 4' along all interior private streets. **Parkway sidewalk along perimeter streets shall be installed.**

10. The proposed development is in the service area of Eastern Municipal Water District. The applicant shall provide water and sewer facilities to this development and comply with EMWD, Fire Department, and Health Department's requirements.
11. Prior to issuance of any permit, the developer shall sign the consent and waiver forms to join the landscaping, flood control, street maintenance and lighting districts. The developer shall maintain the landscaping for a period of one year after acceptance of these improvements and pay the 18-months advanced energy charges for all on and offsite streetlights. All storm drain facilities including basins, catch basins, clarifiers, channel and pipes (non master planned facilities) shall be annexed to City's Flood Control District. The interior street lighting shall be installed per City standards and maintained by City via Streetlight Annexation.
12. Existing power poles fronting this site shall be undergrounded.
13. On and off-site street, drainage, water, sewer, striping, signing, street lighting, signal and grading plans along with hydrology and hydraulic reports shall be submitted to City Engineer's office for review and approval.
14. Access shall be restricted along Orange Avenue, Dunlap Drive, and Lemon Avenue, except as shown on tentative map and so noted on the final map.
15. Any work within Riverside County shall require issuance of an encroachment permit.
16. The improvements conditioned for this project shall be coordinated with adjacent projects.
17. Reference is made to letter dated June 24, 2013 from County of Riverside Transportation and Land Management, the applicant shall comply with all conditions and recommendation of this letter and in case of conflict between their recommendation and City Engineer's condition, the most stringent in the opinion of City Engineer shall apply.

*Habib Motlagh*  
Habib Motlagh  
City Engineer



# CITY OF PERRIS

## PUBLIC WORKS DEPARTMENT

Engineering Administration

NPDES

Special Districts (Lighting, Landscape, Flood Control)

# MEMORANDUM

**Date:** January 26, 2014

**To:** Kenneth Phung, Project Planner

**From:** Michael Morales, CIP Manager

**Subject:** TTM 14-0091, PUD 14-0093, GPA 14-0094, ZC 14-0095 –Conditions of Approval Proposal to amend GP and Zoning of 15 acres from R-6000 to MFR-14 to apply a PUD Overlay Zone and allow flexibility of design for a new gated community consisting of 124 DU. The community runs along Dunlapp between Orange and Lemon Avenues.

1. **Dedication and Landscape Easement.** Offer of dedication and/or landscape easements for City maintenance shall be provided as follows:
  - a. **Dunlapp Drive** – Provide offer of dedication necessary for full half width improvements, minimum 47' wide, plus 3 additional feet of landscape easement, for 50' half-width including street, curb, gutter, sidewalk and landscape parkway. Landscape Parkway shall be a minimum of 18' wide. Including 6' foot wide sidewalk at back of curb, and 12' of landscaping at back of walk to match existing landscaped parkway at development immediately south of proposed tract.
  - b. **Orange Avenue**- Provide offer of dedication necessary for full half width improvements, minimum 47' wide, plus 3 additional feet of landscape easement, for 50' half-width including street, curb, gutter, sidewalk and landscape parkway. Landscape Parkway shall be a minimum of 18' wide. Including 6' foot parkway at back of curb, 6 foot concrete sidewalk, and 6 foot landscape parkway at back of walk, to match existing landscaped parkway at School Site development immediately west of proposed tract.
  - c. **Lemon Street**-Provide offer of dedication necessary for full half width improvements, as conditioned by City Engineer, for street, curb, gutter, sidewalk and landscape parkway. Landscape Parkway shall be a minimum of 10' wide, including 5' foot wide sidewalk at back of curb and 5' wide landscaped parkway at back of walk.
2. **Landscaping Plans.** Three (3) copies of Construction Landscaping and Irrigation Plans shall be submitted to the Planning Department for approval and shall be accompanied by the appropriate filing fee. The landscape and irrigation plan shall be prepared by a registered landscape architect and conform to the requirements of Chapter 19.70 of the Municipal Code. The location, number, genus, species, and container size of the plants shall be shown. This landscape plan shall be titled "LMD Off-site Landscape Plan TTM 14-0091," and shall be exclusive of any private property, on-site landscaping. Elements of this Landscape Plan shall include but not be limited to:
  - a. **Landscape Limits** – Limits of right-of-way areas or easement areas, defined by concrete mow curb, fully dimensioned, that are to be annexed into the Landscape Maintenance District. A planting palette and hardscape plan intended to meet the design intent of the Landscape Guidelines in effect for the area; or if no such guidelines exist the design intent of neighboring development, as determined by the Engineering Administration and Special Districts Division, including:

- **Dunlapp Drive** – The planting palette shall include Street Tree-Magnolia G. Samuel Sommer “Southern Magnolia” and Cinnamomum Camphora “Camphor”; Shrubs-Cassia Artemisioides “Cassia”, Cistus Sunset “Sunset Rockrose,” Hemerocallis Hybrids (evergreen) “Evergreen Daylily,” Leptospermum S. Ruby Glow “Ruby Glow Manuka”, and Lavandula A. Mustead “Mustead Lavender”; Ground Cover/Vine-Rosemarinus O. Prostratus “Prostrate Rosemary, Parthenocissus Tricuspidata/Ficus Pulmila
  - **Orange Avenue**- The planting palette shall include Street Tree-Platanus Acerifolia (bloodgood) “London Plane Tree;” and Tabebuia IPE “Pink Trumpet Tree,” The Planting palette should incorporate a selection from plants that have a proven success record in Perris, including: 1) Society Garlic, 2) Dietes Vegeta, 3) Pittosporum Tobira Wheelers Dwarf, and 4) Callistemon “Little John” and 5) cold hardy varieties of Lantana; and ground cover/vine, which do well in Perris including: 1) Myoporum Pacificum 2) Rosemarinus O. Prostratus “Prostrate Rosemary, and 3) Parthenocissus Tricuspidata 4) Ficus Pulmila
  - **Lemon Street**- The planting palette should include a selection from Street Tree- Flowering Tree Crape Myrtle Lagerstroemia indica x faueri 'Arapaho', Evergreen Rhus Lancea, and/or Evergreen Geijera parviflora (Australian Willow); and the planting palette should incorporate a selection from plants that have a proven success record in Perris, including: 1) Society Garlic, 2) Dietes Vegeta, 3) Pittosporum Tobira Wheelers Dwarf, and 4) Callistemon “Little John” and 5) cold hardy varieties of Lantana; and ground cover/vine, which do well in Perris including: 1) Myoporum Pacificum 2) Rosemarinus O. Prostratus “Prostrate Rosemary, and 3) Parthenocissus Tricuspidata 4) Ficus Pulmila
- b. **Irrigation** –A list of irrigation system components intended to meet the performance, durability, water efficiency, and anti-theft requirements for Special District landscape areas as determined by the Engineering Administration and Special Districts Division. Components shall include, but not be limited to Salco or GPH flexible PVC risers, an ET based controller, central control capable, with weather station (Calsense or equal), Sentry Guard Cable Guard and Union Guard, backflow Wilkens Model 375 (or equal), and a fertilizer injection system regulated through flow sensing input (Ecofert or equal).
  - c. **Benefit Zone Quantities** – Include a Benefit Zone quantities table (i.e. SF of planting areas, turf, number of trees, SF. of hardscape, etc.) in the lower right hand corner of the cover sheet for off-site landscape areas, indicating the amount of landscaping the district will be required to maintain.
  - d. **Meters** – Each District is required to be metered separately. Show location of separate water and electrical utility meters intended to serve maintenance district areas exclusively. Show locations of water and electrical meter for landscape district. Show location of water and electrical meter for flood control district. Show location of electrical meter for Traffic signal and street lighting, on respective plans. Coordinate location of meters on conceptual landscape and civil engineering plan. Electrical meter pedestals are to be located in locations that are easily accessible to maintenance staff while not visually obtrusive in the street scene, and away from street intersections.
  - e. **Controllers**-The off-site irrigation controller, electrical meter, and water meter are to be located within the right of way (preferably within the off-site landscape area). All point of connection equipment including irrigation controller pedestals, electrical meter pedestals, and backflow preventers are to be located in locations that are easily accessible to maintenance staff while not visually obtrusive in the street scene, and away from street intersections. Backflow preventers are to be screened on all sides with (5) gallon plant material. Control wires are to be placed within a continuous rigid conduit schedule 40 or better, with pull boxes placed at 150 feet on center. All irrigation boxes shall come equipped with wire mesh as a rodent deterrent.

- f. **Recycled Water**-If applicable. The landscape architect shall coordinate with EMWD to verify if the site will be served with recycled water. If required, provide additional irrigation components as needed.
- g. **Wire Vine Support**-All perimeter walls shall be equipped with wire support for vines.

2. **Water Quality Management Plans.** The applicant shall submit a Preliminary and Final WQMP, accompanied by the appropriate filing fee to the Planning Department and City Engineering Department, respectively. Details for treatment control facilities shall meet both the Riverside County WQMP Design Guidelines, and the additional requirements of the Engineering and Special Districts Division intended to reduce long term maintenance costs and longevity of improvements. Components shall include, but not be limited to:

- a. **Concrete Facilities**-At a minimum concrete check dams shall be used for multi-stage detention basin and infiltration basin facilities separating forebay from second stage treatment area. Concrete v-ditch shall be used for nuisance flows connecting inlet to outlet structures.
- b. **Storm Drain Screens**-Detachable Face Connector Pipe Screens shall be included in catch basin to reduce sediment and trash loading within storm pipe.
- c. **Landscaping**-Limits of right-of-way areas, defined by concrete mow curb, fully dimensioned, that are to be annexed into the Flood Control District. Location of separate water and electrical utility meters intended to serve flood control district areas exclusively. A planting palette and hardscape plan for access ramps and other hardscape improvements intended to meet the guidelines of water quality and maintenance concerns as determined by the Engineering Administration and Special Districts Division.

3. **Street/Off-Site Improvements.** The applicant shall submit street improvement plans, accompanied by the appropriate filing fee to the City Engineering Department. Details of treatments at of site improvements, including Bus Stops at Mass Transit Routes, Decorative Traffic Signal Signage, and lighting shall meet both the City Engineer's Design Guidelines, and the additional requirements of the Engineering and Special Districts Division. Components shall include, but not be limited to:

- a. **Traffic Signal Signage**-If traffic signals are required by the City Engineer's Office, signal signage shall meet the City standard type, decorative style, color and durability requirements.
- b. **Bus Stops**- If a Bus Stop along a mass transit route is required by the City Engineer's Office, the stop shall meet the City standard 14' covered shelter type, style, color and durability requirements, complete with trash receptacle and bench (LNI or equal)

4. **Assessment Districts.** Prior to permit issuance, developer shall deposit \$5,250 per district, \$15,750 total due. Payment is to be made to the City of Perris, and the check delivered to the City Engineer's Office. Payment shall be accompanied by the appropriate document for each district indicating intent and understanding of annexation, to be notarized by property owner(s):

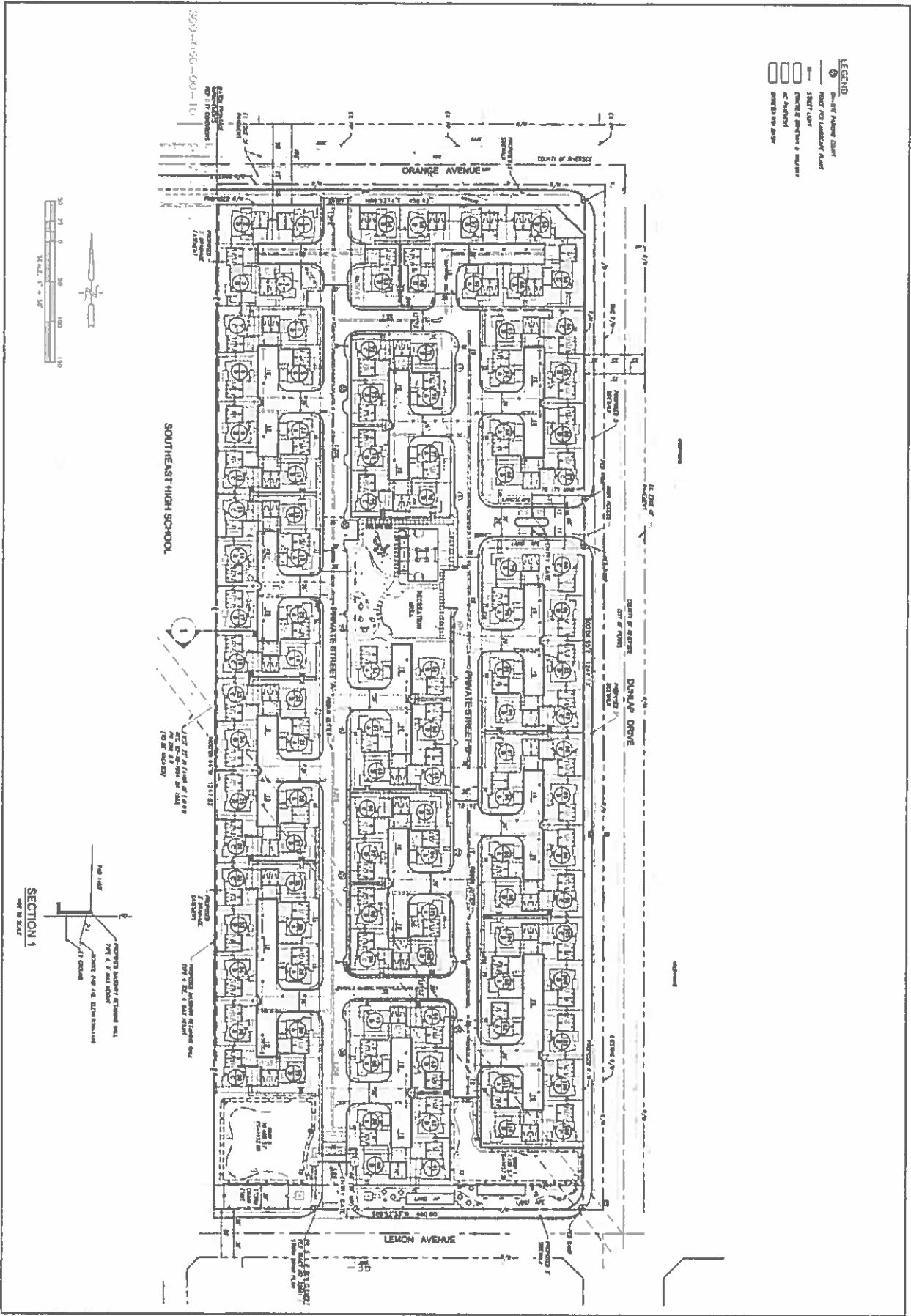
- Consent and Waiver for Maintenance District No. 84-1
- Consent and Waiver for Landscape Maintenance District No. 1 (**EXCLUDES clubhouse, tot lot and related parking facilities, and enhanced community entry and gates, but INCLUDES all perimeter landscaping and community walls**)
- Petition for Flood Control Maintenance District No. 1
- Original notarized document(s) to be sent to:

Roxanne Shepherd  
Shepherd & Staats Incorporated  
2370 Edgehill Road  
Vista, CA 92084

- a. Prior to final map recordation or final certificate of occupancy the developer shall annex into the aforementioned districts, posting an adequate maintenance performance bond to be retained by the City as required by the City Engineer. Upon receipt of deposit and Consent and Waiver Forms, the developer shall work with City to meet all required milestones for annexations.
  - i. City prepares the Engineer's Reports which includes a description of the improvements to be maintained, an annual cost estimate and annual assessment amounts.
  - ii. Reports are reviewed and approved by the property owner. The assessment ballots will be based on these Reports.
  - iii. The Reports and corresponding resolutions are placed, for approval, on the City Council Meeting Agenda. City Council action will include ordering the assessment ballots and setting a Public Hearing for no sooner than 45 days. Property owner attendance at this City Council Meeting is not required.
  - iv. The assessment ballots are sent to the property owner and are opened by the City Clerk at the close of the Public Hearing. With a "YES" vote by the property owner the City Council can move forward with the Resolution that Confirms the Annexation. Property owner attendance at this Public Hearing is not required.
  - v. Confirmation by the City Council completes the annexation process and the condition of approval has been met.



- LEGEND**
- 20' FT. PARKING SPACE
  - ▭ 10' X 20' LANDSCAPE AREA
  - STREET LIGHT
  - CONCRET DRIVEWAY & SIDEWALK
  - ASPHALT DRIVEWAY



<b>S-2</b>	SHEET TITLE	<b>SITE PLAN</b>	DATE	10.1.2016
	PROJECT	<b>CITRUS COURT SINGLE FAMILY (MOTOR COURT) PERRIS, CALIFORNIA</b>	DRAWN BY	M.J.L.
			CHECKED BY	B.A.R.

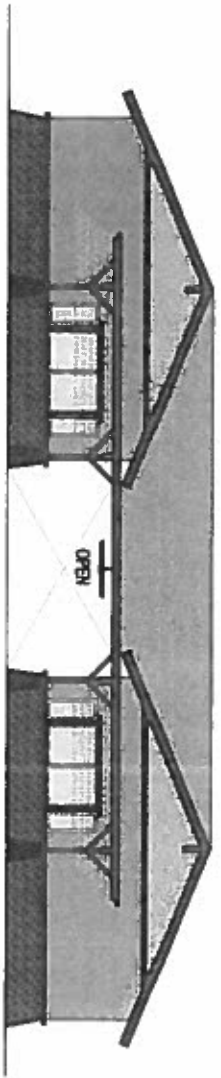
**SITE PLAN  
CITRUS COURT (TM 37038)**

**REC** Civil Engineering - Environmental  
Land Surveying  
2442 Second Avenue  
San Diego, CA 92101  
(619)232-8200 (619)232-8210 Fax

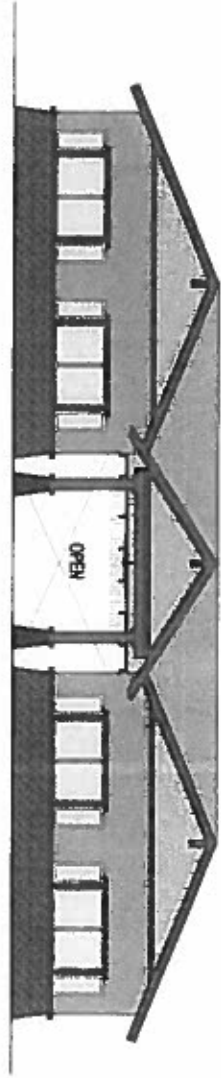




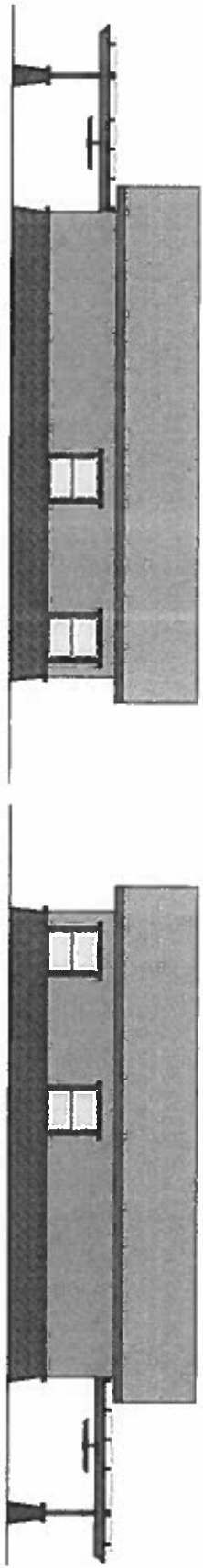




1 Clubhouse West Elevation  
Scale: 1/8" = 1'-0"



2 Clubhouse East Elevation  
Scale: 1/8" = 1'-0"

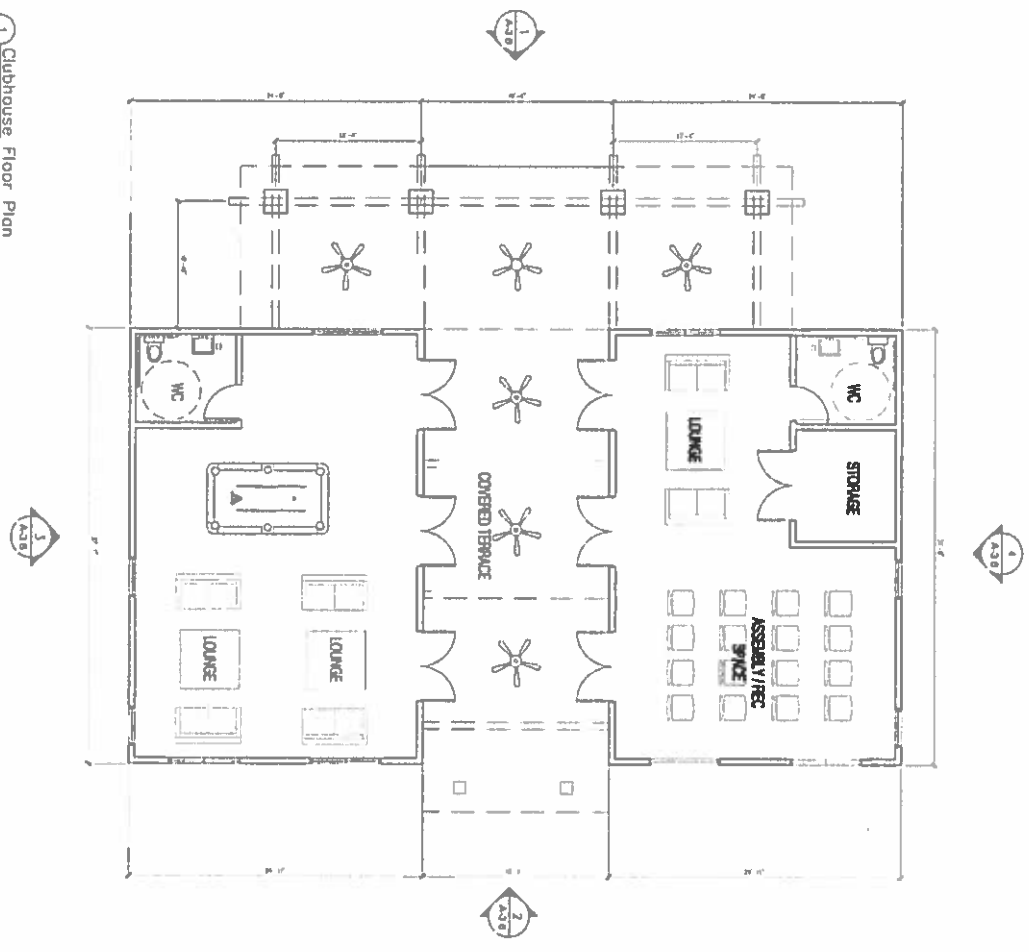


3 Clubhouse South Elevation  
Scale: 1/8" = 1'-0"

4 Clubhouse North Elevation  
Scale: 1/8" = 1'-0"

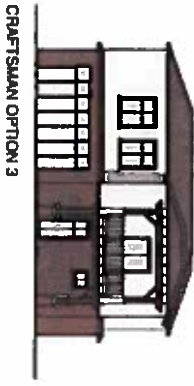
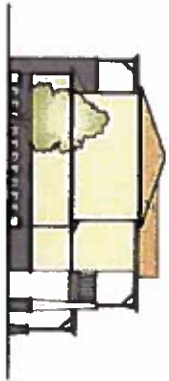
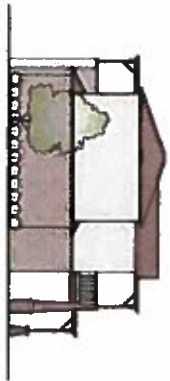
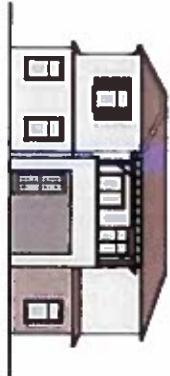
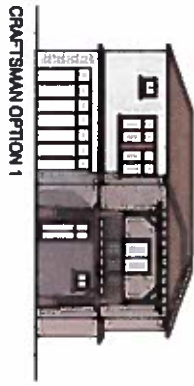
A3.6	SHEET TITLE: CLUBHOUSE	DATE: 10-1-2018	<b>PRELIMINARY PLANS &amp; ELEVATIONS CITRUS COURT</b>	<b>M.W. STEELE GROUP</b> ARCHITECTURE   PLANNING 1805 NEWTON AVE   SUITE A SAN DIEGO   CA   92133 TELEPHONE 619 239 6255 WWW.MWSTEELE.COM
	PROJECT: CITRUS COURT PERRIS, CALIFORNIA	SCALE: NTS		

1 Clubhouse Floor Plan

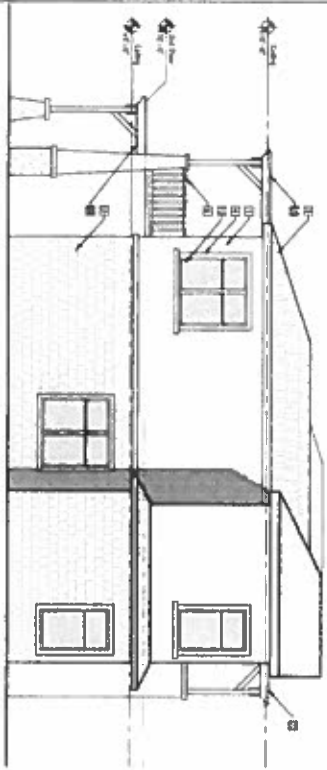


A3.5	SHEET TITLE	CLUBHOUSE	DATE:	10-1-2010	<b>PRELIMINARY PLANS &amp; ELEVATIONS</b> <b>CITRUS COURT</b>	<b>M.W. STEELE GROUP</b> ARCHITECTURE   PLANNING 6005 HEWTON AVE   SUITE A SAN DIEGO   CA   92113 TELEPHONE 619 598 0430 WWW.MWSTEELE.COM
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE:	NTS		
DRAWN:	MN	CHECKED:	MN			
CHECKED:	MN					

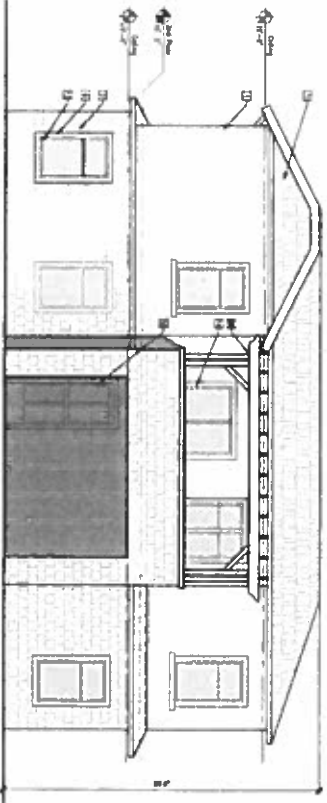




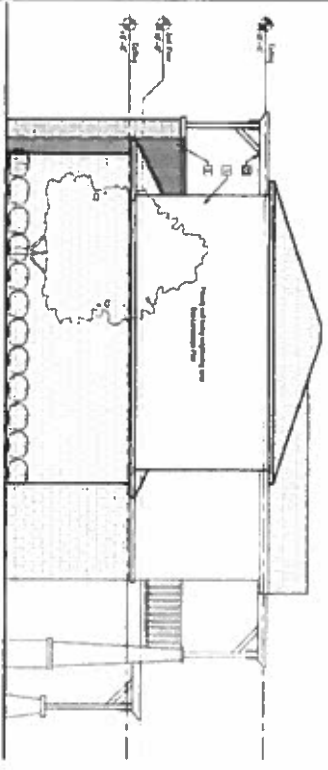
A3.1	SHEET TITLE: PLAN A CRAFTSMAN		DATE: 10-1-2010	<b>PRELIMINARY ELEVATIONS CITRUS COURT</b>	<b>M W STEELE GROUP</b> ARCHITECTURE   PLANNING 1805 NEWTON AVE   SUITE A SAN DIEGO   CA   92113 TELEPHONE 619 350 9325 WWW.MWSTEELE.COM
	PROJECT: CITRUS COURT PERRIS, CALIFORNIA		SCALE: NTS		
		DRAWN: MNI			
		CHECKED: MNI			



