

*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, January 13, 2015**

**6:00 P.M.**

**City Council Chambers  
(corner of San Jacinto and Perris Boulevard)  
101 North "D" Street  
Perris, California**

**1. CALL TO ORDER:** 6:00 p.m.

**2. ROLL CALL:**

Burke, Rabb, Rodriguez, Rogers, Busch

**3. INVOCATION:**

Pastor Benjamin Briggs  
Greater Light Community Church  
3060 Barrett Avenue  
Perris, CA 92571

**4. PLEDGE OF ALLEGIANCE:**

Councilwoman Burke will lead the Pledge of Allegiance.

**5. 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. Announcement of Recruitment for the Youth Advisory Committee.**

**B. Police Chief Michael Judge will introduce Chief Deputy Shelley Kennedy-Smith.**

**6. APPROVAL OF MINUTES:**

- A. Approval of the Minutes of the Joint Regular Meeting of the City Council, Successor Agency to the Redevelopment Agency, Perris Public Finance Authority, Perris Public Utility Authority, Housing Authority, Perris Joint Powers Authority and Perris Community Economic Development Corporation of the City of Perris held December 9, 2014.

**7. 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. Approve one year Contract Extension Agreement with Landscape Dynamics for Special District Consulting Services.
- B. Adopt Resolution Number (next in order) regarding the submittal of an application for Housing-Related Parks Program Funding.

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, AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE HOUSING-RELATED PARKS PROGRAM; AND IF SELECTED, THE EXECUTION OF A STANDARD AGREEMENT, ANY AMENDMENTS THERETO, AND OF ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE HOME HOUSING-RELATED PARKS PROGRAM

- C. Adopt Resolution Number (next in order) regarding Biennial Review of Conflict of Interest Code.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ADOPTING A CONFLICT OF INTEREST CODE

- D. Approve Award of Contract to Community Works Design Group for Design Services on the Perris Valley Storm Channel Trail project.

- E. Receive and file the City of Perris Community Facilities District Annual Report for the Fiscal Year ended June 30, 2014.
- F. Adopt Resolution Number (next in order) regarding Compliance with Developer Fee reporting requirements of Section 66006 (AB 1600) of the Government Code.

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, TO REAFFIRM THE NECESSITY OF DEVELOPER FEES

**8. 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 Number (next in order) regarding Annexation of Parcel into CFD 1-S (South Perris Public Services District) - Annexation No. 4 (Perris Pawn). (Applicant: Rogers Family Trust (Patrick T. Rogers, Trustee)).

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, CALLING A SPECIAL ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS WITHIN PROPOSED ANNEXATION NO. 4 THE QUESTION OF ANNEXING SUCH TERRITORY AND LEVYING OF A SPECIAL TAX WITHIN THE AREA OF PROPOSED ANNEXATION NO. 4

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO ANNEXATION NO. 4 AND ORDERING THE ANNEXATION OF

**SUCH TERRITORY, THE LEVYING OF A SPECIAL TAX WITHIN THE AREA OF ANNEXATION NO. 4 AND DIRECTING THE RECORDING OF A NOTICE OF SPECIAL TAX LIEN**

Introduced by: Eric Dunn, City Attorney

**PUBLIC COMMENT:**

- B. Consideration to adopt Resolution Number (next in order) regarding Annexation of CUP 13-02-0014 to the City's Maintenance Districts, located on the southeast corner of 4th Street and Wilkerson Avenue. A 7-Eleven is being constructed on the property by Beldu Partners LLC.

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, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF CUP 13-02-0014 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2014-2015**

**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 CUP 13-02-0014 TO BENEFIT ZONE 106, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2014-2015**

Introduced by: Habib Motlagh, City Engineer

**PUBLIC COMMENT:**

- C. Consideration to adopt Resolution Numbers (next in order) and introduce the First Reading of Ordinance Number (next in order) regarding proposed CFD No. 2014-1 (Avelina). Property is bordered by Orange Avenue on the north and Evans Road on the east. Property includes Tract Nos. 30850, 30850-1, 30850-2, 30850-3, and 30850-4. (Owner/Developer: Centex Homes).

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

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS APPROVING AND AUTHORIZING EXECUTION OF A FUNDING AGREEMENT AND A JOINT COMMUNITY FACILITIES AGREEMENT IN CONNECTION WITH THE FORMATION OF COMMUNITY FACILITIES DISTRICT 2014-1 (AVELINA) OF THE CITY OF PERRIS; AND MAKING FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS COMPRISING OF IMPROVEMENT AREA NO. 1, IMPROVEMENT AREA NO. 2 AND IMPROVEMENT AREA NO. 3 THEREOF, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN EACH SUCH IMPROVEMENT AREA OF COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, ESTABLISHING AN APPROPRIATIONS LIMIT, AND TAKING CERTAIN OTHER ACTIONS RELATING TO SAID DISTRICT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$5,000,000 WITHIN IMPROVEMENT AREA NO. 1, \$5,000,000 WITHIN IMPROVEMENT AREA NO. 2, AND \$5,000,000 WITHIN IMPROVEMENT AREA NO. 3 OF SAID DISTRICT; AND CALLING A SPECIAL ELECTION WITHIN EACH SUCH IMPROVEMENT AREA

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO THE LEVY OF SPECIAL TAXES WITHIN SAID DISTRICT, THE ISSUANCE OF BONDED INDEBTEDNESS AND THE ESTABLISHMENT OF AN APPROPRIATIONS LIMIT

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

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS  
ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF  
COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA)  
OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A  
SPECIAL TAX WITHIN IMPROVEMENT AREA NO. 1,  
IMPROVEMENT AREA NO. 2, AND IMPROVEMENT AREA  
NO. 3 OF SAID DISTRICT

Introduced by: Eric Dunn, City Attorney

PUBLIC COMMENT:

- D. Consideration to adopt Resolution Numbers (next in order) regarding proposed CFD No. 2014-2 (Perris Valley Spectrum), formation of CFD NO. 2014-2 and determining the necessity to issue bonded indebtedness to refinance the district. CFD No. 91-1 is located at the northwest corner of Perris Boulevard and Orange Avenue.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$4,000,000 WITHIN SAID DISTRICT; AND CALLING A SPECIAL ELECTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, ESTABLISHING AN APPROPRIATIONS LIMIT, AND TAXING CERTAIN OTHER ACTIONS RELATING TO SAID DISTRICT

Introduced by: Eric Dunn, City Attorney

PUBLIC COMMENT:

**9. 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. Consideration to the closure of Rider Street between Perris Boulevard and Perris Valley Channel.

Introduced by: Habib Motlagh, City Engineer

PUBLIC COMMENT:

- B. Consideration to change the start time of future City Council Meetings from 6:00 P.M. to 7:00 P.M.

Introduced by: Richard Belmudez, City Manager

PUBLIC COMMENT:

- C. Consideration to make appointments and changes to the Mayor Pro Tem, the various agencies and committees and City Commissions that represent the City.

Introduced by: Mayor Daryl Busch

PUBLIC COMMENT:

**10. 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.*

**11. 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.*

**12. CITY MANAGER'S REPORT:**

**13. CLOSED SESSION:**

- A. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(4) - 1 case

**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: January 13, 2015  
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 December 9, 2014 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority and the Perris Community Economic Development Corporation

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

**Attachments:**

- Minutes of the Regular Joint Meeting held on December 9, 2014 of the City Council, Successor Agency to the Redevelopment Agency, Perris Public Finance Authority, Perris Public Utilities Authority, Housing Authority, Perris Joint Powers Authority and the Perris Community Economic Development Corporation

## ***CITY OF PERRIS***

### MINUTES:

Date of Meeting: December 9, 2014

06:00 PM

Place of Meeting: City Council Chambers

1. CALL TO ORDER: 6:00 p.m.

**Mayor Busch called the Regular City Council meeting to order at 6:02 p.m.**

2. ROLL CALL: Landers, Rodriguez, Rogers, Yarbrough, Busch

**Councilman Landers was absent.**

Staff Members Present: City Manager Belmudez, City Attorney Dunn, City Engineer Motlagh, Assistant City Manager Carr, Deputy City Manager Madkin, Police Captain Judge, Director of Development Services Miramontes, Capital Improvement Project Manager Morales, Information Technology Manager Cervantes, Administrative Services Manager Carlos, Assistant Director of Community Services and Housing Chavez, Assistant Finance Director Erwin, Assistant Director of Public Works Hartwill, Public Information Officer Vargo and City Clerk Salazar.

3. INVOCATION: Rev. C. Mark Ealy First Baptist Church of Perris 311 E. 5th Street Perris, CA 92570

**The Invocation was given by Rev. C. Mark Ealy**

4. PLEDGE OF ALLEGIANCE: Councilman Landers will lead the Pledge of Allegiance.

**In the absence of Councilman Landers, Councilman Yarbrough led the Pledge of Allegiance.**

5. PRESENTATIONS/ANNOUNCEMENTS:

**There were no Presentations.**

6. APPROVAL OF MINUTES:

- A. Approved the Minutes of the Special Joint Regular Meeting of the City Council, Successor Agency to the Redevelopment Agency, Perris Public Finance Authority, Perris Public Utility Authority, Housing Authority, Perris Joint Powers Authority and Perris Community Economic Development Corporation of the City of Perris held November 24, 2014.

The Mayor called for a motion.

M/S/C: Moved by Mark Yarbrough, seconded by Julio Rodriguez to Approve the Minutes as presented.

AYES: Julio Rodriguez, Rita Rogers, Mark Yarbrough, Daryl Busch

NOES:

ABSENT: Al Landers

ABSTAIN:

7. CONSENT CALENDAR:

- A. Continued the following item to the January 13, 2015 City Council Agenda: Annexation of CUP 13-02-0014 to the City's Maintenance Districts and adoption of 2 Resolutions Ordering the Annexation of CUP 13-02-0014 to the City's Maintenance Districts, giving final approval to the Engineer's Reports and the Levying of the 2014-2015 Assessments.
- B. Continued the following item to the January 13, 2015 City Council Agenda: Proposed CFD No. 2014-1 (Avelina) and adoption of Resolution for the Formation of Community Facilities District No. 2014-1 (Avelina) of the City of Perris; Resolution determining the Necessity of Issuing Bonds and calling a Special Election; Resolution declaring the results of the Special Election; Resolution approving a Joint Community Facilities Agreement and a Funding Agreement; Introducing for First Reading of Ordinance Levying the Special Tax.

The Mayor called for a motion.

M/S/C: Moved by Mark Yarbrough, seconded by Julio Rodriguez to Approve the Consent Calendar as presented.

AYES: Julio Rodriguez, Rita Rogers, Mark Yarbrough, Daryl Busch

NOES:

ABSENT: Al Landers

ABSTAIN:

8. PUBLIC HEARINGS:

**There were no Public Hearing items.**

9. BUSINESS ITEMS:

A. DECLARATION OF ELECTION RESULTS

Adopted Resolution Number 4789 entitled:  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS,  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECITING THE  
FACTS OF THE CONSOLIDATED GENERAL ELECTION (GENERAL  
MUNICIPAL ELECTION) HELD IN SAID CITY ON NOVEMBER 4,  
2014, DECLARING THE RESULTS THEREOF AND SUCH OTHER  
MATTERS AS PROVIDED BY LAW

The Mayor called for a motion.

M/S/C: Moved by Mark Yarbrough, seconded by Julio Rodriguez to Approve  
Resolution Number 4789 as presented.

AYES: Julio Rodriguez, Rita Rogers, Mark Yarbrough, Daryl Busch

NOES:

ABSENT: Al Landers

ABSTAIN:

B. OATHS OF OFFICE:

Brianna Richardson administered the Oath of Office and delivered the  
Certificate of Election to Tonya Burke who assumed office as a Member of  
the City Council; DuBron Rabb administered the Oath of Office and  
delivered the Certificate of Election to David Starr Rabb who assumed  
office as a Member of the City Council; Cesar Salazar administered the Oath  
of Office and delivered the Certificate of Election to Nancy Salazar who  
assumed the office of City Clerk.

**The following Councilmembers spoke:**

**Burke**

**Rabb**

**Rogers**

**Rodriguez**

**Busch**

10. PUBLIC COMMENT/CITIZEN PARTICIPATION:

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

**Cesar Santillana**

**Lisa Castilone**

**Mary Lopez**

**Ana Magana**

**Joe Dapice**

**Lovella Singer**

**Arlene Jackson**

**Maria Valeriano**

**Kelly Kaus**

**Saul Martinez**  
**Albert Guzman**  
**Dr. Sylvia Johnson**  
**Julie Vargas**  
**Matthew Johnson**  
**One person did not identify themselves**

11. COUNCIL COMMUNICATIONS:

**The following Councilmembers spoke:**

**Rabb**  
**Rogers**  
**Burke**  
**Rodriguez**  
**Busch**

12. CITY MANAGER'S REPORT:

13. CLOSED SESSION:

14. ADJOURNMENT:

**There being no further business Mayor Busch adjourned the City Council meeting at 7:26 p.m.**

**Respectfully Submitted,**

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**Nancy Salazar, City Clerk**

**CITY OF PERRIS**  
**CITY COUNCIL**  
**AGENDA SUBMITTAL**

**MEETING DATE: January 13, 2015**

**SUBJECT:** One year contract extension, plus option for two additional 1 year periods, for special district consulting services

**REQUESTED ACTION:** Approve the contract services extension agreement with Landscape Dynamics, and authorize the City Manager to sign the Contract, subject to non-substantive changes from the City Attorney's Office

**CONTACT:** Michael Morales, Capital Improvements Project Manager

**BACKGROUND/DISCUSSION:**

Prior to April, 2012 the Special Districts Division was staffed by one full time Special Districts Coordinator working 36 hours per week Monday through Thursday, with occasional hours provided for overtime. Afterwards the position became vacant, and on October 9, 2012, after a bid solicitation process, the City Council awarded a one-year Contract Services Agreement to Landscape Dynamics for Special District Consulting Services. Responsibilities of the Consulting firm included handling the day-to-day inspections and monitoring tasks necessary to monitor maintenance contractors and complete the necessary repairs within Landscape Maintenance District #1 (94 Benefit Zones). Additional limited tasks include landscape design services, and limited construction observation services. City Staff are recommending that the Special District Coordinator position remain vacant, and that staffing hours for this position be contracted to a professional landscape consulting firm, ranging from 57 to 63 hours weekly.

Selection of Consultant

In accordance with the provisions of the City of Perris Municipal Code found in Section 3.32.350 Exemptions—supplies equipment, and contractual services: bid procedures set forth in the purchasing code need not be followed in a situation where the commodity or service is proprietary, or for the contracting of professional services (e.g. attorneys, architects, or engineers). However, the City solicited proposals from qualified firms, and Landscape Dynamics was selected in 2012 for the consulting services.

Landscape Dynamics has continued to demonstrate their effectiveness with maintenance monitoring services; maintained high customer service standards with both the City and developers seeking to build in Perris; and have demonstrated their technical expertise, through their attention to detail, troubleshooting abilities, and proactive approach to problem solving.

Given the demonstrated expertise of Landscape Dynamics, City staff is recommending that the City Council extend the one year Agreement to Landscape Dynamics, with an option for two additional one year periods, for the Special District Consulting Services.

In addition to the scope of services established in previous Contracts, the scope would expand to include project specific construction management services, including neighborhood beautification projects, and office/administrative construction services for the City's Flood Control Maintenance District I (FCD #1). The changes amount to a change in position titles from Administrative Assistant I to Administrative Assistant II, and from Field Technician Inspector to Senior Field Inspector. Additional services include as needed landscape architectural services, and as needed quality control landscape maintenance monitoring inspection services.

If the contract is awarded by the City Council, Staff will review the required insurance certificates and insurance endorsements, and will request that the City Attorney review and approve the landscape services contract. Therefore, staff is recommending that the City Council authorize the City Manager to extend the Contract between the City of Perris and Landscape Dynamics subject to non-substantive changes from the City Attorney's Office, in the amount of \$130,445.40.

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**BUDGET (or FISCAL) IMPACT:**

The contract amount for Landscape Dynamics would be \$130,445.40. This is covered by the City's adopted 2014-15 Special Districts' budgets.

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**Reviewed by:**

City Attorney:           Pending          

Assistant City Manager:           *AL*          

Attachment(s): Agreement Landscape Dynamics

Consent:       X  
Public Hearing:  
Business Item:  
Other:

**CITY OF PERRIS  
CONTRACT SERVICES AGREEMENT FOR  
SPECIAL DISTRICTS INSPECTION SERVICES**

THIS CONTRACT SERVICES AGREEMENT (herein "Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_, 2015, by and between the CITY OF PERRIS, a municipal corporation, (herein "City") and LANDSCAPE DYNAMICS, (herein "Contractor").

NOW, THEREFORE, the parties hereto agree as follows:

**1.0 SERVICES OF CONTRACTOR**

**1.1 Scope of Services.**

In compliance with all of the terms and conditions of this Agreement, the Contractor shall perform the work or services set forth in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by reference. Contractor warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

**1.2 Compliance With Law.**

All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency of competent jurisdiction.

**1.3 Licenses, Permits, Fees and Assessments.**

Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

**1.4 Additional Services**

City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum, (ii) Phase Contract Sum, and/or (iii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000; whichever is less, or in the time to perform of up to one hundred eighty (180) days may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time



consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefore.

### 1.5 Preparation of Designs.

Contractor has been hired to perform the services described in this Agreement, which include the creation of one or more designs, drawings, or plans ("Designs"). Within the scope of the services under this Agreement, Contractor is developing an estimate for the construction phase of the Project shown or described in the Designs ("Construction Budget"). Contractor shall be responsible to do Project estimating to create Designs which will enable the Project to be constructed within an amount which shall not exceed the Construction Budget by more than ten percent (10%). Should City solicit bids for construction of the Project, as such Project has been designed by Contractor, and the lowest responsible bid exceeds the Construction Budget by more than ten percent (10%), Contractor agrees to revise the previous Designs, or to create new Designs, at no additional cost to City, so that a new price can be negotiated or the Project can be re-bid so that the Project does not exceed the Construction Budget by more than ten percent (10%). Notwithstanding the foregoing, Contractor is not responsible for changes in the Project scope initiated by City and all such changes shall include appropriate mutually agreed changes to the Construction Budget. Contractor is also not responsible for increased cost of materials, labor, transportation, taxes or other costs associated with material shortages, strikes, wars, natural disasters or any other act not directly under the control of the Contractor, and all such changes shall include appropriate mutually agreed changes to the Construction Budget.

## 2.0 COMPENSATION

### 2.1 Contract Sum.

For the services rendered pursuant to this Agreement, Contractor shall be compensated in accordance with the "Schedule of Compensation" attached hereto as Exhibit "B" and incorporated herein by this reference, but not exceeding the maximum contract amount of One Hundred Thirty Thousand four hundred forty-five and 40/100 (\$130,445.40) ("Contract Sum"), except as provided in Section 1.4. The method of compensation shall include: (i) payment for time and materials based upon the Contractor's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum.

### 2.2 Method of Payment.

Contractor shall submit to the City, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.3, and in accordance with the "Schedule of Compensation," Exhibit "B", and upon receipt and approval of the invoice by the City, City shall pay Contractor within a reasonably prompt manner consistent with City's normal procedures for payable accounts, but not to exceed thirty (30) days from the date that the invoice is received by City.

### 3.0 TERM

#### 3.1 Term.

Unless earlier terminated in accordance with Section 7.8 of this Agreement, this Agreement shall continue in full force and effect until completion of the services but not exceeding twelve months from the date hereof.

#### 3.2 Contract Renewals

The one (1) year contract period may be renewed annually for up to a maximum of two (2) additional one year periods under the terms and conditions of the original contract, upon execution of an Amendment to the Contract by both Parties. Should the City elect to exercise the option to extend this agreement for an additional one (1) year period, the Parties shall negotiate pricing for such period prior to commencement of the additional one year period. Negotiated price increase during the additional one (1) year period shall not exceed the percentage change in the United States Bureau of Labor Statistics Consumer Price Index "All Urban Consumers for Los Angeles, Riverside and Orange County, CA" (CPI) for the most recent twelve months for which statistics are available. This method of price negotiation shall apply to each extension period exercised.

### 4.0 COORDINATION OF WORK

#### 4.1 Representative of Contractor.

The following principals of Contractor are hereby designated as being the principals and representatives of Contractor authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

Greg Zoll, Principal-in-Charge

It is expressly understood that the experience, knowledge, capability and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the foregoing principals may not be replaced nor may their responsibilities be substantially reduced by Contractor without the express written approval of City.

#### 4.2 Contract Officer.

Michael A. Morales, or his designee, is hereby designated as being the representative of City authorized to act on its behalf with respect to the work and services specified herein and to make all decisions in connection therewith ("Contract Officer"). The City Manager of City shall have the right to designate another Contract Officer by providing written notice to Contractor.

4.3 Prohibition Against Subcontracting or Assignment.

Contractor shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the City. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City. Any such prohibited assignment or transfer shall be void.

4.4 Independent Contractor.

Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its agents or employees, perform the services required herein, except as otherwise set forth. Contractor shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City.

**5.0 INSURANCE, INDEMNIFICATION AND BONDS**

5.1. Insurance.

The Contractor shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance written on a per occurrence basis with a combined single limit of at least \$2,000,000 bodily injury and property damage including coverages for contractual liability, personal injury, independent contractors, broad form property damage, products and completed operations. The Commercial General Liability Policy shall name the City, Riverside County, and their officers, employees and agents as additional insureds in accordance with standard ISO additional insured endorsement form CG2010(1185) or equivalent language. The Commercial General Liability Insurance shall name the City and its officers, employees and agents as additional insureds.

(b) Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California and which will include \$1,000,000 employer's liability.

(c) Business Automobile Insurance. A policy of business automobile liability insurance written on a per occurrence basis with a single limit liability in the amount of \$1,000,000 bodily injury and property damage. Said policy shall include coverage for owned, non-owned, leased and hired cars.

(d) Professional Liability. Professional liability insurance in a minimal amount of \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 in the aggregate.

All of the above policies of insurance shall be primary insurance. The insurer shall waive all rights of subrogation and contribution it may have against the City and its officers, employees and agents, and their respective insurers. In the event any of said policies of insurance are canceled, the Contractor shall, prior to the cancellation date, submit new evidence of insurance in conformance with this Section 5.1 to the Contract Officer. No work or services under this Agreement shall commence until the Contractor has provided the City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by the City.

Contractor agrees that the provisions of this Section 5.1 shall not be construed as limiting in any way the extent to which the Contractor may be held responsible for the payment of damages to any persons or property resulting from the Contractor's activities or the activities of any person or person for which the Contractor is otherwise responsible.

In the event the Contractor subcontracts any portion of the work in compliance with Section 4.3 of this Agreement, the contract between the Contractor and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Contractor is required to maintain pursuant to this Section.

## 5.2. Indemnification.

(a) To the fullest extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend, protect, indemnify, and hold harmless the City its elected and appointed officials and members, officers, attorneys, agents, representatives, Contractors, employees, directors, shareholders, successors, and assigns (individually as "Indemnitee" and collectively, "Indemnities") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, expert witnesses, Contractors, or other professionals and all costs associated therewith (collectively, "Claims"), to the extent arising or claimed to arise out of, in connection with, resulting from, or related to any negligent act, error, omission or failure to act of Contractor or any of its subcontractors and their respective officers, agents, servants, employees, subcontractors, materialmen, suppliers or Contractor's failure to perform or negligent performance of any term, provision, covenant or condition of the Agreement or the Scope of Services, including this indemnity provision. This indemnity also applies to any Claims of any type or nature asserted on behalf of any of Contractor's subcontractors. This indemnity provision shall survive the termination of the Agreement and is in addition to any other rights or remedies which Indemnities may have under the law. Payment is not required as a condition precedent to an Indemnitee's right to recover under this indemnity provision. An Indemnitee shall have the right to select the attorneys to represent it in the event of a Claim and at Contractor's expense. Contractor shall pay Indemnities for any attorneys' fees, consultant and expert witness fees and costs incurred in enforcing this indemnification provision. This indemnity is effective without reference to the existence or applicability of any insurance coverages which may have been required under the Agreement or any additional insured endorsements, which may extend to Indemnities.

(b) Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against any Indemnitee with

respect to those Claims as to which such Indemnitee is indemnified under Section 5.2(a) above, except for such Claims which are the result of such Indemnitee's willful misconduct.

(c) In the event the City its officers, agents or employees are made a party to any action or proceeding filed or prosecuted against Contractor for such damages or other claims arising out of or in connection with the negligent performance of or failure to perform the work, operations or activities of Contractor hereunder, Contractor agrees to pay to the City its officers, agents or employees, any and all costs and expenses incurred by the City its officers, agents or employees in such action or proceeding, including but not limited to, legal costs and attorneys' fees.

### 5.3 Sufficiency of Insurer or Surety.

Insurance or bonds required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the City's Risk Manager or designee of the City due to unique circumstances. In the event the City's Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies required by this Section 5 may be changed accordingly upon receipt of written notice from the City's Risk Manager or designee; provided that the Contractor shall have the right to appeal a determination of increased coverage by the City's Risk Manager to the City Council within ten (10) days of receipt of notice from the City's Risk Manager.

## 6.0 **REPORTS AND RECORDS**

### 6.1. Reports.

Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement or as the Contract Officer shall require. Contractor hereby acknowledges that the City is greatly concerned about the cost of work and services to be performed pursuant to this Agreement. For this reason, Contractor agrees that if Contractor becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services contemplated herein; or if Contractor is providing design services and becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the project being designed, Contractor shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Contractor is providing design services, the estimated increased or decreased cost estimate for the project being designed.

### 6.2. Records Retention Clause Examination and Audit.

Contractor shall maintain and keep books and records on a current basis, recording all transactions pertaining to this Agreement in a form in accordance with generally acceptable accounting principals. Said books and records shall be made available to the City, the State Auditor of California, and any authorized representatives thereof for purposes of auditing at all

reasonable times and places. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records, and supporting detail shall be retained for a period of at least five (5) years after the final payment is received by the Contractor.

### 6.3. Ownership of Documents.

All drawings, specifications, reports, records, documents and other materials prepared by Contractor, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Any use of such completed documents for other projects and/or use of uncompleted documents without specific written authorization by the Contractor will be at the City's sole risk and without liability to Contractor, and the City shall indemnify the Contractor for all damages resulting therefrom. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

### 6.4. Confidentiality; Work Product.

(a) Contractor in the course of its duties may have access to confidential data of City or its employees. Contractor agrees that all data, documents, discussion, or other information developed or received by Contractor or provided for performance of this Agreement and any communications between Contractor or the City or its respective representatives and contractors are deemed confidential and privileged attorney work product. All City data shall be returned to the City upon the termination of this Agreement. Contractor's covenant under this Section shall survive the termination of this Agreement.

(b) Contractor will not disclose any report, materials or other information generated or gathered during the course of its performance of its duties under this Agreement or any of its findings, or any information which it obtains or of which it becomes aware in the course of this project, to any third parties or any governmental agency or entity without the City's prior express, written approval. If Contractor believes that it is required by law to disclose any such information, it shall not do so until it has first advised the City of the necessity to make such disclosure and given the City a full opportunity to determine whether such disclosure is required by law. The City shall grant such authorization if it determines that the law requires disclosure.

(c) Nothing contained in this Section 6 shall preclude either party from disclosing information or data: (A) which are generally available to the public without the receiving party's fault at any time before or after acquisition from the transmitting party; or (B) which are obtained or acquired in good faith at any time by the receiving party from a third party who has disclosed the same in good faith and is not under any obligation to the transmitting party

in respect thereof; or (C) where a written release is obtained by the receiving party from the transmitting party.

## **7.0 ENFORCEMENT OF AGREEMENT**

### **7.1. California Law.**

This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

### **7.2. Disputes.**

In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefor. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the injured party; provided that if the default is an immediate danger to the health, safety and general welfare, such immediate action may be necessary. Compliance with the provisions of this Section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's or the Contractor's right to terminate this Agreement without cause pursuant to Section 7.8.

### **7.3. Retention of Funds.**

Contractor hereby authorizes City to deduct from any amount payable to Contractor (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Contractor's acts or omissions in performing or failing to perform Contractor's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Contractor, or any indebtedness shall exist which shall appear to be the basis for a claim of lien, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Contractor to insure, indemnify, and protect the City and Riverside County, as provided elsewhere herein.

### **7.4. Waiver.**

No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall

not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

**7.5. Rights and Remedies are Cumulative.**

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

**7.6. Legal Action.**

In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

**7.7. Termination Prior to Expiration Of Term.**

This Section shall govern any termination of this Agreement except as specifically provided in the following Section for termination for cause. The City reserves the right to terminate this Agreement at any time, with or without cause, upon sixty (60) business days' written notice to Contractor, except that where termination is due to the fault of the Contractor, the period of notice may be such shorter time as may be determined by the Contract Officer. In addition, the Contractor reserves the right to terminate this Agreement at any time upon, with or without cause, upon ninety (90) days' written notice to City, except that where termination is due to the fault of the City, the period of notice may be such shorter time as the Contractor may determine. Upon receipt of any notice of termination, Contractor shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Except where the Contractor has initiated termination, the Contractor shall be entitled to compensation for all services rendered prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 7.3. In the event the Contractor has initiated termination, the Contractor shall be entitled to compensation only for the reasonable value of the work product actually produced hereunder. In the event of termination without cause pursuant to this Section, the terminating party need not provide the non-terminating party with the opportunity to cure pursuant to Section 7.2.

**7.8. Termination for Default of Contractor.**

If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such



damages), and City may withhold any payments to the Contractor for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

#### **7.9 Attorneys' Fees.**

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

### **8.0 CITY OFFICERS, EMPLOYEES, AND U.S. MEMBERS OF CONGRESS**

#### **8.1 Non-liability of City Officers and Employees**

No officer or employee of the City shall be personally liable to the Contractor, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

#### **8.2 Warranty and Representation of Non-Collusion.**

No official, officer, or employee of the City shall have any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the City participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. Contractor warrants and represents that (s)he/it has not paid or given, and will not pay or give, to any third party including, but not limited to, any City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Contractor further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result or consequence of obtaining or being awarded any Agreement. Contractor is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

### 8.3 Federal Employee Benefit Clause

No member of or delegate to the Congress of the United States, and no resident commissioner shall be admitted to any share or part of this Agreement or to any benefit to arise from the same.