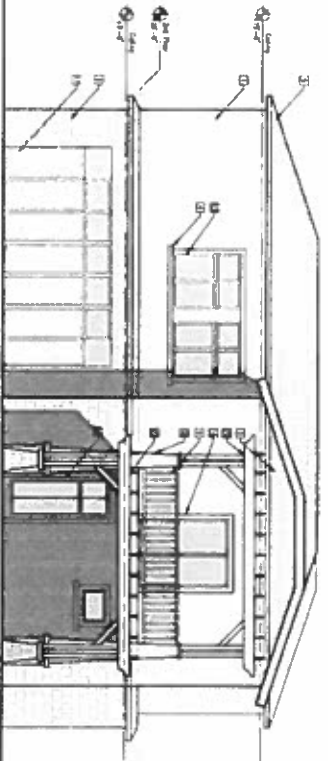
1 Side (Motorcourt Drive) Elevation  
SCALE: 1/8" = 1'-0"



2 Entry (Loop Road) Elevation  
SCALE: 1/8" = 1'-0"



3 Side (Neighbor Facing) Elevation  
SCALE: 1/8" = 1'-0"



4 Garage Elevation  
SCALE: 1/8" = 1'-0"

Keynote & Material Legend

1	Painted Board Siding
2	Painted Board Siding - Color 1
3	Painted Board Siding - Color 2
4	Painted Board Siding - Color 3
5	Painted Board Siding - Color 4
6	Painted Board Siding - Color 5
7	Painted Board Siding - Color 6
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101	Painted Board Siding - Color 100

SHEET TITLE	BUILDING TYPE A	DATE	10-1-2016
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE NYS
A2.1		DRAWN	MN
		CHECKED	MN

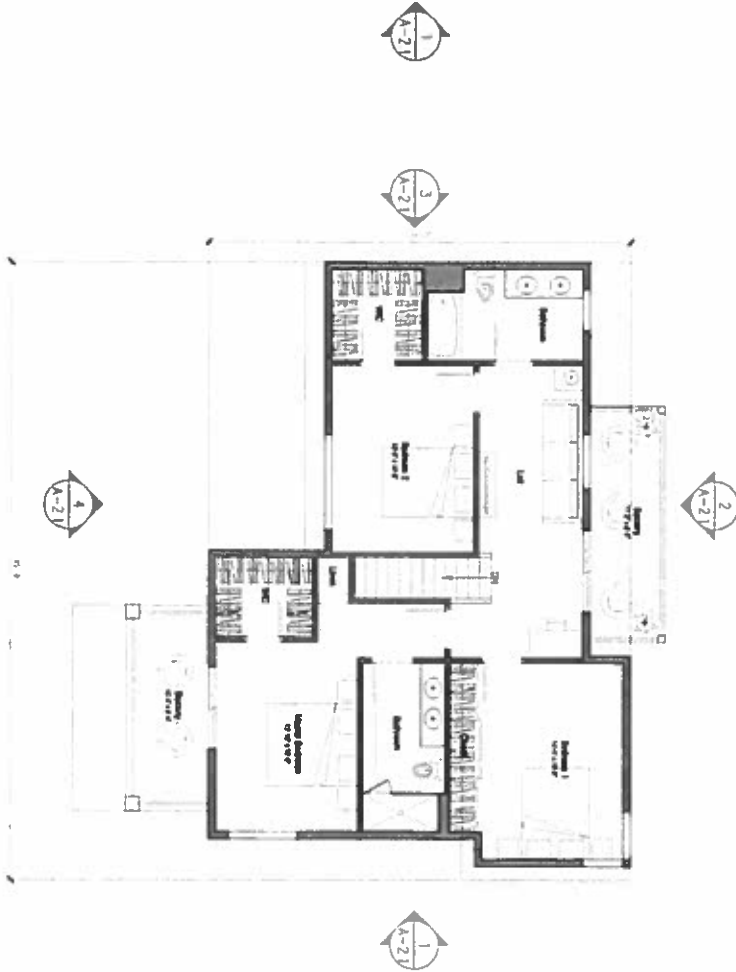
PRELIMINARY ELEVATIONS  
CITRUS COURT

M.W. STEELE GROUP  
ARCHITECTURE | PLANNING  
3005 NEWTON AVE | SUITE A  
SAN DIEGO | CA | 92113  
TELEPHONE 619 230 6330  
WWW.MWSTEELE.COM

1 First Floor Plan - Building Type A  
 Scale: 1/4" = 1'-0"



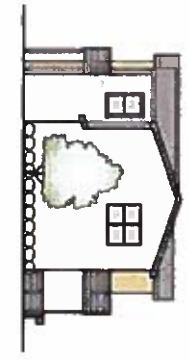
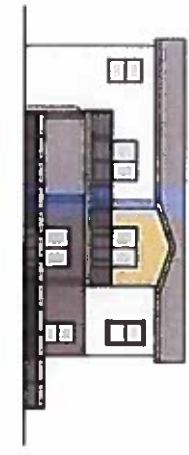
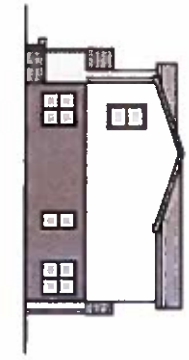
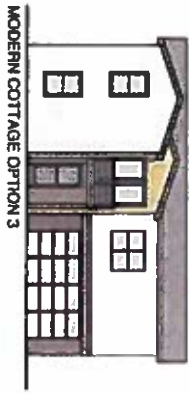
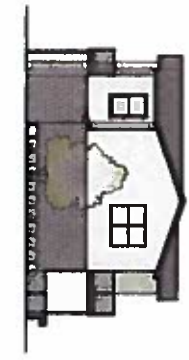
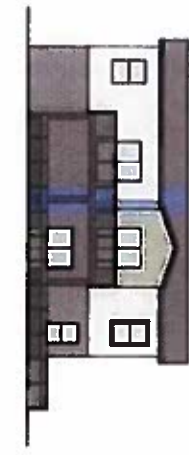
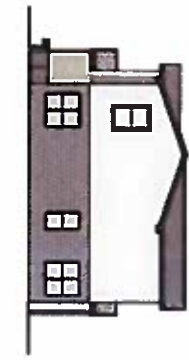
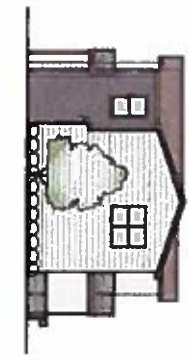
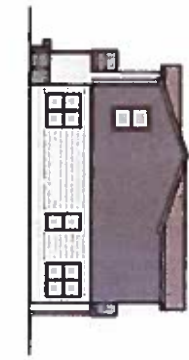
2 Second Floor Plan - Building Type A  
 Scale: 1/4" = 1'-0"



**Floor Area Calc - Type A**

Overall Area	4,800 sq ft
Net Area	4,800 sq ft
Net Area (Excl. Stairs)	4,800 sq ft
Net Area (Excl. Stairs & Elevators)	4,800 sq ft
Net Area (Excl. Stairs, Elevators & Mechanical)	4,800 sq ft
Net Area (Excl. Stairs, Elevators, Mechanical & Storage)	4,800 sq ft
Net Area (Excl. Stairs, Elevators, Mechanical, Storage & Utility)	4,800 sq ft
Net Area (Excl. Stairs, Elevators, Mechanical, Storage, Utility & Janitor)	4,800 sq ft
Net Area (Excl. Stairs, Elevators, Mechanical, Storage, Utility, Janitor & Storage)	4,800 sq ft



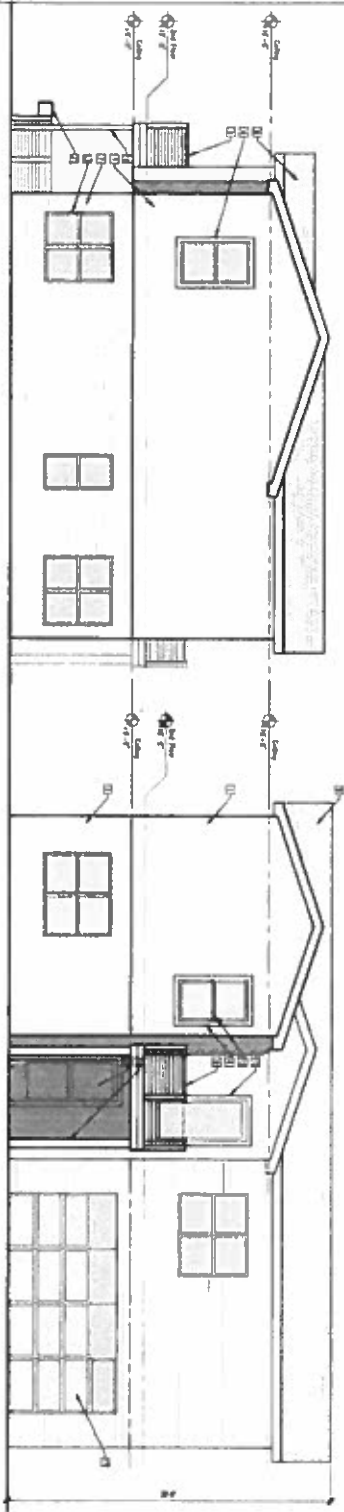


**A3.2**  
 SHEET TITLE PLAN B MODERN COTTAGE  
 PROJECT CITRUS COURT  
 PERRIS, CALIFORNIA

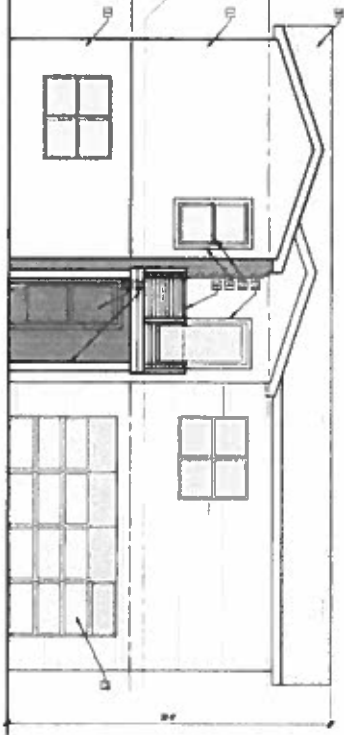
DATE: 10-1-2010  
 SCALE: NTS  
 DRAWN: MM  
 CHECKED: MM

**PRELIMINARY ELEVATIONS  
 CITRUS COURT**

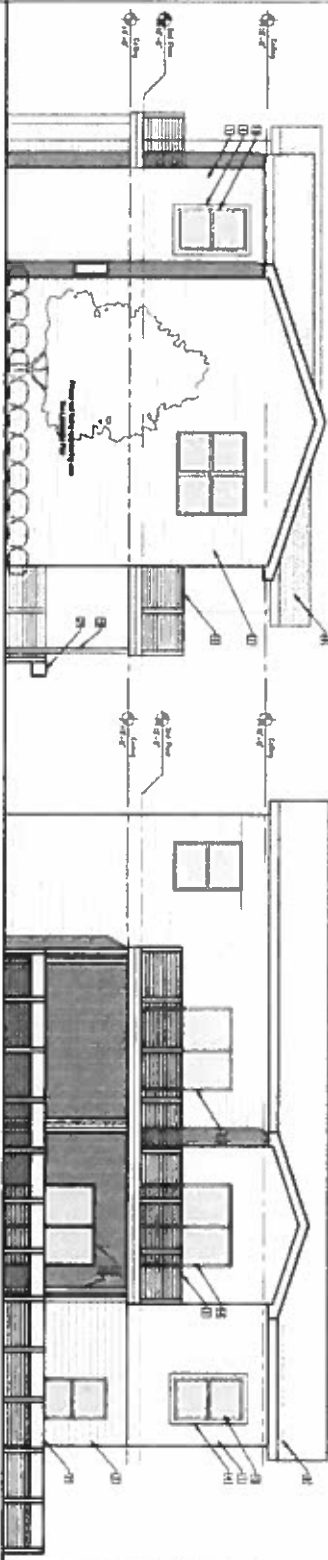
**M.W. STEELE GROUP**  
 ARCHITECTURE | PLANNING  
 1605 NEWTON AVE | SUITE A  
 SAN DIEGO | CA | 92110  
 TELEPHONE 619 250 0226  
 WWW.MWSTEELE.COM



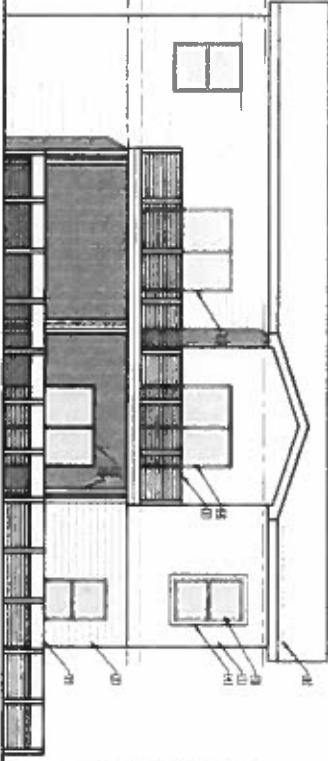
1 Side (Courtyard) Elevation  
SCALE: 1/8" = 1'-0"



2 Entry (Motorcourt) Elevation  
SCALE: 1/8" = 1'-0"



3 Side (Paseo) Elevation  
SCALE: 1/8" = 1'-0"



4 Rear (Loop Road) Elevation  
SCALE: 1/8" = 1'-0"

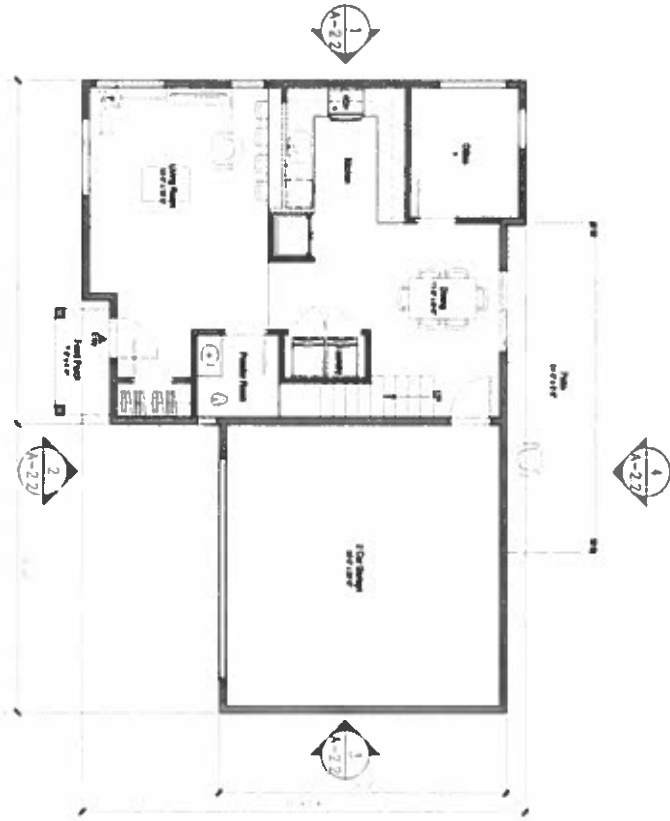
**Keynote & Material Legend**

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33	Front Courtyard Paved Area - Concrete
34	Front Courtyard Paved Area - Concrete
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97	Front Courtyard Paved Area - Concrete
98	Front Courtyard Paved Area - Concrete
99	Front Courtyard Paved Area - Concrete
100	Front Courtyard Paved Area - Concrete

SHEET TITLE	BUILDING TYPE B	DATE	10.12.2018
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE NTS
A2.2		DRAWN	MS
		CHECKED	MS

PRELIMINARY ELEVATIONS  
CITRUS COURT

M.W. STEELE GROUP  
ARCHITECTURE | PLANNING  
1205 NEWTON AVE | SUITE A  
SAN DIEGO | CA | 92112  
TELEPHONE 619 250 0925  
WWW.MWSTEELE.COM



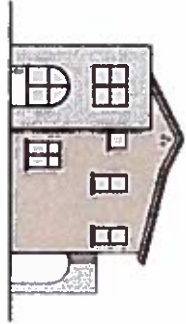
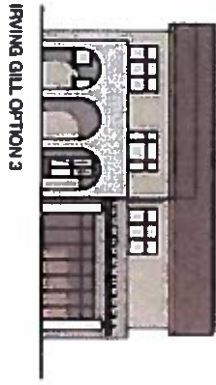
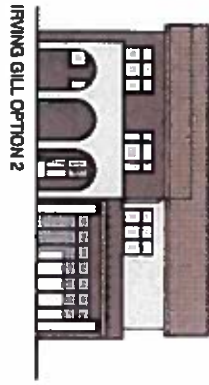
1 First Floor Plan - Building Type B  
Scale: 1/4" = 1'-0"



2 Second Floor Plan - Building Type B  
Scale: 1/8" = 1'-0"

Floor Area Calc - Type B	
First Floor	1,141 sqft
Second Floor	1,241 sqft
TOTAL FLOOR AREA	2,382 sqft
Change	4.14 sqft
DATE	08/28/10

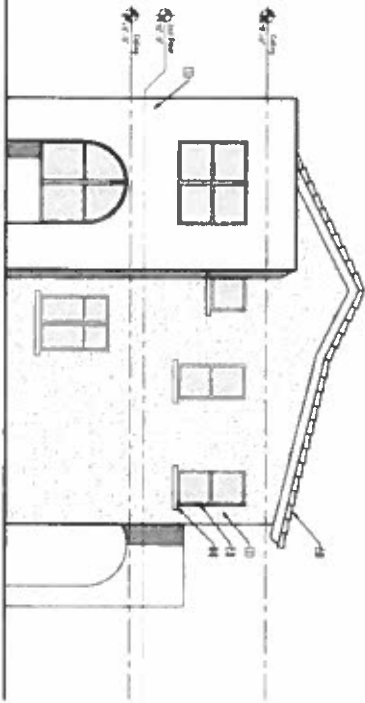
<b>A1.2</b>	SHEET TITLE: <b>BUILDING TYPE B</b>	DATE: 08-18-10	<b>PRELIMINARY FLOOR PLANS CITRUS COURT</b>	<b>M.W. STEELE GROUP</b> ARCHITECTURE   PLANNING 1065 NEWTON AVE   SUITE A SAN DIEGO   CA   92113 TELEPHONE 619 338 8328 WWW.MWSTEELE.COM
	PROJECT: <b>CITRUS COURT PERRIS, CALIFORNIA</b>	SCALE: NTS		



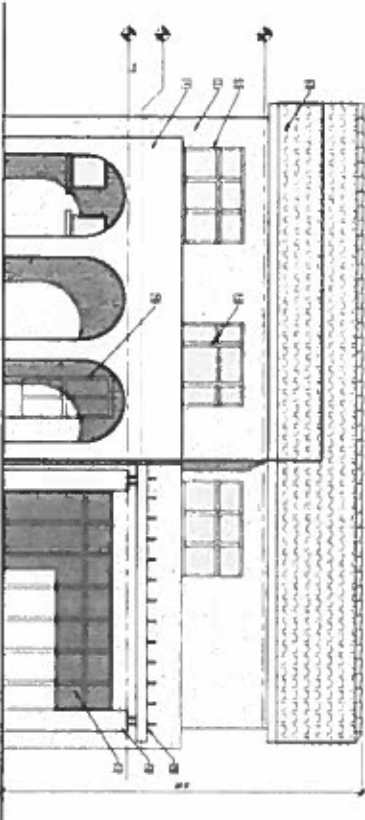
<b>A3.3</b>	SHEET TITLE	PLAN C IRVING GILL	DATE	10/14/2019
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE	1/8" = 1'-0"
			DRAWN	SM
			CHECKED	MM

**PRELIMINARY ELEVATIONS  
CITRUS COURT**

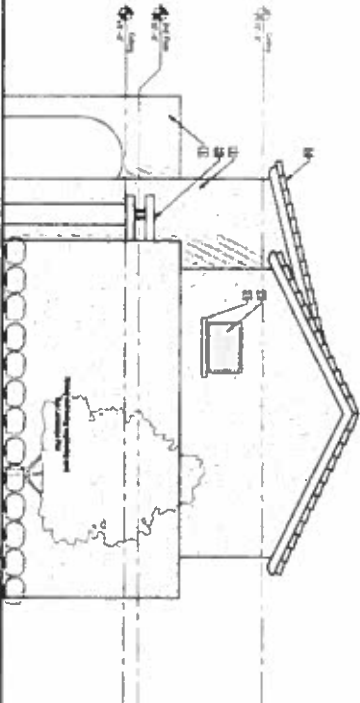
**M.W. STEELE GROUP**  
 ARCHITECTURE | PLANNING  
 1605 NEWTON AVE | SUITE A  
 SAN DIEGO | CA | 92113  
 TELEPHONE 619 220 0226  
 WWW.MWSTEELE.COM



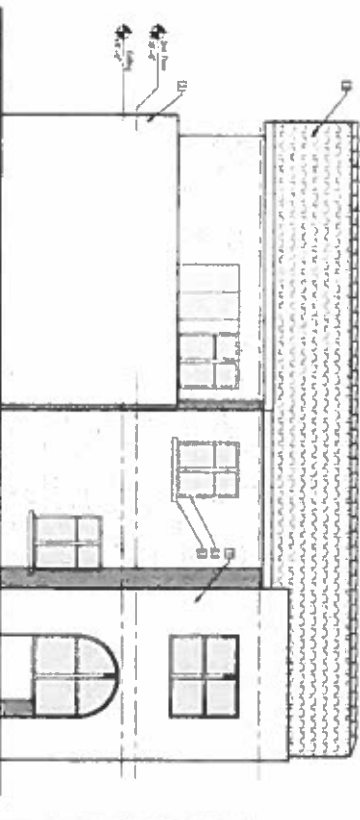
1 Side (Paseo) Elevation  
SCALE: 1/4" = 1'-0"



2 Entry Elevation  
SCALE: 1/4" = 1'-0"



3 Side (Neighbor Facing) Elevation  
SCALE: 1/4" = 1'-0"



4 Rear (Loop Road) Elevation  
SCALE: 1/4" = 1'-0"

**Keynote & Material Legend**

1	Paint (Color: Light Blue)
2	Paint (Color: Light Blue)
3	Paint (Color: Light Blue)
4	Paint (Color: Light Blue)
5	Paint (Color: Light Blue)
6	Paint (Color: Light Blue)
7	Paint (Color: Light Blue)
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24	Paint (Color: Light Blue)
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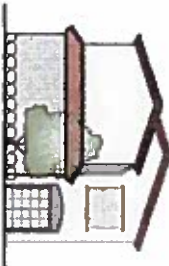
SHEET TITLE	BUILDING TYPE C	DATE:	10/15/2016
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE: NTP
A2.3		DRAWN:	MM
		CHECKED:	MM

PRELIMINARY ELEVATIONS  
CITRUS COURT

M.W. STEELE GROUP  
ARCHITECTURE | PLANNING  
1805 NEWTON AVE | SUITE A  
SAN DIEGO | CA | 92133  
TELEPHONE 619 220 0328



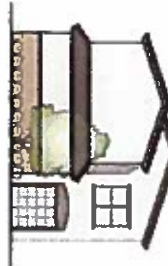
SPANISH OPTION 1



SPANISH OPTION 2



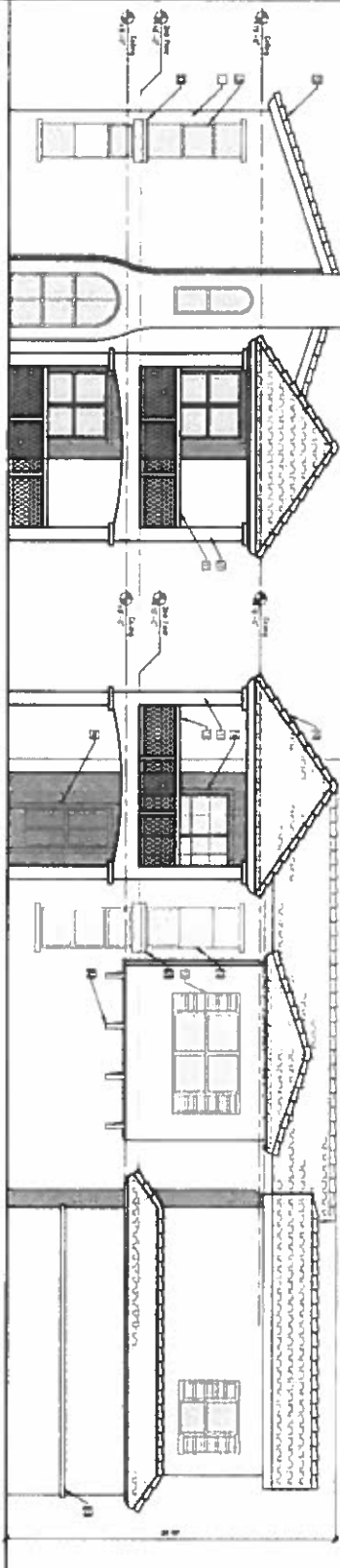
SPANISH OPTION 3



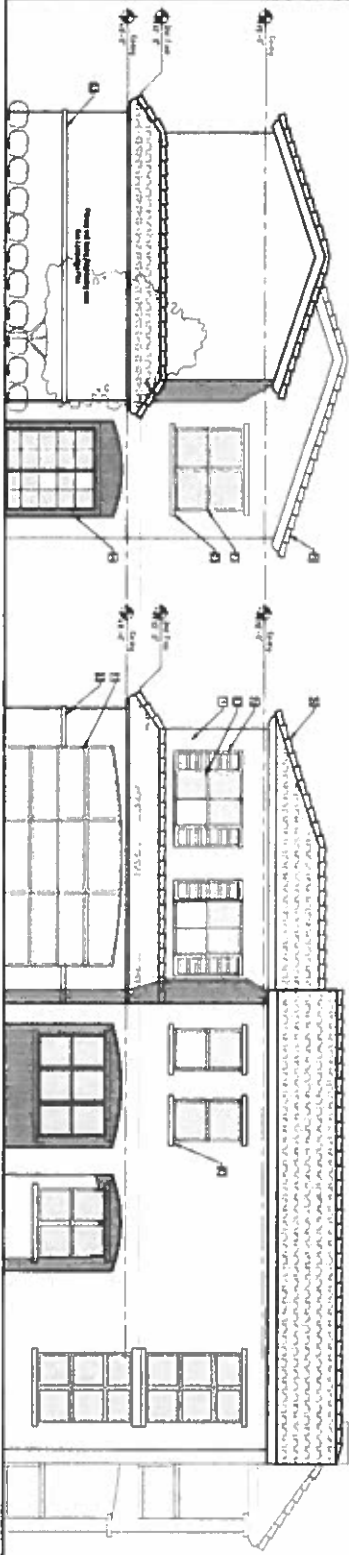
PRELIMINARY ELEVATIONS  
CITRUS COURT

<b>A3.4</b>	SHEET TITLE	PLAN D SPANISH	DATE	10-7-2019
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE:	NTS
			DRAWN:	LM
			CHECKED:	SM

**M.W. STEELE GROUP**  
 ARCHITECTURE | PLANNING  
 1885 NEWTON AVE | SUITE A  
 SAN DIEGO | CA | 92133  
 TELEPHONE 619 594 8328  
 WWW.MWSTEELE.COM



1 Side (Loop Road) Elevation  
SCALE: 1/8" = 1'-0"



2 Entry (Paseo) Elevation  
SCALE: 1/8" = 1'-0"

3 Side (Neighbor Facing) Elevation  
SCALE: 1/8" = 1'-0"

4 Garage (Courtyard) Elevation  
SCALE: 1/8" = 1'-0"

**Keynote & Material Legend**

11	Hardwood Floor Plan - Case 1
12	Hardwood Floor Plan - Case 2
13	Hardwood Floor Plan - Case 3
14	Hardwood Floor Plan - Case 4
15	Hardwood Floor Plan - Case 5
16	Hardwood Floor Plan - Case 6
17	Hardwood Floor Plan - Case 7
18	Hardwood Floor Plan - Case 8
19	Hardwood Floor Plan - Case 9
20	Hardwood Floor Plan - Case 10
21	Hardwood Floor Plan - Case 11
22	Hardwood Floor Plan - Case 12
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24	Hardwood Floor Plan - Case 14
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53	Hardwood Floor Plan - Case 43
54	Hardwood Floor Plan - Case 44
55	Hardwood Floor Plan - Case 45
56	Hardwood Floor Plan - Case 46
57	Hardwood Floor Plan - Case 47
58	Hardwood Floor Plan - Case 48
59	Hardwood Floor Plan - Case 49
60	Hardwood Floor Plan - Case 50

SHEET NO. <b>A2.4.1</b>	BUILDING TYPE D	DATE: 10-1-2016
	PROJECT: CITRUS COURT PERRIS, CALIFORNIA	SCALE: NTS DRAWN: MN CHECKED: MN

PRELIMINARY ELEVATIONS  
CITRUS COURT

M.W. STEELE GROUP  
ARCHITECTURE | PLANNING  
1605 NEWTON AVE | SUITE A  
SAN DIEGO | CA | 92113  
TELEPHONE 619 250 0233  
WWW.MWSTEELE.COM





Floor Area Calc - Type D	
TYPE	Office
AREA	1,000 sq ft
TOTAL FLOOR AREA	1,000 sq ft
DATE	04/11/2011
BY	MS
CHECKED	MS

<b>A1.4</b>	PROJECT TITLE	BUILDING TYPE D	DATE	04/11/2011	<b>PRELIMINARY FLOOR PLANS CITRUS COURT</b>	<b>M.W. STEELE GROUP</b> ARCHITECTURE   PLANNING 1205 NEWTON AVE   SUITE A SAN DIEGO   CA   92113 TELEPHONE 619 239 0335 WWW.MWSTEELE.COM
	PROJECT	CITRUS COURT PERRIS, CALIFORNIA	SCALE	1/4" = 1'-0"		



CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: February 28, 2017**

**SUBJECT:** **Plan Development Overlay (PDO) 14-00093 & Tentative Tract Map 14-00091 (TTM 37038)** – Proposal to subdivide 14.5 acres of vacant land into a 111-unit planned residential development with common open-space amenities and to apply a Planned Development Overlay (PDO) Zone located at the southwest corner of Orange Avenue and Dunlap Road. **Applicant:** Robert Furey, Groundwurk Inc.

**REQUESTED ACTION:** **Approve Resolution No. Next in Order** recommending that the City Council review and adopt the Mitigated Negative Declaration 2327, and approve planned Plan Development Overlay (PDO) 14-00093 and Tentative Tract Map 14-00091 (TTM 37038), based on the findings and subject to the Conditions of Approval.

**CONTACT:** Clara Miramontes, Development Services Director

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**BACKGROUND/DISCUSSION:**

On December 7, 2016, the Planning Commission unanimously recommended approval of the Citrus Court project, subject to the following conditions: (1) provide additional architectural treatment to the second floor rear elevations for the Craftsman and Spanish Architecture model; (2) eliminate two lots in order to increase the recreational club house to 2,000 sf. and enlarge the outdoor recreational area; and (3) consider a seven-foot-tall perimeter wall height along Dunlap Drive for further screening of the tent farming operation across the street. Given the number of units proposed, the Planning Commission expressed concern that the recreational amenities were not adequate and required a larger clubhouse and common outdoor area. The applicant had no objection and agreed to these conditions at the Planning Commission meeting. The applicant has updated the site plan to reflect the reduced number of lots along with enlarging the open space recreation area and to provide a 2,000 sf. single-story clubhouse. The reduction of 2 lots has eliminated the need for a Zone Change and General Plan Amendment from R-6,000 to MFR-14, as originally proposed. The proposed 111-unit development complies with the density requirements under the Planned Development Overlay Zone (PDO). As such, the application of a PDO zone is required, which includes a 10% density bonus and design flexibility incentives based on the merits of the project design and architecture.

The project proposes a non-traditional site layout consisting of a residential cluster development. A residential cluster development is a form of land development where structures are grouped together on a site, thus saving the remaining land area for common open space and recreation uses. This development proposes typical clusters of 6 or 8 single-family detached lots with common open-space amenities consisting of BBQ areas, a clubhouse, shade structures, intermittent passive turf areas with benches linked by pedestrian pathways, game courts, a splash pad and a tot-lot. Additionally, the shared interior motor courts for garages eliminate the need for garages to front the main loop road, thus providing room for a landscaped street scene, with street parking on one side of the street. The street parking is broken up by tree planters to enhance the street scene. Also, there will be four different architectural styles for the homes. Each style will have three variations, which will provide diversification in architectural design.

The project will have three access points to the site. The main access will be off of Dunlap Drive, which will have enhanced signage and landscaping and a drive aisle to allow vehicle stacking to enter the development. There is an emergency access on Orange Avenue and a secondary access on Lemon Avenue. An Initial Study was prepared for the project in accordance with the California Environmental Quality Act and a Mitigated Negative Declaration has been prepared. Notices were sent to affected agencies and property owners within 300 feet off the site and no comments in opposition were received. The Pechanga tribe submitted a letter to the Planning Commission requesting that the Pechanga tribe serve as the official designated monitoring tribe for the project. Per the City's policies and agreements with local tribes, a single tribe cannot be given sole oversight and it is up to the developer to choose either Pechanga or Soboba, or both, to conduct cultural monitoring. The project was reviewed by the Airport Land Use Commission and a finding of consistency was determined. Staff is recommending that the City Council approve this project.

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**BUDGET (or FISCAL) IMPACT:** Costs for staff preparation of this item are borne by the applicant.

---

**Prepared by:** Kenneth Phung, Project Planner

**City Attorney:** N/A

**Interim Assistant City Manager:** Darren Madkin  
**Assistance Director of Finance:** Jennifer Erwin

**Public Hearing:** February 28, 2017

**Attachments:**

- Attachment 1** City Council Resolution Approving PDO and TTM (*includes Planning, Engineering & Public Works*)
- Attachment 2** Updated Plans
- Attachment 3** Planning Commission Staff Report Package dated December 7, 2016
- Attachment 4** Pechanga letter dated December 6, 2016

Initial Study/MND and Associated Studies on File with the Planning Department and available on line at <http://www.cityofperris.org/city-hall/departments/development/planning.html>

PLANNING COMMISSION  
AGENDA SUBMITTAL

**Meeting Date: December 7, 2016**

**SUBJECT:**           **General Plan Amendment (GPA) 14-00094, Zone Change (ZC) 14-00095, Plan Development Overlay (PDO) 14-00093 & Tentative Tract Map 14-00091 (TTM 37038) – Proposal to subdivide 14.5 acres of vacant land into a 113-unit planned residential development with common open-space amenities and to apply a Planned Development Overlay (PDO) Zone. A General Plan Amendment and Zone change is proposed to change the land use designation from R-6,000 to MFR-14, located at the southwest corner of Orange Avenue and Dunlap Road. Applicant: Robert Furey, Groundwurk Inc.**

**REQUESTED ACTION:**           **Approve Resolution No. 16-30 recommending that the City Council review and adopt the Mitigated Negative Declaration 2327, and approve General Plan Amendment (GPA) 14-00094, Zone Change (ZC) 14-00095, Plan Development Overlay (PDO) 14-00093 and Tentative Tract Map 14-00091 (TTM 37038), based on the findings and subject to the Conditions of Approval.**

**CONTACT:**           Clara Miramontes, Development Services Director

---

**BACKGROUND/DISCUSSION:**

The project is a proposal to amend the General Plan and Zoning designation of 15 acres of vacant land from R-6,000 to MFR-14 and to apply a Planned Development Overlay (PDO) zone to allow flexibility in design to create a gated community consisting of 113 single-family detached units with common open-space amenities. The project proposes a density of 7.8 units per acre, whereas the R-6,000 Zone allows a maximum of 7 units per acre (101 lots). In order to allow the proposed density, the applicant has applied for a Zone Change and General Plan Amendment to MFR-14, which allows a maximum density of 14 units per acre with a PD overlay zone to allow reduced lot sizes and setbacks. The PD overlay zone allows flexibility in development criteria required by the underlying zone, provided the project demonstrates a diversification of architectural design, open spaces and site layout.

The project proposes a non-traditional site layout consisting of a residential cluster development with interior shared motor courts for garages. This completely eliminates garages fronting onto the main loop road and rather provides a landscaped street scene with street parking on one side of the street. The street parking is broken up by tree planters to enhance the street scene. A residential cluster development is a form of land development where structures are grouped together on a site, thus saving the remaining land area for common open space, recreation, and public and semipublic uses. This development proposes typical clusters of 6 or 8 single family detached lots with common open-space amenities consisting of BBQ areas, a clubhouse, shade structures, intermittent passive turf areas with benches linked by pedestrian pathways, game courts, a splash pad and a tot-lot. The original proposed development consisted of 124 lots. However, due to the addition of amenities, pedestrian walkways, a water splash pad and landscape parkways in the interior streets, the number of lots were reduced to 113. Also, there will be four architectural style homes, each with three variations which will provide diversification in architectural design.

The project will have three access points to the site. The main access will be off of Dunlap Drive, which will have enhanced signage and landscaping and a drive aisle to allow vehicle stacking to enter the development. There is an emergency access on Orange Avenue and a secondary access on Lemon Avenue. An Initial Study was prepared for the project in accordance with the California Environmental Quality Act and a Mitigated Negative Declaration has been prepared. Notices were sent to affected agencies and property

owners within 300-feet from the site and no comments in opposition have been received. The project was reviewed by the Airport Land Use Commission and a finding of consistency was determined. Staff is recommending that the Planning Commission recommend to the City Council approval of this project.

---

**BUDGET (or FISCAL) IMPACT:** Costs for staff preparation of this item are borne by the applicant.

---

**PREPARED BY:** Kenneth Phung, Project Planner  
**Public Hearing:** December 7, 2016

**CITY OF PERRIS  
DEVELOPMENT SERVICES DEPARTMENT  
PLANNING DIVISION**

**PROJECT REPORT**

**CASE NUMBERS:** General Plan Amendment (GPA) 14-00094, Zone Change (ZC) 14-00095, Plan Development Overlay (PDO) 14-00093, Tentative Tract Map 14-00091 (TTM 37038)

**Planning Commission Date:** December 7, 2016

**Project Planner:** Kenneth Phung, Project Planner

**Project Description:** Proposal to subdivide 14.5 acres of vacant land into a 113-unit planned residential development with common open-space amenities and to apply a Planned Development Overlay (PDO) Zone. A General Plan Amendment and Zone change is proposed to change the land use designation from R-6,000 to MFR-14.

**Location:** Southwest corner of Orange Avenue and Dunlap Drive

**Assessor's Parcel Numbers:** 320-360-013

**Applicant:** Robert Furey, Groundwurk Inc  
**Address:** 2442 2nd Avenue  
San Diego, CA 92101

**Environmental Determination:** Mitigated Negative Declaration (MND) 2327.

***EXISTING ZONING AND LAND USE:***

**Existing Zoning:** R-6,000 Residential

**Surrounding Zoning:**

<b><i>Direction</i></b>	<b><i>Zoning</i></b>
North	County of Riverside - Medium Density Residential
South	R-6,000 Residential
East	County of Riverside - Medium Density Residential
West	R-6,000 Residential

**Existing Land Use:** Vacant, undeveloped land

Surrounding Land Uses:

<i>Direction</i>	<i>Land Use</i>
North	Single Family & Vacant Land
South	Vacant Land
East	Tent Farming
West	Southeast High School

**PROJECT DESCRIPTION:**

The project is a proposal to amend the General Plan and Zoning designation of 15 acres of vacant land from R-6,000 to MFR-14 and to apply a Planned Development Overlay (PDO) zone to allow flexibility in design to create a gated community consisting of 113 single-family detached units with common open-space amenities. The project proposes a density of 7.8 units per acre, whereas the R-6,000 Zone allows a maximum of 7 units per acre (101 lots). In order to allow the proposed density, the applicant has applied for a Zone Change and General Plan Amendment to MFR-14, which allows a maximum density of 14 units per acre with a PD overlay zone to allow reduced lot sizes and setbacks. The PDO zone allows flexibility in development criteria required by the underlying zone, provided the project demonstrates a diversification of architectural design, open spaces and site layout.

The project proposes a non-traditional site layout consisting of a residential cluster development with interior shared motor courts for garages. This completely eliminates garages fronting onto the main loop road and rather provides a landscaped street scene with street parking on one side of the street. The street parking is broken up by tree planters to enhance the street scene. A residential cluster development is a form of land development where structures are grouped together on a site, thus saving the remaining land area for common open space, recreation, and public and semipublic uses. This development proposes typical clusters of 6 or 8 single family detached lots with common open-space amenities consisting of BBQ areas, a clubhouse, shade structures, intermittent passive turf areas with benches linked by pedestrian pathways, game courts, a splash pad and a tot-lot. The original proposed development consisted of 124 lots. However, due to the addition of amenities, pedestrian walkways, a water splash pad and landscape parkways in the interior streets, the number of lots were reduced to 113. Also, there will be four architectural style homes, each with three variations which will provide diversification in architectural design.

The project will involve widening Orange Avenue, Dunlap Road and Orange Avenue along the project boundary. There is a proposed emergency access on Orange Avenue and a secondary access off of Lemon Avenue. The main access will be off of Dunlap Drive, which will have enhanced signage and landscaping and a drive aisle to allow vehicle stacking to enter the development.

**ANALYSIS AND REVIEW:**

**GENERAL PLAN CONSISTENCY**

The proposed map is consistent with the goals and policies of the General Plan and Housing Element to provide a variety of housing types to meet the changing demands of the City. The underlying R-6,000 Zone allows a maximum of 7 lots per acre (maximum 101 lots) and the applicant is proposing a density of 7.8 units per acre (113). The proposed General Plan Amendment



and Zone Change to MFR-14 will allow up to 14 units per acre, in which the project would be consistent with the maximum density under the MFR-14. However, the proposed density is only slightly higher than what would be permitted in the R-6,000 zone. As well, the application of a density bonus under the PDO zone would only allow up to 111 lots, in which a rezone to MFR-14 is being requested in order to yield 113 units.

## PLANNED DEVELOPMENT OVERLAY ZONE

A Planned Development Overlay (PDO) zone is proposed incorporating development principles of the MFR-14 zone, since the development does not meet density requirements of the R-6,000 zone. The PDO zone allows flexibility in development criteria required by the underlying zone, provided the project demonstrates a diversification of architectural design, open spaces and site layout to achieve an enhanced residential environment that could not be achieved by the strict application of the underlying zone. The applicant has worked with staff to comply with the PDO zone by designing a gated residential community where homes are grouped in cluster of 6 to 8 homes with interior shared motor courts for garages, dispersed open space amenities and connectivity throughout the development with paseo and a loop road with decorative lighting and enhanced landscaping.

The project will have four architectural styles with three variations in treatment to provide architectural diversification for the development. This is further discussed in the Architecture section of the report. The cluster of homes are also laid out in a manner where virtually all the homes fronting the main loop road will have the front elevation facing this street with garages facing the internal motor court which provides an enhanced street. Also many of the homes to the rear will have will have paseo walkways to the main loop road. The residential cluster layout encourages resident interaction as it stills maintain a front yard/front elevation design albeit a smaller front yard setback with an 18-foot deep driveway for each home so that two cars can park outside the motor court area. This layout allows for more land to be set-aside for common open amenities. In the case of this project two recreation areas are proposed, consisting of a primary recreational area centrally located and visible at the main entrance on Dunlap Road consisting of a 1,000 sf clubhouse with passive turf area, BBQ areas, picnic tables, a splash pad and a tot-lot. The secondary recreational area is along the southern boundary adjacent to Lemon Avenue within the two detention basins and the 30-foot wide EMWD drainage easement. The design proposed will create and maintain a desirable environment for residents where the garage is not the focused of the loop road and will provide desirable amenities for first-time home buyers who have less of a desire for bigger homes and larger lots.

## DEVELOPMENT STANDARDS

### Setbacks and Lot Coverage

A summary of the MFR-14 development code guidelines are identified on the following page with areas of compliance and non-compliance:

**Table 1. MFR-14 Development Standards**

<i>Development Standard</i>	<i>Required</i>	<i>Provided</i>	<i>Complies</i>
<b>Lot Coverage</b>	60 % max	41 % max	Yes
<b>Lot Size</b>	3,000 sf.	2,744 sf. (minimum)	No
<b>Private Open Space</b>	200 sf per PDO	650 sf. (average)	Yes
<b>Structure Height</b>	30 feet max	30 feet or less	Yes
<b>Front Setback</b>	20 feet min	11 feet (minimum)	No
<b>Side Setback</b>	5 feet	5 feet (minimum)	Yes
<b>Rear Setback</b>	10 feet	8 ½ feet (minimum)	No

As stated earlier, the purpose of a Planned Development Overlay (PDO) zone is to allow flexibility in design to create a gated community with increased density while off-set by providing built-in open space amenities such as BBQ areas, a clubhouse, shade structures, intermittent passive turf areas with benches linked by pedestrian pathways, game courts, splash pad and a tot-lot as a trade-off for the smaller lot size. The PDO small lot concept allows a more compatible development with the adjacent area which consists of single-family homes.

Architecture

The applicant has worked closely with planning staff to enhance the site layout and architectural design for this project. The project will have four architectural styles with three variations in treatment to provide architectural diversity. The four architectural styles proposed are Craftsman, Modern Cottage, Irving Gill and Spanish. All the homes will have high-quality finishes such as clay tile roofs, stainless steel guard rails, composite guard rails, wood shutters, cement plaster trim and plank cement-board siding. A summary of the proposed homes are identified below:

<b>Plan Type</b>	<b>Bld. Square Footage</b>	<b>Lot Size</b>	<b>Unit Quantity</b>
Craftsman	1,600 sf.	3,021 sf	29
Modern Cottage	1,750 sf.	2,744 sf	32
Irving Gill	1,650 sf.	2,866 sf	24
Spanish	1,700 sf.	3,350 sf	28
		<b>Total</b>	<b>113</b>

Parking/Circulation

As stated earlier, there are three access points to the site. There will be an emergency access on Orange Avenue and a secondary access off of Lemon Avenue. The main access will be off of Dunlap Drive, which will have enhanced signage and landscaping and a drive aisle to allow vehicle stacking to enter the development. The visual focus into the development will be the open- space recreation area consisting of the clubhouse, a tot-lot and a splash pad.

The internal roadway for the development will be private streets, which will allow for a narrower roadway width but sufficient enough to provide parking along one side of the street for 55 street parking spaces in addition to the required two-car garage parking spaces for each unit. This complies with the PDO requirements. There will an 18-ft deep driveway for each home in the motor court so that two cars can park in the driveway beyond the two-car garage and the one side-street parking in the loop road. The home layout will not be your typical tract where each home faces the main roadway, but instead the homes will be grouped into a motor court cluster of up to

10 homes with access to the main loop road so that the garage doors will mostly not be visible from the main internal loop roadway. There will be a greenbelt walkway between the clusters of homes to provide further access to the main loop road to frequent the open-space amenities within the development.

### Project Amenities

The project provides pedestrian connectivity throughout the site with a four foot wide concrete sidewalk and paseo network connecting the homes to the common open space amenities consisting of BBQ areas, a clubhouse, shade structures, intermittent passive turf areas with benches, game courts, a splash pad and a tot-lot.

The primary recreational area is centrally located and visible at the main entrance on Dunlap Road consisting of a 1,000 sf clubhouse with wooden trellis connected to the building to provide additional shaded outdoor space. Due to the number of units proposed staff is conditioning the clubhouse square footage be increased in size to approximately 2,000 sf. This can either be accomplished by constructing a two-story clubhouse or modifying the recreation area to provide a one-story 2,000 sf. clubhouse. This area includes a passive turf area, BBQ areas, picnic tables, a splash pad and a tot-lot. The secondary recreational area is along the southern boundary adjacent to Lemon Avenue within the two detention basins and the 30-foot wide EMWD drainage easement. This area will include a fenced dog run, game courts, and intermittent passive turf areas with seating area.

### Landscaping

Approximately 18% or 108,180 square feet of the onsite area of the PUD is landscaped. This includes landscaping of the water quality basin that also serves as a dog park during dry weather. The conceptual landscaping plan indicates trees will be planted throughout the site for shade and to enhance the homes, recreation building, walkways, and points of entry. All trees and plant materials will be drought-resistant and California-friendly. Off-site landscaping is required for Orange Avenue, Dunlap Road and Lemon Avenue, where the trees are spaced a minimum 30 feet apart. The entries on Dunlap Road and Lemon Avenue will be conditioned to be enhanced with additional pavers to provide an improved visual entrance into the development. The Dunlap Road entrance in particular will need to be further modified to relocate the entry gate further back to provide additional stacking for cars and to provide an additional median to provide turn around access for visitors who are unable to reach residents who live in the community.

### Fencing

The perimeter fencing along Orange Avenue and Dunlap Road will be decorative masonry or split face block with a cap and stone wrapped pilasters at corners, regular intervals of approximately 100-feet, and at terminus. The perimeter fencing along Lemon Avenue will consist of wrought iron with pilaster columns spaced approximately 50-feet to provide visibility to the PUD and recreation area of the site consisting of a fenced dog run, game courts, and intermittent passive turf areas with seating area. There will be an 8-foot tall wall along west property line adjacent to the school site at the request of the school district. All corner lots, rear yards and or side yards adjacent to a public or private street or lots facing the open space area will provide decorative masonry or split-face wall along with all returns between residences. U.V. protected vinyl fence are allowed to the side and rear property lines

not visible from the street. The entry wall on Dunlap Road will continue to the entry gate and will have a landscape buffer between the sidewalk and wall. Submittal of a final wall and fencing plan will need to be submitted prior to installation.

### **TENTATIVE PARCEL MAP 14-00091 (TTM 37038)**

A Tentative Parcel Map is requested to allow the 113 single-family lots to be sold as condominium homes and to create common lots for the private street, motor court, detention basins and the recreational areas. Since all the common lots are for residents use a reciprocal access easement will be recorded with the Map.

### **PUBLIC/AGENCY COMMENTS:**

A notice was sent to property owners within 300 feet of the project site and public agencies. As of the writing of this report, no comments in opposition have been received from the neighboring property owners or public agencies.

### **MARB AIRPORT LAND USE COMPATIBILITY PLAN**

The project was reviewed by the ALUC Board on March 10, 2016 for consistency determination. The project was deemed consistent subject to standard conditions by the ALUC which will be incorporated as part of the project approval.

### **ENVIRONMENTAL DETERMINATION:**

An Initial Study was prepared for the project in accordance with the City's guidelines implementing the California Environmental Quality Act (CEQA). This Initial Study was undertaken for the purpose of deciding whether the project may have a significant effect on the environment. On the basis of this Initial Study, staff concluded that all potential significant effects on the environment can be reduced to a less than significant level through mitigation measures, the design of the development, project Conditions of Approval, the zoning code and standard requirements of the City. Therefore, a Mitigated Negative Declaration has been prepared.

### **FINDINGS:**

The following Findings are recommended to the Planning Commission and City Council for project approval:

#### **General Plan Amendment 14-00094 & Zone Change 14-00095**

- A. The proposed project will not result in a significant adverse effect on the environment and will not affect health, safety, and welfare as sufficient mitigation measures are in place to reduce any impact to a level of less than significant.
- B. The proposed project is consistent with the goals (*Goal 1.0*), and polices (*Policies 1.3 and 1.4*) of the General Plan to provide a variety of housing types to meet the changing demands of the City.

- C. The proposed project is compatible with the surrounding single-family lots as the development will only slightly increase the density allowed from 4 – 7 units per acre to 7.4 units per acre (*i.e. or 107 units allowed in the R-6,000 zone versus 113 units proposed with MFR-14*), but will be off-set by maintaining a detached residential product with common open-space amenities that will create a desirable environment for residents.
- D. The proposed project is a logical extension of an existing zoning pattern, whereas the density range is only slightly higher than what would be permitted in the R-6,000 zone, whereas a higher density PDO development is better suited for the site as its located adjacent to a school site where ingress and egress should be further limited due to concentration of traffic when the school day begins and ends which can be better accomplished with a gated community.

Tentative Parcel Map 37038 (TPM 14-00091)

- A. The proposed Tentative Tract Map will not result in a significant adverse effect on the environment.
- B. As conditioned, the design of the proposed Tentative Tract Map is consistent with the General Plan and the MFR-14 density requirements subject to a PDO zone to allow greater flexibility in lot size, lot shape and design.
- C. The project site is physically suitable for type and density of the approved Tentative Tract Map.
- D. As conditioned, the proposed Tentative Tract Map is consistent with City standards, ordinances, and policies.
- E. The proposed Tentative Tract Map is compatible with the surrounding land uses and zoning designations in the area.
- F. The proposed Tentative Tract Map will not have a negative affect on public health, safety, or general welfare.
- G. The proposed Tentative Tract Map is in compliance with the Subdivision Map Act.

Planned Development Overlay Zone 14-00093

- A. The proposed project is well designed and will create a superior environment than could otherwise be achieved by strict application of the underlying conventional zone.
- B. The project incorporates appropriate amenities necessary to create and maintain a desirable environment for residents (e.g., clubhouse, tot-lot, splash pad, common area landscaping, enhanced architectural standards, etc.).
- C. The proposed planned development is harmonious with surrounding development and does not create internal incompatibilities do to improper design, allowed land uses, or density/intensity of development.
- D. The proposed circulation system is adequate to carry the anticipated traffic volume.

- E. The existing or proposed public infrastructure is suitable to meet the needs of the planned development, and does not create capacity issues in other areas of the community.

**RECOMMENDATION:**

Staff recommends that the Planning Commission:

**Approve Resolution No. 16-30** recommending that the City Council review and adopt the Mitigated Negative Declaration 2327, and approve General Plan Amendment (GPA) 14-00094, Zone Change (ZC) 14-00095, Plan Development Overlay (PDO) 14-00093, Tentative Tract Map 14-00091 (TTM 37038), based on the findings and subject to the Conditions of Approval.

**EXHIBITS:**

- Exhibit A – Conditions of Approval & MMRP (Planning, Engineering & Public Works)
- Exhibit B – Aerial View/Vicinity
- Exhibit C – Zoning/General Plan Map
- Exhibit D – Plans
- Exhibit E – Resolution 16-30
- Exhibit H – Initial Study & Mitigation Monitoring Program

CITY COUNCIL / SUCCESSOR AGENCY  
AGENDA SUBMITTAL  
**Meeting Date: March 28, 2017**

**SUBJECT:** SB1 and AB1 transportation Funding Bills.

**REQUESTED ACTION:** Direction to the City Manager or his designee whether or not to finalize and execute related letters of support.

**CONTACT:** Michael McDermott, Interim Deputy City Manager 

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**BACKGROUND/DISCUSSION:**

SB 1 and AB 1 represent a comprehensive transportation proposal inclusive of sensible reforms, modest increases to existing revenue sources, and robust infrastructure investment. When fully phased in, SB 1 would generate an additional \$6 billion annually to provide desperately needed funding for the state and local transportation network. To repair and maintain existing transportation infrastructure, the proposal would generate up to \$2.4 billion and \$2.2 billion annually for the state's highway system and local streets and roads, respectively. The bill also provides nearly \$600 million for freight and the state's trade corridors, over a half billion for transit and intercity rail, and up to \$150 million to support active transportation programs throughout the state.

The proposal takes the approach of raising revenue over a variety of sources, such as a 12 cent increase to the gas tax to restore some of its purchasing power, ending the Board of Equalization's "true up" process on the price based excise tax on gas, a \$38 increase to the vehicle registration fee, a \$100 vehicle registration fee on zero emission vehicles, a 20 cent increase to the diesel excise tax, \$300 million from existing cap and trade funds, and returning \$500 million in vehicle weight fees phased in over five years.