## 9.0 NON-DISCRIMINATION AND EQUAL OPPORTUNITY

### 9.1 Covenants Against Discrimination

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

#### Statement of Equal Opportunity Clause

- (a) Contractor will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin. Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, ancestry or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in a conspicuous place, available to employees and applicants for employment, notices to be provided by Riverside County EDA setting forth the provisions of this non-discriminating clause.
- (b) Contractor will ensure that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, marital status, ancestry, sex or national origin.

## 10.0 MISCELLANEOUS PROVISIONS

### 10.1 Notices.

Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer c/o Michael A. Morales, Capital Improvements Project Manager, City of Perris, Public Works Department, Engineering

Administration Division, 101 North D Street, Perris, CA 92570, and in the case of the Contractor, to the person at the address designated on the execution page of this Agreement.

#### **10.2 Handicap Accessibility Certification.**

Contractor certifies that with respect to the public facilities or parts thereof that are altered by the Designs prepared pursuant to this Agreement, that the altered portions of the facilities shall be readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, and shall meet the laws established by the Americans With Disabilities Act of 1990, Public Law 101-336, and applicable portions of Title 24 of the California Code of Regulations (Access Code).

#### **10.3 Interpretation.**

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

#### **10.4 Integration; Amendment.**

It is understood that there are no oral agreements between the parties hereto affecting this Agreement and that this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing.

#### **10.5 Severability.**

In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

#### **10.6 Corporate Authority.**

The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

[END – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

CITY:  
CITY OF PERRIS,  
a municipal corporation

\_\_\_\_\_  
Richard Belmudez, City Manager

ATTEST:

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

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

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

CONTRACTOR:  
LANDSCAPE DYNAMICS,

By: \_\_\_\_\_  
Name: Greg Zoll,  
Title: Principal

Address: 3359 Locust Street  
Riverside, CA 92501

[End of Signatures]

## **EXHIBIT "A"**

### **SCOPE OF SERVICES**

Contractor shall perform Landscape Architectural, Construction Management, and Special District Inspection Services in accordance with the Agreement and the following terms and conditions:

#### **A. General**

- A.1** Contractor shall provide one Senior Landscape Consultant, Project Manager, Assistant Field Technician Inspector, and Administrative Assistant II to carry out the requirements of the Agreement.
- A.2** Contractor, at no cost to the City, shall attend all meetings described below at the discretion of the Contract Officer, but not to exceed 1 hour per week. All reports and documentation shall be subject to the review and approval of the Contract Officer. All employees provided by the Contractor are expected to conduct themselves in a professional and courteous manner at all times, particularly during interactions with the public, and Contractor agrees that it shall immediately replace any employee violating this requirement as determined by the sole discretion of the Contract Officer.
- A.3** Contractor, at no cost to the City, shall be responsible for coordinating with the City's Capital Improvements Project Manager to determine staffing needs including administrative services, construction and project management, landscape architectural design.
- A.4** Contractor, at no cost to the City, shall be responsible for training needs of Senior Field Inspector, Administrative Assistant II, Assistant Field Technician Inspector.
- A.5** Contractor, at no cost to the City, shall coordinate the supervision of all staff with the City's Capital Improvements project Manager and respond to all necessary and appropriate personnel matters. Sub- tasks may include:
- Monitor the productivity of all staff
  - Keep an ongoing and open line of communication with all staff to address concerns including areas of deficiencies, technical inabilities, and customer service attitudes
- A.6** Contractor, at no cost to the City, shall attend meetings, prepare notes and decision tracking lists for discussions relating to Special District Inspection Activities, as determined by the City's Capital Improvements Project Manager. Sub-tasks shall include:
- Attend Special District staff meetings, as necessary
  - Conduct regular meetings with staff to discuss ongoing concerns

**B. Senior Landscape Consultant Responsibilities**

- B.1** Senior Landscape Consultant shall prepare draft quality schematic designs, on a project-area-by-project-area basis specifying species, plant spacing, plant sizing, lighting features, paver patterns, etc. for landscape repair and new construction projects. Said projects shall be City funded projects only, having their funding source derived from either the City's approved CIP program or Special District Approved Budget.
- B.2** Senior Landscape Consultant shall prepare plans and specifications for all landscaping, irrigation, electrical, and architectural elements on a project-area-by-project-area basis. Construction documents shall consist of plans, sections, elevations, details and (Book Format) specifications. Construction documents shall also include quantities/bid schedule using industry standard unit prices. Said projects shall be City funded projects only, having their funding source derived from either the City's approved CIP program or Special District Approved Budget.

**C. Senior Field Inspector/Project Manager Responsibilities**

The Senior Field Inspector/Project Manager shall be responsible for the day-to-day inspection and enforcement of Landscape Maintenance District, Flood Control Maintenance Areas, Special District's policies and procedures, and Services Contracts as directed by the City's Capital Improvements Project Manager; the maintenance of positive public relations with the residents of Perris and Special Districts' Maintenance Contractors, and coordination with the Capital Improvements Project Manager.

The Senior Field Inspector/Project Manager shall provide limited landscape architectural consulting services including auditing playground, fencing, hardscape and landscape areas for necessary repairs; troubleshooting irrigation systems, recommending necessary upgrades to improve water efficiency or plant and tree survivability, and recommend tree, plant or other hardscape and landscape changes. The Senior Field Inspector/Project Manager shall also assist with obtaining repair and upgrades estimates and the actual construction phase necessary to implement said repairs or upgrades.

The Senior Field Inspector/Project Manager shall provide limited Construction Observation Services during the bidding and construction phase for new landscape construction projects. Said projects shall be City funded projects only, having their funding source derived from either the City's approved CIP program or Special District Approved Budget (I.e. Non-Cost Recovery Developer Funded Projects).

- C.1** The Senior Field Inspector/Project Manager shall provide office bidding services on a time and materials basis for all Landscape Plans and Bid Documents prepared by the Landscape Architect (Sub-tasks shall include: Sub-tasks shall include:
  - Provide bid assistance to the City, which shall include: Review and respond to Request For Information (RFI), participation in bid opening, bid analysis (i.e. comparison of proposed and specified materials) to determine lowest responsible bidder.

**C.2** The Senior Field Inspector/Project Manager shall provide office construction services on a time and materials basis for said construction projects. Sub-tasks shall include:

- Assist the City during the construction phase of the project. The Senior Field Inspector/Project Manager shall advise and consult with the City on all matters arising from the meaning and intent of any portion of the specifications, and of any plans or drawings where the same may be found obscure or to be in dispute. The Senior Field Inspector/Project Manager shall prepare clarification bulletins, details or drawings as necessary to respond to construction questions and field conditions.
- Based on regular field inspection, The Senior Field Inspector/Project Manager shall deliver inspection reports and photos, coordinate with City to review and approve or disapprove all construction payments and invoices including, landscaping and irrigation construction invoices submitted by the contractor to the City of Perris for payment, excluding roadway improvements related invoices and payments.
- Review and comment upon all shop drawings and submittals. The Senior Field Inspector/Project Manager shall participate in a walk-through and prepare a punch list, which will document items to be completed prior to the City's preparation of a Notice of Completion.

**C.3** The Senior Field Inspector/Project Manager shall provide field construction services on a time and materials basis for said projects. Sub-tasks shall include:

- The Senior Field Inspector/Project Manager shall visit the site at intervals (a minimum of weekly visits) appropriate to the stage of construction. Senior Field Inspector/Project Manager shall become familiar with the progress and quality of the work to determine, in general, if the construction is proceeding in accordance with the plans. On the basis of such Inspection Services, Senior Field Inspector/Project Manager shall inform the agency and document (photo and written) as to the progress and quality of the work.
- The Senior Field Inspector/Project Manager shall observe the work to determine substantial compliance with intent of the specifications, plans and drawings.

**C.4** The Senior Field Inspector/Project Manager shall provide field construction services on a time and materials basis for the purpose of acceptance of new Special District Areas. Services shall be performed at the appropriate stage of construction (I.e. pre-construction meeting, or prior to start of required one year maintenance period, end of one year maintenance period, etc.) Sub-tasks shall include:

- The Senior Field Inspector/Project Manager shall visit the site at intervals (a minimum of weekly visits) appropriate to the stage of construction. The Senior Field Inspector/Project Manager shall become familiar with the progress and quality of the work to determine, in general, if the construction is proceeding in

accordance with the plans. On the basis of such observation, the The Senior Field Inspector/Project Manager shall inform the agency and document (photo and written) as to the progress and quality of the work, which may be considered by City and Landscape Architect of Record, prior to release of any final inspection report by City.

- C.5** Perform special inspections and investigate all complaints and recommend necessary upgrades and repairs to electrical systems, irrigations systems, hardscape and planting areas.
- C.6** Provide program planning, management and oversight of the landscape maintenance quality control monitoring program. Perform, or supervise the work of subordinates performing, windshield surveys, area audits, and compliance inspections. Draft inspection reports, or review the inspection reports of subordinates, and follow-up with appropriate courses of action in response to non-compliance issues.
- C.7** Conduct themselves in a professional and courteous manner at all times.
- C.8** Coordinate and work with all City Departments, and non-city agencies/departments for the purpose of resolving EMWD non-compliance issues, seeking irrigation/wasteful waivers from EMWD water and investigate and consult on Maintenance Contract issues.
- C.9** Complete all assignments, paper work, and reports in a competent and professional manner.
- C.10** Request budget availability for various benefit zones from Capital Improvements Project Manager, estimate costs of repairs and upgrades, seek estimates to perform work, and track funds available for necessary upgrades and repairs.

**D. Administrative Assistant II Responsibilities**

The Administrative Assistant shall II be responsible for coordinating with the City's Capital Improvements Project Manager to perform a variety of routine clerical support task or a single specialized task in support of Special District Activities. Work is performed within established procedures of the Special Districts Division and the various Maintenance Agreements in which recognizable standards exist, with individual judgment limited to proper handling of, and minor changes to, accepted routine. Although the position may operate independently, the work is routine and repetitive with supervision or guidance readily available from the Capital Improvements Project Manager. The Administrative Assistant II position is distinguished from the Administrative Assistant I position in the complexity of assignments where a greater emphasis is placed on individual judgement and independent work.

- D.1** Type forms, memos and routine documents from written sources according to specific instructions using office equipment including personal computers or word processors; proofs completed work for correct spelling and format.



- D. 2** Review statistical data and compile correction notices and completed work inspection forms from Field Inspector of Project Manager. Prepare warrant requests for monthly billing, and extra maintenance work authorized for individual maintenance districts. Track costs for extra maintenance work using electronic database.
- D.3** Schedule meetings as directed by the Capital Improvements Project Manager.
- D.4** Review documents and reports, as instructed, to determine that appropriate forms are used and completely filled out
- D.5** Assist with Performance Report Review, EMWD water usage report review, and review and make recommendations to Capital Improvements Project manager for penalties to landscape maintenance Contractors based upon: a) performance report, 2) EMWD water usage, 3) site monitoring visits conducted by Field Inspectors. Also assists with resolution of water usage disputes and performance report disputes.
- D.6** Assist with budgeting and ongoing monitoring of existing or future Special District areas, including, but not limited to: read plans, determine quantities, and provide estimates of maintenance costs based on standardized cost allocations provided by the Capital Improvements Project Manager.
- D.7** Assist with, review and organize reports for Flood Control District Maintenance Contracts, including but not limited to video of pipe cleaning review, before and after cleaning photography of catch basins and hydrodynamic separators, waste delivery manifest for point source disposal, and manufactures recommended cleaning interval reporting.
- D.8** Assist with office construction services for Flood Control District Maintenance Contracts, including but not limited to logging and distributing product submittals, coordinates construction draws with field inspectors and Capital Improvement Project Manager, drafts reports of working days, schedules inspection services, attends progress meetings and works with Capital Improvement Manager, engineers and architects to resolve disputes arising from the meaning and intent of project plans and project specifications.

#### **E. Assistant Field Technician Inspector Responsibilities**

Assistant Field Technician Inspector shall be responsible for conducting the special inspections related to the landscape maintenance quality control monitoring program, as directed by the Senior Field Inspector or Capital Improvement Project Manager. Sub-tasks shall include:

- E.1** Coordinate and work with Capital Improvements Project Manager, Senior Field Inspector, interested City Departments, and third-party maintenance Contractors for the purpose of conducting regularly scheduled quality control maintenance inspections. A minimum of three (3) monitoring visits/reports per week shall be completed.

- E.2** Investigate all reported complaints, and on the basis of the findings of the investigation, Follow-up with-up the appropriate course of action. Including, scheduling an out-of-sequence quality control monitoring with the third party maintenance Contractor, issue memo of written warning detailing non-compliance issues.
- E.3** Perform windshield surveys and inspections and follow-up with appropriate courses of action in response to non-compliance issues.
- E.4** Conduct themselves in a professional and courteous manner at all times
- E.5** Complete all assignments, paper work, and reports in a competent and professional manner

**EXHIBIT "B"**

**SCHEDULE OF COMPENSATION**

Contractor shall be paid for time and materials based upon the following rates, in accordance with Section 2.1 of the Agreement, but not to exceed the following amount:

<u>Task</u>	<u>Maximum Hours</u>	<u>Maximum Hourly Fee (in \$)</u>	<u>Maximum Not To Exceed Total (in \$)</u>
Senior Landscape Consultant	300	53.24	15,972.00
Senior Field Inspector/Project Manager	1872	39.95	74,786.40
Administrative Assistant II	624	29.75	18,564.00
Assistant Field Technician Inspector	468	29.75	13,923.00
<b>TOTAL CONSULTING SERVICES FEE =</b>			<b><u>\$123,245.40</u></b>

**REIMBURSABLES**

<u>Item Description</u>	<u>Maximum Not To Exceed Total (in \$)</u>	
Mileage @ .58 cents per mile	\$7,200.00	
Blueprint and Xerox Copies at Cost		
Overnight mailing at cost		
<b>TOTAL REIMBURSABLES=</b>		<b><u>\$ 7,200.00</u></b>

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: January 13, 2015

**SUBJECT:** **Housing-Related Parks Program-** Resolution approving an application submittal for Housing-Related Parks Program funding through the California Department of Housing and Community Development.

**REQUESTED ACTION:** **ADOPT a Resolution** (next in order) authorizing the submittal of an application for Housing-Related Parks Program funding.

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

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**BACKGROUND:**

On December, 2014 the California Department of Housing and Community Development issued a 2014 Notice of Funding Availability (NOFA) announcing the availability of grant funds under the Housing-Related Parks Program (HRP). The California Department of Housing and Community Development is authorized to allocate HRP Program funds made available from the U.S. Department of Housing and Urban Development. Funding is to be allocated to local governments, designed exclusively for the creation, development, or rehabilitation of parks and recreation facilities.

The City of Perris is an eligible State HRP Program jurisdiction, due to its entitlement status. The grant application is due February 5, 2015 and awards will be announced in June of 2015. At this time staff is requesting approval of a resolution for authorization to submit an application for HRP Program funding.

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**FISCAL IMPACT:** Cost for grant preparation is provided in the Housing Division Budget for Fiscal Year 2014-2015.

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Prepared by: Rebecca Miranda, Project Coordinator

Reviewed by: Sabrina Chavez, Housing Manager

City Attorney: N/A

Assistant City Manager: Ron Carr 

Attachments: Resolution

Consent: x

Public Hearing:

Business Item:

Workshop:

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE HOUSING-RELATED PARKS PROGRAM; AND IF SELECTED, THE EXECUTION OF A STANDARD AGREEMENT, ANY AMENDMENTS THERETO, AND OF ANY RELATED DOCUMENTS NECESSARY TO PARTICIPATE IN THE HOME HOUSING-RELATED PARKS PROGRAM.**

**WHEREAS**, The State of California, Department of Housing and Community Development (Department) has issued a Notice of Funding Availability dated December 10, 2014 (NOFA), under its Housing-Related Parks (HRP) Program

**WHEREAS**, The City of Perris (Applicant) desires to apply for a HRP Program grant and submit the 2014 Designated Program Year Application Package released by the Department for the HRP Program.

**WHEREAS**, The Department is authorized to approve funding allocations for the HRP Program, subject to the terms and condition of the NOFA, Program Guidelines, Application Package, and Standard Agreement.

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

**Section 1.** Applicant is hereby authorized and directed to apply for and submit to the Department the HRP Program Application Package released December 2014 for the 2014 Designated Program Year in an amount not to exceed **\$1,000,000.00**. If the application is approved, the Applicant is hereby authorized and directed to enter into, execute, and deliver a State of California Standard Agreement (Standard Agreement) in an amount not to exceed **\$1,000,000.00**, and any and all other documents required or deemed necessary or appropriate to secure the HRP Program Grant from the Department, and all amendments thereto (collectively, the "HRP Grant Documents").

**Section 2.** Applicant shall be subject to the terms and conditions as specified in the Standard Agreement. Funds are to be used for allowable capital asset project expenditures to be identified in Exhibit A of the Standard Agreement. The application in full is incorporated as part of the Standard Agreement. Any and all activities funded, information provided, and timelines represented in the application are enforceable through the Standard Agreement. Applicant hereby agrees to use the funds for eligible capital asset(s) in the manner presented in the application as approved by the Department and in accordance with the NOFA and Program Guidelines and Application Package.

**Section 3.** That the City Manager or his designee(s) is/are to execute, in the name of the applicant, the HRP Program Application Package and the HRP Grant Documents as required by the Department for participation in the HRP Program.

**Section 4.** The above recitals are all true and correct.

**Section 5.** The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Resolution.

**ADOPTED, SIGNED and APPROVED this 13<sup>th</sup> day of January, 2015.**

\_\_\_\_\_  
Mayor, Daryl R. Busch

ATTEST:

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

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

I Nancy Salazar, duly elected City Clerk of the City of Perris 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 thereof held on the 13<sup>h</sup> day of January 2015, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: January 13, 2015**

**SUBJECT:** Biennial Review of Conflict of Interest Code

**REQUESTED ACTION:** Adopt Resolution Number (next in order) adopting the State Conflict of Interest Code and amending the list of Designated Employees

**CONTACT:** Nancy Salazar, City Clerk

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**BACKGROUND/DISCUSSION:**

The Political Reform Act of 1974 requires that cities and other local agencies adopt local Conflict of Interest Codes. The City of Perris' code requires disclosure of financial interests of certain employees, consultants and members of Boards and Commissions if these persons are likely to be involved in decision-making that could affect their own financial interests.

All public employees must comply with the State's general conflict of interest laws by abstaining from influencing or making decisions that would affect their own financial interests. Additionally, employees who hold positions designated in the City's Conflict of Interest Code must disclose specified types of financial interests on annual financial disclosure statements that are filed with the City Clerk. The City's local code does not include the City Council, Planning Commission, City Manager, City Attorney or Treasurer. These positions are required under Government Code §87200 to report to the Fair Political Practices Commission (FPPC).

The City Council last amended the City of Perris Conflict of Interest Code on November 13, 2012, by Resolution Number 4534. State law requires every local governmental agency to biennially review its conflict of interest code to determine whether it is accurate and up-to-date. The list of designated positions is proposed to be amended to add, delete and rename positions in order to reflect the City's current position classifications, duties and nomenclature. The proposed list of designated positions is attached to the resolution. Recommendations for additions to the list are underlined and deletions are shown with strikethrough. A Notice of Intent to Adopt or Amend a Conflict of Interest Code was published on November 5, 2014 and a notice was served on all affected employees.

**BUDGET (or FISCAL) IMPACT:**


There is no impact to the budget as a result of this item.

**RECOMMENDATION:**

It is recommended that the City Council adopt Resolution Number (next in order) adopting the States Conflict of Interest Code by reference and amending designated positions.



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Reviewed by: \_\_\_\_\_  
City Attorney: \_\_\_\_\_  
Assistant City Manager/Finance Director 

Consent: Yes  
Public Hearing:  
Business Item:

Attachments: Copy of proposed Resolution  
Attachment A-Current FPPC Conflict of Interest Code  
Attachment B-Revised Designated Employee List  
Attachment C-Disclosure Categories

**RESOLUTION NUMBER**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF PERRIS, ADOPTING A  
CONFLICT OF INTEREST CODE**

**WHEREAS**, Government Code Section 87300 *et seq.* of the Political Reform Act requires state and local government agencies to adopt conflict of interest codes and amend them on a regular basis; and

**WHEREAS**, the Fair Political Practices Commission (“FPPC”) has adopted a regulation, 2 California Code of Regulations Section 18730, which contains the terms of a standard conflict of interest code which the FPPC recommends be adopted by reference; and

**WHEREAS**, the City of Perris (“City”) is a public body, and as such is required to adopt a conflict of interest code.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

Section 1. The terms of 2 California Code of Regulations Section 18730, a current copy of which is attached hereto as Attachment “A,” and any amendments to it hereafter duly adopted by the Fair Political Practices Commission, are hereby adopted and incorporated by reference. Regulation 18730, as amended, and Attachments “B” and “C” to this Resolution, in which members and employees are designated and disclosure categories are set forth and explained, shall constitute the Conflict of Interest Code for the City of Perris.

Section 2. Employees designated in Attachment “B” shall file statements of economic interests (Form 700) with the City Clerk. The City Clerk shall retain a copy of all statements of economic interest and make them available for public inspection and reproduction as required by law.

Section 3. All prior Conflict of Interest Codes and lists of designated employees and positions are hereby repealed.

Section 4. The City Clerk shall certify as to the adoption of this Resolution and cause the filing of the Conflict of Interest Code in the manner prescribed by law.

**ADOPTED, SIGNED and APPROVED** this 13th day of January, 2015.

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Daryl R. Busch,  
Mayor, City of Perris

Attest:

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Nancy Salazar  
City Clerk, 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 Board on the 13<sup>th</sup> day of January, 2015, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Nancy Salazar  
City Clerk, City of Perris

## ATTACHMENT "A"

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

### **§ 18730. Provisions of Conflict of Interest Codes.**

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq . The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

#### (1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

#### (2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

**(3) Section 3. Disclosure Categories.**

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq .

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies.<sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to

which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

**(4) Section 4. Statements of Economic Interests: Place of Filing.**

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<sup>2</sup>

**(5) Section 5. Statements of Economic Interests: Time of Filing.**

**(A) Initial Statements.** All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

**(B) Assuming Office Statements.** All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

**(C) Annual Statements.** All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to

represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

**(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.**

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

**(A) Contents of Initial Statements.**

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

**(B) Contents of Assuming Office Statements.**

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

**(C) Contents of Annual Statements.** Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

**(D) Contents of Leaving Office Statements.**

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

**(7) Section 7. Manner of Reporting.**



Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

**(A) Investment and Real Property Disclosure.**

When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds \$2,000, exceeds \$10,000, exceeds \$100,000, or exceeds \$1,000,000.

**(B) Personal Income Disclosure.** When personal income is required to be reported,<sup>5</sup> the statement shall contain:

1. The name and address of each source of income aggregating \$500 or more in value, or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was \$1,000 or less, greater than \$1,000, greater than \$10,000, or greater than \$100,000;
3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

**(8) Section 8. Prohibition on Receipt of Honoraria.**

**(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.**

**Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.**

**This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.**

**(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$440.**

**(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$440 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.**

**Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.**

**(8.2) Section 8.2. Loans to Public Officials.**

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall,

while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date

he or she vacates office, receive a personal loan of \$500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

- a. The date the loan was made.
- b. The date the last payment of \$100 or more was made on the loan.
- c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable

material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$440 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

**(9.3) Section 9.3. Legally Required Participation.**

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

**(9.5) Section 9.5. Disqualification of State Officers and Employees.**



**In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:**

**(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or**

**(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.**

**(10) Section 10. Disclosure of Disqualifying Interest.**

**When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.**

**(11) Section 11. Assistance of the Commission and Counsel.**

**Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.**

**(12) Section 12. Violations.**

**This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.**

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**1 Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.**

**2 See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.**

**3 For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.**

**4 Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in**

which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5 A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6 Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

#### HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14).  
Certificate of Compliance included.
2. Editorial correction (Register 80, No. 29).
3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).
4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).
5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).
6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).

7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).
13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).
14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).
15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).

16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).
17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).
18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).
19. Editorial correction of subsection (a) (Register 98, No. 47).
20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).
21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).
22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).
23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court

of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).

25. Editorial correction of History 24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 1).

28. Amendment of subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).
31. Amendment of section heading and section filed 11-15-2010; operative 12-15-2010. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).
32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).

**ATTACHMENT "B"  
(RESOLUTION NUMBER \_\_\_\_)**

**Designated Positions  
and Disclosure Categories**

The following positions are held by individuals involved in the making or who participate in the making of decisions which may foreseeably have a material effect on an economic interest. The Mayor, City Council members, Planning Commissioners, City Manager, City Attorney, City Treasurer, and officials who manage public investments are all required to file disclosure statements pursuant to State law and thus are not included herein.

<b>DESIGNATED EMPLOYEES' TITLE OR FUNCTION</b>	<b>DISCLOSURE CATEGORIES ASSIGNED</b>
Accountant I/II	2, 5, 6, 7
Accounting Supervisor	2, 5, 6, 7
Administrative Services Manager	1, 2, 3, 4, 6, 7
Assistant City Manager	1, 2, 3, 4, 6, 7
Assistant Director of Community Services and Housing	1, 2, 3, 4, 6, 7
Assistant Director of Development Services	1, 2, 3, 4, 6, 7
Assistant Director of Finance	1, 2, 3, 4, 5, 6, 7
Assistant Director of Public Works	1, 2, 3, 4, 5, 6, 7
Associate Planner	2, 3, 4
Capital Improvements Project Manager	1, 2, 3, 4, 6, 7
Combination Building Inspectors	2,3,7
Construction Manager	1, 2, 3, 4
Counter Services Supervisor	1, 2, 3, 4
Deputy City Manager	1, 2, 3, 4, 6, 7
Deputy or Assistant City Clerk (Records Clerk)	1, 2, 3, 4, 6, 7
Director of Development Services	1, 2, 3, 4, 6, 7
Director of Finance	1, 2, 3, 4, 5, 6, 7
Director of Public Works	1, 2, 3, 4, 6, 7
Information Technology Manager	6, 7
Planning Manager	1, 2, 3, 4
Public Works Manager	1, 2, 4, 7



<b>Redevelopment and Economic Development Manager</b>	<b>1, 2, 3, 4, 6, 7</b>
<b>Senior Combination Inspector</b>	<b>2, 3, 4</b>
<b>Special District Inspector</b>	<b>2,3,7</b>
<b>City Clerk</b>	<b>1, 2, 3, 4, 6, 7</b>
<b>City Engineer</b>	<b>1, 2, 3, 4, 6, 7</b>
<b>Fire Chief</b>	<b>2, 3, 7</b>
<b>Police Chief</b>	<b>2, 3, 7</b>
<b>Consultants*</b>	<b>1, 2, 4, 5, 6</b>
<b>Members of the Public Safety Commission</b>	<b>1, 2, 3, 4, 7</b>
<b>Members of the Successor Board to the Redevelopment Agency</b>	<b>1, 2, 3, 4, 5, 6, 7</b>

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**\* Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:**

**The City Manager may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that are limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager’s determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.**

## Attachment "C"

### Disclosure Categories

The disclosure categories listed below identify the types of investments, business entities, sources of income, or real property which the designated employee must disclose for each disclosure category to which he or she is assigned.

**Category 1:** All investments and management positions in, and sources of income from, all business entities that do business or own real property in the City, plan to do business or own real property in the City within the next year or have done business or owned real property in the City within the past two years.

**Category 2:** All interest in real property which is located in whole or in part within, or not more than (2) miles outside, the boundaries of the City.

**Category 3:** All investments and management positions in, and sources of, income from, business entities subject to the regulatory, permit or licensing authority of the Designated Employee's Department, will be subject to such authority within the next year or have been subject to such authority within the past two years.

**Category 4:** All investments in, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property in the City, plan to engage in such activities in the City within the next year or have engaged in such activities in the City within the past two years.

**Category 5:** All investments and management positions in, and sources of income from, business entities that are banking, savings and loan or other financial institutions.

**Category 6:** All investments and management positions in, and sources of income from, business entities that provide services, supplies, materials, machinery or equipment of a type purchased or leased by the City.

**Category 7:** All investments and management positions in, and sources of income from, business entities that provide services, supplies, materials, machinery or equipment of a type used or administered by the Designated Employee's Department.

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date: January 13, 2015

**SUBJECT:** Award of Contract to Community Works Design Group for Design Services on the Perris Valley Storm Channel Trail Project.

**REQUESTED ACTION:** That the City Council award a contract in the amount of \$224,960 to Community Works Design Group and authorize project contingency of up to 15% of the contract amount for additional design work if needed and project management.

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

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**BACKGROUND/DISCUSSION:**

The City of Perris has been awarded a \$1.2 million grant through the Active Transportation Program to construct a 4.3 mile multi-purpose trail on the Perris Valley Storm Drain, between the northerly border of Perris, south to Nuevo Street. This together with the developers conditioned trail segments will provide for the community connections needed to link industrial and residential neighborhoods in the north City limits to seven southern City parks and ultimately to the San Jacinto River Trail. Staff requested proposals from qualified firms for the development of design and construction documents for the PVSCT and obtained two competitive proposals. The request for proposals was released October 30, 2014, and closed on November 10, 2014.


After a thorough review and evaluation of the qualifications and experience of each firm, Community Works Design Group was determined to be the most qualified for this project. The contract amount of \$224,960 with Community Works Design Group consists of professional architectural and engineering services to provide final construction drawings and bid documents for the PVSCT. The trail Scope of work consists of design of the trail with amenities, landscaping, irrigation, signage, below or at grade crossing at Ramona Expressway, Rider, and Orange per City of Perris, RCFC, and MWD design guidelines, and necessary coordination for CEQA. The professional services provided by Community Works Design Group will consist of site research, preparation of a conceptual design plan, design development package, final bid set documents, and bidding and construction support services, in accordance with the City's request for proposals and consultant's scope of work.