**It is estimated that Perris will receive a onetime payment of \$397,679 and \$2,508,087 annually at full phase in.**

Examples of Perris projects this funding would be used for are pavement rehab projects such as:

- A Street Pavement Rehab (between 4th Street and Nuevo Rd)
- Redlands Ave Pavement Rehab (between Nuevo Rd and Orange Ave)
- Citrus Ave Pavement Rehab (between Perris Blvd and Murrieta Rd)
- Perris Blvd Pavement Rehab (between Ramona Exwy and Orange Ave)
- Ramona Exwy Pavement Rehab (between Webster Ave and Rider St)
- Murrieta Rd Pavement Rehab (between Orange Ave and Clearwater Dr)
- Wilkerson Ave Pavement Rehab (between 4th St and San Jacinto Ave)
- Sunnysands Dr/Sunpark Dr Pavement Rehab (between Mountain Ave and Mapes Rd)
- Mountain Ave Pavement Rehab (between Sunnysands Dr and A Street)
- G Street Pavement Rehab (between 4th St and Case Rd)
- Goetz Rd Pavement Rehab (between Ethanac Rd and City Limits)
- Avalon Parkway Pavement Rehab (between Ramona Exwy and Rider St)

It is estimated that pavement rehab costs will be in excess of \$4 million.

**BUDGET (or FISCAL) IMPACT: No fiscal impact**

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**Prepared By:**

**Reviewed by:**

**Interim Assistant City Manager** *RM*

**Interim Deputy City Manager**

**Assistant, Director of Finance** *df*

**Attachments:**

**New Business XXX**



**CITY OF PERRIS  
CITY COUNCIL  
AGENDA SUBMITTAL**

**MEETING DATE: March 28, 2017**

**SUBJECT:** SCE LS-1 Street Light Acquisition Program

**REQUESTED ACTION:** Authorize the City Manager to Execute the Purchase and Sales & No-fee License Agreements For the Acquisition of SCE Owned LS-1 Streetlights, and Authorize Staff to Proceed with the Streetlight Transition Process as Detailed in the Staff Report

**CONTACT:** Michael Morales, Capital Improvements Project Manager

**BACKGROUND:**

The City of Perris owns only 60, out of an estimated 4,742 street lights installed throughout the City. Consequently, the City has very little input over this very visible, expensive, and vital piece of infrastructure. The City cannot institute any energy efficiency measures, such as LED upgrades, dimming technology, loop detection, etc; nor can the City respond to reported outages or other maintenance concerns in a short period of time. Finally, the City cannot take advantage of the potential revenues for messaging/advertising on these poles, or lease space on these poles for adjunct utilities, because nearly the entire inventory of streetlights are owned by Southern California Edison (SCE).

In response to the growing concerns of a coalition of Cities grappling with these same issues, in March of 2012, SCE announced the availability of the LS-1 Streetlight Acquisition Program. The term LS-1 refers to a tariff for non-metered streetlights owned and maintained by SCE, but paid at a flat rate by the City for electricity, maintenance and repairs. Note that the monthly repair and maintenance fee is paid by the City, whether or not actual maintenance or repairs are actually performed. Under the Acquisition Program, SCE would sell the City 4,140 Streetlights at a cost of \$3,466,638. Although SCE would retain ownership of 602 lights for various reasons, the City of Perris would own over 87% of all the Streetlights in the City. The City of Perris' deadline to enter into a Purchase and Sale Agreement is March 31, 2017. SCE has since cancelled the program, and will not offer any further extension of the purchase and sale agreement.

**CURRENT ANNUAL COSTS FOR STREET LIGHTS:**

For a sense of how SCE' s LS-1 street light program works, we can examine the City's February bill. When adjusted for simple energy, generation and facilities charges, the February bill was \$60,546. The City paid \$18,380 for actual electricity and energy generation charges; but spent \$42,166 for SCE facilities, repair and maintenance charges. Again, although the City spent \$42,166 for SCE facilities/maintenance charges, the actual value of repairs and maintenance performed may or may not have equaled the flat rate billed by SCE: pole knock downs, repairs to electrical boxes, wiring, ballast, and lamp change-outs may or may not have occurred. The flat rate February bill simply reflects that the City was charged 30% for "energy/electricity," and 70% for SCE "facilities/maintenance." Historical records indicate that in any given year, the SCE bill (LS-1 bill) amounts to approximately \$738,910. This calls further into question the actual value Perris residents are receiving from the City's participation in the LS-1 Streetlight program.

**CONTINUING GROWTH OF SCE STREET LIGHT INVENTORY**

The LS-1 program is the cornerstone by which SCE accepts new streetlights and increases the streetlight inventory within the City of Perris. Currently, the City of Perris requires new

development to construct streetlights, and deed ownership over to SCE. Due to continued residential and commercial development, the number of streetlights will continue to increase, and the breadth of SCE "facilities/maintenance" charges will increase commensurately. As an example of the ever increasing scope of SCE's LS-1 program, last year, the new Pulte Housing Tract on Evans Road added 163 street lights to the SCE inventory in the City of Perris.

### **WRCOG PARTICIPATION AND WRELEP MEMBERSHIP:**

Through the WRLEP program, WRCOG continues to advocate for member agencies, including the City of Perris, to further the City's goals of energy conservation. As a Gold level member, the City enjoys increased energy retrofit rebates of \$0.14 per kwh, and may choose to take advantage of or forego opportunities offered by the Program.

Since receiving direction from WRCOG's Executive Committee in December, 2014, WRCOG staff has spearheaded the effort to negotiate with SCE on the LS-1 Streetlight Acquisition Program, on behalf of the WRLEP member agencies. Upon SCE's announcement of the closure of LS-1 Street Light Acquisition Program, WRCOG paid the required \$10,000 valuation fee to SCE, at no cost to the City, to bring Perris into the final street light valuation queue.

WRCOG has also retained the services of various financial, lighting design and electrical engineering firms to coordinate the street light acquisition effort. The efforts are centered on providing solutions to the challenges associated with transitioning from SCE ownership to individual municipal ownership of the streetlights. WRCOG's "Streetlight Solutions Financing Plan," has helped the City of Perris determine the financial feasibility, of acquiring and retrofitting the SCE owned streetlights. WRCOG has created the "Lighting Design Program," to help the City of Perris develop planning standards for lighting commercial, industrial and residential neighborhoods; and new LED lighting standards for new development projects. Finally, WRCOG's "Regional Streetlight Maintenance Program," provides an action plan for the LED retrofit and on-going maintenance responsibilities for member agencies who wish to acquire the streetlights, but not engage in contracting for the LED retrofit on their own; or take on the on-going maintenance responsibilities that comes with ownership of the streetlights. All of the services have been provided free of charge to the City of Perris, and the City is not bound in any way to purchase the streetlights, or to take advantage of any of the opportunities offered by WRCOG.

### **SCE's PROPOSED PURCHASE AND SALES & NO-FEE LICENSE AGREEMENT**

SCE is offering to sell, 4,140 "sellable lights and poles" to the City for \$3,466,638, while maintaining ownership and maintenance responsibility for all underground wiring. (See Exhibit 1) The City would own: wiring from the "beginning of inside wiring", typically at the junction box at the bottom of the pole; the light pole itself; and the light fixture, ballast and bulb. The tariff for these 4,140 lights would change to the LS-2 rate, and the SCE "facilities/maintenance" charge would be reduced. Under the LS-2 rate, the City would pay SCE approximately \$6.72 per pole per month: \$4.25 for "energy/electricity" and about \$2.47 for "facilities/maintenance. SCE is proposing to keep 602 "Non-sellable" poles, and would continue to bill these poles at the LS-1 rate, \$13.35 per pole per month: \$4.25 for "energy/electricity" and about \$9.10 for "facilities/maintenance." The Agreement is contingent on several factors.

Although the Agreement provides for the sale of the Streetlights, it does not necessarily obligate the City to purchase the streetlights, unless the City is able to find a structured financing plan that is acceptable to the City Council. Further, the terms of a feasible financing plan shall be

determined solely by the City Council. However, it does obligate SCE to sell the streetlights to the City, once the City Council has identified and approved a funding plan. (See Exhibit 2)

The sales Agreement provides for a "No-Fee" License Agreement to be executed, between the City and SCE, concurrently with the closing date of the sale (See Exhibit 3). This Agreement preserves SCE's right to leave in place, operate, maintain replace and remove any communications equipment attached to the "sellable street-light poles." SCE has indicated that these communication devises are essential to SCE operations, and include wireless devises used to collect and relay data from electrical meters, and distribution equipment. This "No-Fee Light Pole License Agreement" has an initial term of 10 years, with automatic renewals of 10 years each, unless terminated by either party under specific conditions.

The SCE Agreement stipulates that the "lights and poles" are being sold "as-is" without any implied or expressed warranties. This inventory includes 3,902 marbelite (concrete Poles), 2 fiberglass poles and 236 wooden poles. Currently SCE is responsible for short and long-term maintenance, and the City has no control over the SCE flat tariff for "facilities/maintenance." Although the City would now control these costs, maintenance responsibility would also pass to the City: Maintenance includes, but is not limited to pole replacement, pole knock downs, routine and complex troubleshooting and repair; as well as the development services aspects of street lighting, including new street light acquisition and plan check services. SCE would still be responsible for power supply and underground wiring.

In addition to long-term maintenance and repair, the City would inherit risk-management and potential liabilities associated with streetlight ownership. Although the City has had similar assets in place for some time, including over 60 decorative streetlights and over 80 traffic signal poles with safety-lighting, the City would be increasing its assets by 4,140 poles. According to a similarly situated City that owns and maintains almost 5,000 of its own streetlights, it was unable to find a single claim against the City within the last five years. In fact, to recover costs for pole knock downs, that City has filed numerous claims for property damage caused by private motorists.

There are, however, very unique claims that have been brought related to California's Proposition 65. Proposition 65 requires businesses to give clear and reasonable warnings to individuals who handle, use, or otherwise come into contact with hazardous materials. Wooden poles, manufactured during a specific time frame, which have been installed by SCE, have been treated with certain hazardous chemicals. The SCE Agreement discloses that the City would be taking possession of 236 wooden poles. In light of the potential contamination mentioned in the preceding paragraph, the Agreement requires the City to indemnify, waive and release SCE from any potential claims as a result of the condition of the poles. Further, the City of Perris has been advised to work with their legal counsel to determine whether to install Proposition 65 warnings. At this time, the City has not had any of the wooden poles tested, which means the City is unaware if any contamination exists.

#### **OPPORTUNITIES FOR REVENUE GENERATION AND COST SAVINGS:**

From time to time opportunities may present themselves resulting in new revenue generation streams to the City, or potential cost savings. The most notable is the increased use of DAS (Distributed Antenna System) by cellular data providers, also known as "small-cell." In-lieu of large towers, third party infrastructure vendors, or the cellular data companies themselves, are creating networks of spatially separated antenna nodes that carry wireless signals through specific areas. A similarly situated jurisdiction, who owns and maintains their own street lights, have leased spaced on 200 of their poles for this purpose. Although rents may vary, a single pole can garner

an annual rent of \$1000. Municipal officials indicate it is not uncommon for these infrastructure vendors or cellular data companies to demand 10% of the poles to establish their networks. WRCOG has also developed a list of potential revenue streams, cost savings measures, city services and enhancements to public safety, stemming from various "Smart City" technologies, including placement of security cameras, electric vehicle charging stations, and traffic movement sensors that could turn-off street lights when sidewalks and roads are empty.

### **FISCAL IMPACT AND AVAILABLE OPTIONS**

Staff explored several options that addressed either some or all of the street light concerns mentioned in the Background section of this report. The two options that seemed particularly suited for further discussion were based on two competing paradigms: 1) SCE ownership of the streetlights, and 2) City ownership of the streetlights. Staff determined, and is recommending that the City Council consider Option #2, transfer of ownership of the streetlights from SCE to the City of Perris and participation in the WRCOG program.

**Option #1: SCE Owns Lights and City Enters into On-Bill Financing For LED Retrofit:** Option #1 is summarized as entering into SCE's modified "On-Bill Financing Program known as "LS-1 Option E," for a complete LED retrofit of 4,742 streetlights. SCE would continue to own the streetlights, and the City would pay for the LED retro-fit, including a new per-pole energy efficiency premium charge, using the electricity cost savings over a 20 year period. In effect, this would be a status-quo option in terms of ownership and maintenance, but the City would use its own funds to upgrade SCE's lights. Under this option, the City obtains a \$453,327 SCE rebate from SCE in year one, and over the next 20 years pays back an estimated \$1,564,905 loan using its energy savings. In year 21 the City nets approximately \$133,786. (See Exhibit 4)

**Option #2: City Purchases Lights and Uses WRCOG Streetlight Financing Plan and Regional Maintenance Program to Purchase and Maintain Streetlights:** Option #2 is summarized as the purchase of "sellable" streetlights from SCE; a complete energy efficiency LED retro-fit of 4,140 streetlights by WRCOG; and participation in WRCOG's on-going and long-term maintenance program. This option is made possible through a 16-year loan developed by WRCOG and Bank of America Public Capital Corporation (B of A). Under this option, the City obtains a \$6,594,775 loan, uses its SCE rebate to buy down the loan in year one, but nets \$339,587 from the LED retro-fit energy savings in year one. After Year 16, the City nets \$785,568 when the loan is paid in full. In year 20 the City experiences a net savings of \$3,673,471 or \$5,127,623 including an optional 20-year re-lamping reserve. (See Exhibit 5)

### **DISCUSSION**

**Option 2: City Purchases Lights and Uses WRCOG Streetlight Financing Plan and Regional Maintenance Program to Purchase and Maintain Streetlights:** Currently, under the LS-1 rate, the City pays approximately \$738,910 to SCE annually for 4,742 streetlights. The majority of that cost is for SCE's "facilities/maintenance", amounting to \$517,237. With the acquisition of a portion of the lights, 4,140 lights, and their conversion to the LS-2 billing rate, modified to reflect only a partial SCE "facilities/maintenance" fee; continued SCE ownership of 602 lights billed at the LS-1 rate, the new SCE "facilities/maintenance" fee would be \$188,448. However, under Option #2 the City would enter into an Agreement with WRCOG for a complete and all-inclusive on-going and long-term maintenance service. The cost to the City for WRCOG's "overhead operations and maintenance fee," would be \$1.51 per pole. The new estimated WRCOG facilities fee for 4,140 poles would be \$75,017 a year. The combined SCE

(LS-2 rate of \$2.47 per pole) and WRCOG "facilities/maintenance/overhead" fees would amount to \$263,465.

	Current Status LS-1	Option #2 City Owned
Tariff Rate	LS-1	LS-2 Modified/LED
Per Pole Monthly Electricity	\$4.25	\$1.88
Per Pole WRCOG Monthly Facilities/Maint. Fee	0	\$1.51
Per Pole SCE Monthly Facilities/Maint. Fee	<u>\$9.10</u>	<u>\$2.47</u>
<b>Total Electricity and Maintenance Charges</b>	<b>\$13.35</b>	<b>\$5.86</b>
Tariff Rate	LS-1	LS-2 Modified/LED
Per Pole WRCOG Annual Facilities/Maint. Fee	0	\$75,017.00
Per Pole SCE SCE Facilities/Maint. Fee	<u>\$517,237.00</u>	<u>\$188,448.00</u>
<b>Total Electricity and Maintenance Charges</b>	<b>\$517,237.00</b>	<b>\$263,465.00</b>

The Cash Flow model prepared by B of A shows an overall net savings to the City of Perris for Year 1 of \$339,587. The additional savings shown on the Cash Flow Model result primarily from the substantial "electricity savings" brought about by the retro-fit of 4,140 poles with LED lighting. Currently the per pole electricity charge is about \$4.25; however, after the LED retrofit, the cost of electricity has been estimated at \$1.88 per pole. Finally, the cash flow model uses a more precise method of calculating savings per pole (i.e. actual SCE facilities fees vary between \$8.38 and \$10.87 a pole, including different quantities of poles at each rate; thus the financial consultants analysis is much more detailed than simply using an average pole cost of \$9.10).

Scenarios:	Purchase Only (1)				Purchase and Retrofit (2)					
	Savings Net of Admin Costs and Oper. & Maint	Debt Service Repayment for Streetlight Purchase	Post Financing Net Savings (Cost)	Cumulative Post Financing Net Savings (Cost)	Savings Net of Admin Costs and Oper. & Maint	Debt Service Repayment for Streetlight Purchase	Debt Service Repayment for LED Retrofit	Relamp Reserve - Deposit if negative Earnings if positive	Post Financing Net Savings (Cost)	Cumulative Post Financing Net Savings (Cost)
1	51,074	-	51,074	51,074	339,587	-	-	-	339,587	339,587
2	63,224	(340,528)	(277,304)	(226,230)	404,212	(340,528)	(104,327)	-	(40,643)	298,943
3	68,383	(340,528)	(272,146)	(498,376)	421,155	(340,528)	(104,327)	-	(23,701)	275,243
4	73,826	(340,528)	(266,702)	(765,078)	438,798	(340,528)	(104,327)	-	(6,057)	269,186
5	79,569	(340,528)	(260,959)	(1,026,037)	457,172	(340,528)	(104,327)	-	12,316	281,502
6	85,626	(340,528)	(254,903)	(1,280,939)	476,305	(340,528)	(104,327)	-	31,449	312,951
7	92,010	(340,528)	(248,518)	(1,529,457)	496,228	(340,528)	(104,327)	-	51,373	364,324
8	98,739	(340,528)	(241,789)	(1,771,246)	516,975	(340,528)	(104,327)	-	72,120	436,444
9	105,829	(340,528)	(234,699)	(2,005,946)	538,578	(340,528)	(104,327)	(145,415)	(51,692)	384,751
10	113,296	(340,528)	(227,232)	(2,233,178)	561,074	(340,528)	(104,327)	(145,415)	(29,197)	355,555
11	121,159	(340,528)	(219,369)	(2,452,547)	584,497	(340,528)	(104,327)	(145,415)	(5,773)	349,781
12	129,437	(340,528)	(211,091)	(2,663,638)	608,888	(340,528)	(104,327)	(145,415)	18,617	368,398
13	138,149	(340,528)	(202,380)	(2,866,018)	634,284	(340,528)	(104,327)	(145,415)	44,013	412,411
14	147,315	(340,528)	(193,214)	(3,059,231)	660,727	(340,528)	(104,327)	(145,415)	70,456	482,867
15	156,957	(340,528)	(183,572)	(3,242,803)	688,260	(340,528)	(104,327)	(145,415)	97,989	580,856
16	167,097	(262,472)	(95,376)	(3,338,179)	716,927	(262,472)	(104,327)	(145,415)	204,712	785,568
17	177,758	-	177,758	(3,160,421)	746,775	-	-	(145,415)	601,360	1,386,928
18	188,966	-	188,966	(2,971,455)	777,852	-	-	(145,415)	632,437	2,019,365
19	200,744	-	200,744	(2,770,711)	810,209	-	-	-	810,209	2,829,574
20	213,120	-	213,120	(2,557,591)	843,897	-	-	-	843,897	3,673,471
<b>15 Year Total</b>	<b>1,524,594</b>	<b>(4,767,397)</b>	<b>(3,242,803)</b>		<b>7,826,739</b>	<b>(4,767,397)</b>	<b>(1,460,579)</b>	<b>(1,017,907)</b>	<b>580,856</b>	
<b>20 Year Total</b>	<b>2,472,279</b>	<b>(5,029,870)</b>	<b>(2,557,591)</b>		<b>11,722,399</b>	<b>(5,029,869.67)</b>	<b>(1,564,905.80)</b>	<b>(1,454,152)</b>	<b>3,673,471</b>	

**WRCOG's Street Light Solutions Financing Plan:** WRCOG has hired various consulting firms to assist the City of Perris determine the financial feasibility of the SCE Streetlight acquisition. This Program is referred to as the "Streetlight Solutions Financing Plan." The financing entity selected by WRCOG, through an open and competitive bid process, is Bank of American Capital Corporation (B of A). The B of A option provides a "direct placement lease" which is secured by

the Street lights. Their detailed financing plan summary is attached to this report (Exhibit 2). In summary, the debt service for the streetlight purchase amounts to \$5,029,870, and the LED retrofit debt service amounts to \$1,564,905, for a total of \$6,594,775, including the lease interest rate of 4.65% interest and other origination charges. The original amount borrowed is \$4,728,654. As a Gold Level member in the WRLEP Partnership Program, the City of Perris enjoys an SCE rebate of \$0.14 per Kwh saved. The financial consulting firm has estimated that the City of Perris will receive an SCE rebate \$453,327, after the completion of the LED retrofit. This \$453,327 will be used to off-set the \$6,594,775 loan, thereby reducing the debt service on both the streetlight acquisition and LED retrofit. The debt service is structured in a way that the City would not begin debt service payments until Year #2. As mentioned earlier, during Year #1 the City experiences a savings of \$339,587. This savings, if banked by the City, could be used to offset years when the financing plan shows a net loss to the City. According to the model, Year 2, 3, 4, 9, 10 and 11 show a net loss of \$157,063. Again, these are more then off-set from the savings experienced in Year 1. (Exhibit 6)

The summary indicates the loan amount is completely paid off by Year 16, and by Year 20 the City realizes a net savings of \$3,673,471. Cumulative savings at year 16 is estimated at \$785,568 (\$1,599,764 not including optional re-lamp re-serve). However, after debt service relief the following year, greater savings are experienced in years 17 through 20. After 20 years the savings cumulative is \$3,673,471 (\$5,127,623 not including re-lamp reserve). This savings is impressive taking into consideration all of the City's costs for 20 years of maintenance, purchase of street lights, LED retro-fit project, and even an optional \$145,415 "re-lamp" reserve are included.

If the City so chooses, the City could begin contributing to the re-lamp reserve in Year #9. Therefore, after year 16 the Street light program reaches self-sufficiency after all costs are considered. This re-lamp reserve remains the City's money, continuing to earn interest, and can be used by the City at its discretion. The intent of the re-lamp reserve is to save money to replace LED lights have reached their maximum life expectancy, or as new technology becomes available that the City may wish to benefit from in the future. Again, this re-lamp reserve is separate and distinct from normal daily "burn-outs", which WRCOG will be responsible for replacing as part of the standard maintenance program.

**WRCOG Regional Streetlight Maintenance Program:** WRCOG has offered to create and implement an all-inclusive street light maintenance program, and provide member agencies with the opportunity to participate. The WRCOG program will be provided by a third party maintenance contractor selected by a competitive procurement process. WRCOG estimates the service can be offered at \$1.51 per pole. The WRCOG program is offered at highly competitive rates when compared to SCE's "facilities/maintenance fee," or the City's own in-house maintenance program. As indicated earlier, the City is paying SCE an average fee of \$9.10 per pole; and the City would likely incur a \$5.58 pole cost if it were to provide its own "in-house" maintenance.

In addition to all-inclusive maintenance, this service includes the procurement of a contractor, and construction management services necessary to immediately implement the LED retrofit program for the City's newly acquired Street lights. The expected LED retrofit cost is expected to be \$377 per pole. Again, a highly competitive rate, when compared to the City's recently competed LED retrofits, which averaged about \$570 per pole. This service would be handled by the same third party maintenance contractor selected through a competitive procurement process. This "just-in-time" installation is expected to be completed as the new street lights are transferred to the City by SCE, a process that will take approximately one year. This would allow the City to immediately benefit from the energy savings, which is critical to achieve the full cost savings projected in the

B of A cash flow model. The maintenance program itself is a full turn-key service. That is, WRCOG would be responsible for all aspects of maintenance, from receiving initial complaint calls from community residents; on through final troubleshooting and repair or replacement of faulty wiring, ballasts, bulbs and/or LED lights. The price quoted would also include major troubleshooting and repairs such as pole knock downs caused by traffic accidents. Finally, WRCOG would be responsible for all equipment materials and supplies necessary to implement the maintenance service, at no additional cost to the City.




### **STAFF RECCOMENDATION**

If approved by City Council, staff would be authorized to proceed with the purchasing process. The City's legal counsel will forward the Final Purchase and Sales and No-Fee License Agreements to the City Manager for his signature. After execution of the Agreements by both the City and SCE, SCE will forward the Agreements to the California Public Utilities Commission (CPUC) for final approval. The SCE process could take 3 months and up to six months with the CPUC. After approval SCE would begin the transition process, whereby the final quantities of "sellable" poles would be identified through a true-up process conducted by City and SCE staff. During the process more poles may have been added by new development, or staff may identify certain poles as redundant and unuseful, and therefore to be removed from the sellable list. These poles would then be transitioned in phases taking up to six months. In the interim, City staff would work with WRCOG to prepare commercial, residential and industrial lighting standards, and obtain final approval of these standards through the City's Planning Process. The City Engineer is hereby authorized to require that any new development projects design new street lighting to the performance, durability and efficiency standards established by the City Engineer; and require that these lights be deeded to the City rather than SCE, under an LS-3 tariff. Finally, City staff would be authorized to negotiate the terms of the finance and maintenance agreements with WRCOG. City staff would then return these draft Agreements to the City Council for their review and consideration.

1. Approve the Purchase and Sale Agreement, including the No-Fee Light Pole License Agreement, and authorize the City Manager to execute the Agreement.
2. Authorize Staff to negotiate financing and maintenance agreement terms with WRCOG, and return the draft agreements to City Council for their review and consideration.
3. Authorize the City Engineer to require new development projects to deed new street lights to the City of Perris, and comply with the performance, durability and efficiency standards established by the City Engineer.
4. Authorize Staff to prepare commercial, residential and industrial lighting standards, and obtain final approval of these standards through the City's Planning Process.

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### **REVIEWED BY:**

City Attorney: \_\_\_\_\_  
Assistant City Manager:   
Assistant Director of Finance:   
Assistant Director of Public Works: 

Attachment(s): Perris Street Light Valuation, Purchase and Sales Agreement; No-Fee License Agreement; Option 1 SCE On-Bill Financing; Option 2 B of A Perris Cash Flow Model

Consent:  
Public Hearing:  
Business Item: X  
Other:

# EXHIBIT 1



# The City of Perris

## LS-1 Streetlight System Valuation

January 19, 2016

### Overview of the Total LS-1 Streetlight System

Type	Qty	Type	Overhead	Underground
Non-Wood	3,922	85%	8	3,914
Wood	714	15%	714	0
	<b>4,636</b>	<b>100%</b>	<b>722</b>	<b>3,914</b>
			16%	84%
1950-1959	101	2%		
1960-1969	104	2%		
1970-1979	110	2%		
1980-1989	677	15%		
1990-1999	1,219	26%		
2000-2009	2,114	46%		
2010-present	311	7%		

### Valuation of the Sellable LS-1 Streetlight System

	Qty	RCNLD
Marbelite (Concrete)	3,902	\$2,588,691
Fiberglass	2	\$1,195
Wood	236	\$419,057
<b>Total:</b>	<b>4,140</b>	<b>\$3,008,943</b>
<b>Ad Hoc Replacements</b>		<b>\$213,307</b>
<b>Additional Asset Components</b>		<b>\$66,889</b>
<b>Adjustment</b>		<b>\$53,300</b>
<b>Subtotal</b>		<b>\$3,342,438</b>
<b>Transition Cost</b>		<b>\$124,200</b>
<b>Valuation Price</b>		<b>\$3,466,638</b>

\*Note: 33% of Wood Poles are sellable (streetlights attached to distribution poles are excluded)

Ad Hoc Replacements represent poles replaced without developer's contribution

Additional asset components relevant to the sale (i.e. riser poles, insulators, down guy, etc.)

Adjustment is needed to recover any tax implication

Transition Cost is the severance cost to transfer ownership of the asset

**SCE CONFIDENTIAL**

-19-

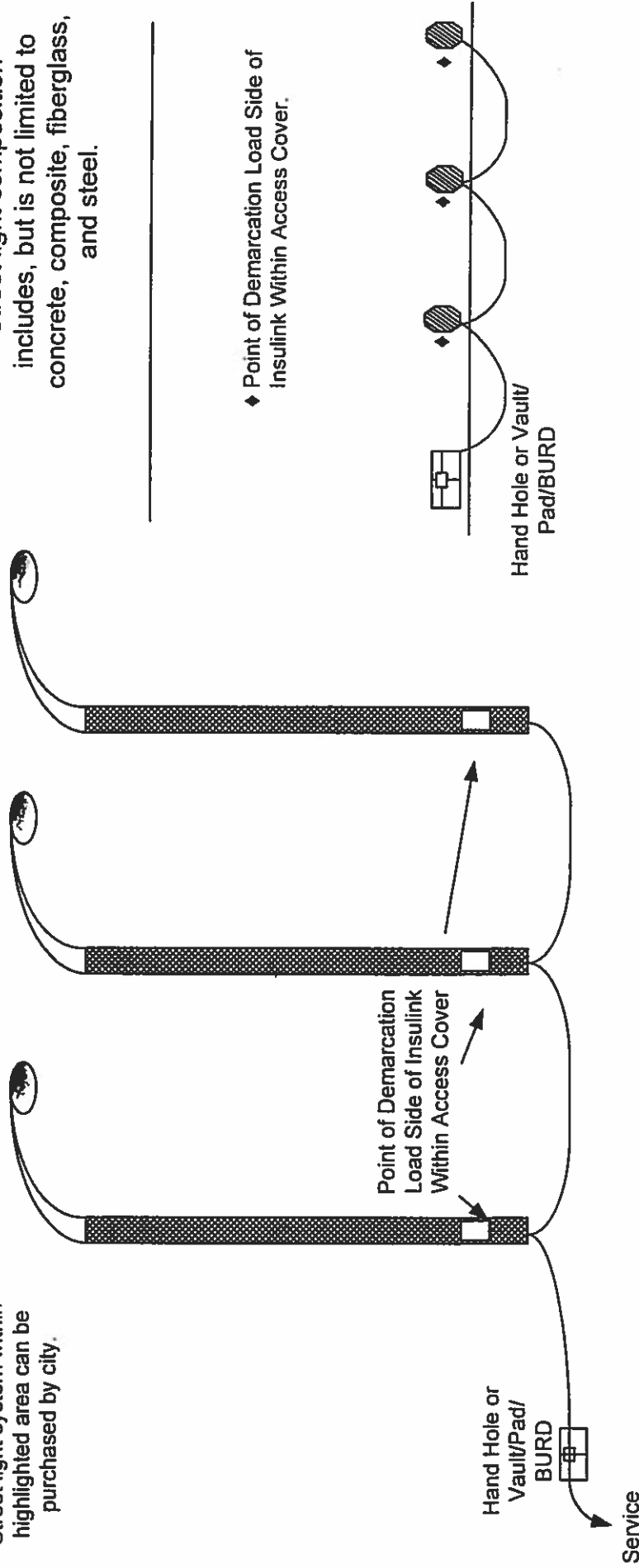
# UG Street Light to Street Light System

## Elevation View

Street light system within highlighted area can be purchased by city.

Street light composition includes, but is not limited to concrete, composite, fiberglass, and steel.

◆ Point of Demarcation Load Side of Insulink Within Access Cover.



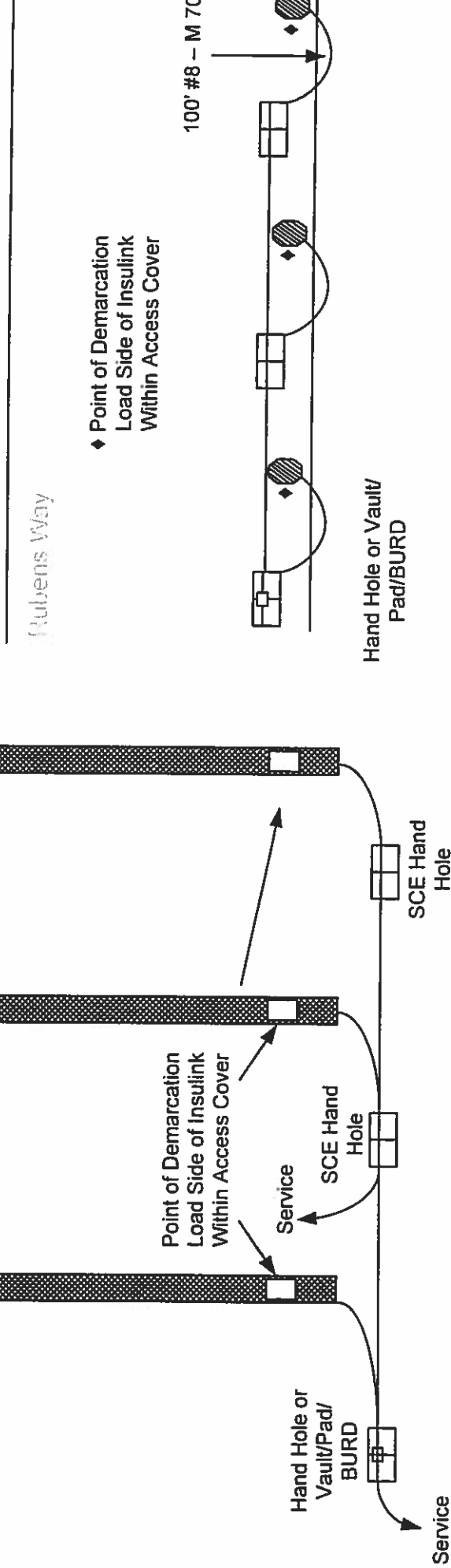
City to purchase street lights to point of demarcation as noted on drawing. City is responsible for installing city numbering system on street lights.

# UG Housing Tract Street Lighting

## Elevation View

Street light system within highlighted area can be purchased by city.

Street light composition includes, but is not limited to concrete, composite, fiberglass, and steel.



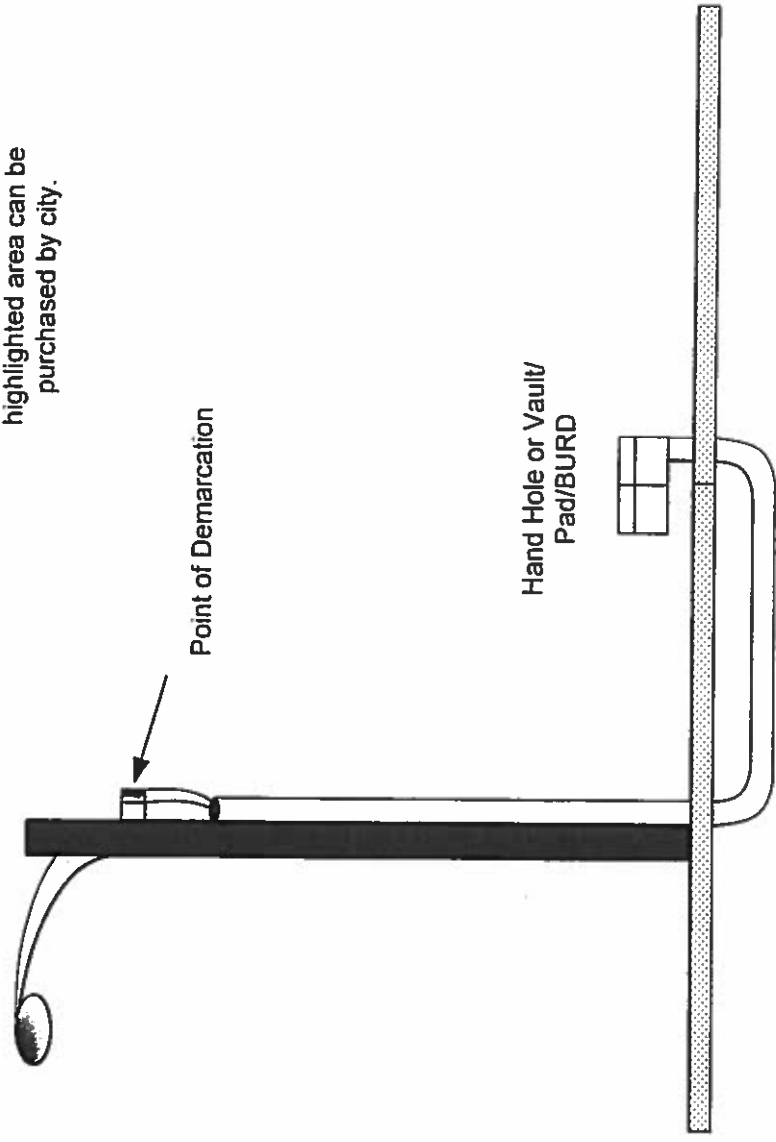
City to purchase street lights to point of demarcation as noted on drawing. City is responsible for installing city numbering system on street lights.

# Attachment C-1: UG Duct/DB/CIC Street Lighting

## Elevation View

Street light system within highlighted area can be purchased by city.

Street light composition includes, but is not limited to wood, concrete, composite, fiberglass, and steel.



◆ Point of Demarcation Load Side of One-Bolt/Insulink.

Rubens Way

100' #8 - M 70

Existing 1234567E  
35' - 1970

9500 HPSV

Hand Hole or Vault/  
Pad/BURD

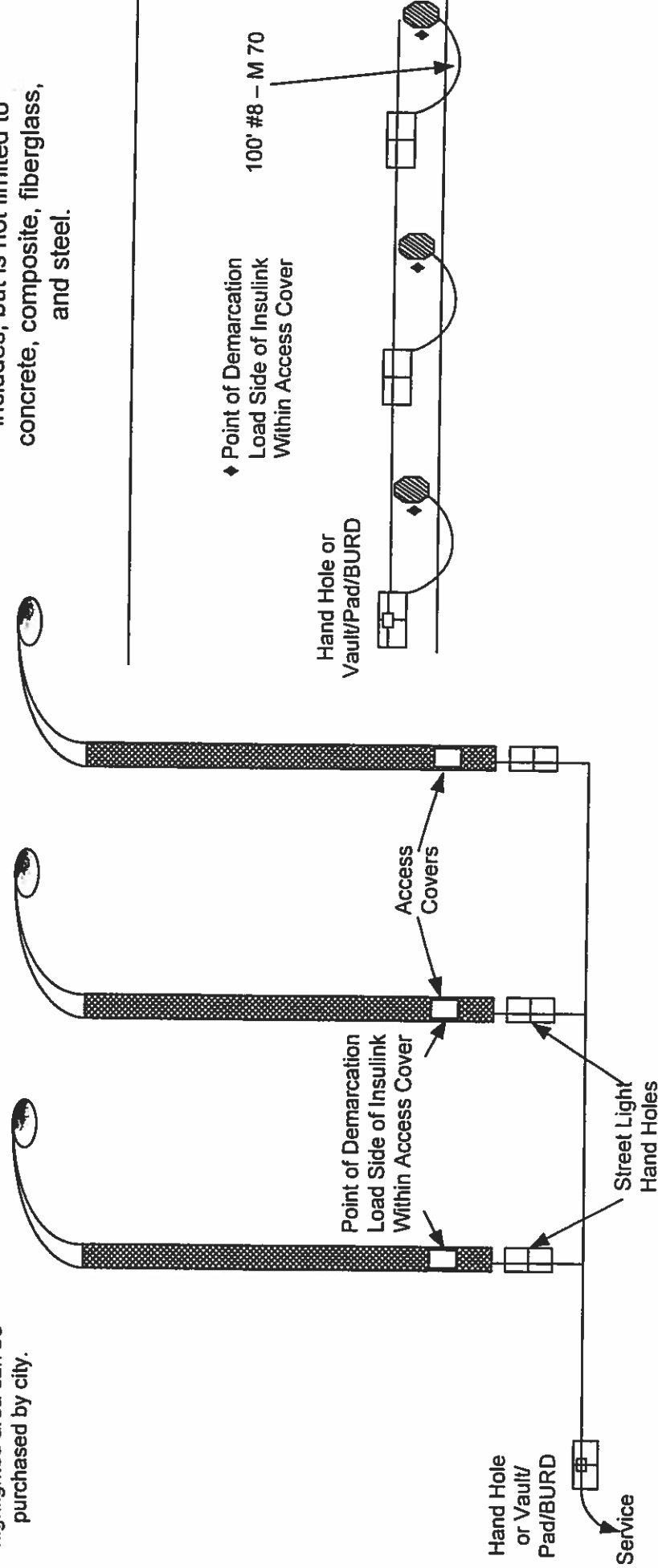
City to purchase pole to point of demarcation as noted on drawing. City is responsible for installing city numbering system on street light.

# UG Cascading Street Lighting

## Elevation View

Street light system within highlighted area can be purchased by city.

Street light composition includes, but is not limited to concrete, composite, fiberglass, and steel.



City to purchase street lights to point of demarcation as noted on drawing. City is responsible for installing city numbering system on street lights.

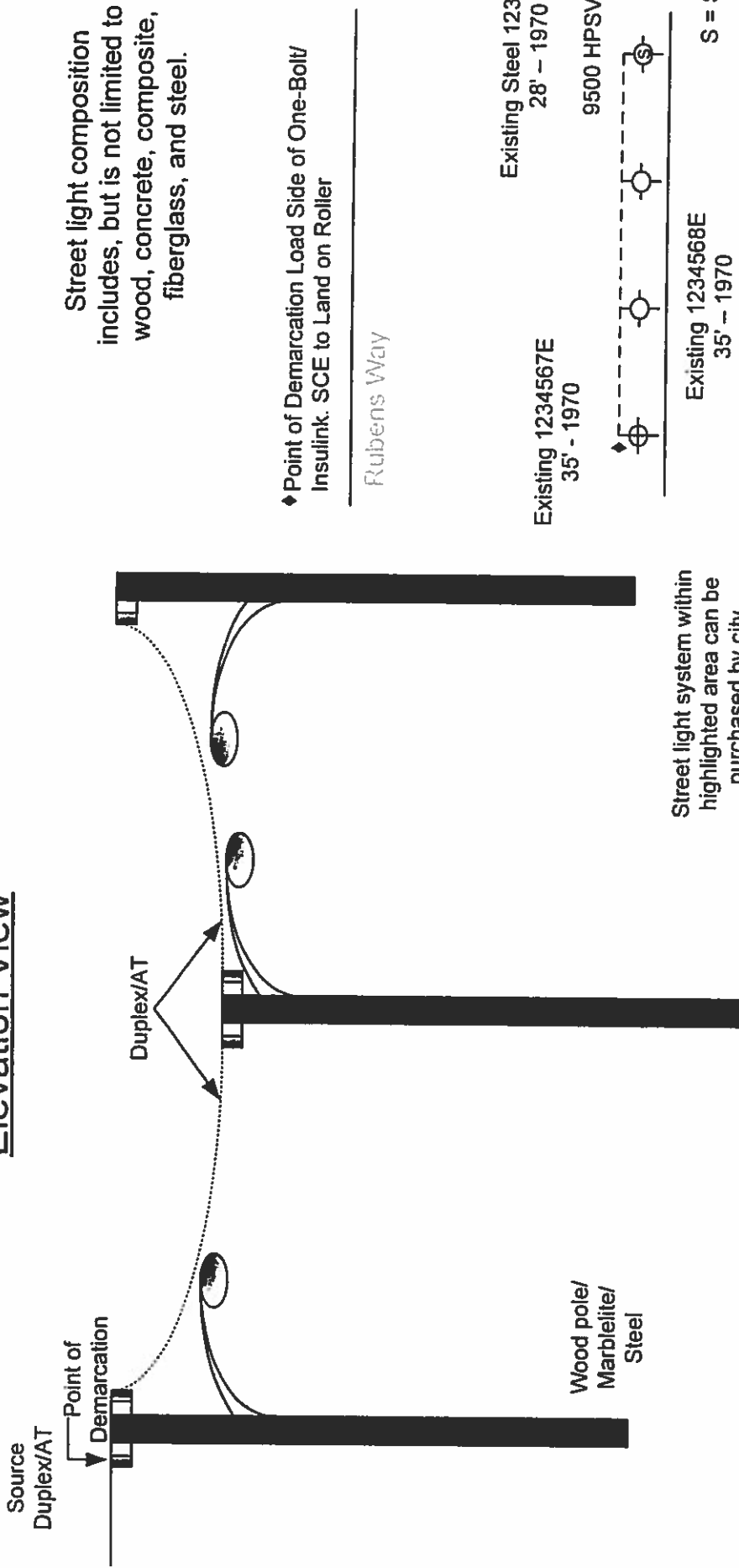
Attachment D: OH/UG Net Comm Radio Attachments



SCE network radio to remain on mast arm at no cost to SCE.  
All future mast arm attachments will be made at no cost to SCE. If agreement cannot be reached, these will be non-sellable street lights.

# Attachment B: OH Street Lighting System

## Elevation View



Street light composition includes, but is not limited to wood, concrete, composite, fiberglass, and steel.

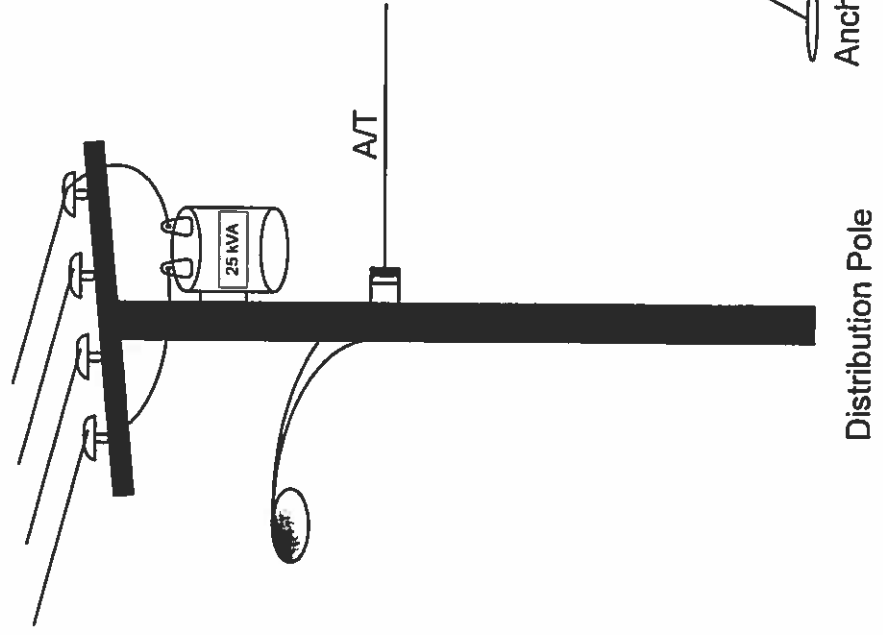
◆ Point of Demarcation Load Side of One-Bolt/ Insulink. SCE to Land on Roller

Rubens Way

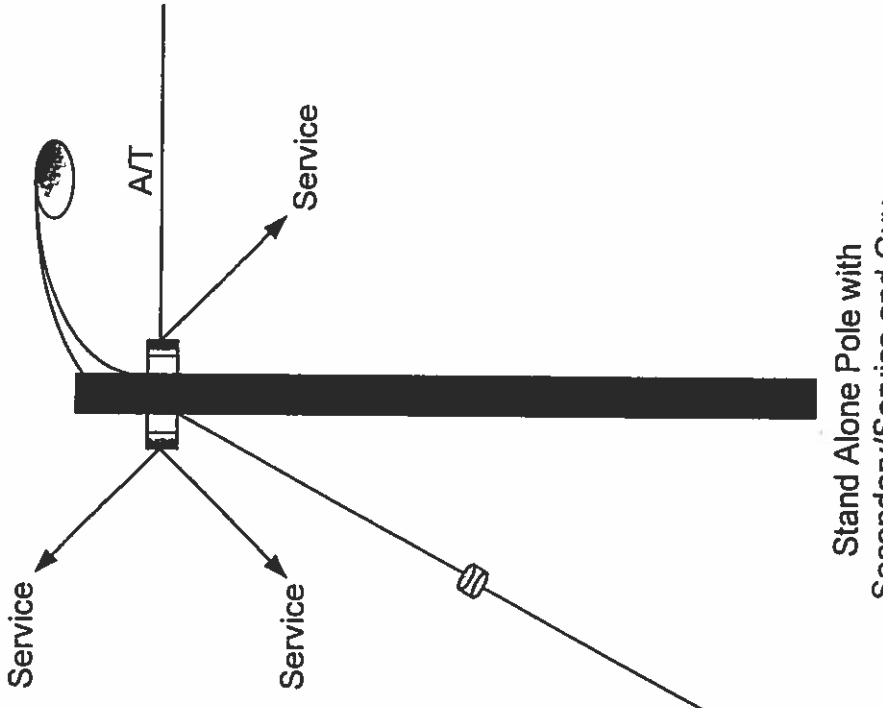
Street light system within highlighted area can be purchased by city.

City to purchase pole and wire to point of demarcation as noted on drawing. City is responsible for installing city numbering system on street lights.

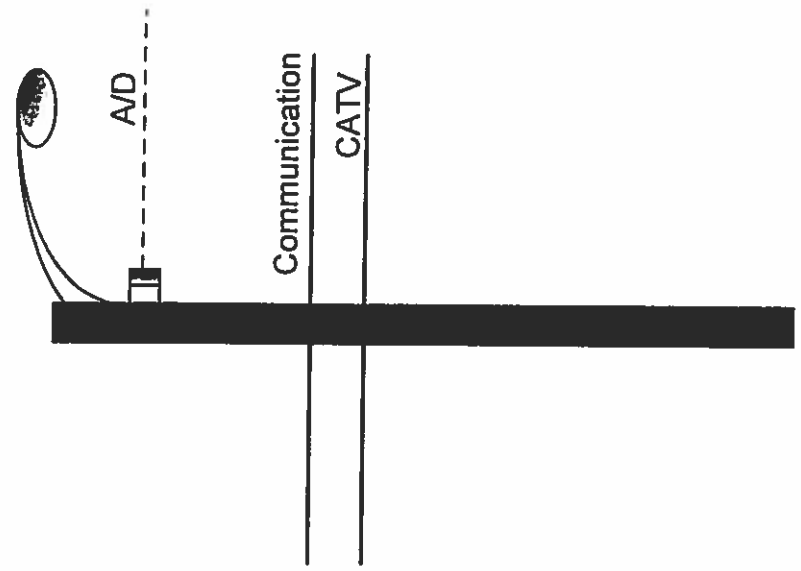
# Attachment A: Non-Sellable Street Lights on SCE Distribution/Joint Poles



Distribution Pole



Stand Alone Pole with  
Secondary/Service and Guy  
Attachments



Stand Alone Joint Pole



## EXHIBIT 2

## PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of \_\_\_\_\_, 2016 ("Effective Date"), by and between SOUTHERN CALIFORNIA EDISON, a California corporation ("SCE"), and the City of Perris, [a Municipal Corporation and Charter City] ("Buyer"). SCE and Buyer are referred to herein individually as a "Party," and together as "Parties".

### RECITALS

- A. SCE currently owns \_\_\_\_\_ (\_\_\_\_\_) LS-1 electric streetlight facilities located in the City of Perris, of which, \_\_\_\_\_ (\_\_\_\_\_) are to be purchased by Buyer.
- B. Buyer has expressed a desire to purchase the Facilities (defined below) from SCE, and SCE is willing to sell the Facilities to Buyer, on the terms and conditions set forth in this Agreement.

### AGREEMENT

NOW, THEREFORE, in consideration of the respective covenants and agreements contained in this Agreement, SCE and Buyer each agree as follows:

1. **DEFINITIONS.** The following terms shall have the meanings ascribed to them below for purposes of this Agreement.

"**Agreement**" has the meaning given in the first paragraph.

"**Applicable Requirements**" means all laws, statutes, ordinances, rules, regulations, requirements or orders of any Governmental Authority now in force or that may later be in force, and the terms and conditions of any permit, certificate, license or other requirement.

"**Bill of Sale**" means a document setting forth the Purchase Price and Transition Costs as well as any Taxes for which Buyer is responsible with respect to the Facilities specified to be transferred to Buyer in each Phase (including Reconfigured Facilities in the final Phase), which document shall be substantially in the form of **Exhibit B** attached hereto.

"**Business Day**" means a day other than Saturday, Sunday or a day on which (i) banks are legally closed for business in the State of California; or (ii) SCE is closed for business.

"**Buyer**" has the meaning given in the preamble paragraph.

"**CEQA**" has the meaning given in Section **5.1**.

**“Claims”** has the meaning given in Section 7.1.

**“Closing Date”** means the day on which the closing of the purchase and sale of the Facilities shall occur.

**“Commencement Date”** has the meaning in Section 6.1.

**“CPUC”** means the California Public Utilities Commission, or its regulatory successor, as applicable.

**“CPUC Approval”** means a final, unconditional and unappealable decision of the CPUC under Section 851 of the Public Utilities Code (including exhaustion of all administrative and judicial remedies or the running of time periods and statutes of limitation for rehearing and judicial review without rehearing or judicial review being sought) approving this Agreement and the transactions contemplated hereby on terms and conditions acceptable to SCE and Buyer, in their good faith discretion, including approval of SCE's proposed accounting and rate making treatment of the sale in accordance with CPUC's decisions.

**“CPUC Approval Date”** means the date on which the CPUC Approval occurs.

**“Effective Date”** has the meaning given in the preamble paragraph.

**“Environmental Requirements”** means any applicable federal, state and local statutes, regulations or ordinances now in force or that may later be in force relating to the protection of human health or safety, or regulating or relating to industrial hygiene or environmental conditions, or the protection of the environment, or pollution or contamination of the air, soil, surface water or ground water, including federal, state and local laws, requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of such substances into air, surface water or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of such substances. Environmental Requirements include without limitation: the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. 5101 et seq.); and the Resource Conservation and Recovery Act (42 U.S.C. 6901et seq.)

**“Excluded Taxes”** means (a) taxes (other than any sales, use, gross receipts, or any taxes in the nature of sales, use or gross receipts taxes) imposed on SCE that are capital gains taxes, minimum or alternative minimum taxes, accumulated earnings taxes, franchise taxes or taxes on or measured by gross or net income, capital or net worth of SCE; and (b) personal property taxes to the extent the payment is addressed in Section 3.4(b), and is not required to be reimbursed to SCE by Buyer.

**“Facilities”** has the meaning given in Section 2.2 and further described in Exhibit A.

**“Governmental Authority”** means any federal, state, local or other governmental, regulatory or administrative agency, commission, department, board, subdivision, court, tribunal, or other governmental arbitrator, arbitral body or other authority, but excluding Buyer.

**“Hazardous Substances”** means any hazardous or toxic material or waste, which is or becomes regulated by Environmental Requirement. Without limiting the generality of the foregoing, Hazardous Substances includes any material or substance: (a) now or hereafter defined as a “hazardous substance,” “hazardous waste,” “hazardous material,” “extremely hazardous waste,” “restricted hazardous waste” or “toxic substance” or words of similar import under any applicable Environmental Requirements; or (b) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as Hazardous Substance by the United States, the State of California, any local governmental authority or any political subdivision thereof, or which cause or are listed by the State of California as being known to the State of California to cause, cancer or reproductive toxicity; or (c) the presence of which poses or threatens to pose a hazard to the health or safety of persons or the environment; or (d) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or (e) which contains lead-based paint or other lead contamination, polychlorinated biphenyls (“PCBs”), or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or (f) which contains radon gas; or (g) fuel or chemical storage tanks, energized electrical conductors or equipment, or natural gas transmission or distribution pipelines; and (h) other potentially hazardous substances, materials, products or conditions.

**“Inventory Inspection Activities”** means the activities referenced in Section 6.2(a) and set forth in Exhibit D to be performed by Buyer and SCE during the Inventory, Planning and Inspection Period.

**“Inventory Inspection Period”** has the meaning set forth in Section 6.2(a). ”

**“Land”** means the real property on which the Facilities are located, together with any other real property that is encumbered by Land Rights.

**“Land Rights”** means the easements, leases, permits, franchise agreements or other agreements that grant SCE the right to locate the Facilities on the Land and/or permit access to the Facilities by SCE.