Staff recommends that the City Council approve \$33,744 or (15%) of the total contract amount as contingency to be used for unforeseen design changes which may become necessary as the project proceeds through plan check. It is recommended that the City Council award a contract to the Community Works Design Group to provide professional architectural and engineering services for Perris Valley Storm Channel Trail project in the amount of \$224,960 with a 15% design contingency.

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**BUDGET (or FISCAL) IMPACT:** Total budget for design and construction of this project is \$3,800,000. There is sufficient funding available for the cost of this contract in Park DIF Funds.

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Reviewed by:  
Assistant City Manager 

**Attachments:** Contract Services Agreement for Community Works Design Group

Consent: X  
Public Hearing:  
Business Item:  
Other:

**CITY OF PERRIS**  
**CONTRACT SERVICES AGREEMENT FOR**  
**PERRIS VALEY STORM CHANNEL TRAIL PROJECT**

This Contract Services Agreement ("Agreement"), is made and entered into this 13<sup>th</sup> day of January, 2015, by and between the City of Perris, a municipal corporation ("City"), and Community Works Design Group ("Consultant"). The term Consultant includes professionals performing in a consulting capacity. The parties hereto agree as follows:

**1.0 SERVICES OF CONSULTANT**

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide the work and services specified in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by this reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

1.2 Consultant's Proposal. The Scope of Services shall include the Consultant's proposal or bid which shall be incorporated herein by this reference as though fully set forth herein. In the event of any inconsistency between the terms of such proposal and this Agreement, the terms of this Agreement shall govern.

1.3 Compliance with Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental agency having jurisdiction.

1.4 Licenses, Permits, Fees and Assessments. Consultant shall obtain at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments, taxes, including applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Consultant's performance of the services required by this Agreement; and shall indemnify, defend and hold harmless City against any claim for such fees, assessments, taxes, penalties or interest levied, assessed or imposed against City hereunder.

1.5 Familiarity with Work. By executing this Agreement, Consultant warrants that Consultant (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the work and services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement.

1.6 Additional Services. City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written order is first given by the Contract Officer to

the Consultant, incorporating therein any adjustment in (i) the Contract Sum, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Consultant. Any increase in compensation of up to five percent (5%) of the Contract Sum or \$25,000, whichever is less, may be approved by the Contract Officer. Any greater increases, taken either separately or cumulatively must be approved by the City Council. It is expressly understood by Consultant that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Consultant hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be more costly or time consuming than Consultant anticipates and that Consultant shall not be entitled to additional compensation therefor.

1.7 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.8 Environmental Laws. Consultant shall comply with all applicable environmental laws, ordinances, codes and regulations of Federal, State, and local governments. Consultant shall also comply with all applicable mandatory standards and policies relating to energy efficiency.

## 2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of two hundred twenty four thousand nine hundred sixty dollars (\$224,960) ("Contract Sum"), except as provided in Section 1.6. The method of compensation may include: (i) a lump sum payment upon completion, (ii) payment in accordance with the percentage of completion of the services, (iii) payment for time and materials based upon the Consultant's rates as specified in the Schedule of Compensation, but not exceeding the Contract Sum or (iv) such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures approved by the Contract Officer in advance if specified in the Schedule of Compensation. The Contract Sum shall include the attendance of Consultant at all project meetings reasonably deemed necessary by the City.

Consultant agrees that if Consultant becomes aware of any facts, circumstances, techniques, or events that may or will materially increase or decrease the cost of the work or services or, if Consultant is providing design services, the cost of the project being designed, Consultant shall promptly notify the Contract Officer of said fact, circumstance, technique or event and the estimated increased or decreased cost related thereto and, if Consultant is providing design services, the estimated increased or decreased cost estimate for the project being designed.

2.2 Method of Payment. Unless some other method of payment is specified in the Schedule of Compensation, in any month in which Consultant wishes to receive payment, no

later than the first (1st) working day of such month, Consultant shall submit to the City, in a form approved by the City's Director of Finance, an invoice for services rendered prior to the date of the invoice. Except as provided in Section 7.2, City shall pay Consultant for all expenses stated thereon which are approved by City pursuant to this Agreement generally within thirty (30) days, and no later than forty-five (45) days, from the submission of an invoice in an approved form.

2.3 Availability of Funds. It is mutually understood between the parties that this Agreement is valid and enforceable only if sufficient funds are made available by the City Council of the City for the purposes of this Agreement. The availability of funding is affected by matters outside the City's control, including other governmental entities. Accordingly, the City has the option to void the whole Agreement or to amend the Agreement to reflect unanticipated reduction in funding for any reason.

### 3.0 PERFORMANCE SCHEDULE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. Consultant shall commence the services pursuant to this Agreement upon receipt of a written notice to proceed and shall perform all services within the time period(s) established in the "Schedule of Performance" attached hereto as *Exhibit "D"*, if any, and incorporated herein by this reference. When requested by the Consultant, extensions to the time period(s) specified in the Schedule of Performance may be approved in writing by the Contract Officer but not exceeding one hundred eighty (180) days cumulatively.

3.3 Force Majeure. The time period(s) specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Consultant, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Consultant shall, within ten (10) days of the commencement of such delay, notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay and extend the time for performing the services for the period of the enforced delay when and if, in the judgment of the Contract Officer, such delay is justified. The Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. In no event shall Consultant be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused; Consultant's sole remedy being extension of the Agreement pursuant to this Section.

3.4 Term. Unless earlier terminated in accordance with Section 7.4 below, this Agreement shall continue in full force and effect until completion of the services no later than June 30, 2015.

### 4.0 COORDINATION OF WORK

4.1 Representative of Consultant. Tim Maloney is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and to make all decisions in connection therewith.

It is expressly understood that the experience, knowledge, capability and reputation of the representative was a substantial inducement for City to enter into this Agreement. Therefore, the representative shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder. For purposes of this Agreement, the representative may not be replaced nor may his responsibilities be substantially reduced by Consultant without the express written approval of City.

4.2 Contract Officer. The City's City Manager is hereby designated as the representative of the City authorized to act in its behalf with respect to the work and services and to make all decisions in connection therewith ("Contract Officer"). It shall be the Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and the Consultant shall refer any decisions which must be made by City to the Contract Officer. The City may designate another Contract Officer by providing written notice to Consultant.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for the City to enter into this Agreement. Therefore, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of the City. In addition, neither this Agreement nor any interest herein may be transferred or assigned without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Consultant taking all transfers into account on a cumulative basis. A prohibited transfer or assignment shall be void. No approved transfer shall release the Consultant or any surety of Consultant of any liability hereunder without the express consent of City.

4.4 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. Consultant shall perform all services required herein as an independent contractor of City and shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.

## 5.0 INSURANCE AND INDEMNIFICATION

5.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to City, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to

limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000.00 per accident for all covered losses.

(c) Automotive Insurance. A policy of comprehensive automobile liability insurance written on a per occurrence basis in an amount not less than \$1,000,000.00 per accident, combined single limit. Said policy shall include coverage for owned, non owned, leased and hired cars.

(d) Professional Liability or Error and Omissions Insurance. A policy of N/A insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the City, its officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the City and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing thirty (30) days prior written notice by registered mail to the City. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 4.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided City with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by City.

Consultant agrees that the provisions of this Section 4.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.



In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 4.1.

## 5.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless City and the City's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees of subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

## 6.0 RECORDS AND REPORTS

6.1 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the services required by this Agreement as the Contract Officer shall require.

6.2 Records. Consultant shall keep, and require subcontractors to keep, such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the performance of such services. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of City, including the right to inspect, copy, audit and make records and transcripts from such records. Such records shall be maintained for a period of three (3) years following completion of the services hereunder, and the City shall have access to such records in the event any audit is required.

6.3 Ownership of Documents. All drawings, specifications, reports, records, documents and other materials prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be delivered to City upon request of the Contract Officer or upon the termination of this Agreement and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of such documents and materials. Consultant may retain

copies of such documents for its own use and Consultant shall have an unrestricted right to use the concepts embodied therein. Any use of such completed documents by City for other projects and/or use of uncompleted documents without specific written authorization by the Consultant will be at the City's sole risk and without liability to Consultant and the City shall indemnify the Consultant for all damages resulting therefrom. All subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages resulting therefrom.

## **7.0 ENFORCEMENT OF AGREEMENT**

**7.1 California Law.** This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Consultant agrees to submit to the personal jurisdiction of such court in the event of such action.

**7.2 Retention of Funds.** Consultant hereby authorizes City to deduct from any amount payable to Consultant (whether or not arising out of this Agreement) (i) any amounts the payment of which may be in dispute hereunder or which are necessary to compensate City for any losses, costs, liabilities, or damages suffered by City, and (ii) all amounts for which City may be liable to third parties, by reason of Consultant's acts or omissions in performing or failing to perform Consultant's obligation under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by Consultant, City may withhold from any payment due, without liability for interest because of such withholding, an amount sufficient to cover such claim. The failure of City to exercise such right to deduct or to withhold shall not, however, affect the obligations of the Consultant to insure, indemnify, and protect City as elsewhere provided herein.

**7.3 Waiver.** No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

**7.4 Termination Prior to Expiration of Term.** Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of any notice of termination, Consultant shall immediately cease all work or services hereunder except such as may be specifically approved by the Contract Officer. Consultant shall be entitled to compensation for the reasonable value of the work product actually produced prior to the effective date of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation and City shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

**7.5 Completion of Work After Termination for Default of Consultant.** If termination is due to the failure of the Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 7.2, take over the work and prosecute the same to completion by contract or otherwise, and the Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Consultant for the purpose of set-off or partial payment of the amounts owed the City as previously stated.

**7.6 Attorneys' Fees.** If either party to this Agreement is required to initiate or defend or made a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment, and to all other reasonable costs for investigating such action, taking depositions and discovery, including all other necessary costs the court allows which are incurred in such litigation.

## **8.0 CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION**

**8.1 Non-liability of City Officers and Employees.** No officer or employee of the City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

**8.2 Conflict of Interest; City.** No officer or employee of the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is interested, in violation of any State statute or regulation.

**8.3 Conflict of Interest; Consultant.** Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Consultant shall comply with all conflict of interest laws and regulations including, without limitation, City's Conflict of Interest Code which is on file in the City Clerk's office. Accordingly, should the City Manager determine that Consultant will be performing a specialized or general service for the City and there is substantial likelihood that the Consultant's work product will be presented, either written or orally, for the purpose of influencing a governmental decision, the Consultant and its officers, agents or employees, as applicable, shall be subject to the City's Conflict of Interest Code.

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

## 9.0 MISCELLANEOUS PROVISIONS

9.1 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the City, to the City Manager and to the attention of the Contract Officer, City of Perris, 101 North "D" Street, Perris, CA 92570, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

9.2 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

9.3 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by an instrument in writing signed by both parties.

9.4 Severability. Should a portion of this Agreement be declared invalid or unenforceable by a judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

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

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

"CITY"  
CITY OF PERRIS

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

By: \_\_\_\_\_  
Daryl R. Busch, Mayor

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

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

"CONSULTANT"  
Community Works Design Group

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

\_\_\_\_\_  
Print Name and Title

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

\_\_\_\_\_  
Print Name and Title

(Corporations require two signatures; *one from each* of the following: A. Chairman of Board, President, any Vice President; *AND B.* Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.)

[END OF SIGNATURES]

**EXHIBIT "A"**

**SCOPE OF SERVICES**

The scope of services is attached as specified in the **Perris Valley Storm Drain Trail Project** proposal prepared by Community Works Design Group, dated November 10, 2014.

## SECTION 6: SCHEDULE OF COMPENSATION

The following is our *negotiated* fee to provide all work mentioned in the Scope of Work outline for the Perris Valley Storm Drain Trail project.

### PHASE I: FACILITIES AND TRAIL CONCEPTUAL DESIGN DEVELOPMENT

<u>Consultant Services</u>	<u>Fee</u>
1.1. Research/ Conceptual Cross Section	\$5,175.00
1.2. Meetings	\$8,450.00
1.3. Agency Coordination	\$15,150.00
1.4. Aerial Survey/ Ground Survey/ Base Map Preparation	\$53,250.00
1.5. Color Schematic Plan	\$11,625.00
<u>Phase I Reimbursables</u> ALLOW	<u>\$5,000.00</u>
<b>PHASE I FEE</b>	<b>\$98,650.00</b>

### PHASE II: DESIGN CRITERIA AND FINAL DEVELOPMENT OF PVSD TRAIL CONSTRUCTION DOCUMENTS

2.1. Signage Plans/ Exhibits	\$6,395.00
2.2. Bid Document Preparation	\$33,350.00*
2.3. 75% PS&E Documents	\$16,775.00*
2.4. 100% PS&E Documents	\$16,775.00*
<u>Phase II Reimbursables</u> ALLOW	<u>\$8,500.00</u>
<b>PHASE II FEE</b>	<b>\$81,995.00*</b>

### PHASE III: GENERAL SERVICES AND PROJECT ADMINISTRATION

3.1. Pre-Construction / Bidding	\$3,675.00
3.2. Construction Administration	\$37,140.00
<u>Phase III Reimbursables</u> ALLOW	<u>\$3,500.00</u>
<b>PHASE III FEE</b>	<b>\$44,315.00*</b>

**TOTAL FEES (PHASE I + PHASE II+ PHASE III) \$224,960.00\***

\*These fees represent an "at grade" crossing at Ramona Expressway, Rider, and Orange intersections. Fees will likely be higher if undercrossing alternative is chosen at any of the above mentioned locations.



**EXHIBIT "B"**  
**SPECIAL REQUIREMENTS**

[Insert or Attach]



**EXHIBIT "C"**

**SCHEDULE OF COMPENSATION**

City agrees to compensate Consultant for the services outlined in Exhibit "A" not to exceed the Contract Sum of two hundred twenty four thousand nine hundred sixty dollars (\$224,960) The rates shall include all expenses incurred by Consultant in the performance of the required services. Consultant shall be paid within thirty (30) days after City's receipt and approval of an invoice submitted by Consultant. Such Invoices shall be in a form approved by the City Manager.

**EXHIBIT "D"**

**SCHEDULE OF PERFORMANCE**


The Consultant shall provide the services as outlined in Exhibit "A", for a period of 6 months from the date of the Notice to Proceed.

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: January 13, 2015**

**SUBJECT:** Special District annual reporting pursuant to California Government Code Section 50075

**REQUESTED ACTION:** To receive and file the City's Community Facilities District annual report for the fiscal year ended June 30, 2014.

**CONTACT:** Jim Raia, Accountant II 

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**BACKGROUND/DISCUSSION:**

The Mello-Roos Community Facilities Act of 1982 authorizes a local government agency to form a Community Facilities District within a defined set of boundaries for the purposes of providing public facilities and services through a voter approved special tax.

Senate Bill 165 enacted in September 2000 and made a part of Government Code Section 50075 placed accountability and reporting requirements on local special tax measures.

To be in full compliance with State law, the City must

- a. Identify the specific purposes of a special tax.
- b. Meet requirements that proceeds of the special tax are applied to their specific purpose.
- c. Create an account into which the proceeds shall be deposited.
- d. File an annual report that identifies the funds collected and expended.
- e. Provide a status of any project required or authorized to be funded by the special tax.

As of June 30, 2014, the City has formed (23) Community Facilities Districts and (3) non-bonded Community Facilities Districts that fall under these reporting requirements.

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

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**Reviewed by:**  
Assistant City Manager 

**Attachments:**  
1. Community Facilities District Annual Report

**Consent:**

**City of Perris  
Community Facilities District Annual Report  
Fiscal Year 2013-2014**

**CFD 88-1 Triple Crown Ranch**

On August 7, 2007, the City formed Community Facilities District 88-1 Triple Crown Ranch, Perris Finance Authority 2007 A & B. Community Facilities District 88-1 is located northeasterly section of the City of Perris bounded by four arterial highways; Placentia Avenue on the north, Perris Boulevard on the west, Orange Avenue on the south and Redlands Avenue on the east. The proceeds from the bond will be used to refund the outstanding principal amount of the Authority Bonds.

Community Facilities District 88-1 is approximately 155.41 gross acres in which 708 single family homes have been constructed and sold. There are two vacant parcels; 10.65 acres located on the northwest corner and 2.3 acres located on the northeast corner. There is a 14.1 acre park within Community Facilities District 88-1.

**CFD 88-3 Special Tax Bond**

On August 7, 2007, the City formed Community Facilities District 88-3 Special Tax Bond; Perris Finance Authority 2007 A & B. Community Facilities District 88-3 consists of three non-contiguous areas to include 748 parcels within approximately 180.2 acres. There are three separate areas within the District. Area No. 1 consists of 78.5 acres, Area No. 2 consists of 36.7 acres, and Area No. 3 consists of 65 acres. The proceeds from the bond will be used to refund the outstanding principal amount of the Authority Bonds.

**CFD 90-1 Special Tax Bond**

On August 7, 2007, the City formed Community Facilities District 90-1 Special Tax Bond; Perris Finance Authority 2007 A & B. Community Facilities District 90-1 consists of three non-contiguous areas to include 238 parcels within approximately 97 acres. There are three separate areas within the District. Area No. 1 consists of 38.49 acres, Area No. 2 consists of 18.41 acres, and Area No. 3 consists of 40.1 acres. The proceeds from the bond will be used to refund the outstanding principal amount of the Authority Bonds.

**CFD 93-2R Perris Plaza**

On May 8, 2013, the City formed Community Facilities District 93-2 Refunding Local Agency Tax Bonds; Joint Powers Authority 2013 A. Community Facilities District 93-2 is comprised of approximately 40.31 acres of commercially zoned property known as the Perris Plaza Shopping Center. This Center is located north of Nuevo Road, east of Interstate I-215, and west of Perris Boulevard. The proceeds from the bonds will be used to refund the outstanding principal amount of the Authority Bonds.

### **CFD 2001-1 May Farms**

On May 28, 2002, the City formed Community Facilities District No. 2001-1 May Farms. The District consists of Seven (7) Improvement Areas. The boundaries of the Community Facilities District coincide with the development generally known as May Farms. The development is proposed to include approximately 2,300 residential units on approximately 484 gross acres.

### **May Farms Improvement Area No.1R**

On January 16, 2014, the City formed Community Facilities District 2001-1 Improvement Area No. 1 Refunding Local Agency Revenue Bonds; Joint Powers Authority 2014 A. Improvement Area No. 1 is bordered by May Ranch Parkway to the north, Evans Road to the west and the Colorado River Aqueduct to the south. Improvement Area No.1 consists of 84 single-family residential homes. The proceeds from the bonds will be used to refund the outstanding principal amount of the Authority Bonds.

### **May Farms Improvement Area No.2R**

On January 16, 2014, the City formed Community Facilities District 2001-1 Improvement Area No. 2 Refunding Local Agency Revenue Bonds; Joint Powers Authority 2014 A. Improvement Area No. 2 is directly east of Improvement Area No.1 and bordered by Morgan Street to the north, Old Evans Road to the west, and the Colorado River Aqueduct to the south. Improvement Area No. 2 consists of 238 single-family residential homes. The proceeds from the bonds will be used to refund the outstanding principal amount of the Authority Bonds.

### **May Farms Improvement Area No.3R**

On January 16, 2014, the City formed Community Facilities District 2001-1 Improvement Area No. 3 Refunding Local Agency Revenue Bonds; Joint Powers Authority 2014 A. Improvement Area No. 3 is located directly south of Improvement Area No.1 & No. 2 and the Colorado River Aqueduct and extends south to Rider Street. Improvement Area No. 3 consists of 494 single-family residential homes. The proceeds from the bonds will be used to refund the outstanding principal amount of the Authority Bonds.

### **May Farms Improvement Area No.4**

On September 29, 2005, the City formed Community Facilities District 2001-1 Improvement Area No. 4. Improvement Area No. 4 is south of Improvement Area No.3 and extends west to the Perris Valley Storm Drain and east to Old Evans Road. Improvement Area #4 consists of 394 single-family residential homes.

### **May Farms Improvement Area No. 5**

On November 14, 2006, the City formed Community Facilities District 2001-1 Improvement Area No. 5. Improvement Area No. 5 is south of Improvement Area No. 3 and West of Improvement Area No. 6. Improvement Area No. 5 extends west to El Nido Avenue, east to Main Street and south to Walnut Avenue and North to Rider Street. Improvement Area No. 5 consists of 199 single-family residential homes on approximately 49.77 gross acres and is building two subdivisions referred to as "Merano" and "Sorrento." Merano is a 92 lot subdivision and Sorrento is a 107 lot subdivision.

### **May Farms Improvement Area No. 6 & 7**

On November 2, 2008, the City formed Community Facilities District 2001-1 Improvement Area No. 6 & 7. Improvement Area No. 6 consists of 279 single-family residential homes and borders Improvement Area No.5 to the east. Improvement Area No. 7 consists of 334 single-family residential homes. Improvement Area No. 7 is non contiguous with the other Improvement Areas and is north of Morgan Street, south of the Ramona Expressway, east of the Perris Valley Strom Drain and west of Evans Road.

### **CFD 2001-2R Villages of Avalon**

On February 11, 2014, the City formed Community Facilities District 2001-2 Villages of Avalon Special Tax Parity Refunding Bonds. The District is generally located along the southerly and westerly boundaries of the Ramona Expressway and extends southerly and westerly from the Ramona Expressway southerly to Rider Road in the City. The development consists of 1333 single-family residential homes on approximately 262.69 acres. The proceeds from the bonds will be used to refund the outstanding principal amounts of CFD 2001-2 Series A bonds.

### **CFD 2001-2 Villages of Avalon Series B**

On August 11, 2005, the City formed Community Facilities District 2001-2 Villages of Avalon Series B. The District is located along the southerly and westerly boundaries of the Ramona Expressway and extends southerly and westerly from the Ramona Expressway southerly to Rider Road in the City.

### **CFD 2002-1R Willowbrook**

On June 12, 2013, the City formed Community Facilities District 2002-1 Willowbrook Refunding Local Agency Revenue Bonds: Joint Powers Authority 2013 B. The District is generally located northeast of downtown Perris within the Perris Valley area. The District is divided into two distinct areas covering three tracts. The first area is tract no. 24111 (181 lots) and is bordered by Orange Avenue to the north and Murrieta Road to the west and Perris Valley Strom Drain to the east. Tract no. 30751 (58 lots) lies west of Wilson Avenue, south of Orange avenue and east of Redlands Avenue. Tract no. 30144 (92 lots) lies south of Flame Avenue, west of Redlands Avenue and is surrounded by existing development. The aggregate area in the District is approximately 67.9 acres, for a total of 331 single-family residential homes. The proceeds from the bonds will be used to refund the outstanding principal amount of the Authority Bonds.

### **CFD 2003-1 Chaparral Ridge**

On July 24, 2003, the City formed Community Facilities District 2003-1 Chaparral Ridge. The District is generally located southwest of downtown Perris off of Goetz Road and south of McLaughlin Road. The boundaries of the District coincide with the development generally known as Chaparral Ridge. The development includes 112 single-family residential homes on approximately 43 acres.

**CFD 2004-1 Amber Oaks**

On March 13, 2004, the City formed Community Facilities District 2004-1 Amber Oaks. The District is located at the northwest corner of Redlands Avenue and Jarvis Street and consists of tract no. 31114. The development includes 103 single-family residential homes on approximately 12.61 gross acres.

**CFD 2004-5 Amber Oaks II**

On November 9, 2004, the City formed Community Facilities District 2004-5 Amber Oaks II. The District is located generally west of Perris Boulevard, north of Ellis Avenue, and south of Midway Avenue. The development includes 95 residential units, on approximately 13.61 gross acres.

**CFD 2004-2 Corman Leigh Communities**

On May 13, 2004, the City formed Community Facilities District 2004-2 Corman Leigh Communities. The District consists of two contiguous areas; tract no. 31241 and tract no. 31241-1. The development includes 200 single-family residential homes on approximately 55.82 gross acres.

**CFD 2004-3 Monument Ranch**

On June 29, 2004, the City formed Community Facilities District 2004-3 Monument Ranch. The District consists of Two (2) Improvement Areas.

**Monument Ranch Improvement Area No.1**

On June 29, 2004, the City formed Community Facilities District 2004-3 Monument Ranch Improvement Area No. 1. Improvement Area No.1 is located at the southwest corner of Ethanac Road and Goetz Road, and consists of tract no. 30662-1, 30662-2, and 31564. The development includes 292 single-family residential homes on approximately 50.1 acres.

**Monument Ranch Improvement Area No.2**

On July 9, 2005, the City formed Community Facilities District 2004-3 Monument Ranch Improvement Area No. 2. Improvement area No.2 is located south of Ethanac Road and west of Goetz Road, and consists of three (3) tracts: 30662-1, 30662-2, and 30958. The development includes 227 single-family residential homes on approximately 45.63 acres.

**CFD 2005-1 Perris Valley Vistas**

On April 12, 2005, the City formed Community Facilities District 2005-1 Perris Valley Vistas by the adoption of Resolution No. 3389. The District consists of Four (4) Improvement Areas, Two (2) of the areas are not under development.

**Perris Valley Vistas Improvement Areas 1 & 2**

These areas were not under development for the 08/09 fiscal year.

### **Perris Valley Vistas Improvement Area No.3**

On May 15, 2008, the City formed Community Facilities District 2001-1 Perris Valley Vistas Improvement Area #3 Perris Public Financing Authority Local Agency Revenue Bonds 2008 Series B. Improvement Area No. 3 is comprised of Tract No. 31660 and consists of 126 single-family residential homes. The area is generally located in the eastern section of the City and is bordered by Evans Road on the west, Citrus Avenue on the north, El Nido Avenue on the east and Sunset Avenue to the south.

### **Perris Valley Vistas Improvement Area No.4**

On March 13, 2007, the City formed Community Facilities District 2001-1 Perris Valley Vistas Improvement Area #4. Improvement Area No. 4 consists of 75 single-family residential homes on approximately 23.39 acres and its boundaries are the same as Final Tract No. 32428. Improvement Area 4 is generally located at the northwest corner of Orange Avenue and Murrieta Road.

### **CFD 2005-2 Harmony Grove**

On May 31, 2005, the City of Perris formed Community Facilities District No. 2005-2 Harmony Grove. The District is comprised of 378 single-family residential homes on approximately 65.5 net acres of residentially zoned land. The District consists of two noncontiguous zones (Zone A and Zone B) divided by Nuevo Road. Zone A is bordered by Nuevo Road to the South, Citrus Avenue to the North, El Nido Road to the West and Dunlap Road to the East. Zone B is located South of Nuevo Road and West of Dunlap Road.

### **CFD 2005-4 Stratford Ranch**

On March 11, 2008, the City of Perris formed Community Facilities District 2005-4 Perris Public Financing Authority Local Agency Revenue Bonds 2008 Series A. The District is located in the northeast section of the City and is bordered by Murrieta Road on the west, Oleander Avenue on the north, Center Street on the east and Perry Street is to the south of the District boundary. The District is comprised of two tracts 32707 and 32708 for a total of 168 single-family residential homes. Tract 32707 is not currently under active development. Tract 32708 consists of two product lines known as Cedanna and Encanto.

### **CFD 2006-1R Meritage Homes**

On June 4, 2014, the City of Perris formed Community Facilities District 2006-1 Meritage Homes Refunding Local Agency Revenue Bonds; Joint Powers Authority 2014 B. Meritage Homes is building two tracts in the District generally referred to as Westerly Place II. The district consists of two tracts 32793 and 33720 totaling 112 single family housing sites. Tract number 32793 comprises approximately 12.80 net acres. Tract number 33720 comprises 11.90 net acres. The proceeds from the bonds will be used to refund the outstanding principal amount of the Authority Bonds.



**CFD 2006-3 Alder**

This District includes properties within Tracts 31651, 31650, and 32406 and is comprised of approximately 29.5 gross acres. Tract 31651 is located south of Nuevo Road, East of Interstate 215, with Wilson Avenue on its western border, and west of Murrieta Road. Tract 31650 and 32406 are located south of Nuevo Road, West of Interstate 215, with De Lines Drive on the eastern border, and north of Metz Road. The District is proposed to include a minimum of 133 residential units.

**CFD 2007-2 Pacific Heritage**

The District includes properties within Tracts 31226 and 31225. Tract 31226 is located south of Nuevo Road, East of De Lines Drive, with Mc Kimball Road on its western border. Tract 31225 is located south of Serrana Road, west of "A" Street, with Mc Kimball Road on the eastern border, and north of Metz Road. The District is proposed to include a minimum of 138 residential units.

**CFD 2006-2 Monument Park Estates**

The District is generally bounded by the San Jacinto River Flood Control Channel to the northwest, Ethanac Road to the south, and Goetz Road to the East. The District is proposed to include 337 residential units at build out.

**Trustee/Fiscal Agent**

US Bank, Los Angeles, California will serve as Trustee under the Indenture. The Trustee will act on behalf of the Bondowners for the purpose of receiving all moneys required to be paid to the Trustee, to allocate, use and apply the same, to hold, receive and disburse the Revenues and other funds held under the Indenture, and otherwise to hold all the offices and perform all the functions and duties provided in the Indenture to be held and performed by the Trustee.