**“Local Service Planning Office”** means SCE’s local service planning office located at \_\_\_\_\_.

**“Phase”** means the two (2) periods of five (5) months each, during which the Parties will undertake certain activities as set forth in this Agreement with regard to the Facilities identified in each such Phase in Exhibit C. The Parties may mutually agree at any time to change the Phase Commencement Date and/or the Phase Closing Date for any or all Phases.

**“Phase Commencement Date”** means the first day of each Phase as set forth in Exhibit C.

**“Phase Closing Date”** means the last day of each Phase as set forth in Exhibit C on which the closing of the purchase and sale of the Facilities in such Phase shall occur.

**“Potential Environmental Hazards”** means electric fields, magnetic fields, electromagnetic fields, electromagnetic radiation, power frequency fields, and extremely low frequency fields, however designated, and whether emitted by electric transmission lines, other distribution equipment or otherwise.

**“Purchase Price”** has the meaning given in Section 3.1.

**“Reconfigured Facilities”** means any additional facilities the Parties identify during the Inventory Inspection Period which serve purposes in addition to street lighting, which the Parties agree that SCE will reconfigure to remove such other (non-street light) uses, and which will be purchased by Buyer from SCE in the final Phase. Buyer shall coordinate all activities relating to Reconfigured Facilities with SCE’s Local Service Planning Office.

**“SCE Parties”** means SCE, its affiliates, and each of their respective past, present and future officers, directors, partners, employees, agents, representatives, shareholders, attorneys, affiliates, parent and subsidiary corporations, divisions, insurance carriers, heirs, legal representatives, beneficiaries, executors, administrators, predecessors, transferees, successors and assigns.

**“Transition Activities”** means the activities referenced in Section 6.2(a) and set forth in Exhibit D to be performed by SCE and Buyer during each Phase (after the applicable Inventory and Inspection Period expires) with respect to the Facilities to be transferred from SCE to Buyer in such Phase.

**“Transition Costs”** has the meaning in Section 3.3.

**“Tax Claim”** has the meaning given in Section 3.4(e).

**“Taxes”** mean all federal, state, local or foreign income, ad valorem, gross receipts, license, payroll, employment, excise, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property including assessments, special assessments, special district assessments, escape assessments, benefit assessments and maintenance assessments, fees or other charges or surcharges of any nature based on the use or ownership of real property), personal property, sales, use, documentary transfer, registration, value added, alternative and add-on minimum, estimated taxes, and all other taxes of any kind whatsoever, including all interest, penalties, fines and additions thereto, whether disputed or not, including all items for which liability arises as a transferee or successor-in-interest.

**2. PURCHASE AND SALES OF FACILITIES.**

- 2.1 Purchase and Sale.** Subject to the terms and conditions of this Agreement, SCE agrees to sell, convey, assign, transfer and deliver to Buyer, and Buyer agrees to purchase and acquire from SCE, all of SCE's right, title and interest in the Facilities.
- 2.2 Description of Facilities.** The "Facilities" consist of \_\_\_\_\_ (\_\_\_\_\_) electric streetlight facilities owned by SCE and located within the Buyer's service territory. A detailed description and listing of the Facilities to be purchased and sold is provided **Exhibit A**. The Parties believe that **Exhibit A** contains a reasonably accurate inventory and map of the LS-1 streetlight facilities owned by SCE within the Buyer's service territory that are considered for sale.
- 2.3 Termination.** Buyer may terminate this Agreement with or without cause until the date it provides notice to SCE that it has obtained financing.

**3. PURCHASE PRICE AND OTHER COSTS.**

- 3.1 Purchase Price.** Subject to adjustment as provided in this **Section 3.1**, the total purchase price for all Facilities described in **Exhibit A** ("**Purchase Price**") is \_\_\_\_\_ Dollars (\$\_\_\_\_\_).

(a) Prior to the Closing Date, the Parties shall mutually agree on the final Purchase Price, and any additional costs for any Reconfigured Facilities transferred to Buyer in the final Phase in accordance with **Section 6.2**.

(b) Prior to the final Phase Closing Date, if the number of Facilities does not equal [insert # of Facilities the first Recital of the Agreement says are to be transferred] then, the Parties will amend the Bill of Sale to increase or decrease the Purchase Price, as appropriate, using the dollar amount of SCE's average price for each type of streetlight facility in the Buyer's municipality (concrete poles will be valued at SCE's average price for concrete poles, steel poles will be valued at SCE's average price for steel poles, wood poles will be valued at SCE's average price for wood poles, and fiberglass poles will be valued at SCE's average price for fiberglass poles).

**3.2 [NOT USED]**

- 3.3 Transition Costs.** In addition to the Purchase Price, Buyer shall pay to SCE thirty dollars (\$30.00) for every sellable pole to be transferred listed in the final bill of sale, which shall represent SCE's good faith estimate of the cost of SCE's Transition Activities with respect to the Facilities ("**Transition Costs**").

**3.4 Taxes.**

(a) Except for any Excluded Taxes for which Buyer will have no liability, Buyer shall pay all Taxes arising in connection with the sale and transfer of the Facilities, this Agreement or the transactions contemplated herein, or the receipt of the Purchase Price or other amounts hereunder, which Taxes are levied or imposed on or with respect to SCE, Buyer or all or any part of the Facilities or any use thereof on or after the applicable Phase Closing Date.

(b) State and local personal property Taxes relating to the Facilities for the tax year (ending June 30) will be prorated between Buyer and SCE on the following basis: SCE is to be responsible for all such Taxes for the period up to the Phase Closing Date for such Facilities; and Buyer is responsible for all such Taxes for the period on and after the Phase Closing Date. All Taxes assessed on an annual basis will be prorated on the assumption that an equal amount of Taxes applies to each day of the year, regardless of how many payments are billed or made, except that Buyer will bear all supplemental or other state and local personal property Taxes which arise out of change in ownership of the Facilities. In addition, Buyer acknowledges that the Facilities are assessed by the California State Board of Equalization as of January 1 of each year, and, if the Phase Closing Date occurs between January 1 and June 30, SCE must pay personal property taxes arising out of the ownership of the Facilities for the subsequent fiscal year. If the Phase Closing Date occurs between January 1 and June 30, Buyer will deposit with SCE the full amount to pay personal property taxes for the tax year beginning on July 1, in addition to the prorated amount of personal property taxes for the current tax year (ending June 30), and SCE will pay the personal property taxes for these tax years before they become delinquent; provided however, SCE may pay such taxes in installments as permitted by law. If the personal property tax amounts owing for the tax year beginning on July 1 are not available as of the Phase Closing Date, then the amount due from Buyer to SCE for such tax year will be estimated on the basis of the prior year's personal property taxes and such amount will be subject to adjustment after the Phase Closing Date. If the Phase Closing Date occurs between July 1 and December 31, Buyer will deposit with SCE the prorated amount of personal property taxes for the tax year in which the Phase Closing Date occurs and SCE will pay the personal property taxes for such tax year before they become delinquent; provided however, SCE may pay such taxes in installments as permitted by law.

(c) SCE will be entitled to any refunds or credits of Taxes relating to the Facilities that are allocable to the period prior to the Phase Closing Date. Buyer will promptly notify and forward to SCE the amounts of any such refunds or credits to SCE within five (5) Business Days after receipt thereof. Buyer will be entitled to any refund or credit of Taxes relating to the Facilities that are allocable to the period on and after the Phase Closing Date. SCE agrees to reasonably cooperate with Buyer's efforts to obtain such refund or credit.

(d) After each Phase Closing Date, Buyer will notify SCE in writing, within five (5) Business Days after Buyer's receipt of any correspondence, notice or other communication from a taxing authority or any representative thereof, of any pending or threatened tax audit, or any pending or threatened judicial or administrative proceeding that involves Taxes relating to the Facilities for the period prior to the Phase Closing Date, and furnish SCE with copies of all correspondence received from any taxing authority in connection with any audit or information request with respect to any such Taxes relating to the Facilities for the period prior to the Phase Closing Date.

(e) Notwithstanding any provision of this Agreement to the contrary, with respect to any claim for refund, audit, examination, notice of deficiency or assessment or any judicial or administrative proceeding that involves Taxes relating to the Facilities for the period either entirely prior to the Phase Closing Date or both prior to and after the Phase Closing Date (collectively, "Tax Claim"), the Parties will reasonably cooperate with each other in contesting any Tax Claim, including making available original books, records, documents and information for inspection, copying and, if necessary, introduction as evidence to any such Tax Claim contest and making employees available on a mutually convenient basis to provide additional information or explanation of any material provided hereunder with respect to such Tax Claim or to testify at proceedings relating to such Tax Claim. SCE will control all proceedings taken in connection with any Tax Claim that pertains entirely to the period prior to the Phase Closing Date, and SCE and Buyer will jointly control all proceedings taken in connection with any Tax Claim pertaining to the period both prior to and after the Phase Closing Date. The period both prior to and after the Phase Closing Date shall be determined by the applicable tax claim statute of limitations. Buyer has no right to settle or otherwise compromise any Tax Claim which pertains entirely to the period prior to the Phase Closing Date; and neither Party has the right to settle or otherwise compromise any Tax Claim which pertains to the periods both prior to and after the Phase Closing Date without the other Party's prior written consent.

(f) The obligations of the Parties pursuant to this Section 3.4 shall survive the termination of this Agreement.

**3.5 No Other Costs.** SCE will impose no additional costs onto Buyer for the purchase of the Facilities other than those articulated in this Article 3, including but not limited to any costs solely related to the transmission of power over electrical power lines and Facilities. Buyer will be responsible for payment pursuant to the LS-2b Tariff, or any successor Tariff.

#### **4. CONDITIONS PRECEDENT**

**4.1 Conditions to Buyer's Obligations.** Buyer's obligation under this Agreement to purchase the Facilities is subject to the fulfillment or waiver of each of the following conditions precedent:



(a) SCE shall have performed or complied in all material respects with all covenants, agreements and conditions contained in this Agreement to be performed or complied with by SCE at or prior to the Commencement Date and each Phase Closing Date.

(b) The City Council shall have identified and approved a structured financing plan to pay the Purchase Price and Transition Costs within sixty (60) days following the CPUC Approval Date. The terms of a feasible financing shall be determined solely by the City Council.

(c) No suit, action or other proceeding shall be pending before any court or Governmental Authority which seeks to restrain or prohibit any of the transactions contemplated by this Agreement or to obtain material damages or other material relief in connection with this Agreement or the transactions contemplated hereby.

**4.2 Conditions to SCE's Obligations** SCE's obligation under this Agreement to sell the Facilities to Buyer is subject to the fulfillment or waiver of each of the following conditions precedent:

(a) Buyer shall have performed or complied in all material respects with all covenants, agreements and conditions contained in this Agreement to be performed by Buyer at or prior to the Commencement Date and each Phase Closing Date.

(b) No suit, action or other proceeding shall be pending before any court or Governmental Authority which seeks to restrain or prohibit any of the transactions contemplated by this Agreement or to obtain material damages or other material relief in connection with this Agreement or the transactions contemplated hereby.

(c) Buyer shall have notified SCE that Buyer has identified and approved a structure financing plan to pay the Purchase Price and Transition Costs within sixty (60) days following the CPUC Approval Date.

**4.3 CPUC Approval**. The obligation of each Party to consummate the purchase and the sale of the Facilities is conditioned upon obtaining CPUC Approval. If the purchase and sale must be submitted to the CPUC through a full application, SCE agrees to make reasonable efforts to draft and file an application seeking CPUC approval within ninety (90) days following the Effective Date of this Agreement. If the purchase and sale may be submitted to the CPUC through an advice letter filing, SCE agrees to draft and file an application seeking CPUC approval no later than ninety (90) days following the Effective Date of this Agreement. Buyer agrees to cooperate with SCE's efforts to obtain CPUC Approval, including by promptly reviewing and commenting on the application for

CPUC Approval. Buyer acknowledges and agrees that SCE makes no representation or warranty with respect to the likelihood of obtaining CPUC Approval, and Buyer hereby waives all Claims against SCE that may arise as a result of the need for CPUC Approval or SCE's failure to obtain CPUC Approval. The application seeking CPUC Approval will request such approval within six months of the date the application is filed. SCE makes no representations as to when or in what manner the CPUC will act on the application.

**4.4 Satisfaction or Waiver of Conditions Precedent.** Buyer may waive in writing any of the conditions precedent set forth in Section 4.1, and SCE may waive in writing any of the conditions precedent set forth in Section 4.2. Neither Party shall have the right to waive the condition precedent set forth in Section 4.3. Subject to the foregoing, in the event that any of the conditions precedent set forth in Section 4.1 or Section 4.2 have not been satisfied or waived on or before the Commencement Date or any Phase Closing Date (as the same may be extended), then the Party whose obligations are subject to such condition precedent shall have the right to rescind this Agreement ab initio upon written notice to the other Party, and SCE and Buyer shall thereupon return to the other Party all performances received from the other Party (except for the Transition Costs actually paid), and each Party shall be released from all other obligations under this Agreement, except those which expressly survive termination.

## **5. CONDITION OF FACILITIES AND LAND RIGHTS**

**5.1 Compliance with Applicable Requirements and Governmental Approvals.** Except for CPUC Approval, Buyer is solely responsible for complying, at Buyer's sole expense, with all Applicable Requirements and obtaining all authorizations, consents, licenses, permits and approvals of Governmental Authorities and third persons in connection with the consummation of the transactions contemplated by this Agreement and with Buyer's operation of the Facilities, whether as result of the PCB content or otherwise. Without limiting the foregoing, Buyer is responsible for any costs of complying with the California Environmental Quality Act ("**CEQA**"), if and to the extent applicable to the sale and transfer of the Facilities, and satisfying, at Buyer's sole expense, any and all mitigation measures under CEQA that may apply to Buyer's acquisition or operation of the Facilities. Buyer shall promptly notify SCE of any and all mitigation measures that may affect SCE. If SCE determines in good faith that any such mitigation measures may adversely affect SCE, SCE shall have the right without liability to Buyer to terminate this Agreement upon written notice to Buyer. In the event of such termination, SCE and Buyer shall each be released from all obligations under this Agreement, except those that expressly survive termination. Buyer's obligations under this Section 5.1 shall survive the consummation of the transaction contemplated by this Agreement.

**5.2 Disclosure Regarding Hazardous Substances.** SCE hereby discloses to Buyer that Potential Environmental Hazards and Hazardous Substances,

including PCBs, may be present at, in, on, under, about, contained in, or incorporated in the Facilities. Buyer represents that it is purchasing the Facilities for Buyer's own use, and not for resale (provided that Buyer contemplates that Buyer may transfer title to the Facilities in connection with financing and/or refinancing of the Facilities). If Buyer sells the Facilities, or any part thereof, it shall disclose, in writing, to all potential Buyers, prior to the sale, that Potential Environmental Hazards and Hazardous Substances, including PCBs, may be present at, in, on, under, about, contained in, or incorporated in the Facilities, or portions thereof. Further, in the event the Facilities (or any portion thereof) are sold, conveyed or transferred in any manner to a person other than SCE, Buyer shall incorporate in the agreement effectuating such transfer, language substantially in the same form as this paragraph. Buyer's obligations under this Section 5.2 shall survive the termination of this Agreement. Notwithstanding anything to the contrary set forth in this Agreement, SCE approval shall not be required for any conveyance of the Facilities, whether or not such conveyance is made in connection with a financing or refinancing of the Facilities or any part thereof.

SCE further discloses the following PROPOSITION 65 WARNING: The Safe Drinking Water and Toxic Enforcement Act of 1986, commonly referred to as Proposition 65, requires the governor to publish a list of chemicals known to the State of California to cause cancer and birth defects or other reproductive harm. It also requires California businesses to warn the public of potential exposures to these chemicals that result from their operations. Some of the facilities to be transferred include wooden poles that have been treated with chemical preservatives. These chemicals include pentachlorophenol, which is known to the State of California to cause cancer, and petroleum products such as diesel fuel, which contains chemicals including toluene and benzene that are known to the State of California to cause cancer and birth defects or other reproductive harm. Buyer specifically acknowledges these warning and disclosure and understands that it is responsible for ensuring appropriate personal protective equipment is used by Buyer's employees, agents or contractors coming into contact with wooden poles.

**5.3 Disclaimers Regarding the Facilities and the Land.** BUYER ACKNOWLEDGES THAT IT IS RELYING UPON ITS OWN INDEPENDENT INVESTIGATION IN DECIDING TO PURCHASE THE FACILITIES. BUYER EXPRESSLY DISCLAIMS RELIANCE ON ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES, EITHER EXPRESS OR IMPLIED, BY SCE, ITS OFFICERS, DIRECTORS, COUNSEL, REPRESENTATIVES OR AGENTS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCE EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE FACILITIES, THE PROSPECTS (FINANCIAL AND OTHERWISE) OF THE FACILITIES, THE QUALITY OF WORKMANSHIP OF THE FACILITIES, OR THE ABSENCE OF ANY DEFECTS THEREIN,

WHETHER LATENT OR PATENT. SCE FURTHER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY REGARDING POTENTIAL ENVIRONMENTAL HAZARDS, THE PRESENCE OF HAZARDOUS SUBSTANCES, COMPLIANCE OF THE FACILITIES OR THE LAND WHERE THE FACILITIES ARE LOCATED WITH ENVIRONMENTAL REQUIREMENTS, OR LIABILITY OR POTENTIAL LIABILITY ARISING UNDER ENVIRONMENTAL REQUIREMENTS. NO SCHEDULE OR EXHIBIT TO THIS AGREEMENT, NOR ANY OTHER MATERIAL OR INFORMATION PROVIDED BY OR COMMUNICATIONS MADE BY SCE, WILL CAUSE OR CREATE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCE EXPRESSLY DISCLAIMS: (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY; (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR MATERIALS.

5.4 **“AS IS” SALE.** THE FACILITIES ARE BEING TRANSFERRED “AS IS, WHERE IS, AND WITH ALL FAULTS” IN THEIR EXISTING CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND BY SCE, EXPRESS, IMPLIED OR STATUTORY, AND WITHOUT RECOURSE AGAINST SCE.

5.5 **Specific Disclaimer Regarding Land Rights.** BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SCE IS NOT ASSIGNING OR OTHERWISE TRANSFERRING ITS RIGHT, TITLE AND INTEREST IN AND TO ANY LAND RIGHTS (OR ANY CLAIM, RIGHT OR BENEFIT ARISING UNDER OR RESULTING FROM SUCH LAND RIGHTS) IN CONNECTION WITH ITS SALE OF THE FACILITIES TO BUYER, AND BUYER ASSUMES ANY AND ALL RISKS AND LIABILITIES IN CONNECTION WITH THE ABSENCE OF ADEQUATE OR APPROPRIATE LAND RIGHTS.

5.6 **Maintenance of Facilities Prior to Closing.** From the Effective Date until the Phase Closing Date, SCE will, at its expense, operate and maintain the Facilities in accordance with SCE's rate “Schedule LS-1 LIGHTING - STREET AND HIGHWAY - UNMETERED SERVICE COMPANY-OWNED SYSTEM,” and consistent with SCE's custom and past practices.

5.7 **New Facilities.** Until the Commencement Date, SCE may continue to install new streetlights in the Buyer's jurisdiction in accordance with SCE's standard practices and tariffs and CPUC rules and regulations.

## 6. **COMMENCEMENT AND POST-COMMENCEMENT ACTIVITIES.**

6.1 **Commencement Date.** The “Commencement Date” shall be the date that is sixty (60) days after the later of the CPUC Approval Date or the date that Buyer notifies SCE that it has obtained financing.

**6.2 Actions on Commencement Date.** The first Phase shall commence on the Commencement Date, and each successive Phase shall follow on the Phase Commencement Date, as set forth in Exhibit C". On the Commencement Date and each successive Phase Commencement Date, the Parties shall commence the following actions during each Phase for the Facilities to be transferred to Buyer in such Phase:

- (a) For a period not to exceed five (5) months following the Commencement Date or the commencement of the applicable Phase an "**Inventory Inspection Period**" shall occur, the Parties will perform their respective Inventory Inspection Activities set forth in **Exhibit D**, including identifying any Reconfigured Facilities. During the Inventory Inspection Period for each Phase, SCE's Local Service Planning office shall provide written notice to Buyer before the expiration of the Inventory Inspection Period identifying any potential Reconfigured Facilities and stating the work necessary to reconfigure such facilities for sale to Buyer and the estimated time and cost to complete the work ("Reconfigured Facilities Notice").
- (b) For a period of ten (10) Business Days following Buyer's receipt of the Reconfigured Facilities Notice, Buyer shall have the right to accept or reject the Reconfigured Facilities described in the Reconfigured Facilities Notice, which acceptance or rejection shall be evidenced by a written notice delivered to SCE's Local Service Planning Office. If Buyer does not provide timely notice, the Reconfigured Facilities will be deemed rejected.
- (c) At any time during the Inventory Inspection Period for the applicable Phase, each Party shall perform and complete its respective Transition Activities for all Facilities in the applicable Phase, excepting only the Reconfigured Facilities identified in the Reconfigured Facilities Notice for that Phase, which Reconfigured Facilities shall be invoiced for following the Closing Date. Notwithstanding the foregoing, prior to or during the Inventory Inspection Period, each Party shall perform and complete its respective Transition Activities for any Reconfigured Facilities.
- (d) Not later than thirty (30) days prior to each Phase Closing Date, SCE shall deliver to Buyer a Bill of Sale duly executed by SCE. The Parties agree that delivery of the Bill of Sale shall be effective upon the earlier of (i) delivery to Buyer by hand of an original Bill of Sale or (ii) Buyer's receipt of a facsimile or other electronic transmission of the Bill of Sale. If delivery is made by facsimile or other electronic transmission, SCE shall concurrently send the original Bill of Sale to Buyer by registered or certified mail or overnight courier.
- (e) At any time prior to any Phase Closing Date, Buyer may elect at its sole and absolute discretion to remove any of the Facilities (except for Reconfigured

Facilities) from any Phase and deduct on a pro rata basis the value of such Facilities from the Purchase Price.

- (f) On each Phase Closing Date, Buyer shall pay to SCE in US Dollars the Purchase Price, Transition Costs, and the Taxes (but not Excluded Taxes) for the Facilities to be transferred to Buyer in such Phase.
- (g) Following the Closing Date, SCE's Local Service Planning Office will invoice Buyer separately for any duly accepted Reconfigured Facilities.

**6.3 Assumption of Liabilities.** Beginning on each Phase Closing Date Closing Date, Buyer will assume all obligations and liabilities of any kind or nature whatsoever related to, arising from, or associated with ownership or possession of the Facilities transferred to Buyer in such Phase.

**6.4 Post-Inventory Inspection Period Activities.**

- (a) As soon as practicable after each Phase Closing Date, but effective as of each such Phase Closing Date, SCE will formally change the charge for facilities and electricity furnished to the Facilities transferred to Buyer in such Phase from the Streetlight Rate Schedule LS-1 to the Streetlight Rate Schedule "LS-2 LIGHTING - STREET AND HIGHWAY CUSTOMER-OWNED INSTALLATION - UNMETERED SERVICE" Multiple Service – Rate B and provide written notice to Buyer of such change ("Notice of Rate Change"). At the next available billing period following the Notice of Rate Change, SCE shall pay to Buyer, in the form of a bill credit, an amount equal to the difference between the amount charged to Buyer for facilities and electricity under the LS-1 Schedule and the amount that would have been charged to Buyer for the same facilities and electricity under the LS-2 Schedule for the period beginning with the Phase Closing Date and ending on the date SCE's billing system is adjusted to reflect the rate change for such Phase.
- (b) Within ninety (90) days after each Phase Closing Date, SCE shall provide an updated map and inventory of the Facilities transferred during such Phase to Buyer.

**6.5 Prohibition on Connecting Non-Conforming Load.** Buyer acknowledges and agrees that Buyer's purchase of the Facilities does not entitle Buyer to connect non-conforming load to the Facilities or supporting circuits beyond SCE's initial point of connection. If Buyer wishes to connect such non-conforming load, Buyer agrees to comply with SCE's applicable filed tariffs.

**6.6 Closing Date.** The Closing Date shall occur no later than the first working day immediately following the completion of the Inventory Inspection Period for all Phases. The exact Closing Date shall be determined by the mutual consent of the Parties.

## 7. **RELEASE.**

7.1 **Release.** Buyer, for itself, and for any future owners of all or a part of the Facilities, and each of their respective predecessors, successors, assigns, licensees, officers, directors, employees, agents, partners, shareholders, transferees, parent and subsidiary corporations, legal representatives, heirs, beneficiaries, executors and administrators hereby fully and forever releases, discharges and covenants not to sue the SCE Parties of, from or for any and all losses (including diminution in the value of the Land) and all other costs, claims, demands, actions, suits, orders, causes of action, obligations, controversies, debts, expenses, accounts, damages (including consequential or direct damages), judgments and liabilities of whatever kind or nature (including fines and civil penalties), and by whomsoever asserted, in law, equity or otherwise, whether known or unknown, (each a "Claim" and, collectively, "Claims") arising from or in any way connected with the Facilities, Claims relating to Potential Environmental Hazards, and Claims relating to the presence of PCBs or any other Hazardous Substances in the Facilities, and/or in, on or about the Land.

7.2 **Waiver of Civil Code § 1542.** With respect to the matters being released in Paragraph 7, and as to those matters only, Buyer does knowingly, after having first obtained the advice of its attorneys, waive all of the provisions of California Civil Code § 1542 ("Section 1542"). Section 1542 reads as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Buyer acknowledges and agrees that: (a) the releases set forth in Paragraph 7 are intended to extend to and extinguish all claims, causes of action, etc. that are encompassed within the terms of the releases, including those that are not presently known to or suspected by Buyer and (b) it may hereafter discover facts in addition to or different from those which it now believes concerning the subject matter of this Agreement, and that notwithstanding any such new or different facts, the releases contained herein will remain effective. Buyer further acknowledges and agrees that the foregoing waiver of Section 1542 is an essential and material term of this Agreement, without which said consideration would not have been given. Buyer has been advised by its legal counsel regarding this release and waiver and understands and acknowledges the significance and consequences of this release and waiver of Section 1542.

8. **INDEMNITY.** Buyer shall, at its sole cost and expense, indemnify, protect, defend and hold the SCE Parties harmless, to the fullest extent permitted by law, from and against any and all Claims (including the payments of damages, both actual and consequential, the payment of penalties and fines, the payment of the actual fees and expenses of experts, attorneys and others, and the payment of the cost of environmental investigations, monitoring, containment, abatement, removal, repair,

cleanup, restoration, remedial work and other "response costs" under CERCLA or any other Environmental Requirements) arising from or in any way connected with: (a) any activities or failures to act in connection with this Agreement by Buyer, its employees, agents, or contractors; or (b) the ownership, possession, use or operation of the Facilities transferred to Buyer from and after the Phase Closing Date applicable to such Facilities; or (c) Potential Environmental Hazards relating to the Facilities or the presence, disposal, dumping, escape, seepage, leakage, spillage, discharge, emission, pumping, emptying, injecting, leaching, pouring, release or threatened release of PCBs or any other Hazardous Substances in connection with the Facilities, to the extent such Hazardous Substances were present or affecting the Facilities and/or in, on, or about the Land as of the applicable Phase Closing Date; or (d) the failure of the Facilities to comply with any Applicable Requirements following applicable Phase Closing Date; or (e) Buyer's breach of any of its obligations under this Agreement. In no event shall Buyer be required to indemnify SCE for any claims to the extent related to the gross negligence or willful misconduct of SCE. If any action or proceeding is brought against any one or more SCE Parties for any Claim against which Buyer is obligated to indemnify or provide a defense hereunder, Buyer, upon written notice from SCE, shall defend the SCE Parties. Buyer's obligation to defend includes the obligation to defend claims and participate in administrative proceedings, even if they are false or fraudulent. The indemnity, defense and other obligations of Buyer in this Section 8 shall survive the termination of this Agreement.