**Financial Summary – Fiscal year 2013-14**

	Triple Crown Ranch 88-1	88-3	90-1
Bond Issue Amount <sup>1</sup>	\$7,690,000	\$5,005,000	\$3,140,000
Bond Issue Date	August 7, 2007	August 7, 2007	August 7, 2007
Trustee Fund Balance	\$810,204	\$289,179	\$317,630
Debt Service	\$750,438	\$289,213	\$243,275
Tax Levy	\$802,346	\$317,513	\$274,109
Delinquency Amount <sup>2</sup>	\$31,826	\$1,819	\$2,575
Delinquent Rate	3.97%	.57%	.94%

	Perris Plaza Refunding 93-2	May Farms Ref. 2001-1 Area No. 1	May Farms Ref. 2001-1 Area No. 2
Bond Issue Amount <sup>1</sup>	\$2,755,000	\$1,505,000	\$4,270,000
Bond Issue Date	May 8, 2013	January 16, 2014	January 16, 2014
Trustee Fund Balance	\$331,333	\$141,845	\$382,200
Debt Service	\$71,890	\$106,861	\$311,195
Tax Levy	\$317,094	\$125,331	\$335,364
Delinquency Amount <sup>2</sup>	\$0	\$0	\$0
Delinquent Rate	0%	0%	0%

	May Farms Ref. 2001-1 Area No. 3	May Farms 2001-1 Area No. 4	May Farms 2001-1 Area No. 5
Bond Issue Amount <sup>1</sup>	\$6,390,000	\$16,475,000	\$9,680,000
Bond Issue Date	January 16, 2014	September 29, 2005	November 14, 2006
Trustee Fund Balance	\$562,582	\$3,036,908	\$1,336,499
Debt Service	\$465,874	\$983,123	\$522,744
Tax Levy	\$500,709	\$1,027,206	\$575,323
Delinquency Amount <sup>2</sup>	\$3,371	\$20,199	\$5,787
Delinquent Rate	.67%	1.97%	1.01%

	May Farms 2001-1 Area No. 6	May Farms 2001-1 Area No. 7	Villages of Avalon Refunding 2001-2
Bond Issue Amount <sup>1</sup>	\$6,285,000	\$8,345,000	\$16,215,000
Bond Issue Date	November 2, 2007	November 2, 2008	February 11, 2014
Trustee Fund Balance	\$475,614	\$579,734	\$3,856,515
Debt Service	\$385,704	\$502,620	\$1,579,895
Tax Levy	\$434,317	\$551,767	\$1,806,166
Delinquency Amount <sup>2</sup>	\$3,951	\$0	\$12,755
Delinquent Rate	.91%	0%	.71%

	Villages of Avalon 2001-2 Series B	Willowbrook Refunding 2002-1	Chaparral Ridge 2003-1
Bond Issue Amount <sup>1</sup>	\$5,210,000	\$5,750,000	\$3,060,000
Bond Issue Date	August 11, 2005	June 12, 2013	July 24, 2003
Trustee Fund Balance	\$0.00	\$404,604	\$552,119
Debt Service	\$0.00	\$180,048	\$218,019
Tax Levy	\$0.00	\$448,633	\$244,927
Delinquency Amount <sup>2</sup>	\$0.00	\$5,379	\$2,254
Delinquent Rate	0.00%	1.20%	.92%

	Amber Oaks 2004-1	Amber Oaks II 2004-5	Corman Leigh Communities 2004-2
Bond Issue Amount <sup>1</sup>	\$2,375,000	\$1,810,000	\$4,890,000
Bond Issue Date	May 13, 2004	November 9, 2004	May 13, 2004
Trustee Fund Balance	\$475,283	\$424,432	\$1,028,344
Debt Service	\$161,841	\$114,603	\$333,069
Tax Levy	\$181,188	\$142,832	\$364,283
Delinquency Amount <sup>2</sup>	\$0	\$3,717	\$1,628
Delinquent Rate	0%	2.60%	.45%

	Monument Ranch 2004-3 Area No. 1	Monument Ranch 2004-3 Area No. 2	Perris Valley Vista 2005-1 Area No. 3
Bond Issue Amount <sup>1</sup>	\$8,955,000	\$8,430,000	\$4,375,000
Bond Issue Date	July 29, 2004	July 9, 2005	May 15, 2008
Trustee Fund Balance	\$1,007,779	\$1,356,919	\$273,458
Debt Service	\$608,906	\$512,698	\$297,285
Tax Levy	\$666,541	\$535,385	\$313,586
Delinquency Amount <sup>2</sup>	\$4,253	\$3,718	\$0
Delinquent Rate	.64%	.69%	0%

	Perris Valley Vista 2005-1 Area No. 4	Harmony Grove 2005-2	Stratford Ranch 2005-4
Bond Issue Amount <sup>1</sup>	\$3,385,000	\$14,740,000	\$5,640,000
Bond Issue Date	March 13, 2007	May 31, 2005	March 11, 2008
Trustee Fund Balance	\$506,061	\$2,236,150	\$490,493
Debt Service	\$193,006	\$896,123	\$381,891
Tax Levy	\$219,550	\$946,706	\$497,616
Delinquency Amount <sup>2</sup>	\$0	\$6,753	\$5,577
Delinquent Rate	0%	.71%	1.12%

	Meritage Homes Refunding 2006-1	Alder 2006-3	Pacific Heritage 2007-2
Bond Issue Amount <sup>1</sup>	\$2,825,000	\$0.00	\$0.00
Bond Issue Date	June 4, 2014	-	-
Trustee Fund Balance	\$217,538	\$0.00	\$49,040
Debt Service	\$178,708	\$0.00	\$0.00
Tax Levy	\$281,304	\$41,321	\$66,997
Delinquency Amount <sup>2</sup>	\$5,175	\$876	\$0
Delinquent Rate	1.84%	2.12%	0%

	Monument Park 2006-2		
Bond Issue Amount <sup>1</sup>	\$0.00		
Bond Issue Date	-		
Trustee Fund Balance	\$100,975		
Debt Service	\$0.00		
Tax Levy	\$161,739		
Delinquency Amount <sup>2</sup>	\$569		
Delinquent Rate	.35%		

<sup>1</sup> Aggregate Principal Amount


<sup>2</sup> Delinquent Amount as of September 24, 2014

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: January 13, 2015**

**SUBJECT:** Compliance with developer fee reporting requirements of Section 66006 (AB 1600) of the Government Code.

**REQUESTED ACTION:** To receive and file AB 1600 report for the fiscal year ended June 30, 2014

**CONTACT:** Jim Raia, Accountant II 

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**BACKGROUND/DISCUSSION:**

California Government Code Section 66000 et seq., also known as AB1600, became effective in 1989.

To meet compliance requirements of AB1600, the City must

- a. Spend or commit development impact fees within five years of collecting them; or
- b. Adopt a resolution that makes a finding that there remains a reasonable relationship between the current need for the fees and the purpose for which they were originally proposed.

The City collects development impact fees as described in attachment #1 to this report. For the year ended June 30, 2014, the City has spent or committed all development impact fees within five years of collection and adopted resolution 3341 on December 14, 2004 to reaffirm the necessity of developer fees.

AB1600 also requires that the City make available to the public a report on developer fees within 180 days of the close of the fiscal year. The required report consists of a brief description of the fee type in the account or fund, the amount of the fee, the beginning and ending balance of the account or fund, the amount of fees collected and the interest earned. The City will produce its year-end closing report on December 1, 2014. This information is contained in attachments #1 and #2 to this report.

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

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Reviewed by:  
Assistant City Manager 

**Attachments:**

1. Development Impact Fee Descriptions
2. Development Impact Fee Summary

**Consent:**

## CITY OF PERRIS

## Development Impact Fee Descriptions

Community Amenities:

Fees collected for payment of the estimated and actual costs of acquiring and constructing additional public facilities and improving existing public facilities to meet demand of future development.

Police:

Fees collected for payment of the estimated and actual costs of acquiring and/or constructing additional law enforcement facilities, purchase additional support equipment and vehicles for increased staff associated with future development.

Fire:

Fees collected for payment of the estimated and actual costs of acquiring and/or constructing additional Fire Department enforcement facilities, purchase additional support equipment and vehicles for increased staff associated with future development.

Parks:

Fees collected for the payment of the estimated and actual costs of acquiring land, and designing and constructing parks and recreational facilities on land acquired for park and recreational purposes associated with future development.

Library:

Fees collected for the payment of the estimated and actual costs of acquiring and/or constructing and improving library facilities associated with future development.

Transportation:

Fees collected for the payment of estimated and actual costs of acquiring additional right of ways for new public street improvements and acquiring and installing new traffic control systems and improving the existing street networks and traffic control systems to accommodate the increase in traffic demands associated with future development.

Government Services:

Fees collected for the payment of estimated and actual costs of acquiring and/or constructing and improving additional general government and public maintenance services facilities associated with future development.

Administration:

Fees collected for the payment of actual or estimated costs of staff time associated with fee collection, maintenance of funds into which the fees are deposited, and preparation of the annual reports required per the Government Code.

Public Improvements:

Fees collected for the payment of actual or estimated costs of acquiring, installing or constructing public facilities and other appropriate costs to mitigate the direct and cumulative impacts associated with future development.

**North Perris Road and Bridge Benefit District:**

Fees collected for the payment of estimated and actual costs of specific regional road and bridge improvements to accommodate the increase in traffic demands associated with future development within the boundaries of the District.

**City of Perris  
Development Impact Fee Summary  
Project Summary  
as of June 30, 2014**

Attachment 2

PROJECT LIST	Projected Total Cost	Development Impact Fee (DIF)	DIF Funded %	Projected Completion
<b>Community Amenities</b>				
Goetz Road Intersections	392,131	297,571	76%	2019/2020
	<u>392,131</u>	<u>297,571</u>		
<b>Library</b>				
Chavez Library Flooring	100,000	100,000	100%	2014/2015
	<u>100,000</u>	<u>100,000</u>		
<b>Police</b>				
Police Facility Land Acquisition	2,349,500	2,349,500	100%	2014/2015
	<u>2,349,500</u>	<u>2,349,500</u>		
<b>Parks</b>				
Park Renovations / Equipment	700,384	700,384	100%	2014/2015
Patriot Park Soccer Complex	2,100,000	2,100,000	100%	2014/2015
Perris Valley Storm Channel	180,000	180,000	100%	2015/2016
	<u>2,980,384</u>	<u>2,980,384</u>		
<b>Transportation</b>				
Annual Slurry Seal Program	7,697,902	250,000	3%	2014/2015
Case Road Bridges	1,600,000	1,600,000	100%	2015/2016
D Street Renovations	3,986,848	3,089,316	77%	Completed
Downtown Pedestrians Paths Improvements	500,114	500,000	100%	2014/2015
Placentia Interchange	15,000	15,000	100%	2019/2020
Ramona Streetscapes / Medians	1,478,999	895,499	61%	Completed
Wilson Crossing @ Metz Channel	605,340	55,340	9%	2015/2016
Wilson Street/Signal Improvements	553,453	250,000	45%	2015/2016
Traffic Signal: San Jacinto/Perris	1,485,519	1,250,000	84%	2015/2016
Traffic Signal: Mapes/Trumble	300,000	300,000	100%	2015/2016
Traffic Studies & Reports	228,597	100,000	44%	2014/2015
	<u>18,451,772</u>	<u>8,305,155</u>		
<b>North Perris Road and Bridge Benefit District</b>				
Harley Knox Blvd Phase II	11,714,457	3,200,000	27%	2014/2015
Redlands Avenue - Ramona to Placentia	100,000	100,000	100%	2016/2017
	<u>11,814,457</u>	<u>3,300,000</u>		
<b>City Total</b>	<u><u>35,988,244</u></u>	<u><u>17,232,610</u></u>		

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**COMMUNITY AMENITIES**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 2,820,337	3,138,238	3,229,918	3,277,142	2,562,645
Revenue:					
Fees	269,753	65,110	78,352	104,055	280,013
Interest	48,097	26,570	25,104	(4,125)	30,122
Total	<u>3,138,187</u>	<u>3,229,918</u>	<u>3,333,374</u>	<u>3,377,072</u>	<u>2,872,780</u>
Expenditures					
Fire Station	-	-	55,947	814,427	(21,375)
Goetz Road Intersections	-	-	285	-	-
Total	<u>-</u>	<u>-</u>	<u>56,232</u>	<u>814,427</u>	<u>(21,375)</u>
Account Balance, June 30	<u>\$ 3,138,187</u>	<u>\$ 3,229,918</u>	<u>\$ 3,277,142</u>	<u>\$ 2,562,645</u>	<u>\$ 2,894,155</u>



**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**POLICE**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ -	\$ 10,743	\$ 13,412	\$ 17,471	\$ 20,848
Revenue:					
Fees	10,721	2,575	3,953	3,414	12,129
Interest	22	94	106	(37)	280
Total	<u>10,743</u>	<u>13,412</u>	<u>17,471</u>	<u>20,848</u>	<u>33,257</u>
Expenditures					
Police Facility Land Acquisition	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 10,743</u>	<u>\$ 13,412</u>	<u>\$ 17,471</u>	<u>\$ 20,848</u>	<u>\$ 33,257</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**FIRE**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 2,890,615	1,584,905	1,614,184	-	\$ 20,908
Revenue:					
Fees	63,541	15,881	24,287	20,966	473,977
Interest	39,616	13,398	12,531	(58)	3,224
Total	<u>2,993,772</u>	<u>1,614,184</u>	<u>1,651,002</u>	<u>20,908</u>	<u>498,109</u>
Expenditures					
Fire Station with Alarm System	-	-	1,651,002	-	38,793
Land for New Fire Station	592,573	-	-	-	-
Fire Engine Ladder Truck	816,335	-	-	-	-
Total	<u>1,408,908</u>	<u>-</u>	<u>1,651,002</u>	<u>-</u>	<u>38,793</u>
Fund Balance, June 30	<u>\$ 1,584,864</u>	<u>\$ 1,614,184</u>	<u>\$ -</u>	<u>\$ 20,908</u>	<u>\$ 459,316</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**PARKS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 5,607,119	5,360,053	3,199,077	3,009,515	3,058,875
Revenue:					
Fees	127,790	283,860	422,881	333,125	1,018,864
Interest	90,483	42,909	22,021	(5,198)	38,116
Total	<u>5,825,392</u>	<u>5,686,822</u>	<u>3,643,979</u>	<u>3,337,442</u>	<u>4,115,855</u>
Transfers Out					
Transfer to Construction Fur	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Bob Long Renovations	76,111	1,967,399	88,438	9,779	(8,564)
Gym - Theatrical Lighting	21,931	-	-	-	-
Mercado Park	8,157	4,805	(12,961)	-	46,621
Morgan Street Park-Phase II	16,878	-	-	-	-
Paragon Park Skate Park	103,736	13,965	-	-	-
Park Renovations/Equipment	59,078	73,008	185,442	204,801	281,837
Patriot Park	175,397	80,654	5,032	-	-
Patriot Park Soccer Complex	-	-	-	-	84,931
Perris Valley Storm Channel	6,795	9,150	1,191	14,063	8,174
Senior Center Renovations	(2,844)	338,764	256,905	1,048	(842)
Trails Master Plan	-	-	110,417	48,876	-
Total	<u>465,239</u>	<u>2,487,745</u>	<u>634,464</u>	<u>278,567</u>	<u>412,157</u>
Fund Balance, June 30	<u>\$ 5,360,153</u>	<u>\$ 3,199,077</u>	<u>\$ 3,009,515</u>	<u>\$ 3,058,875</u>	<u>\$ 3,703,698</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**LIBRARY**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 1,294,818	\$ 777,921	\$ 740,789	\$ 634,870	\$ 633,871
Revenue:					
Fees	12,848	-	-	-	-
Interest	15,947	6,558	5,375	(999)	7,141
Total	<u>1,323,613</u>	<u>784,479</u>	<u>746,164</u>	<u>633,871</u>	<u>641,012</u>
Expenditures					
Perris Bank Building	545,708	2,940	53,744	-	-
Cesar Chavez Library	-	40,750	57,550	-	-
Chavez Library Flooring	-	-	-	-	30,000
Total	<u>545,708</u>	<u>43,690</u>	<u>111,294</u>	<u>-</u>	<u>30,000</u>
Fund Balance, June 30	<u>\$ 777,905</u>	<u>\$ 740,789</u>	<u>\$ 634,870</u>	<u>\$ 633,871</u>	<u>\$ 611,012</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**TRANSPORTATION**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 11,944,609	11,502,005	9,376,074	9,389,684	9,194,448
Revenue:					
Fees	482,890	154,411	248,039	248,664	685,697
Interest	197,850	93,811	72,732	(24,060)	97,225
Total	<u>12,625,349</u>	<u>11,750,227</u>	<u>9,696,845</u>	<u>9,614,288</u>	<u>9,977,370</u>
Expenditures					
Annual Slurry Seal Program	-	919	9,978	29,715	2,933
Case Road Bridges	1,800	135	-	54,771	2,665
Case Road Interchange	2,714	90	-	-	-
Citywide Sidewalk Improvements	8,000	-	-	-	-
Clayton Street	1,029	8,981	287,894	-	-
D Street Renovations	566,083	70,962	2,532	285,011	823,126
Downtown Pedestrian Paths & Imprv	3,275	1,914	7,292	16,695	194,463
Downtown Streets & Alleys	61,810	-	(83)	-	-
G Street Sidewalk	20	5,900	500	19,473	-
Goetz & Case Right of Way	11,052	-	-	-	-
Perris Valley Industrial Corridor Infra	1,381	-	-	-	-
Placentia Interchange	2,695	-	-	-	-
Ramona Streetscapes / Medians	404,790	961	(952)	-	-
Ridge Project	-	2,284,921	-	-	-
Wilson Street/Signal Improvements	2,990	-	-	-	-
Wilson Crossing @ Metz Channel	-	-	-	4,447	50,893
Thoroughfare Landscape Program	3,730	-	-	-	-
TUMF - Ramona Expressway	10,000	-	-	-	-
Traffic Signal: San Jacinto/Perris	-	-	-	-	56,277
Traffic Studies & Reports	14,928	-	-	-	42,234
Traffic Signal - Mapes & Trumble	-	-	-	9,728	1,648
Total	<u>1,096,297</u>	<u>2,374,783</u>	<u>307,161</u>	<u>419,840</u>	<u>1,174,239</u>
Fund Balance, June 30	<u>\$ 11,529,052</u>	<u>\$ 9,375,444</u>	<u>\$ 9,389,684</u>	<u>\$ 9,194,448</u>	<u>\$ 8,803,131</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**GOVERNMENT SERVICES**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 409,016	\$ 451,405	\$ 480,521	\$ 522,953	\$ 555,249
Revenue:					
Fees	35,388	25,272	38,682	33,210	110,818
Interest	6,994	3,844	3,750	(914)	6,685
Total	<u>451,398</u>	<u>480,521</u>	<u>522,953</u>	<u>555,249</u>	<u>672,752</u>
Expenditures:					
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 451,398</u>	<u>\$ 480,521</u>	<u>\$ 522,953</u>	<u>\$ 555,249</u>	<u>\$ 672,752</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**ADMINISTRATION**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 18,827	\$ 20,036	\$ 21,303	\$ 23,151	\$ 24,746
Revenue:					
Fees	885	1,097	1,682	1,636	6,522
Interest	324	170	166	(41)	300
Total	<u>20,036</u>	<u>21,303</u>	<u>23,151</u>	<u>24,746</u>	<u>31,568</u>
Expenditures:					
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 20,036</u>	<u>\$ 21,303</u>	<u>\$ 23,151</u>	<u>\$ 24,746</u>	<u>\$ 31,568</u>

**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**PUBLIC IMPROVEMENTS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ 1,460,033	\$ 1,484,250	\$ 1,496,777	\$ 1,508,383	\$ 1,506,011
Revenue:					
Fees	-	-	-	-	-
Interest	24,192	12,527	11,606	(2,372)	16,966
Total	<u>1,484,225</u>	<u>1,496,777</u>	<u>1,508,383</u>	<u>1,506,011</u>	<u>1,522,977</u>
Expenditures:					
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,484,225</u>	<u>\$ 1,496,777</u>	<u>\$ 1,508,383</u>	<u>\$ 1,506,011</u>	<u>\$ 1,522,977</u>



**City of Perris  
Development Impact Fee Summary  
Revenues and Expenditures  
FY 2010 to FY 2014**

**North Perris Road and Bridge Benefit District**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Fund Balance, July 1	\$ (96,367)	\$ (406,059)	\$ (1,559,205)	\$ (303,502)	\$ 3,713,017
Revenue:					
Fees	-	-	35,452	4,094,301	2,028,769
Interest	-	2,863	6,247	(3,690)	51,245
Total	<u>(96,367)</u>	<u>(403,196)</u>	<u>(1,517,506)</u>	<u>3,787,109</u>	<u>5,793,031</u>
Expenditures:					
Operations	87,889	38,007	-	55,971	37,619
Harley Knox Interchange	(22,931)				
Harley Knox Blvd Phase II	244,734	1,118,002	(1,214,004)	18,121	15,317
Redlands Ave - Ramona to Placentia					18,965
Total	<u>309,692</u>	<u>1,156,009</u>	<u>(1,214,004)</u>	<u>74,092</u>	<u>71,901</u>
Fund Balance, June 30	<u>\$ (406,059)</u>	<u>\$ (1,559,205)</u>	<u>\$ (303,502)</u>	<u>\$ 3,713,017</u>	<u>\$ 5,721,130</u>

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PERRIS, COUNTY OF RIVERSIDE, STATE OF  
CALIFORNIA, TO REAFFIRM THE NECESSITY OF  
DEVELOPER FEES.**

*WHEREAS*, the City of Perris is required to make certain findings every five years with respect to the unexpended fund balance of certain development impact fee funds pursuant to California Government Code Section 66001; and

*WHEREAS*, the documents reflecting the balance in each Development Impact Fee, interest and the amount of expenditure by public facility for the fiscal year have been made available for public review as required by Code Section 66006; and

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

***Section 1.*** That the recitations above are true and correct.

***Section 2.*** That the following findings are made as required under the Government Code Section 66006:

- A. That the purpose to which the developer fee is to be put has been identified.
- B. That there is a continued need for the improvements and that there is a reasonable relationship between the fee and the impacts for development for which the fees are collected.
- C. That the sources and amounts of funding anticipated to complete the financing of capital projects have been identified and will be deposited into the appropriate account.
- D. That sufficient funds have not been collected to complete financing of public library facilities and that the fees expected to be generated by new development will not exceed the costs for construction.

***Section 3.*** That these findings are based on information provided in the City of Perris Operating Budget and Capital Projects for fiscal year 2013-14 on file with the City Clerk.

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

*Page 2*

***ADOPTED, SIGNED and APPROVED*** this 13th day of January 2015.

\_\_\_\_\_  
Mayor, Daryl R. Busch

ATTEST:

\_\_\_\_\_  
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 13th day of January, 2015, by the following called vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

---

City Clerk, Nancy Salazar



---

**BUDGET / FISCAL IMPACT:**

The Annexation of territory into the District increases the tax base to fund the public services to be provided to the residents and businesses within the District. The levy of the Special Tax will begin in the fiscal year for which a building permit was issued prior to March 1<sup>st</sup> of the previous fiscal year.

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Prepared by: Daniel Louie, Willdan Financial Services

City Attorney:

Asst. City Manager: *de*

**Public Hearing:**

**January 13, 2015**

**Resolution No. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, CALLING A SPECIAL ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS WITHIN PROPOSED ANNEXATION NO. 4 THE QUESTION OF ANNEXING SUCH TERRITORY AND LEVYING OF A SPECIAL TAX WITHIN THE AREA OF PROPOSED ANNEXATION NO. 4**

***WHEREAS***, the City Council (the "Council") of the City of Perris, California (the "City"), acting in its capacity as the legislative body (the "Legislative Body") of the Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris (the "District"), on October 14, 2014, has heretofore adopted its Resolution No. 4774 (the "Resolution of Intention") stating its intention to annex certain territory (the "Property") as described therein to the District pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the "Act") being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and specifically Article 3.5 thereof, and calling a public hearing on the question of the proposed annexation of the Property to the District, including the levying of a special tax on the Property and all other matters as set forth in the Resolution of Intention; and

***WHEREAS***, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the territory proposed for annexation to the District, stating the public services to be provided in and for the Property and a plan setting forth sharing of such services provided in common with the existing District, and specifying the special taxes to be levied within the Property and any alteration in the Rate and Method of Apportionment (as defined therein and incorporated herein by this reference) is on file with the City Clerk of the City; and

***WHEREAS***, the Resolution of Intention set November 25, 2014 as the date of the public hearing and to consider the question of the proposed annexation of the Property to the District, including the levying of a special tax on the Property and all other matters set forth in the Resolution of Intention and this Council held said public hearing as required by law; and

***WHEREAS***, the Council adopted Resolution No. 4786 to reschedule the public hearing of November 25, 2014 to January 13, 2015; and

***WHEREAS***, notice of the public hearing was duly given as required by Section 53339.4 of the Act or has been duly waived by the property owner; and

***WHEREAS***, the public hearing was held on January 13, 2015; and

***WHEREAS***, at said hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the annexation of the Property to the District, the

levy of the special tax on the Property, and all other matters as set forth in the Resolution of Intention were heard and a full and fair hearing was held; and

**WHEREAS**, at the public hearing evidence was presented to the Legislative Body on the matters before it, and the Legislative Body at the conclusion of the hearing is fully advised as to all matters relating to the proposed annexation of the Property to the District, including the levy of the special tax on the Property; and

**WHEREAS**, it has now been determined that written protests have not been received by registered voters and/or property owners representing more than one-half (1/2) of the area of land proposed to be annexed to the District or within the original District; and

**WHEREAS**, there were not at least twelve (12) registered voters residing within the territory proposed to be annexed to the District during each of the ninety (90) days preceding the closing of the January 13, 2015 public hearing; and

**WHEREAS**, on the basis of the foregoing, the Legislative Body has determined at this time to proceed with the annexation of the Property to the District, and to call an election therein to authorize such annexation, including the levy of the special tax therein (as such tax is more particularly described in the Resolution of Intention) to pay for the public services proposed to be financed by the District;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Perris, acting in its capacity as the Legislative Body of Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, California, as follows:

**Section 1.** That the above recitals are all true and correct.

**Section 2.** Written protests against the annexation of the Property to the District, or against the furnishing of specified services or the levying of a specified special tax within the District, have not been filed by fifty percent (50%) or more of the registered voters, or six (6) registered voters, whichever is greater, residing within the boundaries of the proposed annexation or within the existing District, nor by owners representing one-half (1/2) or more of the area of land proposed to be annexed to the District or of the existing District. All protests and objections, if any, are hereby overruled.

**Section 3.** The Legislative Body does declare the annexation of the Property to the existing District, to be known and designated as "Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4." The Legislative Body hereby finds and determines that all prior proceedings taken with respect to the annexation of the Property to the District were valid and in conformity with the requirements of law, including the Act. This finding is made in accordance with the provisions of Section 53325.1 of the Act.



**Section 4.** The boundaries and parcels of land to be annexed and in which the public services are to be provided and on which the special taxes will be levied in order to pay the costs and expenses for said public services are generally described as all that territory proposed to be annexed to the existing District is shown on a map as previously approved by the Legislative Body, said map designated "Annexation Map No. 4 to Community Facilities District No. 1-S, (South Perris Public Services)," a copy of which is on file in the office of the City Clerk and shall remain open for public inspection. The map of the proposed boundaries of Annexation No. 4 to the District has been recorded in the Office of the County Recorder of Riverside County, California in Book 77, Page 66 of the Book of Maps of Assessments and Community Facilities Districts (Document Number 2014-0404556).

**Section 5.** The Council finds that the Services, generally described as fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as set forth in Exhibit "B" hereto, are necessary to meet the increased demand put upon the City as a result of the development within the District.

**Section 6.** Except where funds are otherwise available, a special tax is hereby authorized, subject to the approval of the landowners as the eligible electors of the District, to levy annually in accordance with procedures contained in the Act, a special tax within the District, secured by recordation of a continuing lien against all nonexempt real property in the District, sufficient to pay for the Services and Incidental Expenses. The rate and method of apportionment and manner of collection of the special tax within the District is described in detail in Exhibit "A" attached hereto and incorporated herein by this reference. Exhibit "A" allows each landowner within the District to estimate the maximum amount that may be levied against each parcel.

**Section 7.** The Rate and Method of Apportionment of the special tax is based on the expected demand that each parcel of real property within the District will place on the Services, on the cost of making the Services available to each parcel within the Property, and on other factors. The Council hereby determines the rate and method of apportionment of the special tax set forth in Exhibit "A" to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special tax is not based upon the value or ownership of real property. In the event that a portion of the property within Community Facilities District No. 1-S shall become for any reason exempt, wholly or partially, from the levy of the special tax specified on Exhibit "A," the Council shall, on behalf of Community Facilities District No. 1-S, cause the levy to be increased, subject to the limitation of the maximum special tax for a parcel as set forth in Exhibit "A," to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the special tax revenues required for the purposes described herein. The obligation to pay special taxes may be prepaid as set forth in Exhibit "A." Upon recordation of a notice of special

tax lien pursuant to Streets and Highways Code Section 3114.5, continuing lien to secure each levy of the special tax will attach to all nonexempt parcels within the Property and the lien shall continue in force and effect until the special tax obligation is permanently satisfied and the lien canceled in accordance with the law or until collection of the special tax by the Legislative Body ceases.

**Section 8.** Pursuant to Section 53325.7 and 53326 of the Act, a special election is hereby called on behalf of the District on the proposition of levying the special tax on the territory within Annexation No. 4 to the District and establishing an appropriations limit therein. The proposition relating to the District authorizing the levy of the special tax on the Property and establishing an appropriations limit shall be substantially in the form attached hereto as Exhibit "C."

**Section 9.** The special election for the District on the proposition of authorizing the levy of the special tax on the Property and establishing an appropriations limit shall be held on January 13, 2015.

**Section 10.** It is hereby found that there were not at least twelve (12) registered voters that resided within the territory of the proposed Annexation No. 4 during each of the ninety (90) days preceding the closing of the November 25, 2014 public hearing regarding the levy of the special tax on the territory within Annexation No. 4 and establishing an appropriations limit therein and, pursuant to Section 53326 of the Act, the ballots for the special election shall be distributed by personal service, or by mail, with return postage prepaid, by the Election Official, to the landowners of record within the District as of the close of the public hearing. Each landowner shall have one (1) vote for each acre or portion thereof that he or she owns within the District, as provided in Section 53326 of the Act and may return the ballot by mail or in person to the Election Official not later than 6:00 p.m. on January 13, 2015, or 6:00 p.m. on another election day mutually agreed to by the Election Official and the landowners. In accordance with Section 53326(d) of the Act, the election shall be closed and the results certified by the Election Official as soon as all qualified electors have voted.

**Section 11.** If two-thirds (2/3) of the votes cast upon the question of levying such special tax and establishing such appropriations limit are cast in favor of levying such special tax within the District as determined by the Legislative Body after the canvass of the returns of such election, the Legislative Body may levy such special tax within the District under the Act in the amount and for the purposes as specified in this Resolution. Such special tax may be levied only at the rate and may be apportioned only in the manner specified in this Resolution, subject to the Act, except that the special tax may be levied at a rate lower than that specified herein and the maximum annual tax rate may be lowered. Such special tax may be levied so long as it is needed to pay for the financing of the services.

**Section 12.** If special taxes of the District are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except that it may be increased by an amount not to exceed two percent

(2.00%) per year to the extent permitted in the rate and method of apportionment; (ii) such tax shall be levied in perpetuity, as further described in Exhibit "A" hereto; and (iii) under no circumstances will such special tax be increased more than ten percent (10%) as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent.

**Section 13.** In the event that a portion of the property in the District shall become for any reason exempt, wholly or partially, from the levy of the special tax specified in Exhibit "A" the Council shall, on behalf of the District, increase the levy to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the required payments, subject to the maximum tax.

**Section 14.** The Council finds that there is not an ad valorem property tax currently being levied on property within the proposed District for the exclusive purpose of financing the provision of the same services to the territory of the District as provided by the Services.

**Section 15.** An appropriations limit for the District is hereby established as an amount equal to all the proceeds of the special tax collected annually and as defined by Article XIII B of the California Constitution, as adjusted for changes in the cost of living and changes in population.

**Section 16.** The Elections Official shall cause to be published once in a newspaper of general circulation the text of Proposition A, along with a description of the election proceedings. The publication shall also state that only the qualified electors in the District may vote on the proposition and that the canvass of the election will take place in the office of the City Clerk following the close of the election. Pursuant to the petition and request, the publication of such notice has been waived by the property owner.

**Section 17.** The District shall constitute a single election pursuant for the purpose of holding said election. Following the close of the election, the election shall be canvassed at the office of the City Clerk, 101 North "D" Street, Perris, California 92570.

**Section 18.** The Office of the City Manager, 101 North "D" Street, Perris, California 92570, (909) 943-6100, or its designee, is designated to be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and for estimating future special tax levies pursuant to Section 53340.2 of the Government Code.

**Section 19.** Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the Legislative Body hereby establishes the following accountability measures pertaining to the levy by the District of the Special Tax described in Section 6 above:

- A. Such Special Tax with respect to the District shall be levied for the specific purposes set forth in and Section 5 hereof and Proposition A referred to herein.
- B. The proceeds of the levy of such Special Tax shall be applied only to the specific purposes set forth in Section 5 hereof and Proposition A referred to herein.
- C. The District shall establish an account or accounts into which the proceeds of such Special Tax shall be deposited.
- D. The City Manager or Finance Director, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

**Section 20.** The City Clerk is directed to certify and attest to this Resolution, and to take any and all necessary acts to call, hold, canvass and certify an election or elections on the levy of the special tax, and the establishment of the appropriation limit.

**Section 21.** This Resolution shall take effect immediately upon its adoption.

**ADOPTED, SIGNED** and **APPROVED** this 13<sup>th</sup> day of January, 2015.

\_\_\_\_\_  
Mayor, \_\_\_\_\_

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 13<sup>th</sup> day of January, 2015, by the following called vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

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

**Exhibit A**

**CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT NO. 1-S  
SOUTH PERRIS PUBLIC SERVICES**

**SPECIAL TAX RATE AND METHOD OF APPORTIONMENT**

A Special Tax shall be levied on all Taxable Property within the boundaries of the City of Perris Community Facilities District No. 1-S (South Perris Public Services) (the "District") and collected each Fiscal Year commencing in Fiscal Year 2006/07 according to the tax liability determined by the Council, through the application of the rate and method of apportionment of the Special Tax set forth below. All Taxable Property shall be taxed to the extent and in the manner herein provided.

**A. DEFINITIONS**

**Acreage** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map. An Acre means 43,560 square feet of land.

**Act** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

**Administrative Expenses** means the costs incurred by the City to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the District as determined by the City.

**Annual Cost(s)** means for each Fiscal Year, the total of 1) the estimated cost of Services as determined by the City; 2) Administrative Expenses, and 3) any amounts needed to cure actual or projected delinquencies in Special Taxes for the current or previous Fiscal Year.

**Annual Tax Escalation Factor** means an increase in the Maximum Special Tax Rate each year following the Base Year in an amount not to exceed 2% annually.

**Assessor** means the Assessor of the County of Riverside.

**Assessor's Parcel** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

**Assessor's Parcel Map** means an official map of the Assessor designating parcel(s) by Assessor's Parcel Number(s).

**Assessor's Parcel Number** means the number assigned to an Assessor's Parcel by the County for purposes of identification.

**Base Year** means Fiscal Year ending June 30, 2006.

**CFD No. 1-S** means the City of Perris Community Facilities District No. 1-S (South Perris Public Services).

**CFD Administrator** means an official of the City, or designee thereof, responsible for determining the Annual Costs and for levying and collecting the Special Taxes.

**Council** means the City Council of the City of Perris which acts for the District under the Act.

**County** means the County of Riverside, California.

**Developed Property** means for each Fiscal Year, commencing with Fiscal Year 2006/07, each Assessor's Parcel, for which a building permit for new construction was issued prior to May 1 of the previous Fiscal Year.

**Exempt Property** means an Assessor's Parcel that is not classified as Taxable Property. Exempt Property is not subject to the Special Tax.

**Fiscal Year** means the period starting on July 1 and ending the following June 30.

**Land Use Class** means any of the classes listed in Table 1 under Section C below.

**Maximum Annual Special Tax** means the greatest amount of Special Tax, determined in accordance with Section C below, which may be levied in any Fiscal Year on any Assessor's Parcel.

**Multi-Family Unit** means all Developed Property for which building permits have been issued for attached residential units.

**Non-Residential Property** means all Developed Property for which a building permit(s) was issued for a non-residential use.

**Public Property** means any property within the boundaries of the District, the ownership of which is transferred to a public agency of the District, and is used for rights-of-way or any other purpose and is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency where the public agency has officially agreed to accept the offer of dedication; provided however that any property owned by a public agency and leased to a private entity and subject to

taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

**Residential Property** means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

**Services** means services, including 1) police protection services, 2) fire protection services and 3) park maintenance services that are in addition to those services that were provided within the boundaries of CFD 1-S at the time of formation of CFD 1-S.

**Single-Family Unit** means all Developed Property for which a building permit has been issued for single family detached residential development. Single Family Unit also includes mobile homes within a mobile home park or on other property.

**Special Tax** means any tax levied within the District pursuant to the Act and this rate and method of apportionment of Special Tax.

**State** means the State of California.

**Taxable Property** means all of the Assessor's Parcels within the boundaries of CFD 1-S that are classified as Residential Property or Non-Residential Property.

**B. LAND USE CLASSIFICATION**

Each Fiscal Year, each Assessor's Parcel within the boundaries of the District shall be classified as Taxable Property, Public Property or Exempt Property. Each Assessor's Parcel of Taxable Property shall be classified as Residential Property or Non-Residential Property. Each Assessor's Parcel of Residential Property shall be further classified as either a Single-Family Unit or the number of Multi-Family Units located on such Assessor's Parcel.



**C. MAXIMUM SPECIAL TAX RATES**

**Table 1**  
**Base Year**  
**Maximum Special Tax Rates**

<b>Land Use Class</b>	<b>Description</b>	<b>Maximum Special Tax</b>	<b>Special Tax Levy Basis</b>
1	Residential Property Single-Family Unit	\$313.00	per Unit
2	Residential Property Multi-Family Unit	\$156.50	per Unit
3	Non-Residential Property	\$1,252.00	per Acre

**1. ESCALATION OF MAXIMUM SPECIAL TAX**

Each Fiscal Year following the Base Year, the Maximum Special Tax Rate shall be increased in accordance with the Annual Tax Escalation Factor and otherwise adjusted as provided in this rate and method of apportionment.

**2. MULTIPLE LAND USE CLASSES**

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each Land Use Class as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

**D. METHOD OF APPORTIONMENT**

For each Fiscal Year the Council shall determine the Annual Costs and levy the Special Tax, until the amount of Special Taxes equals the Annual Costs. The Special Tax shall be levied each Fiscal Year as follows:

First: Calculate the available Special Tax revenues by taxing each Assessor's Parcel of Taxable Property at 100% of its Maximum Special Tax. If revenues are greater than the Annual Costs, then reduce the Special Tax proportionately against all Assessor's Parcels until the tax levy is set at an amount sufficient to cover the Annual Costs.

Second: Levy on each Assessor's Parcel of Taxable Property the amount calculated above. No Special Tax shall be levied on Exempt Property.

The City shall make every effort to correctly assign the number of taxable units and calculate the Special Tax for each Assessor's Parcel. It shall be the burden of the landowner to correct any errors in the determination of the Assessor's Parcels subject to the tax and their Special Tax assignments.

**E. COLLECTION OF SPECIAL TAXES**

Collection of the Special Tax shall be by the County in the same manner as *ad valorem* property taxes and the Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as *ad valorem* taxes; provided, however, that the Council may provide other means of collecting the Special Tax if necessary to meet its financial obligations, including direct billings to the property owners.

**F. ADMINISTRATIVE CHANGES AND APPEALS**

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than twelve months after first having paid the first installment of the Special Tax that is disputed. If following such consultation, the CFD Administrator determines that an error has occurred, the CFD Administrator may amend the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any by the CFD Administrator, the landowner believes such error still exists, such person may file a written notice with the City Manager or designee of the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of such notice, the City Manager or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. The City Manager or designee thereof shall interpret this Rate and Method of

Apportionment and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Manager or designee shall be final and binding as to all persons.

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to the District.

**G. TERM OF SPECIAL TAX**

The Special Tax shall be levied annually in perpetuity, unless terminated earlier by the Council.

**Exhibit B**

**COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)  
OF THE CITY OF PERRIS, ANNEXATION NO. 4**

**TYPES OF SERVICES TO BE FINANCED**

Fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto (collectively, the "Services").

**Exhibit C**

**OFFICIAL BALLOT**

**TO BE OPENED ONLY BY THE CANVASSING BOARD**

**COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)  
OF THE CITY OF PERRIS, ANNEXATION NO. 4**

**SPECIAL TAX AND APPROPRIATIONS LIMIT ELECTION**

**January 13, 2015**

To vote, mark a cross (+) or (X) in the voting square after the word "YES" or after the word "NO." The voter should then sign the ballot. All distinguishing marks otherwise made are forbidden and will void the ballot.

This ballot is provided to **ROGERS, PATRICK T.** as owner or authorized representative of such sole owner of 0.31 acres of the land within Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4 (the "Property") and represents **ONE (1)** of the votes required for annexation.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Perris at 101 North "D" Street, Perris, California 92570 and obtain another.

**PROPOSITION A:** Shall the Property be annexed and shall a Special Tax be levied within Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4 to pay for the provision of fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as authorized in the Resolution calling election adopted on JANUARY 13, 2015 and the Resolution of Intention referred to therein; and shall an appropriations limit be established for Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4 pursuant to Article XIIB of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population, where said Maximum Special Tax Rate for Fiscal Year 2014-2015 is \$366.72 per Single-Family Residential Unit, \$183.36 per Multi-Family Residential Unit and \$1,466.90 per acre for Non-residential Parcels and is subject to an Annual Tax Escalation Factor not to exceed 2.00% annually?

YES

NO

Number of votes: **1**

Property Owner: **ROGERS FAMILY TRUST**

Resolution No. \_\_\_\_\_

**Resolution No. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO ANNEXATION NO. 4 AND ORDERING THE ANNEXATION OF SUCH TERRITORY, THE LEVYING OF A SPECIAL TAX WITHIN THE AREA OF ANNEXATION NO. 4 AND DIRECTING THE RECORDING OF A NOTICE OF SPECIAL TAX LIEN**

The City Council (the "Council") of the City of Perris, California (the "City"), acting in its capacity as the legislative body (the "Legislative Body") of the Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris (the "District"), does hereby resolve as follows:

**WHEREAS**, the Legislative Body called and duly held an election in the District pursuant to Resolution No. \_\_\_\_ adopted on January 13, 2015 for the purpose of presenting to the qualified electors within the certain territory proposed to be annexed to the District known and designated as "Annexation No. 4" (the "Property"), a proposition for the levy of a special tax and the establishment of an appropriations limit ("Proposition A") in accordance with the method set forth in Exhibit "A" to Resolution No. 4774 adopted on October 14, 2014 (the "Resolution of Intention"); and

**WHEREAS**, the notice of election was published in the \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ including the full text of Resolution No. 4774; and

**WHEREAS**, the landowners of record within the Property as of the close of the public hearing held on January 13, 2015 unanimously consented to a waiver of the time limits for setting the election and a waiver of any written analysis, arguments or rebuttals as set forth in California Government Code sections 53326 and 53327. Such waivers are set forth in written certificates executed by the landowners which are on file with the City Clerk as election official (the "Election Official") concurring therein; and

**WHEREAS**, pursuant to the terms of the Resolution Calling Election and the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"), the special election was held on January 13, 2015; and

**WHEREAS**, there has been presented to this Legislative Body a Certificate of the Election Official as to the Results of the Canvass of the Election Returns (the "Certificate of the Election Official"), a copy of which is attached hereto as Exhibit "A;"

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Perris, acting in its capacity as the Legislative Body of Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, California, as follows:

**Section 1.** That the above recitals are all true and correct.

**Section 2.** The canvass of the votes cast in the Property to be annexed to the District at the special election held on January 13, 2015, as shown in the Certificate of the Election Official, is hereby approved and confirmed.

**Section 3.** Proposition A presented to the qualified electors of the Property for receipt by the Election Official on January 13, 2015, has received a unanimous vote of the qualified electors voting at said election, and Proposition A has carried. The Legislative Body is hereby authorized to take the necessary steps to levy the special tax authorized by Proposition A on the Property, which shall be used for the purposes of fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as also set forth in Proposition A.

**Section 4.** The City Clerk is hereby directed to enter the title of this Resolution on the minutes of the Legislative Body and to indicate the official declaration of the result of such special election.

**Section 5.** The Legislative Body hereby determines that the Property is added to and part of the existing District with full legal effect, and hereby authorizes the levy of a special tax at the Rate and Method of Apportionment set forth in Exhibit A to the Resolution of Intention. The whole of the territory within the Property shall be subject to the special tax consistent with the provisions of the Act.

**Section 6.** Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the Legislative Body hereby establishes the following accountability measures pertaining to the levy by the District of the Special Tax described in Section 3 above:

- A. Such Special Tax with respect to the District shall be levied for the specific purposes set forth in Proposition A and Section 3 hereof.
- B. The proceeds of the levy of such Special Tax with respect to each Improvement Area shall be applied only to the specific purposes set forth in Section 3 hereof and Proposition A referred to therein.
- C. The District shall establish an account or accounts into which the proceeds of such Special Tax with respect to each Improvement Area shall be deposited.
- D. The City Manager, Assistant City Manager and Finance Director, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

**Section 7.** The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of Riverside a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following adoption by the City Council of this Resolution.

**Section 8.** This Resolution shall take effect immediately upon its adoption.

**Section 9.** The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

**ADOPTED, SIGNED and APPROVED** this 13<sup>th</sup> day of January, 2015.

\_\_\_\_\_  
Mayor, \_\_\_\_\_

ATTEST:

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

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

I, \_\_\_\_\_, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO  
HEREBY CERTIFY that the foregoing Resolution Number \_\_\_\_ was duly and regularly  
adopted by the City Council of the City of Perris at a regular meeting held the 13<sup>th</sup> day of  
January, 2015, by the following called vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

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



**Exhibit A**

**COMMUNITY FACILITIES DISTRICT NO. 1-S  
(SOUTH PERRIS PUBLIC SERVICES)  
OF THE CITY OF PERRIS, ANNEXATION NO. 4**

**CERTIFICATE OF THE ELECTION OFFICIAL  
AS TO THE RESULTS OF THE CANVASS OF THE ELECTION RETURNS**

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

I, \_\_\_\_\_, City Clerk in my capacity as Elections Official in the City of Perris, California, in its capacity as the legislative body of the Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, DO HEREBY CERTIFY, that pursuant to the provisions of Section 53325.4 of the Government Code and Division 15, commencing with Section 15000 of the Elections Code of the State of California, I did canvass the return of the votes cast at the Special Tax Election on January 13, 2015, held in

**COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)  
OF THE CITY OF PERRIS, ANNEXATION NO. 4**

I FURTHER CERTIFY that the Statement of All Votes Cast, to which this certificate is attached, shows the total number of ballots case within the Property to be annexed to the District for the Proposition, and the totals of the respective columns and the totals as shown for the Proposition are full, true and correct.

WITNESS my hand and Official Seal this 13<sup>th</sup> day of January, 2015.

CITY OF PERRIS, CALIFORNIA, acting as the  
LEGISLATIVE BODY OF THE COMMUNITY  
FACILITIES DISTRICT NO. 1-S (SOUTH  
PERRIS PUBLIC SERVICES) OF THE CITY OF  
PERRIS

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

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

**COMMUNITY FACILITIES DISTRICT NO. 1-S  
(SOUTH PERRIS PUBLIC SERVICES)  
OF THE CITY OF PERRIS, ANNEXATION NO. 4**

**STATEMENT OF ALL VOTES CAST  
SPECIAL TAX ELECTION**

	Qualified Landowner Votes	Total Votes Cast	YES	NO
City of Perris, Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4, Special Election, January 13, 2015	1	_____	_____	_____

**PROPOSITION A SUBMITTED TO VOTE OF VOTERS:** Shall the Property be annexed and shall a Special Tax be levied within Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4 to pay for the provision of fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto, as authorized in the Resolution calling election adopted on January 13, 2015 and the Resolution of Intention referred to therein; and shall an appropriations limit be established for Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, Annexation No. 4 pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population, where said Maximum Special Tax Rate for Fiscal Year 2014-2015 is \$366.72 per Single-Family Residential Unit, \$183.36 per Multi-Family Residential Unit and \$1,466.90 per acre for Non-residential Parcels and is subject to an Annual Tax Escalation Factor not to exceed 2.00% annually?

## NOTICE OF PUBLIC HEARING

City of Perris  
Community Facilities District No. 1-S  
(South Perris Public Services)  
Annexation No. 4

NOTICE IS HEREBY GIVEN that at 6:00 p.m. on January 13, 2015, or as soon thereafter as practicable, at City Hall, located at 101 North "D" Street, Perris, California 92570, the City Council of the City of Perris, California (the "City Council") will hold a public hearing on the Annexation of territory ("Annexation No. 4") to City of Perris Community Facilities District No. 1-S (South Perris Public Services) (the "CFD"), the proposed rate, and method of apportionment of the special tax (the "Special Tax") to be levied on certain property within Annexation No. 4.

On October 14, 2014, the City Council adopted Resolution No. 4774 (the "Resolution of Intention") declaring its intention to annex Annexation No. 4 to the CFD pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act") and setting a public hearing as required by the Act for November 25, 2014 at 6:00 PM or as soon thereafter as practicable. The City Council has rescheduled the November 25, 2014 public hearing date to January 13, 2015 at 6:00 PM or as soon thereafter as practicable.

The levy of Special Taxes on the annexed territory finances the following public services (the "Services"):

fire protection and suppression services, and ambulance and paramedic services, including all furnishings, equipment and supplies related thereto; police protection services, including, but not limited to, criminal justice services, including all furnishings, equipment and supplies related thereto; park maintenance services, including all furnishings, equipment and supplies related thereto.

Except where funds are otherwise available, a special tax sufficient to pay for such services and related incidental expenses authorized by the Act, secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the boundaries of the CFD and Annexation No. 4. Commencing with Fiscal Year 2014-2015 a Maximum Special Tax shall be levied as follows: (1) \$366.72 per Single-Family Unit; (2) \$183.36 per Multi-Family Unit; and (3) \$1,466.90 per acre for Non-Residential parcels. For each subsequent fiscal year following Fiscal Year 2014-2015, the Maximum Special Tax may be increased by an amount not to exceed two percent (2.00%) per year.

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD Administrator during

the fiscal year the error is believed to have occurred. The City and/or CFD Administrator will then promptly review the appeal and, if necessary, meet with the taxpayer. If the City and/or CFD Administrator verifies that the tax should be changed, the Special Tax levy shall be corrected and, if applicable in any case, a credit shall be applied to the Special Tax levied on such parcel in the subsequent fiscal year.

The Special Tax as levied pursuant to the Rate and Method of Apportionment, shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the CFD may direct bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary, to meet the financial obligations of Annexation No. 4 and the CFD, or as otherwise determined appropriate by the City.

The Special Tax shall be levied in perpetuity to fund public Services provided to Annexation No. 4 and the CFD.

If at least 12 persons have been registered to vote within the territory to be annexed to the CFD for each of the 90 days preceding the close of the public or protest hearing, the vote in the special election shall be by the registered voters of Annexation No. 4 with each voter having one vote. In that event, the special election shall be conducted by the Registrar of Voters of the County of Riverside and shall be held on a date selected by the City Council and the ballots for the special election shall be distributed to the qualified electors of Annexation No. 4 by mail with return postage prepaid, and the special election shall be conducted as a mail ballot election.

If at the time of the close of the public hearing less than 12 persons have been registered to vote within the territory of Annexation No. 4, the vote shall be by the landowners of Annexation No. 4, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns within Annexation No. 4. In that event, the special election shall be conducted by the City Clerk.

At the hearing, the testimony of all interested persons (all taxpayers within the or persons owning property in the area to be annexed or the area within the existing CFD) for or against the annexation of Annexation No. 4 to the CFD, the extent of Annexation No. 4, the furnishing of a specified type or types of public facilities or services, will be heard. If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the existing CFD, or if 50 percent or more of the registered voters or six registered voters, whichever is more, residing within the territory proposed for annexation or proposed to be annexed in the future, or if the owners of one-half or more of the area of land in the territory included in the existing district and not exempt from special tax, or if the owners of one-half or more of the area of land in the territory proposed to be annexed or proposed to be annexed in the future and not exempt from the special tax file written protests against the annexation of Annexation No. 4 to the CFD, and protests are not withdrawn so as to reduce the value of the protests to less than a majority, no further proceedings to annex Annexation No. 4 to the CFD or to levy

the Special Tax shall be taken for a period of one year from the date of the decision of the City Council. If the majority protests of the registered voters or the landowners are only against the furnishing of a specified type or types of facilities or services within Annexation No. 4, or against levying a specified special tax, those types of facilities or services or the specified special tax shall be eliminated from the resolution of annexation.

All capitalized terms not defined herein shall be as defined in the Resolution of Intention to Annex Territory to the CFD. The complete texts of the Resolution of Intention to Annex Territory to the CFD, the proposed Rate and Method of Apportionment of the Special Tax among parcels of real property in the CFD and Annexation No. 4, and the Boundary Map of Annexation No. 4 are on file in the office of the City Clerk and available for public inspection.

If you have any questions, please call the Office of the City Clerk (951) 956-2925.

Dated: \_\_\_\_\_, 20\_\_

Sincerely,

City Clerk  
City of Perris

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date January 13, 2015

SUBJECT: Annexation of CUP 13-02-0014 to the City's Maintenance Districts

REQUESTED ACTION:

Open and Close of Public Hearings, Open 2 Ballots and Adoption of 2 Resolutions Ordering the Annexation of CUP 13-02-0014 to the City's Maintenance Districts, Giving Final Approval to the Engineer's Reports, and the Levying of the 2014-2015 Assessments

CONTACT: Habib Motlagh, City Engineer

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BACKGROUND/DISCUSSION:

CUP 13-02-0014 is a 1.03-acre project located on the southeast corner of 4<sup>th</sup> Street and Wilkerson Avenue. A 7-Eleven is being constructed on the property by Beldu Partners LLC.

On September 30, 2014, 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 December 9, 2014. On December 9, 2014 the Public Hearing was continued to January 13, 2015.

---

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

<u>Maintenance District</u>	<u>Annual Assessment</u>
Maintenance District No. 84-1	\$ 200.20
Landscape Maintenance District 1	3,193.26
Total Annual Assessment	\$3,393.46

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Reviewed by:

Assistant City Manager 

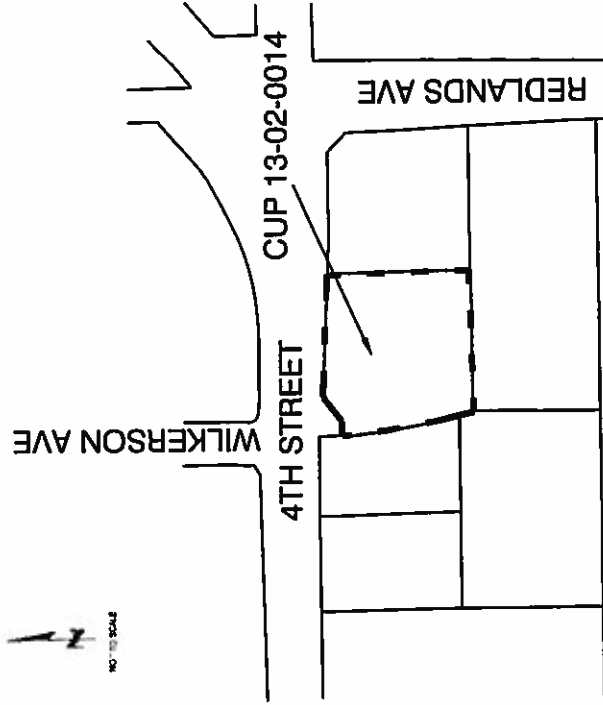
City Attorney \_\_\_\_\_

Attachments:

1. Location Map
2. Resolution Ordering the Annexation of CUP 13-02-0014 to MD 84-1, Giving Final Approval to the Engineer's Report, and the Levying of the 2014-2015 Assessments.
3. Resolution Ordering the Annexation of CUP 13-02-0014 to LMD 1, Giving Final Approval to the Engineer's Report, and the Levying of the 2014-2015 Assessments.

Public Hearing:

**ANNEXATION OF CUP 13-02-0014 TO CITY OF PERRIS  
MAINTENANCE DISTRICT NO. 84-1 AND LANDSCAPE MAINTENANCE DISTRICT NO. 1**



**1.03 Acres**  
**MD 84-1**

- 1 Street Light
  - 10% Traffic signal at the intersection of 4th Street and Wilkerson Avenue
- 
- LMD 1**
- 4th Street median along north boundary
  - 4th Street parkway and easement along north boundary
  - Wilkerson Avenue parkway and easement along west boundary

**VICINITY MAP**

NOT TO SCALE

Facility	Annual Assessment
Street Lights and Traffic Signals	\$ 200.20
Median, Parkways and Easements	3,193.26
<b>Total Annual Assessments</b>	<b>\$ 3,393.46</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 Assessments include SIF 1, 2, and 3

**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 CUP 13-02-0014 TO  
CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING  
FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE  
ASSESSMENT FOR FISCAL YEAR 2014-2015***

**WHEREAS**, the City Council of the City of Perris, County of Riverside, California ("the City Council") did on the 30th day of September 2014, adopt its Resolution of Intention Number 4761 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 4761 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 4761, 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**, the hearing scheduled for December 9, 2014 was continued to January 13, 2015 pursuant to Government Code Section 54955.1, and on January 13, 2015 the hearing was duly opened and held by this City Council at the time and place for the hearing; 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 4761, 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 2014-2015 are hereby levied.

**ADOPTED, SIGNED and APPROVED** this 13<sup>th</sup> day of January, 2015.

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Mayor, Daryl R. Busch

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 13<sup>th</sup> day of January, 2015, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

City Clerk, Nancy Salazar

**RESOLUTION NUMBER**

***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS,  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE  
WORK IN CONNECTION WITH ANNEXATION OF CUP 13-02-0014 TO  
BENEFIT ZONE 106, CITY OF PERRIS LANDSCAPE MAINTENANCE  
DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE  
ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL  
YEAR 2014-2015***

**WHEREAS**, the City Council of the City of Perris, County of Riverside, California ("the City Council") did on the 30th day of September 2014, adopt its Resolution of Intention Number 4764 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 4764 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 4764, 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**, the hearing scheduled for December 9, 2014 was continued to January 13, 2015 pursuant to Government Code Section 54955.1, and on January 13, 2015 the hearing was duly opened and held by this City Council at the time and place for the hearing; 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 4764, 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 2014-2015 are hereby levied.