## **9. MISCELLANEOUS.**

**9.1 Time of Essence.** Time is of the essence of this Agreement and each and every provision hereof.

**9.2 Force Majeure.** Except for the payment of money when due, performance by either Party hereunder shall not be deemed to be in default, or considered to be a default, where delays or defaults are due to force majeure events beyond the control of such Party, including, without limitation, war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, government imposed moratorium legislation, actions or failures to act by any regulatory authority with jurisdiction over SCE (including the CPUC), freight embargoes, lack of transportation, weather-caused delays, inability to secure necessary labor, materials or tools, delays of any contractor, subcontractor or supplier, that are not attributable to the fault of the Party claiming an extension of time. An extension of time for any such force majeure cause shall be for the period of the enforced delay and shall commence to run from the date of occurrence of the delay; provided, however, that the Party claiming the existence of the delay first provides the other party with written notice of the occurrence of the delay, within ten (10) days of the commencement of such occurrence of a force majeure event and, thereafter, takes prompt and reasonable action within its control to remedy such force majeure event.



- 9.3 Further Assurances.** Each Party hereto agrees to execute and deliver to the other Party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the Parties as contained in this Agreement.
- 9.4 Binding Effect; Assignment.** This Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the Parties hereto. Notwithstanding the foregoing, Buyer shall have no right to assign this Agreement or any of its rights or obligations under this Agreement.
- 9.5 Severability.** If any provision of this Agreement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Agreement and the provisions of this Agreement are intended to be and shall be severable.
- 9.6 Survival.** The covenants, agreements, obligations, indemnities and releases contained in Sections 3.4, 5, 6.3, 6.4, 6.5, 7 and 8 of this Agreement shall survive the termination of this Agreement.
- 9.7 Governing Laws.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California without reference to its conflicts of laws provisions.
- 9.8 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 9.9 Notices.** Any notice or other communication required or permitted under this Agreement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx or Airborne Express, addressed to the Parties as follows:

If to SCE:

If to Buyer:

The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if transmitted by mail or overnight courier. Any Party may change its address for notice by giving notice to the other Party in accordance with this Section 9.9.

- 9.10 Limitation on Liability.** Buyer expressly agrees that the obligations and liabilities of SCE under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals or

representatives of SCE. SCE expressly agrees that the obligations and liabilities of Buyer under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals or representatives of Buyer. The limitations contained in this Section 9.10 shall survive the termination of this Agreement.

**9.11 Exhibits.** The following Exhibits are attached hereto and incorporated by reference into this Agreement.

Exhibit A	Description of the Facilities
Exhibit B	Form of Bill of Sale
Exhibit C	Phases
Exhibit D	Inventory and Inspection Activities
Exhibit E	Communications Equipment
Exhibit F	Point of Demarcation Diagrams

**9.12 Dispute Resolution.** In the event any dispute arises concerning the enforcement and/or interpretation of this Agreement, the Parties agree to attempt initially to settle such claims or disputes in good faith between themselves. Said obligation to discuss settlement of such claims or disputes shall be initiated by written notice of such claim or dispute. Should the Parties not settle such claims or disputes within thirty (30) days of the date of mailing of such notice or within such additional time period to which the Parties agree in writing (the "Negotiation Period"), the Parties may mutually agree to submit any such claim or dispute to mediation. In such case, the Parties will select an independent mediator within thirty (30) days of the expiration of the Negotiation Period (the "Selection Period"), either by mutual agreement or, in the absence of agreement on a mediator, by requesting during the Selection Period that the American Arbitration Association in Los Angeles, California appoint a mediator. The mediation shall be commenced within thirty (30) days of the selection of a mediator by the Parties or the American Arbitration Association. Except as provided herein or by written agreement of the Parties, the mediation shall be conducted in Los Angeles pursuant to the rules of the American Arbitration Association. If the Parties are unable to settle the dispute through discussions or in mediation, each Party shall have the right to pursue all of its remedies at law or in equity. The covenants of Buyer and SCE contained in this Section 9.12 shall survive the termination of this Agreement.

**9.13 Communications Equipment.** Buyer acknowledges that the Facilities have certain SCE-owned and operated radio equipment, used for the collection and relay of data from SCE meters and the collection, relay, and communication with SCE distribution systems, attached to them as identified in Exhibit E ("Communications Equipment"). Concurrently with each Phase Closing Date, Buyer shall grant to SCE a cost-free license to leave in place, operate, maintain,

replace and remove any Communications Equipment attached to Facilities included in such Phase pursuant to a Pole Attachment License Agreement.

**9.14 Interpretation.** The language in all parts of this Agreement shall be construed according to its normal and usual meaning and not strictly for or against either SCE or Buyer. The headings of the paragraphs of this Agreement are inserted solely for convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction of any terms or provisions hereof. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

**9.15 Authority.** Each Party represents and warrants that the execution, delivery and performance of this Agreement has been duly authorized by such Party and each person signing this Agreement on its behalf is duly and validly authorized to do so.

**9.16 Prior Agreements.** This Agreement and the exhibits hereto contain the entire agreement and understating of the Parties relating to the subject matter hereto and shall supersede any prior written or oral agreements or communications between the Parties pertaining to such subject matter.

**IN WITNESS WHEREOF,** the Parties hereto have caused this agreement to be duly executed as of the date and year first written above.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

SCE:

SOUTHERN CALIFORNIA EDISON,  
a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

BUYER:

CITY OF PERRIS,  
[a California charter city and municipal  
corporation]

By: \_\_\_\_\_

Its: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
City Clerk

**Exhibit A**  
**Description of Facilities**

**Exhibit B**  
**Form of Bill of Sale**

**BILL OF SALE**

Pursuant to that certain Purchase And Sale Agreement, dated \_\_\_\_\_, 2014 (“Agreement”), by and between Southern California Edison, a California corporation (“SCE”), and the City of \_\_\_\_\_, [a Municipal Corporation and Charter City] (“Buyer”), effective as of \_\_\_\_\_, 20\_\_ **[Insert Phase Closing Date]**, SCE hereby sells, assigns, transfers and delivers to Buyer all of SCE’s right, title and interest in and to the property described in Attachment A (“Facilities”), attached hereto and hereby incorporated herein by this reference. All capitalized terms not defined in this Bill of Sale shall have the meanings given them in the Agreement.

THE FACILITIES ARE BEING TRANSFERRED “AS IS, WHERE IS, AND WITH ALL FAULTS” IN THEIR EXISTING CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND BY SCE, EXPRESS, IMPLIED OR STATUTORY, AND WITHOUT RECOURSE AGAINST SCE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCE EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE FACILITIES, THE PROSPECTS (FINANCIAL AND OTHERWISE) OF THE FACILITIES, THE QUALITY OF WORKMANSHIP OF THE FACILITIES, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. SCE FURTHER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY REGARDING POTENTIAL ENVIRONMENTAL HAZARDS, THE PRESENCE OF HAZARDOUS SUBSTANCES, COMPLIANCE OF THE FACILITIES OR THE LAND WHERE THE FACILITIES ARE LOCATED WITH ENVIRONMENTAL REQUIREMENTS, OR LIABILITY OR POTENTIAL LIABILITY ARISING UNDER ENVIRONMENTAL REQUIREMENTS. BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SCE IS NOT ASSIGNING OR OTHERWISE TRANSFERRING ITS RIGHT, TITLE AND INTEREST IN AND TO ANY LAND RIGHTS (OR ANY CLAIM, RIGHT OR BENEFIT ARISING UNDER OR RESULTING FROM SUCH LAND RIGHTS) IN CONNECTION WITH ITS SALE OF THE FACILITIES TO BUYER, AND BUYER ASSUMES ANY AND ALL RISKS AND LIABILITIES IN CONNECTION WITH THE ABSENCE OF ADEQUATE OR APPROPRIATE LAND RIGHTS.

This Bill of Sale is executed pursuant to the authorization contained in the order of the California Public Utilities Commission in its Decision No. \_\_\_\_\_, dated \_\_\_\_\_, and is subject to all the terms and conditions of the Agreement, including the provisions set forth above.

The parties represent that they are duly authorized to execute this Bill of Sale.

SOUTHERN CALIFORNIA EDISON COMPANY,  
a California corporation

By: \_\_\_\_\_  
(Name of Business Unit VP)  
(Title of VP)

Accepted and Agreed:

BUYER:

CITY OF \_\_\_\_\_,  
[a California charter city and municipal corporation]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit C**  
**Phases**



**Exhibit D  
Inspection and Transition Activities**

Section Reference	Activity	SCE Responsibility	City Responsibility
2.2	Provide Buyer with draft phase maps	X	
6.2(a)	Field validation to identify applicable LS-1 Streetlights	X	
6.2(a)	Identify/Confirm Points of Demarcation (POD)	X	
6.2(a)	Confirm every pole in the City has been accounted for	X	
6.2(a)	Confirm actual phase maps and transition timelines	X	X
6.2(a)	Communicate with the Buyer any additional relocation/reconfiguration costs (assets and operational)	X	
6.2(b)	Buyer accepts or refuses any additional relocation/reconfiguration costs (assets and operational)- please see above		X
6.2 (c)	Update the inventory (if applicable)	X	
3.1(c)	Update the Purchase Price for the Final Phase (as applicable if pole count varies by 5% or more)	X	
6.2(a)	Provide revised maps and inventory list to Buyer (if applicable)	X	
6.2(b)	Buyer signs off on updated inventory list (if applicable)		X
6.2(d)	Bill of Sale to Buyer for current Phase	X	
6.2(a)	SCE Pole tag removal	X	
6.2(a)	Buyer installs its pole tags		X
6.2(e)	Buyer payment		X
6.4(a)	Convert from LS-1 to LS-2B rate at completion of each Phase	X	
6.4(b)	Provide updated LS-2 B maps and inventory list to Buyer	X	
6.4(c)	Buyer confirms rate change has gone into effect		X
6.4(d)	Phase is complete	X	X

**Exhibit E**  
**Communications Equipment**

**Exhibit F**  
**Point of Demarcation Diagrams**

## EXHIBIT 3

**NO-FEE  
LIGHT POLE LICENSE AGREEMENT  
FOR WIRELESS ATTACHMENT  
BETWEEN  
THE CITY OF PERRIS  
AND  
SOUTHERN CALIFORNIA EDISON**

This No-Fee Light Pole License Agreement (“Agreement”) is made as of [REDACTED], 2016 (“Effective Date”), by and between the City Of Perris, [a Municipal Corporation] (“Licensor”), and Southern California Edison Company, a California corporation (“Licensee”), individually “Party” and collectively “Parties.”

Licensor herein provides Licensee a no-fee license to attach certain wireless communication equipment to light poles that are owned by Licensor and used by Licensor to provide street lighting services to customers.

The terms and conditions of this Agreement are as follows:

**1. DEFINITIONS**

Terms with the initial letter or letters capitalized, whether in the singular or plural, shall have the following meanings:

- a. Applicable Requirement: Any law, code, regulation, ordinance, statute or requirement of a governmental or quasi-governmental authority, regulatory agency or any other similar authority with jurisdiction or control over access to or use of the Light Pole, an Attachment, Work on a Light Pole or operation of an Attachment.
- b. Attachment: A wireless communicating device used solely in connection with SCE’s utility and metering operations together with and all of its associated ancillary equipment which are owned by Licensee and serve the purpose(s) presently served by those fixtures identified in Exhibit A hereto.
- c. Custom Light Pole: A specialized light pole, owned and installed by Licensor and paid for by Licensee, for the purposes of accommodating Licensee’s Attachment and for Licensor to provide street lighting services.
- d. Equipment: All ancillary equipment owned and utilized by Licensee in connection with an Attachment, and installed on third party property.
- e. Light Pole: A Licensor Light Pole or a Custom Light Pole.
- f. Licensor Light Pole: A standard light pole owned by Licensor used to provide street lighting services.

- g. Work: Any work performed by Licensee relating to an Attachment, including the installation, repair, removal or replacement of the Attachment or Equipment.

## **2. TERM**

The initial term of this Agreement shall be ten (10) years, with automatic renewal terms of ten (10) years each, provided, however, that either Party may terminate this Agreement by written notice to the other Party given not more than one year and not less than ninety (90) days prior to the expiration of the initial term or any succeeding term ("Termination Notice"). Upon the issuance of a Termination Notice by either Party, only Licensee's rights to install Future Attachments as described in this Agreement shall terminate, but Licensee's rights under this Agreement with regard to then-installed Attachments and Upgraded Attachments shall not terminate.

## **3. ATTACHMENTS**

The installed Attachments are listed in Exhibit A hereto. During the term hereof, Licensee shall have the right (i) to upgrade Attachments to new technology that serves the same purpose as the Attachments listed on Exhibit A ("Upgraded Attachments"), and (ii) to install new Attachments that are not listed in Exhibit A ("Future Attachments") in accordance with Section 6 of this Agreement, so long as such Upgraded Attachments and Future Attachments serve the same purpose as the Attachments listed on Exhibit A and do not interfere in any manner with any then-existing Licensor equipment. All installations of Upgraded Attachments and Future Attachments shall be performed in a good and workmanlike manner.

## **4. LICENSEE'S ATTACHMENT RIGHTS**

Licensee shall have a no-fee license to use the Attachment for wireless communications, and to maintain, remove, repair or replace the Attachment, as described herein (collectively, the "Attachment Rights"). All costs and expenses incurred by Licensee as a result of Licensee's exercise of its Attachment Rights hereunder shall be the sole responsibility of Licensee.

## **5. CONDITIONS AND RESTRICTIONS ON LICENSE RIGHTS**

In addition to the other terms and conditions of this Agreement, Licensee's exercise of its Attachment Rights shall be subject to the following conditions and restrictions:

- a. Licensee shall operate its Attachment for wireless communication equipment.
- b. Licensee shall be solely responsible for separately obtaining any electric utility or other services required for operation of its Attachment, if secondary power from the streetlight is inaccessible.

c. Licensor shall not be required to modify the Light Pole to accommodate use by the Licensee.

d. Licensor shall not install any Equipment for the Licensee, Licensee shall be solely responsible for the installation of any Equipment.

e. Subject to Section 5(f), Licensee's rights regarding Upgraded Attachments and/or Future Attachments shall not interfere with Licensor's municipal operations. If a new Attachment made under this Agreement interferes with Licensor's ability to use a Light Pole, then Licensor will inform the Licensee and Licensee shall remedy the interference in a reasonably prompt period of time after receiving notice of the interference from Licensor. If Licensee fails to remedy the interference after sixty (60) days, Licensor may remove the Attachment.

f. Licensor may install and may permit third parties to install new devices. However, Licensor shall not install any new devices, and Licensor shall not allow third parties to install any new devices that interfere with Licensee's Attachment. If Licensor's or a third party's installation of a new device interferes with Licensee's wireless communication, then Licensee will inform the Licensor and Licensor shall immediately remedy the interference.

g. Prior to commencing any work or activity affecting any Light Pole, Licensee shall provide Licensor with not less than three (3) business days prior notice.

## **6. ATTACHMENT**

a. Licensee shall be allowed to install Future Attachments at additional locations under this Agreement upon reasonable prior notice to Licensor; provided, however, Licensor may disapprove proposed Future Attachments in the event Licensor reasonably determines the proposed Future Attachments may interfere with any municipal operations or Licensor equipment, or in the event that Licensor reasonably determines that additional Attachments will threaten the public health and safety. Licensee shall provide Licensor the structure number and address or location description where the Attachment will be installed.

b. Licensee shall use commercially reasonable efforts to perform any Work in a manner which will not cause any interruption of Licensor's street-lighting services or other equipment.

c. All Work shall be performed at Licensee's sole risk and cost and shall be performed in a good and workmanlike manner and Licensee shall indemnify, defend and hold harmless Licensor, its elected officials, staff, directors, invitees, employees, agents, contractors, successors and assigns, from any and all costs, liabilities, claims and expenses, including those from death or injury to any person or from a loss or damage to any real, personal or other property, to the extent arising out of or pertaining to any Work, or any act or failure to act by any of Licensee's employees, agents, or contractors in relation to the Upgraded Attachments and Future Attachments.

d. The performance of any Work shall comply with the requirements for such Work as contained in applicable industry standards, specific work requirements imposed by Licensor or a third party, or in any Applicable Requirements associated with the Work.

e. Upon written notification from Licensor or a government authority that the Attachment or any Equipment is out of compliance with any Applicable Requirement or is unsafe or hazardous, Licensee shall promptly take whatever actions are necessary to come into full compliance with such Applicable Requirements or to remedy the unsafe or hazardous condition, as the case may be. Notwithstanding any other provision of this Agreement, if at any time, in Licensor's sole judgment, an unsafe or dangerous condition exists, Licensor shall immediately notify Licensee and Licensee shall have twenty-four (24) hours from such notice to remedy the unsafe or dangerous condition. If Licensee does not remedy the unsafe or dangerous condition within such twenty-four (24) hour period, then Licensor may correct such condition and notify Licensee of such correction within three (3) business days. If at any time, in Licensor's sole judgment, an imminent threat to human life or safety exists, Licensor may correct such condition and notify Licensee of such correction within three (3) business days.

f. Licensee shall not drill, burn or punch any holes in a Light Pole, without first obtaining written consent from Licensor, which consent shall not be unreasonably withheld. Licensee shall reimburse Licensor for any damage to any Licensor Light Pole in connection with the use, repair, restoration or replacement of a Light Pole by Licensee.

g. Licensee shall follow Licensor's established procedures to request Licensor to replace a Licensor Light Pole with a Custom Light Pole, and Licensee shall be solely responsible for all costs of such request and any resulting replacement.

## **7. REMOVAL OF AN ATTACHMENT FROM A LIGHT POLE**

- a. Licensee may at any time remove an Attachment from any Light Pole.
- b. Nothing in this Agreement shall be construed to limit Licensor's rights, at any time, to remove a Light Pole from service or to require Licensee to remove its Attachment from a Light Pole that is being removed from service. In the event Licensor requires Licensee to remove its Attachment from a Light Pole that is being removed from service, then Licensor will notify Licensee ninety (90) days prior to the removal and use reasonable efforts to supply Licensee with an alternative Light Pole for such Attachment. Licensee shall complete removal of its Attachment within ninety (90) days of Licensor's request to do so.
- c. Whenever Licensee removes an Attachment, Licensee shall restore the Light Pole to its original condition, reasonable wear and tear excepted, except where Licensor notifies Licensee that restoration is unnecessary because the Light Pole is being removed from service or Licensor agrees otherwise.
- d. When a Light Pole that contains an existing Attachment is relocated or replaced by Licensor, and there is a suitable other location for a new Light Pole or an existing Light Pole which could be used by Licensee for its Attachment, then Licensor and the Licensee may agree that Licensee may so use the other location or Light Pole and amend Exhibit A to reflect the transfer of Licensee's Attachment Rights. Except in emergency situations, Licensor will notify Licensee ninety (90) days prior to relocation or replacement of Light Pole.



## **8. RISK OF LOSS; RESTORATION OR REPAIR OF LIGHT POLE**

In the event a Light Pole is damaged or destroyed, restoration of Licensor's use of a Light Pole shall take priority over Licensee's restoration of its use; provided, however, that Licensor shall not unreasonably delay Licensee's opportunity to restore the use of its Attachment. Licensor shall permit Licensee to make repairs to restore use of the Attachment, as long as such restoration efforts do not interfere with Licensor's restoration activities. In addition, Licensee shall fully cooperate with Licensor if Licensor performs any repairs or other work on the Light Pole, which work may require a temporary shutdown of Licensee's Attachment. The Licensor shall notify the Licensee at least 48 hours prior to planned repairs that will require a shutdown of the Licensee's Attachment.

## **9. REGULATORY MATTERS**

To the extent that this Agreement is subject to the jurisdiction of any regulatory authority, Licensor and Licensee acknowledge that this Agreement may be subject to such changes, modifications or termination as that regulatory authority may direct from time to time in the exercise of its jurisdiction.

## **10. INDEMNIFICATION AND LIMITATION OF LIABILITY**

a. Licensee shall indemnify, defend and hold harmless Licensor, its elected officials, staff, directors, invitees, employees, agents, contractors, successors and assigns, from any and all costs, liabilities, claims and expenses, including those from death or injury to any person or from a loss or damage to any real, personal or other property, to the extent arising from any negligent act or omission by Licensee, or by any of Licensee's employees, agents, or contractors in performing this Agreement.

b. Licensor shall promptly notify Licensee of the existence of any matters to which Licensee's indemnity obligations apply. Upon demand by Licensor, Licensee shall defend at its own expense with mutually acceptable counsel any such matter; provided that Licensor shall at all times also have the right to fully participate in the defense and consent to any settlement or compromise.

c. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES (INCLUDING LOSS OF THE OTHER PARTY'S CUSTOMERS OR GOOD WILL, OR LOST REVENUE OR PROFITS), FOR ANY CAUSE OF ACTION, WHETHER IN CONTRACT OR TORT, ARISING IN ANY MANNER FROM THIS AGREEMENT OR THE PERFORMANCE OR NON -PERFORMANCE OF OBLIGATIONS HEREUNDER, REGARDLESS OF THE CAUSE OR FORESEEABILITY THEREOF.

## **11. TITLE AND RISK OF LOSS**

- a. Licensor shall have and retain sole and exclusive ownership of all Light Poles, and Licensor's ownership shall not be affected by Licensee's Attachment to the Light Pole.
- b. Except as otherwise provided for herein, Licensee shall retain its ownership of the Attachment and any Equipment at all times.

## **12. INSURANCE**

At all times during the term of this Agreement, Licensee shall maintain and shall require its subcontractors that perform any Work pursuant to this Agreement to maintain insurance coverage as described below:

- a. Worker's Compensation Insurance with statutory limits, in accordance with the laws of the State of California, and Employer's Liability Insurance with limits of not less than one million dollars (\$1,000,000). Licensee shall require its insurer to waive all rights of subrogation against Licensor, its officers, agents and employees.
- b. Commercial General Liability Insurance, including coverage for bodily injury, property damage, products/completed operations liability and contractual liability, with a per occurrence limit of not less than two million dollars (\$2,000,000). Such insurance shall (i) name Licensor, its officers, agents, and employees as additional insureds, but only for Licensee's negligent acts or omissions; (ii) be primary for all purposes; and (iii) contain standard cross-liability provisions.

Written proof of compliance with the requirements of this Section, consisting of Certificates of Insurance and a copy of the Additional Insured Endorsement for the Commercial General Liability insurance policy, in a form acceptable to Licensor, shall be provided to Licensor prior to any Attachment or the installation of any Equipment upon an Light Pole and prior to the expiration of each policy year thereafter. The Certificates of Insurance shall provide that this insurance shall not be terminated, canceled or reduced except on thirty days' prior written notice to Licensor. Failure to provide and maintain such insurance shall constitute a default under this Agreement. Licensee may self-insure any and all of the above insurance requirements.

## **13. REMEDIES IN THE EVENT OF DEFAULT**

If either Party fails to comply with a material term or condition of this Agreement, the non-breaching party shall provide written notice to the defaulting party of such non-compliance. The breaching party shall then have thirty (30) days (except in the case of health and safety issues, which shall require cure within forty-eight (48) hours) from receipt

of such notice to reasonably cure such non-compliance. If such a cure is not completed within the thirty (30) day period (or 48 hour period as provided above), or if a cure is not possible within such period and the breaching party has not taken steps to effect such cure, then the non-breaching party may pursue its legal remedies relating to such non-compliance.

#### **14. DISPUTE RESOLUTION**

a. Except as may otherwise be set forth expressly herein, all disputes arising under this Agreement shall be resolved as set forth in this Section 14. To be eligible for resolution under this Section 14, all disputes concerning payments must be invoked within sixty (60) business days of the payment due date.

b. Licensor and Licensee shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiations between an authorized representative of each of the Parties. Any dispute which cannot be resolved between the authorized representative shall be referred to an officer or designee of Licensee and the City Manager of Licensor. Licensor or Licensee shall give the other Party written notice of any dispute following expiration of the applicable cure period pursuant to Section 13. Within twenty (20) days after delivery of such notice, the designated parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If the matter has not been resolved within thirty (30) days of the first meeting, the Parties will consider and decide whether the dispute should be submitted to JAMS, or its successor, for mediation.

c. All negotiations and any mediation conducted pursuant to this Section 14 shall be confidential and shall be treated as compromise and settlement negotiations, to which Section 1152 of the California Evidence Code shall apply, which section is incorporated in this Agreement by reference.

d. Notwithstanding the foregoing provisions, either Licensor or Licensee may seek immediate equitable relief, a preliminary injunction or other provisional judicial remedy.

e. Licensor and Licensee shall continue to perform their obligations under this Agreement pending final resolution of any dispute arising out of or relating to this Agreement.


f. If Licensor and Licensee, after good faith efforts to resolve a dispute under the terms of this Agreement (as provided in Subpart b above), cannot agree to a resolution of the dispute, either party may pursue whatever legal remedies may be available to such party, at law or in equity, before a court of competent jurisdiction and with venue in Los Angeles County, California.

## 15. TAXES AND LIENS

Licensee shall pay when due any and all taxes or assessment resulting from any Attachment on any Light Pole including, but not limited to, special assessments and governmental fees of any kind whatsoever which may be levied or assessed upon any personal property which Licensee has caused to be placed or maintained upon Licensor's facilities, or against Licensee's business and shall keep Licensor's property and facilities, including any Light Poles, free from all liens, including but not limited to mechanics liens, and encumbrances by reason of the use, occupancy, or maintenance of Licensor's facilities or property by Licensee or by any person claiming under Licensee. It is further agreed that in the event Licensee fails to pay the above-mentioned taxes, assessments, or liens when due, Licensor shall have the right to pay the same and invoice Licensee for the amount thereof and Licensee shall pay the same upon demand together with interest at the maximum rate allowed by law from the date of such expenditure by Licensor.

## 16. NOTICES

Notices hereunder must be in writing and transmitted by United States mail or by personal delivery to Licensor. Such notices shall be deemed given: (a) upon receipt in the case of personal delivery or confirmed facsimile transmittal; (b) two (2) days after it is sent by certified mail, with a return receipt requested, (c) three (3) days after deposit in the mail, or the next day in the event of overnight delivery.