**ADOPTED, SIGNED and APPROVED** this 13<sup>th</sup> day of January, 2015.

---

Mayor, Daryl R. Busch

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 13<sup>th</sup> day of January, 2015, by the following called vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

City Clerk, Nancy Salazar

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date January 13, 2015

SUBJECT: Proposed CFD NO. 2014-1 (Avelina) – Resolutions Establishing the CFD, Determining the Necessity to Incur Bonded Indebtedness; Special Election Regarding Formation and Levy of Special Taxes; Ordinance Levying Special Tax

**Owner/Developer is Centex Homes  
Property is bordered by Orange Ave. on the North and  
Evans Road on the East. Property includes tract Nos.  
30850, 30850-1, 30850-2, 30850-3, and 30850-4.**

REQUESTED ACTION: That the City of Perris hold a public hearing and special election to authorize establishment of the District, Special Taxes, Authorization for Bonded Indebtedness, and other related matters:

1. ***RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS APPROVING AND AUTHORIZING EXECUTION OF A FUNDING AGREEMENT AND A JOINT COMMUNITY FACILITIES AGREEMENT IN CONNECTION WITH THE FORMATION OF COMMUNITY FACILITIES DISTRICT 2014-1 (AVELINA) OF THE CITY OF PERRIS; AND MAKING FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH.***
2. ***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS COMPRISING IMPROVEMENT AREA NO. 1, IMPROVEMENT AREA NO. 2 AND IMPROVEMENT AREA NO. 3 THEREOF, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN EACH SUCH IMPROVEMENT AREA OF COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, ESTABLISHING AN APPROPRIATIONS LIMIT, AND TAKING CERTAIN OTHER ACTIONS RELATING TO SAID DISTRICT***
3. ***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$5,000,000 WITHIN IMPROVEMENT AREA NO. 1, \$5,000,000 WITHIN IMPROVEMENT AREA NO. 2, AND \$5,000,000 WITHIN IMPROVEMENT AREA NO. 3 OF SAID***

**DISTRICT; AND CALLING A SPECIAL ELECTION WITHIN EACH SUCH IMPROVEMENT AREA**

4. **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO THE LEVY OF SPECIAL TAXES WITHIN SAID DISTRICT, THE ISSUANCE OF BONDED INDEBTEDNESS AND THE ESTABLISHMENT OF AN APPROPRIATIONS LIMIT**
5. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-1 (AVELINA) OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN IMPROVEMENT AREA NO. 1, IMPROVEMENT AREA NO. 2, AND IMPROVEMENT AREA NO. 3 OF SAID DISTRICT**

CONTACT: City Attorney

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**BACKGROUND/DISCUSSION:**

On October 14, 2014, the City expressed its intent to form Community Facilities District No. 2014-1 (Avelina) of the City of Perris (the "District"), and issue bonds for the purpose of funding certain public fees and facilities. The City took this action after receiving a petition (including consent and waiver) from Centex Homes (the "Property Owner"), the property owner of all of the property within the proposed District, and a Deposit and Reimbursement Agreement with respect to such formation. The District would be formed pursuant to the Mello-Roos Community Facilities District Act of 1982 (the "Act").

**Purpose of Forming the District**

Centex Homes, a private home developer, purchased approximately 90 acres of undeveloped property in the City, and is currently in the process of developing homes. This property comprises approximately 90 acres southeast of Orange Avenue and Evans Road. Centex owns 100% of this property.

As a part of this development, Centex is petitioning the City to form the District in order to finance fees and the construction or acquisition of certain facilities for future homeowners, including streets, storm control, sewer improvements, water facilities, parks, as well as to pay other impact fees relating to schools, water, sewer, storm drains, and other related fees. The Act allows such facilities to be financed through special taxes collected from property owners within the proposed District, who would be the beneficiaries of such improvements.

Generally, such facilities will be financed through the issuance of bonds by the District, which would be paid for through the collection of the special taxes.

It is proposed that the District is formed with three separate "improvement areas," each of which will be subject to its own formula for the levy of special taxes, and each separately empowered to issue bonds to finance its facilities.

#### **Actions Taken on October 14, 2014**

On October 14, 2014, after receiving the petition, waiver, and funding agreement from Centex, the City adopted two Resolutions in order to move forward with formation of the District, in accordance with the Act. First, the City passed a Resolution of Intention to Form the District (Resolution No. 4779). This Resolution provides specific information relating to the proposed District, including the name, a description of the public facilities to be financed, stating that a special tax (if approved by the qualified electors) in an amount sufficient to pay for such facilities will be levied against the properties, and fixing a time and place for a public hearing. Attached to this Resolution is the Rate and Method of Apportionment, which describes the formula for calculating the maximum special tax in each improvement area of the District. This Resolution is attached hereto as Exhibit A.

The second Resolution passed at this meeting was a Resolution of Intention to Issue Bonds (Resolution No. 4780). This Resolution describes the proposed terms of bonds to be issued by the District which, if approved by the qualified electors, would finance the facilities and be paid for by the special taxes. This Resolution is attached hereto as Exhibit B.

While these Resolutions both state that the Public Hearing would take place on November 25, 2014, they were subsequently amended to change the date to December 9, 2014, and again to January 13th, 2015.

#### **Proposed Special Tax Formula and Bond Limitations**

The maximum special tax for each Improvement Area is described in detail in the Rate and Method of Apportionment, which is attached to the Resolution of Intention to Form the District (Resolution No. 4779). The tax is based on the square footage of residential units, or the acreage of undeveloped property. The maximum special tax in each Improvement Area is subject to a 2% annual multiplier, meaning that it will increase automatically by 2% each year.

The maximum special tax ranges from \$802 per unit for residential units under 1,750 square feet, to \$1,711 for residential units over 3,150 square feet. For undeveloped property in Improvement Area No. 1, the maximum special tax is \$7,960 per acre. In Improvement Area No. 2, the maximum special tax for undeveloped property is \$7,933 per acre. In Improvement Area No. 3, the maximum special tax for undeveloped property is \$7,692 per acre.

Further, the proposed maximum amount of bonds that would be issued in each Improvement Area is \$5,000,000, which would total \$15,000,000 for the entire District.



If approved, the City would not be compelled to levy the special tax at the maximum rate; nor would the City be compelled to issue bonds at the full authorized amount. The amount of taxes to be levied, and the amount of bonds to be issued, would depend on the amount required to finance the facilities approved by the qualified electors. The proceeds of the special taxes and the bonds can only be used for payment of the public facilities to be provided by the District, and associated expenses.

### **Next Steps**

The City is now required to hold a public hearing to determine if there are any protests to formation of the District. If no majority protest is received by interested persons (which generally include landowners or registered voters within the proposed District), the City would adopt a Resolution of Formation, forming the District.

Next, the City would hold a public hearing on issuing bonded indebtedness, and subsequently declare the necessity to issue bonds for the District, and calling a special election. Centex is the only landowner in Improvement Area Nos. 2 and 3; there is a second landowner in Improvement Area No. 1 that owns approximately 0.165289 acres, while Centex owns 29.89 acres. While there are generally certain minimum time limits after the public hearing in which the election must occur, Centex has waived such restrictions. As such, the election is also scheduled for January 13, 2015, and will occur by way of mail-in or hand-delivered ballots.

The ballot would be a combined proposition authorizing the City to levy the special tax within the District pursuant to the Rate and Method of Apportionment for each Improvement Area, approve an appropriations limit for the District, and authorize the District to pursue bonds to finance the public facilities.

If the landowners votes in favor of the proposition, the City would be authorized (but is not required to) pass a third Resolution Declaring the Results of the Special Election, and would hold the first reading of the Ordinance Levying the Special Tax.

Further, the City is not issuing bonds through these actions. These actions provide the authority and limitation to pursue a bond issuance at some future date.

The financing meets or will (at the time of issuance if a waiver is not requested) all City policies and procedures with respect to financing public improvements in connection with land development. The "not to exceed" bond amount for the District has been approved by the City Financial Advisor as \$5,000,000 per improvement area. The facilities and fees of public agencies proposed to be financed and the rate and method of apportionment of the special tax proposed to be levied following an election are described on the exhibits to the resolution of intention to form the District.

### **JCFA Agreement and Funding Agreement**

In addition to the above actions, the City is also being requested to approve a Resolution Authorizing a Joint Community Facilities Agreement between the City, the Eastern Municipal Water District, and Centex Homes. The purpose of this Agreement is

to finance certain fees and public improvements necessary to provide water through the Eastern Municipal Water District. Pursuant to the Act, this resolution must be approved prior to the Resolution of Formation. The Funding Agreement will provide for the orderly disbursement of funds from the improvement fund with respect to the bonds to pay for fees and other eligible costs.

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**BUDGET (or FISCAL) IMPACT:**

None. Funds provided by developer deposit and bond proceeds.

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Reviewed by:

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

Assistant City Manager RC

Attachments:

Consent:

Public Hearing:

Business Item:

Other:

CITY COUNCIL  
AGENDA SUBMITTAL

Meeting Date January 13, 2015

SUBJECT: Proposed CFD NO. 2014-2 (Perris Valley Spectrum) – Resolutions Establishing the CFD, Determining the Necessity to Incur Bonded Indebtedness, and Calling a Special Election

**CFD 91-1 is located at the northwest corner of Perris Boulevard and Orange Avenue**

REQUESTED ACTION: That the City of Perris hold a public hearing and call a special election regarding the formation of CFD 2014-2 (Perris Valley Spectrum) (the “District”), and issuing bonds to refinance the District.

1. ***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$4,000,000 WITHIN SAID DISTRICT; AND CALLING A SPECIAL ELECTION***
2. ***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, ESTABLISHING AN APPROPRIATIONS LIMIT, AND TAKING CERTAIN OTHER ACTIONS RELATING TO SAID DISTRICT***

CONTACT: City Attorney

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BACKGROUND/DISCUSSION:

The City Council previously formed Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris in 1991, in order to pay for certain infrastructure and public improvements. In order to finance these improvements, the City issued \$3,350,000 in bonds (the “Prior Bonds”), and paid the bonds through the special taxes on landowners in CFD 91-1. CFD 91-1 is located at the northwest corner of Perris Boulevard and Orange Avenue. The City now wants to form Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris (the “District”) to

replace CFD 91-1, in order to issue bonds and refinance the bonds of CFD 91-1, provide a lower maximum special tax to landowners within the District, and encourage development.

### **Purpose of Forming the District**

The method for charging the special tax required owners of undeveloped property to pay for public improvements at the same rate as owners of developed property, which has resulted in a number of property owners becoming delinquent in payment of the special tax. This fact, combined with the high interest rate on the Prior Bonds, has created a challenge for the City in meeting its debt service obligations on the Prior Bonds.

As such, in order to address this challenge, on October 14, 2014, the City expressed its intent to form a new district entitled Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris (the "District"). The District would charge special taxes in such a way that encourages further development within the District, and would reduce the maximum special tax for all landowners within the District (as described below). Further, this would allow for the Prior Bonds to be refinanced at lower rates, reflecting current market conditions.

The District would be formed pursuant to the Mello-Roos Community Facilities District Act of 1982 (the "Act").

### **Actions Taken on October 14, 2014**

On October 14, 2014, the City adopted two Resolutions in order to move forward with formation of the District, in accordance with the Act. First, the City passed a Resolution of Intention to Form the District (Resolution No. 4776). This Resolution provides specific information relating to the proposed District, including the name, a description of the public facilities to be financed, stating that a special tax (if approved by the qualified electors) in an amount sufficient to pay for such facilities will be levied against the properties, and fixing a time and place for a public hearing. Attached to this Resolution is the Rate and Method of Apportionment, which describes the formula for calculating the maximum special tax in each improvement area of the District. This Resolution is attached hereto as Exhibit A.

The second Resolution passed at this meeting was a Resolution of Intention to Issue Bonds (Resolution No. 4777). This Resolution describes the proposed terms of bonds to be issued by the District which, if approved by the qualified electors, would finance the facilities and be paid for by the special taxes. This Resolution is attached hereto as Exhibit B.

While these Resolutions both state that the Public Hearing would take place on November 25, 2014, they were subsequently amended to change the date to December 9, 2014, and again to January 13th, 2015.

In addition, the City and the Successor Agency of the former Perris Redevelopment Agency, adopted two additional resolutions – Resolution No. 4778 and Resolution No. SA-001. CFD 91-1 currently receives a contribution from the former Redevelopment Agency for tax increment revenues in the Central Perris and North Perris Redevelopment Project Area, in order to help pay for the Prior Bonds. These two Resolutions ensure that, in the event the District is formed and new bonds are issued, the District will continue to receive this contribution.

### **Proposed Special Tax Formula and Bond Limitations**

According to the Rate and Method of Apportionment, which is attached to the Resolution of Intention to Form the District (Resolution No. 4776), the maximum special tax in the CFD 2014-2 will be \$0.2645 per lot square foot. The prior Rate and Method of Apportionment for CFD 91-1 had a maximum special tax of \$0.4022 per lot square foot. *As such, formation of CFD 2014-2 will result in a reduction in the maximum special tax.*

CFD 2014-2 may levy at a rate lower than \$0.2645 depending on the amount required to pay debt service on outstanding bonds. However, CFD 2014-2 may never levy at a rate higher than \$0.2645 per lot square foot.

### **Next Steps**

The City is now required to hold a public hearing to determine if there are any protests to formation of the District. If no majority protest is received by interested persons (which generally include landowners or registered voters within the proposed District), the City would adopt a Resolution of Formation, forming the District.

Next, the City would hold a public hearing on issuing bonded indebtedness, and subsequently declare the necessity to issue bonds for the District, and calling a special election for April 14, 2015. After this meeting, in accordance with time period set forth in the Government Code, ballots will be prepared and mailed to each landowner, in proportion to the landowner's ownership interest in the district. On the date of the election, the City Clerk will count the ballots. Assuming a 2/3 majority votes in favor of the proposition, the City will adopt a resolution declaring the results of the election, and an ordinance levying the special tax.

The ballot would be a combined proposition authorizing the City to levy the special tax within the District pursuant to the Rate and Method of Apportionment for each Improvement Area, approve an appropriations limit for the District, and authorize the District to pursue bonds to finance the public facilities.

If the landowners votes in favor of the proposition, the City would be authorized (but is not required to) pass a third Resolution Declaring the Results of the Special Election, and would hold the first reading of the Ordinance Levying the Special Tax.

Further, the City is not issuing bonds through these actions. These actions provide the authority and limitation to pursue a bond issuance at some future date.

The financing meets or will (at the time of issuance if a waiver is not requested) all City policies and procedures with respect to financing public improvements in connection with land development. The "not to exceed" bond amount for the District has been approved by the City Financial Advisor as \$4,000,000. The facilities and fees of public agencies proposed to be refinanced and the rate and method of apportionment of the special tax proposed to be levied following an election are described on the exhibits to the resolution of intention to form the District.

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**BUDGET (or FISCAL) IMPACT:**

None. Funds provided by developer deposit and bond proceeds.

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Reviewed by:

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

Assistant City Manager RL

Attachments:

Consent:

Public Hearing:

Business Item:

Other:

**RESOLUTION NUMBER 4777**

**RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO INCUR BONDED INDEBTEDNESS IN THE AMOUNT OF NOT TO EXCEED \$4,000,000 WITHIN PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS TO PREPAY SPECIAL TAXES AND REFINANCE COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS 1991 SPECIAL TAX BONDS**

**WHEREAS**, the City Council (the "Council") of the City of Perris, California (the "City"), on its own initiative, as provided in Section 53318 of the Government Code of the State of California instituted proceedings to form Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris ("CFD 2014-2" or the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the Government Code of the State of California (the "Act"), as amended; and

**WHEREAS**, the City Council desires to form the District to (1) pay off the special taxes and refinance the outstanding Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris 1991 Special Tax Bonds (the "1991 Bonds"), which were used to refinance the purchase, construction, modification, expansion, improvement or rehabilitation of public facilities identified in Exhibit "A" hereto and incorporated herein by this reference, including all furnishings, equipment and supplies related thereto (collectively, the "Facilities"); and (2) the incidental expenses to be incurred in refinancing the Facilities and forming and administering the District (the "Incidental Expenses"); and

**WHEREAS**, in order to refinance the Facilities and pay Incidental Expenses, the Council intends to authorize the issuance of bonds for the proposed district in the maximum aggregate principal amount of not to exceed \$4,000,000; and

**WHEREAS**, the repayment of the bonds of the District is to be secured by special taxes levied on taxable property in the District in accordance with Section 53328 of the Act, and excluding those properties exempted from taxation in the rate and method of apportionment for the District set forth in Exhibit "C" to the Council's "Resolution of Intention of the City Council of the City of Perris to Establish Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris and to Authorize the Levy of a Special Tax within Said District to prepay outstanding special taxes and to refinance Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris", adopted on the date hereof;

**WHEREAS**, in order to refinance the outstanding 1991 Bonds, which financed the Facilities and to pay for Incidental Expenses, the Council intends to authorize the issuance of bonds to pay off the 1991 Bonds ("Refunding Bonds") in the maximum aggregate principal amount of not to exceed \$4,000,000;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

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

**Section 2.** It is necessary to incur bonded indebtedness within the proposed boundaries of the District in the principal amount not to exceed \$4,000,000, to refinance the 1991 Bonds, including the refinancing of the costs of the Facilities and Incidental Expenses, as permitted by the Act.

**Section 3.** The Refunding Bonds for the District will be issued for the purpose of prepaying the 1991 Bonds and paying off the current special taxes in the Community Facilities District No. 91-1 of the City of Perris ("CFD 91-1") and including, but not limited to, the funding of reserve funds for the bonds, the financing of costs associated with the issuance of the bonds and all other costs and expenses necessary to refinance the Facilities which are permitted to be financed pursuant to the Act.

**Section 4.** It is the intent of the Council to authorize the sale of bonds for the District in the maximum aggregate principal amount of not to exceed \$4,000,000 within the proposed District and at a maximum interest rate not in excess of 12 percent per annum or such rate not in excess of the maximum rate permitted by law at the time the bonds are issued. All refunding bonds shall be issued in compliance with Section 53362.5 of the Act. The term of the bonds shall be determined pursuant to a resolution of the Council acting in its capacity as the legislative body of the District authorizing the issuance of the bonds, but such term shall in no event exceed seven (7) years, the term of the remaining 1991 Bonds or such longer term as is then permitted by law.

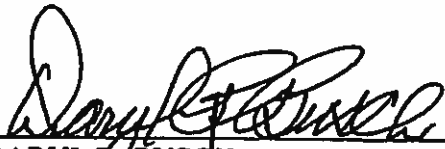
**Section 5.** A public hearing (the "Hearing") on the proposed debt issue shall be held on November 25, 2014 at 6:00 p.m. or as soon thereafter as practicable, at the chambers of the City Council of the City of Perris, 101 North "D" Street, Perris, California 92570.

**Section 6.** At the Hearing at the time and place set forth above, any interested persons, including all persons owning land or registered to vote within the proposed District, may appear and be heard.

**Section 7.** The City Clerk is hereby directed to publish a notice of the Hearing (the "Notice") pursuant to Section 6061 of the Government Code in a newspaper of general circulation circulated within the proposed District unless such notice is waived by the landowners or registered voters, as applicable. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.



**ADOPTED, SIGNED and APPROVED** this 14<sup>th</sup> day of October, 2014

  
\_\_\_\_\_  
DARYL R. BUSCH,  
MAYOR OF THE CITY OF PERRIS

ATTEST:

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

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 4777 was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 14<sup>th</sup> day of October, 2014, and that it was so adopted by the following vote:

AYES: RODRIGUEZ, ROGERS, YARBROUGH, LANDERS, BUSCH  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE

By:   
\_\_\_\_\_  
NANCY SALAZAR, CITY CLERK

## **EXHIBIT A**

### **TYPES OF FACILITIES TO BE REFINANCED BY COMMUNITY FACILITIES DISTRICT NO. 91-1 (Perris Valley Spectrum)**

The General Description of the Facilities financed by the CFD 91-1 pursuant to Resolution No. 1913 is as follows:

- (a) street and road facilities (including the purchase of rights-of-way and construction or acquisition of street and road improvements);
- (b) water facilities, wastewater and sewer facilities and storm drains;
- (c) street lights, traffic lights and public utility facilities (including gas, electrical and telephone); and to serve the area within proposed Community Facilities District No. 91-1 (Perris Valley Spectrum);
- (d) school facilities, fire protection and suppression facilities and services and open space, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities; and
- (e) governmental facilities which the City Council of the City of Perris is authorized by law to contribute revenue to, or construct, own or operate, including but not limited to civic center improvements and facilities, municipal facilities and improvements, police, jail and detention facilities, parks, recreation facilities, parkways, open-surface facilities, museums and cultural facilities, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities.
- (f) The incidental expenses which will be incurred are: (i) the cost of planning and designing such facilities and the cost of environmental evaluations thereof, (ii) all costs associated with the creation of the proposed community facilities district, issuance of the bonds thereof, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the community facilities district, and (iii) any other expenses incidental to the construction, completion, and inspection of such facilities.

#### **OTHER**

The District may also finance any of the following:

1. Bond related expenses, including underwriter's discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel fees and expenses, special tax consultant fees and expenses, dissemination agent fees and all other incidental expenses.
2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and the Bonds.

**3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.**

**RESOLUTION NUMBER 4776**

**RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT TO PREPAY OUTSTANDING SPECIAL TAXES AND REFINANCE COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS**

**WHEREAS**, the City Council (the "Council") of the City of Perris (the "City") has previously formed Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris ("CFD 91-1") by adoption of Resolution No. 1913 on January 28, 1991 pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, pursuant to a special tax election and a Notice of Special Tax Lien recorded as Document No. 61694 on February 25, 1991, in the Recorder's Office of the County of Riverside, the City levies a special tax annually in CFD 91-1, to pay for principal and interest and other permitted costs in connection with the outstanding Community Facilities District No 91-1 (Perris Valley Spectrum) of the City of Perris 1991 Special Tax Bonds ("1991 Bonds"); and

**WHEREAS**, the proceeds of the 1991 Bonds were used to finance facilities and incidental expenses permitted by the Act; and

**WHEREAS**, due to high delinquencies in CFD 91-1, and a special tax formula which requires undeveloped property to pay for public improvements at the same rate as developed property, the Council hereby determines that it is in the best interests of the CFD 91-1 to prepay the 1991 Bonds and special taxes associated therewith ("Refinance Plan"); and

**WHEREAS**, in order to accomplish the Refinance Plan, the City Council hereby determines that the appropriate course of action would be to form a new community facilities district to levy special taxes within the area of the CFD 91-1 and apportion the special taxes in a manner that spurs further development within the area, and issue a new series of bonds to pay off the 1991 Bonds; and

**WHEREAS**, in connection with the Refinancing Plan, a new boundary map will need to be recorded to reflect the new district and a new special tax formula will need to be approved; and

**WHEREAS**, the special tax formula will include a contribution of former tax increment within the new district to special taxes ("Agency Contribution") from the Successor

Agency to the former Redevelopment Agency of the City of Perris ("Successor Agency") in a similar form to the contribution to special taxes within CFD 91-1; and

**WHEREAS**, the Council hereby initiates the CFD on its own initiative pursuant to the requirements of Government Code Section 53318 and now intends to form Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris; and

**WHEREAS**, the Council desires to adopt this resolution of intention as provided in Section 53321 of the Act to establish a community facilities district consisting of the territory described in Exhibit "A" hereto and incorporated herein by this reference, which the Council hereby determines shall be known as "Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris" ("Community Facilities District No. 2014-2" or the "District") pursuant to the Act to (1) prepay special taxes in CFD No. 91-1 by refinancing the outstanding 1991 Bonds which were used for the purchase, construction, modification, expansion, improvement or rehabilitation of certain real or other tangible property and the incidental expenses described in Resolution No. 1913, adopted on January 28, 1991 by the City Council ("Resolution 1913") and incorporated herein by this reference, as permitted by Section 53313.5(g) of the Act (collectively, the "Facilities"); and (2) the incidental expenses to be incurred in connection with refinancing the Facilities and forming and administering the District (the "Incidental Expenses"); and

**WHEREAS**, it is the intention of the Council to consider the financing and refinancing the Facilities and the Incidental Expenses through the formation of Community Facilities District No. 2014-2 and the sale of bonded indebtedness in an amount not to exceed \$4,000,000 within the proposed District and the levy of a special tax within the District to pay for bonded indebtedness to refinance the 1991 Bonds and the Facilities and pay the Incidental Expenses; provided that the bond sales and special tax levies are approved at an election to be held within the District;

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

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

**Section 2.** The Council hereby determines to institute proceedings for the formation of a community facilities district under the terms of the Act. The exterior boundaries of the District are hereby specified and described to be as shown on that certain map now on file in the office of the City Clerk entitled "Proposed Boundaries of Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris," which map indicates by a boundary line the extent of the territory included in the proposed District and shall govern for all details as to the extent of the District. On the original and one copy of the map of such District on file in the Clerk's office, the Clerk shall endorse the certificate evidencing the date and adoption of this resolution. The Clerk shall file the original of such map in her office and, within fifteen (15) days after the adoption of this Resolution, the Clerk shall file a copy of such map so endorsed in the records of the County Recorder, County of Riverside, State of California.

**Section 3.** The name of the proposed District shall be designated as "Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris."

**Section 4.** Pursuant to Section 53313.5(g) of the Act, a community facilities district may pay in full all amounts necessary to pay, repay, or defease any obligation to pay or any indebtedness secured by any tax, fee, charge or assessment levied within the area of the community facilities district or may pay debt service on that indebtedness.

**Section 5.** The Facilities proposed to be refinanced by the District are public infrastructure facilities and other governmental facilities with an estimated useful life of five years or longer, which the City, or other public agency is authorized by law to construct, acquire, own, operate or contribute revenue to. The Council hereby finds and determines that the description of the refinancing of the 1991 Bonds which financed the Facilities herein is sufficiently informative to allow taxpayers within the proposed District to understand what the funds of the District may be used to refinance and the special taxes that will be prepaid by the District. The Incidental Expenses expected to be incurred include the cost of forming the District, issuing bonds and levying and collecting a special tax within the District.

**Section 6.** Except where funds are otherwise available, it is the intention of the Council to levy annually in accordance with procedures contained in the Act a special tax within the District (the "Special Tax") sufficient to pay for the costs of refinancing the acquisition and/or construction of the Facilities and Incidental Expenses, including the principal and interest and other periodic costs of bonds or other indebtedness proposed to be issued to finance the Facilities, and Incidental Expenses, the establishment and replenishment of reserve funds, the credit enhancement fees, if any, the costs of administering the levy and collection of the Special Tax and all other costs of the levy of the Special Tax and issuance of the bonds, including any foreclosure proceedings, legal, fiscal, and financial consultant fees, discount fees, interest on bonds, election costs and all costs of issuance of the bonds, including, but not limited to, fees for bond counsel, disclosure counsel, financing consultants and printing costs, and all other administrative costs of the tax levy and bond issue. The Special Tax will be secured by recordation of a continuing lien against all non-exempt real property in the District and will be annually levied with the District. In the first year in which such a Special Tax is levied, the levy shall include a sum sufficient to repay to the City all amounts, if any, transferred to the District pursuant to Section 53314 of the Act and interest thereon. The schedule of the rate and method of apportionment and manner of collection of the Special Tax within The District is described in detail in Exhibit "C" attached hereto and by this reference incorporated herein. The Special Tax is based upon the cost of refinancing the Facilities and paying the Incidental Expenses in the District and such other reasonable basis permitted pursuant to the Act.

The Special Tax within the District is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act. In the event that a portion of the property within the District shall become for any reason exempt, wholly or partially, from the levy of the Special Tax, the Council shall, on behalf of the District, increase the levy to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the required payments, subject to the maximum tax. If special taxes of the District are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except that it may be increased by an amount not to exceed two percent (2%)

per year to the extent permitted in the rate and method of apportionment; (ii) such tax shall be levied for a period not to exceed seven years (7) years or as otherwise permitted by law, commencing with Fiscal Year 2015-16, as further described in Exhibit "C" hereto; and (iii) under no circumstances will such special tax be increased as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent (10%) as required by the Act. Notwithstanding anything to the contrary herein, the maturity of the bonds shall not exceed (7) years, and the levy shall commence on or after a refunding of the 1991 Bonds.

**Section 7.** The Special Tax within the proposed District is based on the amount necessary to prepay the 1991 Bonds to refinance the Facilities and pay Incidental Expenses and such other reasonable basis described herein. The Council has previously determined that the proposed Facilities are necessary to meet the increased demand placed upon the City, and other agencies and the existing infrastructure in the City as a result of the development of land in CFD 91-1 and hereby affirms such determination for the same land proposed for inclusion in the District. The Council's previous determination regarding the Facilities and the reasonableness of special taxes is contained in Resolution 1913. The Council hereby determines the rate and method of apportionment of the Special Tax set forth in Exhibit "C" for the District to be reasonable.

**Section 8.** A public hearing (the "Hearing") on the establishment of Community Facilities District No. 2014-2, the proposed rate and method of apportionment of the Special Tax and the proposed issuance of bonds to refinance the Facilities and the Incidental Expenses shall be held on November 25, 2014, at 6:00 p.m., or as soon thereafter as practicable, at the chambers of the City Council of the City of Perris, 101 North "D" Street, Perris, California 92570. Should the Council determine to form the District, a special election will be held within the District to authorize the issuance of bonds and the levy of the Special Tax in accordance with the procedures contained in Government Code Section 53326. If held, the proposed voting procedure at the election will be a landowner vote with each landowner who is the owner of record of land within the District at the close of the Hearing, or the authorized representative thereof, having one vote for each acre or portion thereof owned within the District. Ballots for the special election may be distributed by mailed ballot election, or if agreed to by the landowner, by personal service. If there are more than 12 registered voters within the proposed District within the 90 days preceding the public hearing the close of the public hearing, the election shall be a registered voter election as provided by the Act.

**Section 9.** At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed District, may appear and be heard.

**Section 10.** Each City officer who is or will be responsible for the Facilities to be refinanced by the District, if it is established, is hereby directed to study the proposed District and, at or before the time of the above-mentioned Hearing, file a report with the Council pursuant to 533215 of the Act, and which is to be made a part of the record of the Hearing, containing a brief description of the refinanced Facilities by type which were required to adequately meet the needs of the District and his or her estimate of the cost of providing the refinancing of the Facilities, including an estimate of the fair and reasonable cost of all Incidental

Expenses, including all costs associated with the creation of the District, issuance of bonds, determination of the amount of any special taxes, collection of any special taxes, or costs otherwise incurred in order to carry out the authorized purposes of the City with respect to the District, and any other expenses incidental to the construction, completion and inspection of the authorized work to be paid through the proposed financing. The City has previously filed a similar report in connection with the financing of CFD 91-1.

**Section 11.** The City may accept advances of funds or work-in-kind from any sources, including private persons or private entities, and is authorized and directed to use such funds for any authorized purpose, including any cost incurred in creating the District. The District may enter into an agreement to repay all of such funds as are not expended or committed for any authorized purpose at the time of the election on the levy of the Special Tax, if the proposal to levy such tax should fail, and to repay all of such funds advanced if the levy of the Special Tax shall be approved by the qualified electors of the District.

**Section 12.** The Clerk is hereby directed to publish a notice ("Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed District. Such Notice shall contain the text or a summary of this Resolution, state the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the proposed District as provided in Section 53324 of the Act and a description of the proposed voting procedure for the election required by the Act. Such publication, unless waived, shall be completed at least seven (7) days prior to the date of the Hearing.

**Section 13.** The Clerk may send a copy of the Notice of the Hearing by first-class mail, postage prepaid, to each registered voter and to each landowner within the proposed District as shown on the last equalized assessment roll. Said mailing shall be completed not less than fifteen (15) days prior to the date of the Hearing.

**Section 14.** Pursuant to Section 53344.1 of the Act, the Council hereby reserves to itself, in its sole discretion, the right and authority by subsequent resolution to allow any owner of property within the District, subject to the provisions of Section 53344.1 of the Act and those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the District treasurer in full payment or part payment of any installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

**Section 15.** The voting procedure with respect to the establishment of the District and the imposition of the Special Tax shall be by mail or hand delivered ballot election. If, following the public hearing described in Section 8 above, the City Council determines to establish the District and proposes to levy the Special Tax within the District, the City Council shall then submit the levy of the Special Taxes to the qualified electors of the District in the time period provided by the Act. The vote shall be by the landowners of the District with each landowner or the authorized representative thereof, having one (1) vote for each acre or portion of an acre of



land owned within the District. If there are more than twelve (12) registered owners in the District within the 90 days preceding the hearing, the election shall be a registered voter election as provided by the Act.

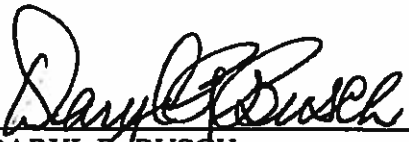
The election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the California Government Code and pursuant to the provisions of the California Elections Code, insofar as they may be applicable, or such date as agreed upon by the landowners of the District pursuant to a consent and waiver form executed by the District landowners.

A successful election relating to the authorization of Special Tax shall establish the appropriations limit as authorized by Article XIII B of the California Constitution as it is applicable to the District. The election shall be a consolidated election and include any election on bonded indebtedness.

*Section 16.* The Council, on behalf of the District, hereby approves of the agreement between the District, CFD 91-1 and the Successor Agency attached hereto as Exhibit D and by this reference incorporated herein relating to the Agency Contribution (the "Agreement"). The Mayor or City Manager (the "Designated Officers"), each acting alone, are hereby authorized and directed to execute, the Agreement in said form, together with such additions thereto or changes therein as the Designated Officer executing the Agreement, upon consultation with Bond Counsel, shall deem necessary, desirable or appropriate, and the execution of the Agreement by a Designated Officer shall be conclusive evidence of the approval of any such additions and changes.

*Section 17.* Following the issuance of the bonds to refinance the 1991 Bonds, the City, on behalf of CFD 91-1, may cease to levy or collect special taxes in CFD 91-1 pursuant to Government Code Section 53330.5 and the Act. To evidence such cessation, CFD No 91-1 may record a notice of cessation of the special tax in the office of the County Recorder of the County of Riverside. Any cessation of the special tax to pay the 91-1 Bonds may provide for the forgiveness of past due or current delinquent taxes in CFD No. 91-1 as determined by CFD No. 91-1.

**ADOPTED, SIGNED and APPROVED** this 14<sup>th</sup> day of October, 2014.

  
\_\_\_\_\_  
DARYL R. BUSCH,  
MAYOR OF THE CITY OF PERRIS

ATTEST:

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

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 4776 was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 14<sup>th</sup> day of October, 2014, and that it was so adopted by the following vote:

AYES: RODRIGUEZ, ROGERS, YARBROUGH, LANDERS, BUSCH  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE

By:   
\_\_\_\_\_  
NANCY SALAZAR, CITY CLERK



**EXHIBIT A**

**COMMUNITY FACILITIES DISTRICT NO. 2014-2  
(PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS**

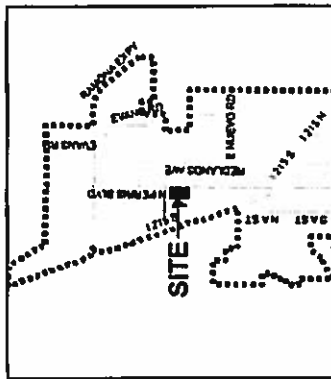
**BOUNDARY MAP**

**[ATTACHED]**

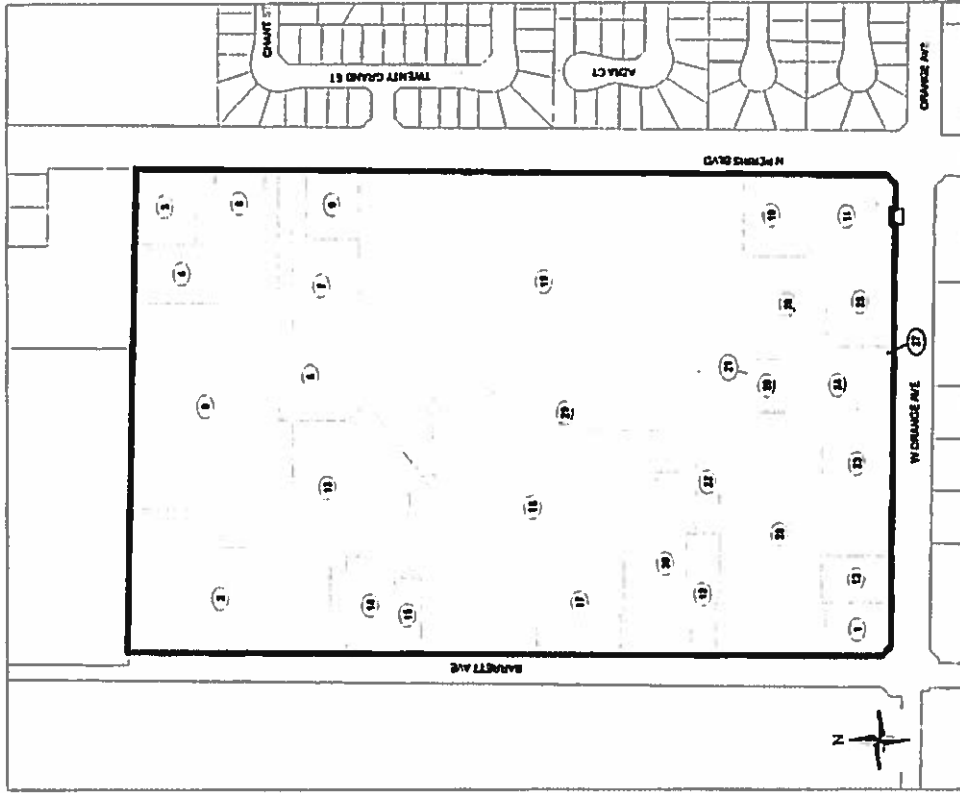
# PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM)

OF THE CITY OF PERRIS  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA

VICINITY MAP



MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	205-000-001
2	205-000-002
3	205-000-003
4	205-000-004
5	205-000-005
6	205-000-006
7	205-000-007
8	205-000-008
9	205-000-009
10	205-000-010
11	205-000-011
12	205-000-012
13	205-000-013
14	205-000-014
15	205-000-015
16	205-000-016
17	205-000-017
18	205-000-018
19	205-000-019
20	205-000-020
21	205-000-021
22	205-000-022
23	205-000-023
24	205-000-024
25	205-000-025
26	205-000-026
27	205-000-027
28	205-000-028
29	205-000-029
30	205-000-030



I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF PERRIS AT A REGULAR MEETING HELD IN THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, AT ITS RESOLUTION NO. \_\_\_\_\_.

CITY CLERK  
CITY OF PERRIS

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ OF SAID COUNTY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

LARRY WARD, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY  
COUNTY CLERK-RECORDER  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

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

REFERENCE IS MADE TO THAT BOUNDARY MAP OF COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE FILED WITH THE RIVERSIDE COUNTY RECORDERS OFFICE ON JANUARY 11, 1981 IN BOOK 31 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE 30, AND AS INSTRUMENT NO. 13248.

IMPLEMENTATION OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) MAP IS CONDITIONED ON THE REFINANCING OR CANCELLATION OF THE COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS 1991 SPECIAL TAX BOND. UNTIL SUCH TIME, THE COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM), RECORDED AS INSTRUMENT NO. \_\_\_\_\_, SHALL BE IN FULL FORCE AND EFFECT.

**Legend**

- District Boundaries
- Map Reference Number
- CITY OF PERRIS BOUNDARY



**EXHIBIT "B"**

**TYPES OF FACILITIES TO BE REFINANCED BY  
COMMUNITY FACILITIES DISTRICT NO. 2014-2  
(PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS**

The General Description of the Facilities financed by the CFD 91-1 pursuant to Resolution No. 1913 is as follows:

(a) street and road facilities (including the purchase of rights-of-way and construction or acquisition of street and road improvements);

(b) water facilities, wastewater and sewer facilities and storm drains;

(c) street lights, traffic lights and public utility facilities (including gas, electrical and telephone); and to serve the area within proposed Community Facilities District No. 91-1 (Perris Valley Spectrum);

(d) school facilities, fire protection and suppression facilities and services and open space, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities; and

(e) governmental facilities which the City Council of the City of Perris is authorized by law to contribute revenue to, or construct, own or operate, including but not limited to civic center improvements and facilities, municipal facilities and improvements, police, jail and detention facilities, parks, recreation facilities, parkways, open-surface facilities, museums and cultural facilities, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities.

(f) The incidental expenses which will be incurred are: (i) the cost of planning and designing such facilities and the cost of environmental evaluations thereof, (ii) all costs associated with the creation of the proposed community facilities district, issuance of the bonds thereof, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the community facilities district, and (iii) any other expenses incidental to the construction, completion, and inspection of such facilities.

**OTHER**

The District may also finance any of the following:

1. Bond related expenses, including underwriter's discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel fees and expenses, special tax consultant fees and expenses, dissemination agent fees and all other incidental expenses.

**2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and the Bonds.**

**3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.**

## EXHIBIT C

### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

#### **Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris** RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied by the City on all Assessor's Parcels within CFD No. 2014-2 and collected each Fiscal Year, commencing no earlier than Fiscal Year 2015-16, in an amount sufficient to pay the Annual Costs, as defined herein, of the CFD No. 2014-2 and, all payments required under the Bond Documents for the Bonds and any supplements thereto. The Special Tax may be levied each fiscal year, to the extent, and in the manner herein provided.

#### A. DEFINITIONS

**2014 Pledge Agreement** means the agreement between the City of Perris on behalf of CFD No. 2014-2, CFD 91-1 and itself, and the Agency which memorializes the Agency Contribution to the Bonds.

**Act** means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

**Agency** means the successor agency of the Redevelopment Agency of the City of Perris created to make payments on all enforceable obligations of the former redevelopment agency of the City or of the successor agency with respect to the refinancing of enforceable obligations, including the Agency Contribution.

**Agency Contribution** means for any fiscal year an amount equal to the Tax Increment Revenues to be received by the Agency in the such fiscal year as certified in a Report of an Independent Financial Consultant; provided that in no event shall the Agency Contribution in any fiscal year exceed an amount necessary, together with funds on deposit in the Bonds Fund, to pay (i) the debt service due on the bonds in such fiscal year; (i) Administrative Expenses in such fiscal year, and (iii) the amount, if any, to increase the deposit in the Reserve Fund to the Reserve Requirement (the "Maximum Agency Contribution"). The Agency Contribution is subordinate to all outstanding or future bonded indebtedness of the Agency and any pass through payments pursuant to Section 33607.7 and 33607.5 of the Redevelopment Law or pass through agreements as provided in the 2014 Pledge Agreement. The Agency Contribution may] be reduced by \$1 in each fiscal year to effectuate savings to the Agency or as otherwise described in the 2014 Pledge Agreement.

**Annual Costs** for any fiscal year equals the sum of (i) annual Debt Service for the current Bond Year; (ii) the estimated administrative fees or expenses of the City for such fiscal year; (iii) the

amount, if any, necessary to replenish the Revenue Fund on the Bonds to the level required under the Bond Documents; (iv) any other payment required under the Bond Documents and any amendment thereto; (v) less the Agency Contribution for such Fiscal Year.

**Assigned Special Tax** means the amount determined in accordance with Section C, which may be levied for each applicable Fiscal Year on an Assessor's Parcel of Taxable Property.

**Assessor** means the County Assessor.

**Assessor's Parcel** means a lot or parcel shown on an Assessor's Parcel Map with an Assigned Assessor's Parcel Number.

**Assessor's Parcel Map** means an official map of the Assessor designating parcels by Assessor's Parcel Number.

**Assessor's Parcel Number or APN** means the number assigned to an Assessor's Parcel by the Assessor for purposes of identification.

**Authority** is the City of Perris Joint Powers Authority.

**Bond Documents** means any fiscal agent agreement, indenture, trust agreement or similar document setting forth the terms of any Bonds.

**Bond Year** means the subsequent Calendar Year for which Debt Service is due and payable following the Fiscal Year for which Special Taxes are levied.

**Bonds** means any debt (as defined in the Act) of CFD No. 2014-2, whether in one series or more, secured by the levy of Special Taxes, of which, the first series of Bonds issued shall be used to defease the Prior Bonds.

**Boundary Map** means the "Map of Proposed Boundaries of Community Facilities District No. 2014-2, City of Perris, County of Riverside, State of California," filed \_\_\_\_\_ 201\_\_ in Book \_\_\_\_\_, Page(s) \_\_\_\_\_ of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

**Building Permit** means a permit for new construction for a residential or non-residential structure. For purposes of this definition, "Building Permit" shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

**Calendar Year** means the period commencing January 1 of any year and ending the following December 31.

**CFD Administrator** means an official of the City, or designee thereof, responsible for determining the Annual Costs and providing for the levy and collection of the Special Taxes for CFD No. 2014-2.

**CFD No. 91-1** means Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris, originally formed by the City on January 28, 1991.



CFD No. 2014-2 means Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris, established for the sole purpose of refinancing CFD No. 91-1.

City means the City of Perris, California.

Debt Service for any fiscal year is the total annual principal and interest payment on the Bonds or Prior Bonds for the next succeeding March 1 (the March 1 in such fiscal year) and the following September 1 (September 1 in the next fiscal year), less investment earnings on the Reserve Fund available for that purpose and not required under the Bond Documents to be set aside in a separate account to be used to make payments to the United States pursuant to the federal tax laws, and less any capitalized interest and any other amounts on deposit in the Bond Fund under the Bond Documents as of the first day of such fiscal year.

Developed Property means an Assessor's Parcel of Taxable Property for which a Building Permit was issued on or before March 1 preceding the Fiscal Year for which Special Taxes are being levied.

Fiscal Year means the period starting July 1 and ending the following June 30.

Maximum Special Tax means the maximum Special Tax determined in accordance with Section C, which may be levied for each applicable Fiscal Year on an Assessor's Parcel of Taxable Property.

Prior Bonds means the remaining outstanding Community Facilities District No. 91-1 of the City of Perris, 1991 Special Tax Bonds, dated April 1, 1991.

Resolution of Issuance is any Resolution adopted by the City authorizing the issuance of the Bonds to be secured by the levy of a Special Tax within the CFD No. 2014-2.

Special Tax is any tax authorized under Section 53340 of the California Government Code to be levied by the City within CFD No. 2014-2.

Tax Increment Revenues shall mean for each July 1-June 30 ("Fiscal Year") the total ad valorem tax revenues generated within the Site in a Fiscal Year, which revenues are allocated to and actually received by Successor Agency for such Successor Agency Fiscal Year pursuant to Section 33670(b) of the California Health and Safety Code, minus the amount of such revenues set aside pursuant to sections 33334.2 and 33334.3 of said Redevelopment Law for low and moderate-income housing purposes, and minus such amounts as may be allocated or required to be paid to or for the benefit of the County of Riverside and any other taxing entities pursuant to an agreement entered into pursuant to former Health and Safety Code Section 33401. In the event Available Tax Increment Revenues decrease or are eliminated, then for purposes of the 2014 Pledge Agreement, the Available Tax Increment Revenues shall be deemed to mean the form of tax or revenue which the Successor Agency receives in total or partial replacement of such Available Tax Increment Revenues, including funds constituting Available Tax Increment Revenues under the Dissolution Law deposited from time to time in the Redevelopment Property Tax Fund established pursuant to Health and Safety Code Section 34170.5(a) of the Law and administered by the auditor controller of the County of Riverside, constituting part of the Dissolution Law. Tax Increment Revenues are further limited as provided in the 2014 Pledge Agreement by and between the City (on behalf of CFD 91-1 and CFD 2014-2) related to the Agency Contribution.

Taxable Lot Square Footage or TLSF is all of the area of an Assessor's Parcel within CFD No. 2014-2, which is not exempt from the Special Tax pursuant to Section 53311, et. seq. of the California Government Code.

Taxable Property means all Assessor's Parcels that are not exempt from the Special Tax pursuant to the Act.

Trustee means the trustee, fiscal agent, or paying agent under the Bond Documents.

Undeveloped Property means all Assessor's Parcel for which a Building Permit has not been issued on or before March 1, preceding the Fiscal Year for which Special Taxes are being levied.

#### B. CLASSIFICATION OF ASSESSOR'S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2015-16, each Assessor's Parcel shall first be classified by the CFD Administrator as Taxable Property or Exempt Property. In addition, each such Fiscal Year, each Assessor's Parcel of Taxable Property shall be further classified by the CFD Administrator as Developed Property or Undeveloped Property. Commencing with Fiscal Year 2015-16 and for each subsequent Fiscal Year, all Taxable Property shall be subject to the levy of Special Taxes pursuant to Section C below.

#### C. MAXIMUM SPECIAL TAXES

Each Fiscal Year commencing the later of the issuance of the Bonds to refund the Prior Bonds or in Fiscal Year 2015-16, each taxable Assessor's Parcel shall be subject to the Special Tax. The Maximum Special Tax shall be equal to \$0.2645 per TLSF.

#### D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing in Fiscal Year 2015-16 and for each subsequent Fiscal Year as provided in Section G, the CFD Administrator shall levy a Special Tax on all Taxable Property until the total amount of Special Taxes levied equals the Annual Costs in accordance with the following steps:

**Step One:** The Special Tax shall be levied proportionately on each Assessor's Parcel of Developed Property, up to 100% of the applicable Maximum Special Tax for such Fiscal Year to fund the Annual Costs.

**Step Two:** If additional monies are needed to fund the Annual Costs after the first step has been completed, the Special Tax shall be levied proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax.

#### E. MANNER OF COLLECTION

The collection of Special Taxes for CFD No. 2014-2 shall commence in Fiscal Year 2015-16 provided that the Prior Bonds have been refunded. The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the Special

Taxes may be billed and collected at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2014-2.

**F. PREPAYMENT OF SPECIAL TAX**

The following definitions apply to this Section F.

**“Administrative Fee”** equal the fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption.

**“Outstanding Bonds”** means all previously issued Bonds which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year.

**“Reserve Fund Credit”** shall equal the lesser of (i) the expected reduction in the applicable reserve fund requirement (as defined in the Bond Documents), if any, following the redemption of Outstanding Bonds from proceeds of the prepayment or (ii) the amount derived by subtracting the new reserve fund requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid in full, provided that there are a) no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time that the Special Tax obligation would be prepaid, and b) the amount of Special Taxes that may be levied on Taxable Property, net of reasonably estimated annual administrative expenses, is at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay all or a part of the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of a non-refundable deposit determined by the CFD Administrator as necessary to cover the cost to be incurred by CFD No. 2014-2 in calculating the proper amount of a prepayment. Within 30 business days of receipt by the CFD Administrator of the non-refundable deposit, the CFD Administrator shall notify such owner of the prepayment amount for the applicable Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Bond Documents.

The Prepayment Amount for each applicable Assessor’s Parcel or group of Assessor’s Parcels shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance Amount

plus           Administrative Fee  
less            Reserve Fund Credit  
equals         Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Taxable Property, compute the Special Tax applicable to such Assessor's Parcel by taking the product of \$0.2645 and the Taxable Lot Square Footage of such Assessor's Parcel.
2. For each Assessor's Parcel intending to prepay, divide the Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the sum of the estimated Special Tax applicable to all Assessor's Parcels of Taxable Property within CFD No. 2014-2 using the same approach identified in Step 1, excluding the Special Taxes of any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
3. For each Assessor's Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2, by the Outstanding Bonds. Sum up the product of each of the parcels to be prepaid, and round up to the nearest \$5,000 increment to calculate the "Bond Redemption Amount," for such Assessor's Parcel(s).
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Tax levied on and paid, for the Assessor's Parcel in the current Fiscal Year and the portion of Outstanding Bonds.
6. Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount until the next available redemption date for the Outstanding Bonds less an Administrative Fee (as listed in the definitions above).
7. Subtract the amount computed pursuant to paragraph 6 from the result computed pursuant to paragraph 5. This difference is the "Defeasance Amount."
8. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Defeasance Amount, and the Administrative Fee, less the Reserve Fund Credit (as listed in the definitions above).

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the CFD Administrator shall indicate in the records of CFD No. 2014-2 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

## **G. TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor's Parcels of Taxable Property in accordance with Section D but in no event shall the Special Tax be levied on an Assessor Parcel after Fiscal Year 2020-21. If any delinquencies for Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may continue to be levied on delinquent parcels to the extent necessary to reimburse CFD No. 2014-2 for any uncollected Special Taxes.

## **H. CESSATION OF SPECIAL TAX IN CFD NO. 91-1**

Following the issuance of the Bonds, the City, on behalf of CFD 91-1, may cease to levy or collect special taxes in CFD 91-1 pursuant to Government Code Section 53330.5 and the Act. To evidence such cessation, CFD No. 91-1 may record a notice of cessation of the special tax in the office of the County Recorder of the County of Riverside. Any cessation of the special tax to pay the 91-1 Bonds may provide for the forgiveness of past due or current delinquent taxes in CFD No. 91-1 as determined by CFD No. 91-1.

## **I. APPEALS**

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the CFD Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the CFD Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund will only occur in the final Fiscal Year of Outstanding Bonds and for each prior Fiscal Year a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

## EXHIBIT D

### PLEDGE AGREEMENT

#### AGREEMENT BETWEEN CITY OF PERRIS FOR COMMUNITY FACILITIES DISTRICT NO. 2014-2, COMMUNITY FACILITIES DISTRICT NO. 91-1 AND THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF PERRIS

THIS AGREEMENT, dated \_\_\_\_\_, is made and entered into by and between the City of Perris (the "City") on behalf of Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris, as described below (the "CFD 2014-2") and Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris (CFD "91-1"), and the Successor Agency to the Dissolved Redevelopment Agency of the City of Perris (the "RDA"), a successor agency duly existing under the law (the "Successor Agency").

#### RECITALS

A. The City of Perris, by its adoption of Resolution No. 1913 adopted January 28, 1991 (the "Resolution of Formation") established Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris (the "1991 District") pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act").

B. The City Council, by its Resolution No. 1932 adopted March 11, 1991, completed proceedings for the authorization of bonded indebtedness on behalf of the CFD 91-1 in an aggregate principal amount not to exceed \$9,000,000 to finance the costs of construction of certain public facilities (the "Public Facilities"). The Resolution of Formation and ensuing election authorized the levy of a special tax (the "1991 Special Tax") on property within the 1991 District to pay debt service on such bonded indebtedness and to pay certain administrative expenses and other costs of the 1991 District.

C. Pursuant to such authorization, the District issued \$8,010,000 aggregate principal amount of its 1991 Special Tax Bonds (the "1991 Bonds") pursuant to the terms of an Administration Agreement dated as of April 1, 1991 (the "Administration Agreement"), by and between the District and Security Pacific National Bank, as fiscal agent, as succeeded by successor fiscal agents, including U. S. Bank National Association, of which \$3,350,000 remains outstanding.

D. In connection with the 1991 District, the 1991 District and the RDA entered into an agreement (the "1991 Pledge Agreement") wherein the RDA agreed to contribute certain tax increment revenues from the Central Perris and North Perris Redevelopment Project (the "1991

Contribution) to the payment of 1991 Bonds pursuant to the Community Redevelopment Law, constituting Section 33000 et seq. of the California Health and Safety Code (the "Redevelopment Law").

E. The RDA has been dissolved pursuant to California Assembly Bill No. 26 ("AB1X 26") enacted on June 29, 2011, which law dissolved all redevelopment agencies in existence in the State of California as of February 1, 2012, and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies, and AB1X26 was amended by Assembly Bill No. 1484, a follow on bill to AB1X 26, to provide a mechanism to refund certain bonds or indebtedness under certain circumstances (collectively, AB 1X 26 and AB 1484 are referred to herein as the "Dissolution Law"). The Successor Agency is the successor agency to the dissolved RDA.

F. The 1991 Pledge Agreement is a recognized "enforceable obligation" on the Recognized Obligation Payment Schedule of the Successor Agency, as permitted under the Dissolution Law.

G. Due to high delinquencies in the 1991 District, and the high interest rates of the 1991 Bonds, the City, on behalf of the 1991 District, desires to refinance the 1991 District. The City has determined that it is in the best interests of the CFD 91-1 and the bondholders of the 1991 Bonds to refinance the 1991 District by forming a new district to be entitled "Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris" (the "CFD 2014-2") and to issue bonds, loans or other indebtedness of the CFD 2014-2 to refinance the 1991 Bonds (the "Refunding Bonds"). The boundaries of the CFD 2014-2 once formed will be identical to the boundaries of the 1991 District.

H. The City has requested that the Successor Agency enter this Agreement in order to memorialize the contribution of former tax increment to the Refunding Bonds in a similar manner to the 1991 Contribution.

I. The Successor Agency intends to subordinate the contribution to all outstanding and future bond issues of the Successor Agency and/or former RDA and all pass through payments to taxing entities in the project area.

J. The 1991 Contribution received by the 1991 District constituted indebtedness received by the RDA pursuant to Section 33670 et. seq. of the California Health and Safety Code under the 1991 Pledge Agreement.

K. The Successor Agency adopted Resolution No. \_\_\_ on \_\_\_, approving this Agreement. The Oversight Board adopted Resolution No. \_\_\_ approving this action. The Department of Finance approved of this action on \_\_\_\_\_.

## AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and covenants set forth below, the parties hereto agree as follows:

1. **Recitals.** The Recitals to this Agreement are true and correct and incorporated herein by this reference.
2. **Definitions.** The following terms shall be given the meaning set forth below.

“Available Tax Increment Revenues” means: for each July 1-June 30 (“Agency Fiscal Year”) the total ad valorem tax revenues generated within the Site in an Agency Fiscal Year, which revenues are allocated to and actually received by Successor Agency for such Successor Agency Fiscal Year pursuant to Section 33670(b) of the California Health and Safety Code, minus the amount of such revenues set aside pursuant to sections 33334.2 and 33334.3 of said Redevelopment Law for low and moderate-income housing purposes, and minus such amounts as may be allocated or required to be paid to or for the benefit of the County of Riverside and any other taxing entities pursuant to an agreement entered into pursuant to former Health and Safety Code Section 33401. In the event Available Tax Increment Revenues decrease or are eliminated, then for purposes of this Agreement, the Available Tax Increment Revenues shall be deemed to mean the form of tax or revenue which the Successor Agency receives in total or partial replacement of such Available Tax Increment Revenues, including funds constituting Available Tax Increment Revenues under the Dissolution Law deposited from time to time in the Redevelopment Property Tax Fund established pursuant to Health and Safety Code Section 34170.5(a) of the Law and administered by the auditor controller of the County of Riverside, constituting part of the Dissolution Law.

“Fiscal Agent Agreement” means the indenture, fiscal agent or agreement providing for the issuance of the Refunding Bonds by and between the CFD 2014-2 and a trustee or fiscal agent.

“Recognized Obligation Payment Schedule” means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the Law.

“Site” shall mean the area of the CFD 2014-2.

“Special Tax” shall mean the Special Tax levied within the CFD 2014-2 on property owners pursuant to the rate and method of apportionment adopted for the CFD 2014-2 and levied pursuant to an ordinance, resolution or other authorization and the notice of special tax lien recorded for the CFD 2014-2.

“Special Tax Fund” means the fund of that name described in the Fiscal Agent Agreement for the Refunding Bonds.

“CFD 2014-2” means Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris.

“Refunding Bonds” means the special tax bonds issued by the CFD 2014-2 to



refund and/or prepay the outstanding 1991 Bonds.

3. **Purposes.** This Agreement establishes a binding obligation on the part of the Successor Agency to pay to the City for CFD 2014-2 its Available Tax Increment Revenue for the payment of debt service on the Refunding Bonds.

4. **Available Tax Revenues to Offset Special Tax.** Subject to Section 11 hereof, the Successor Agency has agreed that the Successor Agency shall pay Available Tax Revenue to offset the Special Tax to be levied in the CFD 2014-2 on the following basis:

(a) Upon the receipt by the Successor Agency of Available Tax Revenue in each fiscal year, the Successor Agency agrees to pay to the City for deposit by the City in the Special Tax Fund established in the Fiscal Agent Agreement, that amount of Available Tax Increment Revenue realized from the District. Moneys paid to the City are to be directed for deposit to the Special Tax Fund established by the Fiscal Agent Agreement and will be used for the purposes of such fund. The Successor Agency shall only pay such Available Tax Revenue to the City which is necessary for payment of debt service on the Refunding Bonds. The City and the Successor Agency agree that any excess Available Tax Increment Revenue shall be used by the Successor Agency for any lawful purpose and as permitted by the Dissolution Law.

(b) Annually, on or before July 1, Successor Agency will provide CFD 2014-2 with a report of an Independent Financial Consultant certifying the amount to be received by the Successor Agency in the ensuing Fiscal Year. The CFD 2014-2 will determine from such Report and Certificate the amount of off-set of the Special Tax to be levied within the CFD 2014-2 for the ensuing fiscal year.