If to Licensor: 

If to Licensee: Southern California Edison  
Manager of Streetlights Attention: John King  
6042 A Irwindale Ave, Irwindale CA 91702

## 17. DISCLAIMER

**LICENSOR MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER CONCERNING THE SUITABILITY OR CONDITION OF ANY LIGHT POLE. FURTHERMORE, IT IS SPECIFICALLY UNDERSTOOD AND HEREBY ACKNOWLEDGED BY LICENSEE THAT ANY LIGHT POLE MADE AVAILABLE HEREUNDER, TO THE MAXIMUM EXTENT PERMISSIBLE BY LAW, WILL BE PROVIDED BY LICENSOR ONLY ON AN "AS-IS" BASIS AND WITHOUT ANY WARRANTY BY LICENSOR ABOUT THE CONDITION OF THE LIGHT POLE OR ITS SUITABILITY FOR LICENSEE'S PURPOSES. FURTHER, LICENSEE'S**

**RIGHTS HEREUNDER SHALL BE SUBORDINATE TO LICENSOR'S USE OF THE LIGHT POLE FOR STREET LIGHTING SERVICES.**

**18. GENERAL PROVISIONS**

a. California Law. This Agreement, and performance pursuant to it, shall be governed, interpreted, construed, and regulated by the laws of the State of California, without reference to its conflicts of laws provisions.

b. Assignment. Neither Party may assign, transfer, sublease, or sublet any right, obligation, or privilege given to it hereunder without the prior written consent of the other Party. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the Parties hereto.

c. Interpretation. The language of each part of this Agreement shall be construed simply and according to its fair meaning, and shall never be construed either for or against either Party, regardless of which Party may have drafted the provision.

d. Nature of Rights. Nothing in this Agreement shall preclude Licensor from granting any third-party permission to use available capacity on a Light Pole in ways that do not interfere with the rights granted to Licensee under this Agreement.

e. Invalidity of Provisions. To the extent that any terms or provisions of this Agreement shall be finally determined by a court of competent jurisdiction to be invalid, (i) such invalidity shall not affect, release or modify any other terms or provisions, and (ii) in lieu of each such provision which is invalid, illegal or unenforceable, there shall be substituted or added as part of this Agreement a legal, valid and enforceable provision which shall be selected to be as similar as possible, in achieving the economic and business objectives of the Parties, to such illegal, invalid or unenforceable provision.

f. Waiver. The failure of either Party to enforce any provision of this Agreement or the waiver thereof in any instance, including but not limited to the right to terminate, shall not be construed as a general waiver or relinquishment on its part of any such provision but the same shall nevertheless be and remain in full force and effect.

g. Incorporation Clause. This Agreement, including attached Exhibits, incorporate all the covenants and understandings between Licensor and Licensee regarding the subject matter of this Agreement. No other verbal agreements or understandings exist between the Parties nor shall any be binding upon either Licensor or Licensee unless reduced to writing and signed by the Parties. Any addition, variation or modification to this or any other Agreement shall be ineffective unless made in writing and signed by the Parties.

h. Radio Frequency Emission ("RFE") Compliance. Licensee shall be responsible, at its sole cost and expense, for ensuring compliance with all regulations relating to RFE. Licensor will cooperate with Licensee, where possible, to allow Licensee to place required

signage on a Light Pole where this is necessary to comply with RFE regulations. In addition, Licensee shall use its best efforts to minimize the RFE impact on health of workers and on future uses of the Light Pole.

i. Exhibits. Exhibits referenced herein are incorporated by said reference. Licensee shall provide any updates of Exhibit A to Licensor within thirty (30) days of Licensor's written request, delivered pursuant to Section 16 of this Agreement, but not more often than once each calendar quarter. Specifically included as exhibits to this Agreement hereto are:

**Exhibit A: List of Installed Attachments**

j. Confidentiality. Notwithstanding any language to the contrary in any applicable non-disclosure or confidentiality agreement between the Parties, Licensor may, without the prior consent of the Licensee, provide confidential or proprietary information related to this Agreement to a governmental or regulatory entity that requests such information. In addition, Licensee recognizes that Licensor is a public agency subject to the California Public Records Act and that disclosures may be required thereunder.

**SIGNATURES**

By signing below, the signatories hereto represent and warrant that they have been duly authorized to sign this Agreement on behalf of the Party for whom they sign.

**CITY OF PERRIS,  
[a Municipal corporation]**

**SOUTHERN CALIFORNIA EDISON  
COMPANY, a California corporation**

By: \_\_\_\_\_  
Print  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
\_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**

**List of Attachments**

SmartConnect Installed Devices

NetComm Installed Devices

## EXHIBIT 4



**City of Perris**

Customer Number: 1-0-002-0691

Lamp Wattage	Lamp Count	Estimated High Pressure Sodium Vapor (HPSV) Annual Costs	Estimated Light Emitting Diode (LED) Annual Costs	Estimated Annual Savings
50	1	\$118	\$122	(\$4)
70	86	\$10,795	\$10,784	\$10
100	3,258	\$442,176	\$421,846	\$20,330
150	1	\$163	\$150	\$13
200	1,306	\$238,685	\$207,654	\$31,031
250	1	\$203	\$186	\$18
310	0	\$0	\$0	\$0
400	3	\$762	\$647	\$116
Total	4,656	\$692,902	\$641,389	\$51,513

This analysis is only an estimate and the results presented are based on HPSV Lamp Wattage and counts as of May 2016, LED wattage conversion lamps available after August 1, 2016, and June 1, 2016 rates. This analysis excludes the following when applicable: Tap Device Charge, State Tax, Utility Users Tax, and Generation Municipal Surcharge. The Analysis does not include costs associated with Incandescent, Mercury Vapor, Low Pressure Sodium Vapor, Metal Halide, or already existing LED Lamps. Actual costs may vary due to factors including but not limited to, rate changes, factor changes, wattage conversion changes, excluded cost components.

**City of Perris**

Customer Number: 1-0-002-0691

Additional Savings after the energy efficiency premium falls off after 20 years and beyond

Wattage	Lamp Count	EEP Per Month	Estimated Monthly Savings
50	1	\$1.32	\$1.32
70	86	\$1.32	\$113.52
100	3,258	\$1.36	\$4430.88
150	1	\$1.48	\$1.48
200	1306	\$1.76	\$2298.56
250	1	\$1.97	\$1.97
310	0	\$0.00	\$0.00
400	3	\$2.79	\$8.37
<b>TOTAL</b>			<b>\$6,856.10</b>

Estimated Additional monthly savings after 20 years: \$6,856.10  
Estimated Additional annual savings after 20 years: \$82,273.20  
**Estimated Annual Savings During 20 Year Repayment: \$51,513.00**  
**Estimated Annual Savings Post 20 Year Repayment: \$133,786.20**

	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv	HPSV	LED-equiv
Watts	50	25	70	32	100	41	150	88	200	90	250	161	310	157	400	193		
kWh per month	20.01	7.80	28.64	11.20	40.37	14.70	66.59	30.20	84.87	31.90	107.99	56.10	132.135	54.3	167.33	66.40		
Energy Rate (Nominal USD/kWh)	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230	0.07230		
Energy Charge (\$/month)	1.45	0.56	2.07	0.81	2.92	1.06	4.81	2.18	6.14	2.31	7.81	4.06	9.55	3.93	12.10	4.80		
Facilities Charge (\$/month)	8.38	8.32	8.39	8.32	8.39	8.37	8.77	8.86	9.09	9.18	9.14	9.43	9.14	NA <sup>[1]</sup>	9.08	10.37		
Energy Efficiency Premium Charge (EEPC) <sup>[1]</sup> (\$/month)	NA	1.32	NA	1.32	NA	1.36	NA	1.48	NA	1.76	NA	1.97	NA	NA <sup>[1]</sup>	NA	2.79		
Undepreciated Book Value (\$/month)	NA	0.00	NA	0.00	NA	0.00	NA	0.00	NA	0.00	NA	0.00	NA	0.00	NA	0.00		
Total Charge (\$/month)	9.83	10.20	10.46	10.45	11.31	10.79	13.58	12.52	15.23	13.25	16.95	15.46	18.69	NA <sup>[1]</sup>	21.18	17.96		
Savings <sup>[2]</sup>		(0.38)		0.01		0.52		1.06		1.98		1.49		NA <sup>[3]</sup>		3.22		

[2] (+) net savings (-) net loss

[3] Approximations available upon request

## **EXHIBIT 5**

City of Perris, CA ANNUAL CASHFLOWS

Scenarios:

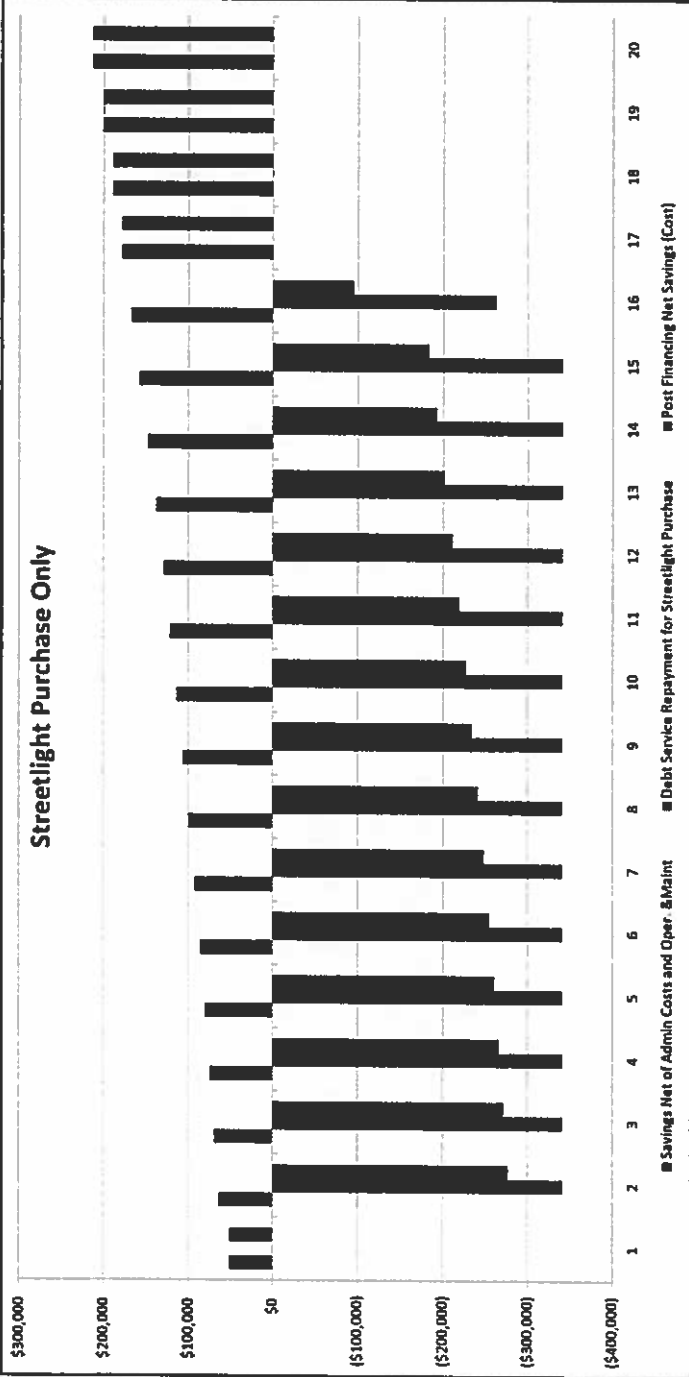
Purchase Only (1)

Purchase and Retrofit (2)

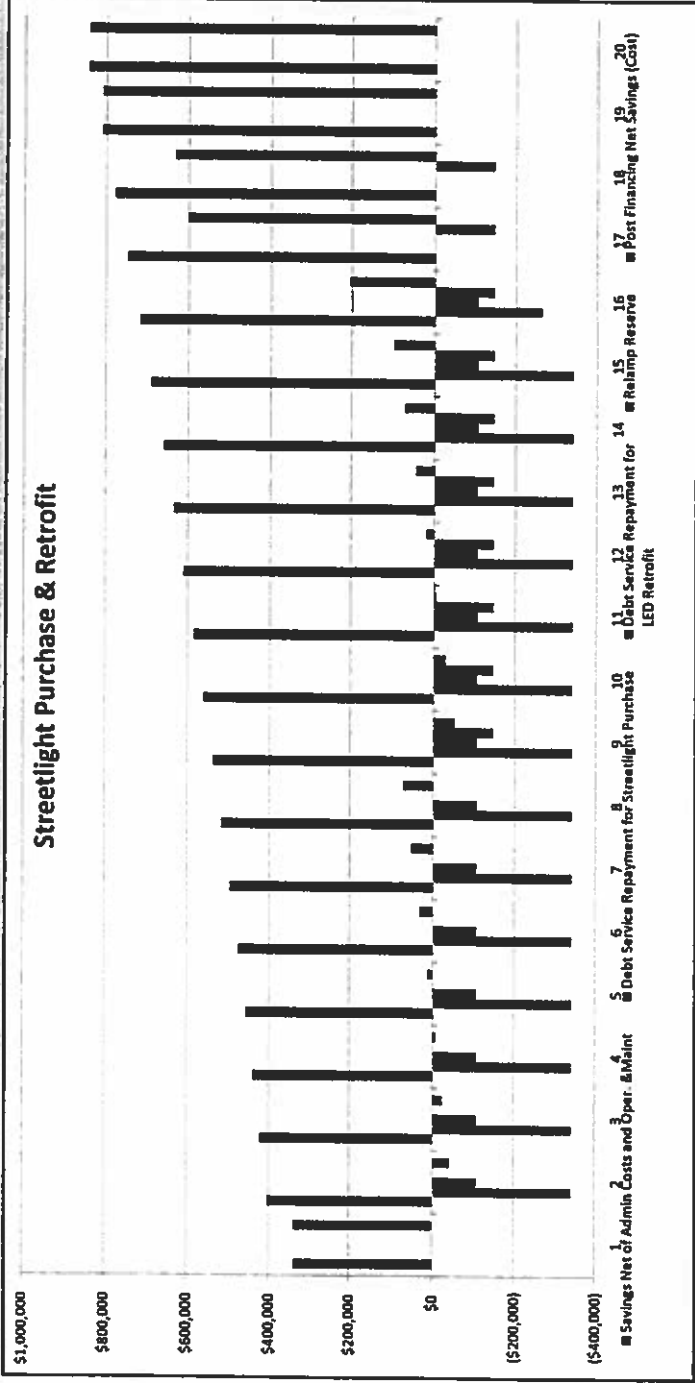
Year	Savings Net of Admin Costs and Oper. & Maint	Debt Service Repayment for Streetlight Purchase	Post Financing Net Savings (Cost)	Cumulative Post Financing Net Savings (Cost)	Savings Net of Admin Costs and Oper. & Maint	Debt Service Repayment for Streetlight Purchase	Debt Service Repayment for LED Retrofit	Relamp Reserve - Deposit if negative Earnings if positive	Post Financing Net Savings (Cost)	Cumulative Post Financing Net Savings (Cost)
1	51,074	(340,528)	51,074	51,074	339,587	(340,528)	(104,327)	-	339,587	339,587
2	63,224	(340,528)	(277,304)	(226,230)	404,212	(340,528)	(104,327)	(40,643)	(40,643)	298,943
3	68,383	(340,528)	(272,146)	(498,376)	421,155	(340,528)	(104,327)	(23,701)	(23,701)	275,243
4	73,826	(340,528)	(266,702)	(765,078)	438,798	(340,528)	(104,327)	(6,057)	(6,057)	269,186
5	79,569	(340,528)	(260,959)	(1,026,037)	457,172	(340,528)	(104,327)	12,316	12,316	281,502
6	85,626	(340,528)	(254,903)	(1,280,939)	476,305	(340,528)	(104,327)	31,449	31,449	312,951
7	92,010	(340,528)	(248,518)	(1,529,457)	496,228	(340,528)	(104,327)	51,373	51,373	364,324
8	98,739	(340,528)	(241,788)	(1,771,246)	516,975	(340,528)	(104,327)	72,120	72,120	436,444
9	105,829	(340,528)	(234,699)	(2,005,946)	538,578	(340,528)	(104,327)	(145,415)	(145,415)	384,751
10	113,296	(340,528)	(227,232)	(2,233,178)	561,074	(340,528)	(104,327)	(145,415)	(29,197)	355,555
11	121,159	(340,528)	(219,369)	(2,452,547)	584,497	(340,528)	(104,327)	(145,415)	(5,773)	349,781
12	129,437	(340,528)	(211,091)	(2,663,638)	608,888	(340,528)	(104,327)	(145,415)	18,617	368,398
13	138,149	(340,528)	(202,380)	(2,866,018)	634,284	(340,528)	(104,327)	(145,415)	44,013	412,411
14	147,315	(340,528)	(193,214)	(3,059,231)	660,727	(340,528)	(104,327)	(145,415)	70,456	482,867
15	156,957	(340,528)	(183,572)	(3,242,803)	688,260	(340,528)	(104,327)	(145,415)	97,989	580,856
16	167,097	(262,472)	(95,376)	(3,338,179)	716,927	(262,472)	(104,327)	(145,415)	204,712	785,568
17	177,758	-	177,758	(3,160,421)	746,775	-	-	(145,415)	601,360	1,386,928
18	188,966	-	188,966	(2,971,455)	777,852	-	-	(145,415)	632,437	2,019,365
19	200,744	-	200,744	(2,770,711)	810,209	-	-	-	810,209	2,829,574
20	213,120	-	213,120	(2,557,591)	843,897	-	-	-	843,897	3,673,471
20 Year Total	2,472,279	(5,029,870)	(2,557,591)	11,722,399	(5,029,869.67)	(1,564,905.80)	(1,454,152)	3,673,471		

Scenarios (1) & (2)	Project Amount Financed		Ownership + Retrofit Total	
	Ownership	Retrofit	Ownership + Retrofit	Total
	3,619,695	1,108,959		4,728,654.44
	15-Year Outcome (Purchase Only)	20-Year Outcome (Purchase Only)	15-Year Outcome (Purchase + Retrofit)	20-Year Outcome (Purchase + Retrofit)
Savings Net of Admin Costs and O&M	1,524,594	2,472,279	7,826,739	11,722,399
Costs (Financing & Reserve)	(4,767,397)	(5,029,870)	(7,245,883)	(8,048,928)
Post Financing Net Savings	(3,242,803)	(2,557,591)	580,856	3,673,471

### Streetlight Purchase Only



# Streetlight Purchase & Retrofit

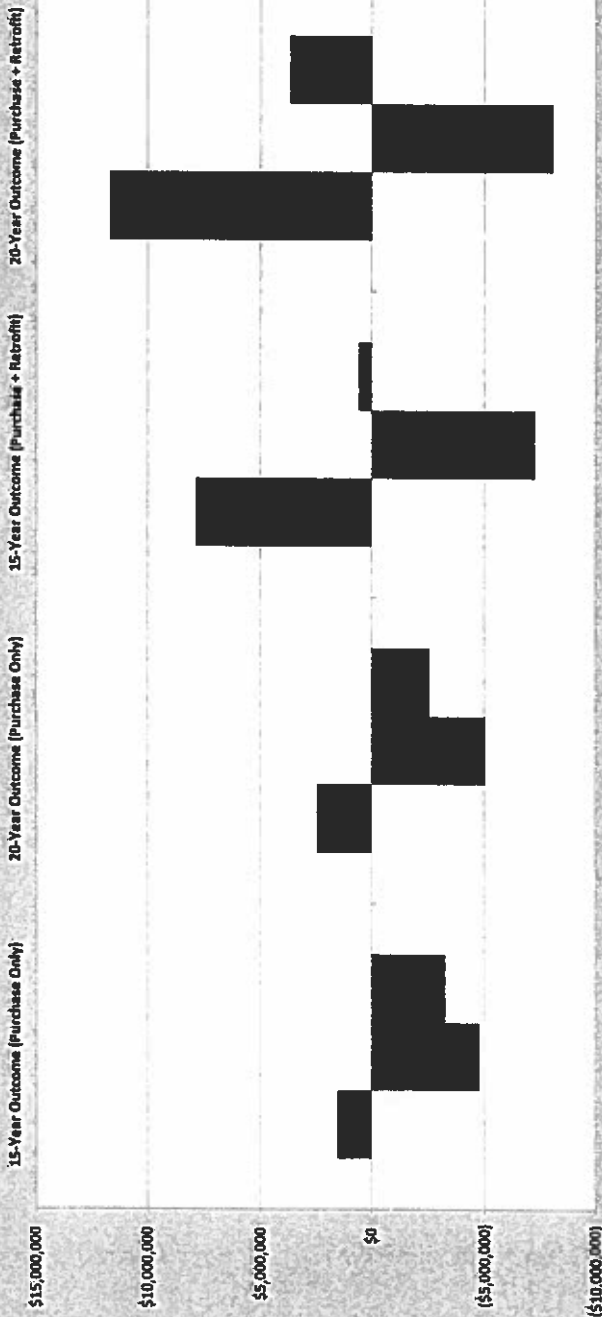


\$1,000,000  
 \$800,000  
 \$600,000  
 \$400,000  
 \$200,000  
 \$0  
 (\$200,000)  
 (\$400,000)

■ 1 Savings Net of Admin Costs and Oper. & Maint  
 ■ 2 Debt Service Repayment for Streetlight Purchase  
 ■ 3 Debt Service Repayment for LED Retrofit  
 ■ 4 Relamp Reserve  
 ■ 5 Post Financing Net Savings (Cost)  
 ■ 6 LED Retrofit



# Financing Snapshots



■ Savings Net of Admin Costs and O&M    ■ Costs (Financing & Reserve)    ■ Post Financing Net Savings

SCE Tariff and O&M Costs (if any) **■ SCE Tariff and O&M Costs (if any)**

Before Acq \$659,364

After Acquisition and LED Retrofit \$255,152

Before Acquisition

Purchase+ Retrofits \$444,855

After Acquisition and LED Retrofit \$700,008

Financing Payments Total \$659,364

Before Acquisition

LED Tariff \$177,729

Before Acquisition

Admin \$13,304

Before Acquisition

O&M \$64,118

Before Acquisition

Purchase LED \$340,528

Before Acquisition

Retrofit DS \$104,327

Before Acquisition

Relamp De \$0

Before Acquisition

Relamp Ea \$0

Before Acquisition

\$0

After Acquisition and LED Retrofit

**City of Perris LS-1 Streetlight System Valuation**

**Assumptions**

Poles Available for Purchase:	4,140	Total Poles Transferred	4,140
RCNLD		City-owned Lamps for retrofit	0
Ad Hoc Replacements	\$3,008,943	<b>Cost Per Pole</b>	
Additional Asset Components	\$213,307	LED Retrofit Cost per Pole (one time)	\$377.36
Tax Neutral Subtotal	\$66,889	O&M HPS/LPS (per pole - just in time install)	\$4.88
Tax/Other Adjustments	\$3,289,139	O&M LED only (per pole per month)	\$1.25
Transition Cost (\$30/pole)	\$53,300	<b>Financial Model Assumptions</b>	
Acquisition Price	\$124,200	Lease Interest Rate (taxable)	4.65%
Poles Available for Retrofit:	4,140	O&M Inflation/Escalation Rate	3.00%
Gross Retrofit Cost	\$1,562,287	Admin Fee Inflation/ Escalation Rate	3.00%
Proposed DSRF pro-rata contribution	\$78,056	Annual Escalation Rate for Energy Costs	4.00%
Costs of Issuance	\$75,000	Average Useful Life	15 yrs
SCE Incentives (received in Year 2)	(\$453,327)	Relamp Reserve Earnings Rate	1.30%
Total Amount Financed	\$4,728,654		

\*Streetlight count subject to final reconciliation with SCE

City of Perris

	Ownership	Retrofit	Ownership+Retrofit Total
Project Amount Financed	3,619,695	1,108,959	4,728,654
20-Year Outcome (Purchase Only)			
Savings Net of Admin Costs	-	-	13,387,341
Operation & Maintenance Costs (Financing & Reserve)	-	-	(1,664,942)
Post Financing Net Savings	-	-	(8,048,928)
			3,673,471

City of Perris - Cash Flows based on SCE tariff schedule effective 1/1/17

Purchase and Retrofit

Year	Savings	J&M Cost	Financing Payments <sup>(1)(2)</sup>	Relamp Reserve <sup>(3)</sup>	Net Savings	Cumulative Net Savings
1	394,075	(54,488)	-	-	339,587	339,587
2	468,331	(64,118)	(444,855)	-	(40,643)	298,943
3	487,197	(66,042)	(444,855)	-	(23,701)	275,243
4	506,822	(68,023)	(444,855)	-	(6,057)	269,186
5	527,236	(70,064)	(444,855)	-	12,316	281,502
6	548,471	(72,166)	(444,855)	-	31,449	312,951
7	570,559	(74,331)	(444,855)	-	51,373	364,324
8	593,536	(76,561)	(444,855)	-	72,120	436,444
9	617,436	(78,858)	(444,855)	(145,415)	(51,692)	384,751
10	642,297	(81,223)	(444,855)	(145,415)	(29,197)	355,555
11	668,157	(83,660)	(444,855)	(145,415)	(5,773)	349,781
12	695,057	(86,170)	(444,855)	(145,415)	18,617	368,398
13	723,038	(88,755)	(444,855)	(145,415)	44,013	412,411
14	752,144	(91,418)	(444,855)	(145,415)	70,456	482,867
15	782,420	(94,160)	(444,855)	(145,415)	97,989	580,856
16	813,912	(96,985)	(366,799)	(145,415)	204,712	785,568
17	846,669	(99,894)	-	(145,415)	601,360	1,386,928
18	880,744	#####	-	(145,415)	632,437	2,019,365
19	916,187	#####	-	-	810,209	2,829,574
20	953,054	#####	-	-	843,897	3,673,471
	13,387,341	#####	(6,594,775)	(1,454,152)	3,673,471	

<sup>(1)</sup> Financing, net of incentives

<sup>(2)</sup> Financing includes proposed contribution for aggregate debt service reserve fund - credited to final payment

<sup>(3)</sup> Includes earnings on reserves

City of Perris

SCE Rate Tariff Comparison: October 2015 vs Current

Lamp Type	17.5W LED	24.5W LED	52.5W LED	70W LED	87.5W LED	108.5W LED	140W LED	17.5W LED	35W LPS	55W LPS	90W LPS	135W LPS	180W LPS	175W MV	400W MV	100W MH	175W MH	
50W HPS																		
100W HPS																		
200W HPS																		
310W HPS																		
400W HPS																		
LED Equivalent	17.5W LED	24.5W LED	52.5W LED	70W LED	87.5W LED	108.5W LED	140W LED	17.5W LED	35W LPS	55W LPS	90W LPS	135W LPS	180W LPS	175W MV	400W MV	100W MH	175W MH	
LS1 Lamp Count:	4140	63	2879	1	1162	1	0	0	0	20	0	13	0	0	0	0	0	
<b>October 2015 Rate Tariffs</b>																		
LS1 Facility	8.87	8.81	8.81	9.41	9.75	9.61	9.80	9.68	11.39	11.39	11.92	11.80	12.46	8.81	9.75	9.59	10.00	
LS2 Energy	1.60	2.40	3.24	5.14	6.80	8.65	10.59	13.41	1.74	2.32	3.62	5.03	6.33	5.97	13.11	3.57	5.95	
LS2 Facility	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	2.47	
LS2 LED Energy	0.48	0.76	1.04	1.59	2.14	2.70	3.39	4.36	0.48	1.04	1.59	2.14	2.70	2.14	4.36	1.04	2.14	
Difference	7.52	7.87	8.54	10.59	11.94	13.10	14.53	16.27	10.18	10.21	11.48	12.77	13.53	10.17	16.03	9.65	11.33	
<b>June 2016 Rate Tariffs</b>																		
LS1 Facility	8.38	8.39	8.39	8.77	9.09	9.14	9.14	9.08	10.22	10.22	10.78	10.87	10.89	8.39	9.10	9.47	9.43	
LS1 Energy	1.58	2.26	3.18	5.25	6.70	8.52	10.42	13.20	1.71	2.29	3.57	4.95	6.23	5.88	12.90	3.51	5.85	
LS2 Facility	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	2.29	
LS2 LED Energy	0.48	0.61	0.88	1.43	1.84	2.38	2.93	3.74	0.48	0.88	1.43	1.43	2.38	1.84	3.74	0.88	1.84	
Difference	7.19	7.75	8.40	10.30	11.66	12.99	14.35	16.25	9.17	9.33	10.63	12.10	12.45	10.14	15.97	9.81	11.15	
<b>Change in savings on a Per Lamp Per Pole Basis</b>																		
difference	(0.33)	(0.13)	(0.14)	(0.28)	(0.28)	(0.11)	(0.18)	(0.02)	(1.01)	(0.87)	(0.86)	(0.67)	(1.07)	(0.03)	(0.06)	0.16	(0.18)	

Streetlight Savings per Lamp per Year																		
50W HPS	8.38	8.39	8.39	8.77	9.09	9.14	9.14	9.08	10.22	10.22	10.78	10.87	10.89	8.39	9.10	9.47	9.43	
LS1 Tariff	8.38	8.39	8.39	8.77	9.09	9.14	9.14	9.08	10.22	10.22	10.78	10.87	10.89	8.39	9.10	9.47	9.43	
LS2 Tariff	0.48	0.61	0.88	1.43	1.84	2.38	2.93	3.74	0.48	0.88	1.43	1.43	2.38	1.84	3.74	0.88	1.84	
Difference	7.90	7.78	7.51	7.34	7.25	6.76	6.21	5.34	9.34	9.34	9.34	9.44	9.44	9.34	9.34	9.34	9.34	
Savings	\$94.84	\$93.33	\$90.07	\$88.09	\$87.03	\$81.10	-	-	-\$112.03	-	-	-\$113.29	-	-	-	-	-	