7. **Indebtedness to Successor Agency.** This Agreement constitutes an indebtedness of the Successor Agency incurred in carrying out the Redevelopment Plan and pursuant to Health and Safety Code Section 34177.5(a); provided, however, that such payment of Available Tax Increment Revenues shall be subordinate to any payments to be paid by the Successor Agency pursuant to Health and Safety Code Sections 33607.5 and 33607.7, pass through agreements currently existing between the Successor Agency and other taxing entities and any currently outstanding bonded indebtedness of the RDA or future indebtedness of the Successor Agency. Subject to Section 7 hereof, the Successor Agency hereby pledges the Available Tax Increment Revenues to the payment of the Refunding Bonds.

8. **Savings.** In order to generate the savings required by the Dissolution Law, the Successor Agency may subtract \$1 from any Available Tax Increment Revenues received in any Fiscal Year.

9. **Compliance with the Dissolution Law.** The Successor Agency covenants that it will comply with all other requirements of the Dissolution Law as it relates to the dissolution of redevelopment agencies. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Law to assure compliance by the Successor Agency with its covenants under the Agreement. Further, the Successor Agency will take all actions required under the Dissolution Law to include the Available Tax Increment Revenues pursuant to this Agreement in Recognized Obligation Payment Schedules for each six-month period so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Successor Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the

Successor Agency to pay the Available Tax Increment Revenues to the City hereunder for deposit pursuant to the Fiscal Agent Agreement.

10. **Term.** This Agreement shall remain in effect as long as bonds issued and sold by the CFD 2014-2 remain outstanding and the levy of the Special Tax by the CFD 2014-2 is required.
11. **Authority.** Each party hereto does hereby represent and warrant to the other party that it has the power and authority to enter into this Agreement, and that each person executing this Agreement on its behalf has been duly authorized so to act for and on behalf of such party. The Successor Agency is entering this Agreement pursuant to Section 9 of the 1991 Pledge Agreement and pursuant to Section 34177.5(a)(1) and/or (3) of the Health and Safety Code. The City and the Successor Agency agree that this Agreement shall not adversely affect the obligations undertaken in the 1991 Pledge Agreement as this Agreement will only be implemented on a refunding of the 1991 Bonds.
12. **Amendment to 1991 Pledge Agreement.** This Agreement shall constitute and amendment to the 1991 Pledge Agreement upon implementation hereof, which implementation shall be solely upon the issuance of the Refunding Bonds. Until such time, the 1991 Pledge Agreement remains in full force and effect.
13. **Incorporation of Provisions Required by Law.** Each provision and clause required by law to be inserted into this Agreement shall be deemed to be included herein, and this Agreement shall be read and enforced as though *each* were included herein, it being specifically provided that if through mistake or otherwise any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion upon application by any party hereto.
14. **Entire Agreement.** It is agreed that this Agreement expresses the entire agreement between the parties with regard to the matter hereof, and that no other agreement or understanding, verbal or otherwise, relative to the subject matter hereof exists between the parties at the time of execution, and that this Agreement may be modified or amended only by a written document signed by the duly authorized representative of each and all parties hereto.
15. **Notices.** Any notices required or permitted to be served by any party upon the other shall *be* addressed to the respective parties as set forth below, or to such other address as shall be designated by proper notice given from time to time by the respective parties hereto:
  - **DISTRICTS:** Community Facilities District 2014-2 City of Perris  
Community Facilities District 91-1 of the City of Perris  
101 North "D" Street  
Perris, California 92370
  - **AGENCY:** Successor Agency  
101 North "D" Street  
Perris, California 92570
16. **Amendments.** The City and the Successor Agency agree that this agreement shall not be amended in any manner which adversely affects the *Successor Agency's* obligation to pay

Available Tax Increment Revenues to the City for the purpose of paying debt service on the Refunding Bonds.

17. Applicable Law. This Agreement is made in the State of California and is to be construed under the laws and the constitution of such State.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth above.

CITY OF PERRIS, on behalf of  
Community Facilities District No. 2014-2  
(Perris Valley Spectrum of the City of  
Perris) and Community Facilities District  
No.  
91-1 (Perris Valley Spectrum) of the City of  
Perris

By \_\_\_\_\_  
Mayor of the City of Perris Ex Officio the  
Legislative Bodies

**ATTEST:**

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

SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY OF PERRIS

By \_\_\_\_\_  
Chairman

**ATTEST:**

By \_\_\_\_\_  
Secretary

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$4,000,000 WITHIN SAID DISTRICT; AND CALLING A SPECIAL ELECTION**

**WHEREAS**, on October 14, 2014, the City Council (the "Council") of the City of Perris, California (the "City"), has heretofore adopted its Resolution No. 4776 (the "Resolution of Intention") stating its intention to form Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the "Act"); and

**WHEREAS**, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the District, setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within the District, which will be used to pay principal and interest on bonds proposed to be authorized within the District, the proceeds of which will be applied to refinance certain real or other tangible property, including all furnishings, equipment and supplies related thereto (collectively, the "Facilities") of Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris, which Facilities had a useful life of five years or longer; and (2) the incidental expenses to be incurred in connection with refinancing the Facilities and forming and administering the District (the "Incidental Expenses") is on file with the City Clerk and incorporated herein by reference; and

**WHEREAS**, also on October 14, 2014, pursuant to Resolution No. 4777, the Council has heretofore adopted its resolution of intention to incur bonded indebtedness (the "Resolution of Intention to Incur Bonded Indebtedness") stating its intention to incur bonded indebtedness in an amount of not to exceed \$4,000,000 within the District; and

**WHEREAS**, a copy of the Resolution of Intention to Incur Bonded Indebtedness is on file with the City Clerk; and

**WHEREAS**, on October 28, 2014, the Council supplemented the Resolution of Intention pursuant to Resolution No. 4782, and moved the date of the public hearing to December 9, 2014; and

**WHEREAS**, on November 24, 2014, the Council supplemented the Resolution of Intention pursuant to Resolution No. 4788, and moved the date of the public hearing to January 13, 2015; and

**WHEREAS**, on January 13, 2015, this Council held a noticed public hearing as required by law relative to the proposed formation of the District; and

**WHEREAS**, at said hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the formation of the District, the Facilities, and the levy of the special taxes, were heard and a full and fair hearing was held; and

**WHEREAS**, at said hearing evidence was presented to this Council on said matters before it, and this Council at the conclusion of said hearing was and is fully advised in the premises; and

**WHEREAS**, at said hearing, this Council adopted its resolution determining the validity of prior proceedings, establishing the District, authorizing the levy of a special tax within the District and establishing an appropriations limit (the "Resolution of Formation"); and

**WHEREAS**, the proposed special tax to be levied upon property within the District to pay principal and interest on the bonds proposed to be issued within the District has not been precluded by protest of the owners of one-half (1/2) or more of the area of land within the District; and

**WHEREAS**, this Council wishes to present to the qualified electors of the District a combined proposition to: (1) levy special taxes on property within the District; (2) incur bonded indebtedness; and (3) establish an appropriations limit for the District.

**NOW, THEREFORE**, THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS DOES HEREBY RESOLVE AS FOLLOWS:

**Section 1.** The City Council hereby declares and deems that the public convenience and necessity require and it is necessary to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$4,000,000 within the District for the purpose of refinancing all or a portion of the Facilities and more particularly described as set forth in that certain Report filed with the City Council for the District.

**Section 2.** The purpose of the proposed bonded indebtedness is generally described as follows: to refinance (1) the Facilities, which Facilities had a useful life of five years or longer; and (2) the Incidental Expenses.

**Section 3.** Except for property within the District that is exempt, wholly or partially, from the levy of the special tax specified in the Rate and Method of Apportionment of Special Tax attached to the Resolution of Formation as Exhibit "A", the whole of the property within the District shall pay for the applicable bonded indebtedness pursuant to the levy of the special tax authorized by the Resolution of Formation.

**Section 4.** The maximum term of the bonds or any series thereof to be issued shall in no event exceed forty (40) years.

**Section 5.** The bonds or any series thereof shall bear interest at a rate not to exceed the greater of twelve percent (12%) per annum or the maximum interest rate permitted by law, payable semiannually, with the actual rates and times of payment to be determined at the time of sale thereof.

**Section 6.** Pursuant to and in compliance with the provisions of Article 1.5 (commencing with Section 53410) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, the Board hereby establishes the following accountability measures pertaining to any bonded indebtedness incurred by or on behalf of the District:

(a) Such bonded indebtedness shall be incurred for the specific purposes set forth in Section 2 above.

(b) The proceeds of any such bonded indebtedness shall be applied only to the specific purposes identified in Section 2 above.

(c) The documents establishing the terms and conditions for the issuance of any such bonded indebtedness shall provide for the creation of an account or accounts into which the proceeds of such bonded indebtedness shall be deposited.

(d) The City Finance Director/Treasurer, or his or her designee, acting for and on behalf of the City, shall annually file a report with the City Council as required by Government Code Section 53411.

**Section 7.** Pursuant to Government Code Section 53353.5, the Council hereby submits to the qualified electors of the District a combined proposition ("Proposition A") to: (1) levy special taxes on property within the District in accordance with the rate and method special tax formulas specified in the Resolution of Formation of the Council; (2) incur bonded indebtedness in the maximum principal aggregate amount of \$4,000,000 for the District; and (3) establish an appropriations limit as defined by subdivision (h) of Section 8 of Article XIIB of the California Constitution, for the District. Said appropriations limit shall equal the amount of all proceeds of the special tax collected annually and as defined by said Article XIIB, as adjusted for changes in the cost of living and changes in population. The Proposition is attached hereto as Exhibit "A."

Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The identification envelope for return of the ballot shall be enclosed with the ballot, shall have the return postage prepaid, and shall contain: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or the authorized representative of the landowner entitled to vote and is the person whose name appears on the identification envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration described in clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

**Section 8.** A special election is hereby called for the District on the Propositions set forth in Section 7, hereinabove.

**Section 9.** The City Clerk is hereby designated as the election official. Pursuant to Section 53327 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to Section 4000 of the Elections Code of the State of California. The City Council hereby finds that paragraphs (a), (b), (c)(1) and (c)(2) of said Section 4000 are applicable to this special election. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, will govern the election. The District shall constitute a single election precinct for the purpose of holding the election.

The City Clerk shall mail or hand-deliver the ballots to the landowner no earlier than March 18, 2015, and no later than April 3, 2015. The City Clerk shall provide such services as may be necessary to properly and lawfully hold and conduct the special election provided for herein, including but not restricted to the providing for and printing of sample ballots, official mail ballots, other election materials and registration lists, the appointment of election officers, the publication of required election notices, the mailing and counting of ballots, the canvassing of returns, the declaration of results, the issuance of certificates of election, and the preparation and providing of other materials and services required to conduct the election in the manner provided by law for conducting the election, including Sections 53326 and 53327 of the Act.

**Section 10.** The date of the special election for the District shall be April 14, 2015, which date is at least 90, but not more than 180 days, following the date of adoption of the Resolution of Formation, and which date has been concurred in by the City Clerk as election official. The voter ballot shall be returned to the City Clerk at 101 North "D" Street, Perris, California 92570, no later than 6:00 o'clock p.m. on April 14, 2014.

**Section 11.** The Council finds and determines that there were no registered voters residing within the territory of proposed District at the time of the protest hearing and ninety (90) days prior thereto.

**Section 12.** The City Clerk is hereby directed to publish a notice of the election one time in a newspaper of general circulation published in the area of the District, in accordance with Section 53352 of the Government Code and the Elections Code.

**Section 13.** Pursuant to Section 9280 of the Elections Code, the City Attorney is hereby authorized and directed to prepare an impartial analysis of the combined proposition specified herein showing the effect of the proposition on the existing law and the operation of the proposition, said analysis to be submitted by the City Attorney to the City Clerk for printing before the arguments for and against the proposition. The analysis shall not exceed 500 words in length and shall otherwise comply in all respects with the applicable provisions of the Elections Code.

**Section 14.** The City Clerk is hereby directed to publish a notice of the election one time in a newspaper of general circulation published in the area of the District, in accordance with Section 53352 of the Government Code and the Elections Code.

**Section 15.** The Mayor of the City, or the Mayor's designee, is hereby authorized to prepare a written argument in favor of the proposed proposition, not to exceed 500 words in length, on behalf of the City Council, in accordance with Elections Code Sections



9282-9287. At the Mayor's discretion, the argument may also be signed by bona fide associations or by individual voters who are eligible to vote.

**Section 16.** The City Council hereby authorizes arguments for and against the ballot measure and rebuttal arguments to be filed in accordance with Elections Code Sections 9282-9287, and directs the City Clerk to establish the deadline to file arguments and rebuttal arguments in accordance with applicable provisions of law.

**Section 17.** The City Clerk is hereby directed to establish the dates for the 10-calendar day examination period required by the Elections Code in accordance with applicable provisions of law. Voters may examine the ballot measure, the Impartial Analysis, the argument for the ballot measure, the argument against the ballot measure, and any rebuttal arguments, in the office of the City Clerk, 101 N. D Street, Perris, CA, during business hours of the City.

**Section 18.** The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

**Section 19.** The City Clerk shall certify the adoption of this Resolution.

**ADOPTED, SIGNED and APPROVED** this 13th day of January, 2015

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

Attest:

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

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 13th day of January, 2015, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:

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

EXHIBIT "A"

# OFFICIAL BALLOT

COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM)  
OF THE CITY OF PERRIS

SPECIAL BOND, TAX AND APPROPRIATIONS LIMIT ELECTION

To vote, mark a cross (+) in the voting square after the word "YES" or after the word "NO." All marks otherwise made are forbidden.

This ballot is provided to \_\_\_\_\_, as sole owner or authorized representative of such sole owner of \_\_\_\_ acres of land within Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris and represents \_\_\_\_ votes.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Perris at 101 North "D" Street, Perris, California 92570 and obtain another.

**PROPOSITION A:** Shall Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris incur an indebtedness and be authorized to issue bonds in the maximum aggregate principal amount of \$4,000,000 with interest at a rate or rates established at such time as the bonds are sold in one or more series at fixed or variable interest rates, however not to exceed any applicable statutory rate for such bonds, the proceeds of which will be used to (1) refinance certain real or other tangible property, including all furnishings, equipment and supplies related thereto (collectively, the "Facilities"), which Facilities had a useful life of five years or longer; and (2) finance the incidental expenses to be incurred in connection with refinancing the Facilities and forming and administering the District (the "Incidental Expenses"), as provided in the Resolution of the City Council of the City of Perris establishing the Community Facilities District No. 2014-2, (Perris Valley Spectrum) of the City of Perris (the "Resolution"); and shall a Special Tax be levied to pay the principal of and interest on such indebtedness and bonds and to pay directly the cost of refinancing of Facilities and Incidental Expenses as authorized in the Resolution; and shall an appropriations limit be established for Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population?

YES

NO

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

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, ESTABLISHING AN APPROPRIATIONS LIMIT, AND TAKING CERTAIN OTHER ACTIONS RELATING TO SAID DISTRICT**

**WHEREAS**, the City Council (the "Council") of the City of Perris, California (the "City"), on October 14, 2014, has heretofore adopted its Resolution No. 4776 (the "Resolution of Intention") stating its intention to form Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the "Act") being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and

**WHEREAS**, the Resolution of Intention set November 25, 2014 as the date of the public hearing on the formation of the District; and

**WHEREAS**, on October 28, 2014, the Council supplemented the Resolution of Intention pursuant to Resolution No. 4782, and moved the date of the public hearing to December 9, 2014; and

**WHEREAS**, on November 24, 2014, the Council supplemented the Resolution of Intention pursuant to Resolution No. 4788, and moved the date of the public hearing to January 13, 2015; and

**WHEREAS**, copies of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the District, the public improvements and fees to be provided for by the District (the "Facilities"), and setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within the District, and Resolution No. 4782 supplementing the Resolution of Intention, are on file with the City Clerk and incorporated herein by reference with such changes to the terms thereof, including but not limited to, revisions to the date of the public hearing; and

**WHEREAS**, a report by each City officer who is or will be responsible for the District (the "Report"), has been filed with the Council pursuant to the Resolution of Intention; and

**WHEREAS**, on January 13, 2015, pursuant to the Resolution of Intention and Resolution No. 4788, this Council held said public hearing as required by law and the Act; and

**WHEREAS**, at said hearing all persons not exempt from the special tax desiring

to be heard on all matters pertaining to the formation of the District, including the boundaries of the District, the special tax, and the Facilities, were heard and a full and fair hearing was held, and such matters were not precluded by a majority protest; and

**WHEREAS**, at said hearing evidence was presented to the Council on said matters before it, and this Council at the conclusion of said hearing is fully advised in the premises;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

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

**Section 2.** Pursuant to Section 53325.1(b) of the Government Code, the Council finds and determines that the proceedings prior hereto were valid and in conformity with the requirements of the Act including, without limitation, the following:

- Adoption of a Resolution of Intention to establish the District;
- Adoption of a Resolution of Intention to Incur Bonded Indebtedness in an amount not to exceed \$4,000,000 within the District;
- Publication and mailing of notice of public hearing on the establishment of the District and of the proposed debt issue;
- Conducting of a public hearing on the establishment of the District, the proposed public facilities and services and the incurring of the proposed debt, at which time all interested persons or taxpayers not exempt from the special tax were permitted to protest orally or in writing against the establishment of the District, were permitted to file written protests to the regularity or sufficiency of the proceedings, and any person interested, including persons owning property within the District, were permitted to appear and present any matters material to the questions set forth in the Resolution of Intention to Incur Bonded Indebtedness.

**Section 3.** The Report, as now submitted is hereby approved and is made a part of the record of the hearing, and is ordered kept on file with the transcript of these proceedings and open for public inspection.

**Section 4.** A community facilities district to be designated "Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris" ("the District") is hereby established pursuant to the Act.

**Section 5.** The description and map of the boundaries of the District on file in the City Clerk's office and as described in said Resolution of Intention and incorporated herein by reference, shall be the boundaries of the District. The map of the proposed boundaries of the

District has been recorded in the Office of the County Recorder of Riverside County, California in Book 77, Page 65 of the Book of Maps of Assessment and Community Facilities Districts.

**Section 6.** The type of public facilities (“Facilities”) authorized to be provided within the District include certain real and other tangible property with an estimated useful life of five years or longer, including public infrastructure facilities, and other governmental facilities which the City is authorized by law to construct, own or operate, within or without the District, which is necessary to meet increased demands placed upon the City as result of development or rehabilitation occurring within the District. The Facilities are more fully described in Exhibit “B” attached hereto and by this reference incorporated herein.

**Section 7.** Except where funds are otherwise available, there shall be levied annually in accordance with procedures contained in the Act a special tax within the District, secured by recordation of a continuing lien against all nonexempt real property in the District, sufficient to pay for: (i) the Facilities and Incidental Expenses; and (ii) the principal and interest and other periodic costs on bonds or other indebtedness issued to finance the Facilities and Incidental Expenses, including the establishment and replenishment of any reserve funds deemed necessary by the District, and any remarketing, credit enhancement and liquidity facility fees (including such fees for instruments which serve as the basis of a reserve fund in lieu of cash). The rate and method of apportionment and manner of collection of the special tax within the District is described in detail in Exhibit “A” attached hereto and incorporated herein by this reference. Exhibit “A” allows each landowner within the District to estimate the maximum amount that may be levied against each parcel.

**Section 8.** If special taxes of the District are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except that it may be increased by an amount not to exceed two percent (2%) per year to the extent permitted in the rate and method of apportionment; (ii) such tax shall be levied for a period not to exceed forty (40) years commencing with Fiscal Year 2014-2015, as further described in Exhibit “A” hereto; and (iii) under no circumstances will such special tax be increased more than ten percent (10%) as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent.

**Section 9.** The special tax within the District is based on the expected demand that each parcel of real property within the District will place on the Facilities on the benefit that each parcel derives from the right to access the Facilities and on other factors. The Council hereby determines the rate and method of apportionment of the special tax for the District set forth in Exhibit “A” to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special tax is not based upon the value or ownership of real property. In the event that a portion of the property within the District shall become for any reason exempt, wholly or partially, from the levy of the special tax specified on Exhibit “A”, the Council shall, on behalf of the District, cause the levy to be increased, subject to the limitation of the maximum special tax for a parcel as set forth in Exhibit “A,” to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the special tax revenues required for the purposes described herein. The obligation to pay special taxes may be prepaid as set forth in Exhibit “A.”

**Section 10.** Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the City Council hereby establishes the following accountability measures pertaining to the levy by the CFD of the Special Tax described in Section 7 above:

- a. Such Special Tax shall be levied for the specific purposes set forth in Section 6 hereof.
- b. The proceeds of the levy of such Special Tax shall be applied only to the specific purposes set forth in Section 6 hereof.
- c. The District shall establish an account or accounts into which the proceeds of such Special Tax shall be deposited.
- d. The City Manager, or his or her designee, acting for and on behalf of the CFD, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

**Section 11.** Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the District, and this lien shall continue in force and effect until the special tax obligation is prepaid or otherwise permanently satisfied and the lien cancelled in accordance with law or until collection of the tax by the District ceases.

**Section 12.** The Council finds that the Facilities are necessary to meet the increased demand put upon the City as a result of the development within the District.

**Section 13.** The Council finds that there is not an ad valorem property tax currently being levied on property within the proposed District for the exclusive purpose of paying principal of or interest on bonds or other indebtedness incurred to finance construction of capital facilities which provide the same services to the territory of the District as provided by the Facilities.

**Section 14.** An appropriation limit for the District is hereby established as an amount equal to all the proceeds of the special tax collected annually from the District and as defined by Article XIIB of the California Constitution, as adjusted for changes in the cost of living and changes in population.

**Section 15.** Written protests against the establishment of the District, or against the furnishing of specified services or facilities or the levying of a specified special tax within the District, have not been filed by fifty percent (50%) or more of the registered voters or property owners of one-half (1/2) or more of the area of land within the District.

**Section 16.** The proposed special tax to be levied in the District to pay for all the proposed Facilities has not been precluded by protests by owners of one-half or more of the land in the territory included in the District pursuant to Government Code Section 53324.

**Section 17.** The Office of the City Manager, 101 North "D" Street, Perris, California 92570, (909) 943-6100, or its designee, is designated to be responsible for preparing annually a

current roll of special tax levy obligations by assessor's parcel number and for estimating future special tax levies pursuant to Section 53340.1 of the Government Code.

**Section 18.** The City Clerk is directed to certify and attest to this Resolution and to take any and all necessary acts to call, hold, canvass and certify an election or elections on the incurring of bonded indebtedness, the levy of the special tax, and the establishment of the appropriation limit.

**ADOPTED, SIGNED and APPROVED** this 13th day of January, 2015.

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MAYOR OF THE CITY OF PERRIS

Attest:

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City Clerk



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

I, Nancy Salazar Rey, 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 13th day of January, 2015, and that it was so adopted by the following vote:

AYES:  
NOES:  
ABSENT:

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

**EXHIBIT A**

**CITY OF PERRIS  
COMMUNITY FACILITIES DISTRICT NO. 2014-2  
(PERRIS VALLEY SPECTRUM)**

**RATE AND METHOD OF APPORTIONMENT**

**Community Facilities District No. 2014-2  
(Perris Valley Spectrum) of the City of Perris  
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax shall be levied by the City on all Assessor's Parcels within CFD No. 2014-2 and collected each Fiscal Year, commencing no earlier than Fiscal Year 2015-16, in an amount sufficient to pay the Annual Costs, as defined herein, of the CFD No. 2014-2 and, all payments required under the Bond Documents for the Bonds and any supplements thereto. The Special Tax may be levied each fiscal year, to the extent, and in the manner herein provided.

**A. DEFINITIONS**

**2014 Pledge Agreement** means the agreement between the City of Perris on behalf of CFD No. 2014-2, CFD 91-1 and itself, and the Agency which memorializes the Agency Contribution to the Bonds.

**Act** means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

**Agency** means the successor agency of the Redevelopment Agency of the City of Perris created to make payments on all enforceable obligations of the former redevelopment agency of the City or of the successor agency with respect to the refinancing of enforceable obligations, including the Agency Contribution.

**Agency Contribution** means for any fiscal year an amount equal to the Tax Increment Revenues to be received by the Agency in the such fiscal year as certified in a Report of an Independent Financial Consultant; provided that in no event shall the Agency Contribution in any fiscal year exceed an amount necessary, together with funds on deposit in the Bonds Fund, to pay (i) the debt service due on the bonds in such fiscal year; (ii) Administrative Expenses in such fiscal year, and (iii) the amount, if any, to increase the deposit in the Reserve Fund to the Reserve Requirement (the "Maximum Agency Contribution"). The Agency Contribution is subordinate to all outstanding or future bonded indebtedness of the Agency and any pass through payments pursuant to Section 33607.7 and 33607.5 of the Redevelopment Law or pass through agreements as provided in the 2014 Pledge Agreement. The Agency Contribution may be reduced by \$1 in each fiscal year to effectuate savings to the Agency or as otherwise described in the 2014 Pledge Agreement.

**Annual Costs** for any fiscal year equals the sum of (i) annual Debt Service for the current Bond Year; (ii) the estimated administrative fees or expenses of the City for such fiscal year; (iii) the amount, if any, necessary to replenish the Revenue Fund on the Bonds to the level required under the Bond Documents; (iv) any other payment required under the Bond Documents and any amendment thereto; (v) less the Agency Contribution for such Fiscal Year.

**Assigned Special Tax** means the amount determined in accordance with Section C, which may be levied for each applicable Fiscal Year on an Assessor's Parcel of Taxable Property.

**Assessor** means the County Assessor.

**Assessor's Parcel** means a lot or parcel shown on an Assessor's Parcel Map with an Assigned Assessor's Parcel Number.

**Assessor's Parcel Map** means an official map of the Assessor designating parcels by Assessor's Parcel Number.

**Assessor's Parcel Number or APN** means the number assigned to an Assessor's Parcel by the Assessor for purposes of identification.

**Authority** is the City of Perris Joint Powers Authority.

**Bond Documents** means any fiscal agent agreement, indenture, trust agreement or similar document setting forth the terms of any Bonds.

**Bond Year** means the subsequent Calendar Year for which Debt Service is due and payable following the Fiscal Year for which Special Taxes are levied.

**Bonds** means any debt (as defined in the Act) of CFD No. 2014-2, whether in one series or more, secured by the levy of Special Taxes, of which, the first series of Bonds issued shall be used to defease the Prior Bonds.

**Boundary Map** means the "Map of Proposed Boundaries of Community Facilities District No. 2014-2, City of Perris, County of Riverside, State of California," filed October 24, 2014 in Book 77, Page 65 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

**Building Permit** means a permit for new construction for a residential or non-residential structure. For purposes of this definition, "Building Permit" shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

**Calendar Year** means the period commencing January 1 of any year and ending the following December 31.

**CFD Administrator** means an official of the City, or designee thereof, responsible for determining the Annual Costs and providing for the levy and collection of the Special Taxes for CFD No. 2014-2.

**CFD No. 91-1** means Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris, originally formed by the City on January 28, 1991.

**CFD No. 2014-2** means Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris, established for the sole purpose of refinancing CFD No. 91-1.

**City** means the City of Perris, California.

**Debt Service** for any fiscal year is the total annual principal and interest payment on the Bonds or Prior Bonds for the next succeeding March 1 (the March 1 in such fiscal year) and the following September 1 (September 1 in the next fiscal year), less investment earnings on the Reserve Fund available for that purpose and not required under the Bond Documents to be set aside in a separate account to be used to make payments to the United States pursuant to the federal tax laws, and less any capitalized interest and any other amounts on deposit in the Bond Fund under the Bond Documents as of the first day of such fiscal year.

**Developed Property** means an Assessor's Parcel of Taxable Property for which a Building Permit was issued on or before **March 1** preceding the Fiscal Year for which Special Taxes are being levied.

**Fiscal Year** means the period starting July 1 and ending the following June 30.

**Maximum Special Tax** means the maximum Special Tax determined in accordance with Section C, which may be levied for each applicable Fiscal Year on an Assessor's Parcel of Taxable Property.

**Prior Bonds** means the remaining outstanding Community Facilities District No. 91-1 of the City of Perris, 1991 Special Tax Bonds, dated April 1, 1991.

**Resolution of Issuance** is any Resolution adopted by the City authorizing the issuance of the Bonds to be secured by the levy of a Special Tax within the CFD No. 2014-2.

**Special Tax** is any tax authorized under Section 53340 of the California Government Code to be levied by the City within CFD No. 2014-2.

**Tax Increment Revenues** shall mean for each July 1-June 30 ("Fiscal Year") the total ad valorem tax revenues generated within the Site in a Fiscal Year, which revenues are allocated to and actually received by Successor Agency for such Successor Agency Fiscal Year pursuant to Section 33670(b) of the California Health and Safety Code, minus the amount of such revenues set aside pursuant to sections 33334.2 and 33334.3 of said Redevelopment Law for low and moderate-income housing purposes, and minus such amounts as may be allocated or required to be paid to or for the benefit of the County of Riverside and any other taxing entities pursuant to an agreement entered into pursuant to former Health and Safety Code Section 33401. In the event Available Tax Increment Revenues decrease or are eliminated, then for purposes of the 2014 Pledge Agreement, the Available Tax Increment Revenues shall be deemed to mean the form of tax or revenue which the Successor Agency receives in total or partial replacement of such Available Tax Increment Revenues, including funds constituting Available Tax Increment Revenues under the Dissolution Law deposited from time to time in the Redevelopment Property Tax Fund established pursuant to Health and Safety Code Section 34170.5(a) of the Law and administered by the auditor controller of the County of Riverside, constituting part of the Dissolution Law. Tax Increment Revenues are further limited as provided in the 2014 Pledge Agreement by and between the City (on behalf of CFD 91-1 and CFD

2014-2) related to the Agency Contribution.

**Taxable Lot Square Footage or TLSF** is all of the area of an Assessor's Parcel within CFD No. 2014-2, which is not exempt from the Special Tax pursuant to Section 53311, et. seq. of the California Government Code.

**Taxable Property** means all Assessor's Parcels that are not exempt from the Special Tax pursuant to the Act.

**Trustee** means the trustee, fiscal agent, or paying agent under the Bond Documents.

**Undeveloped Property** means all Assessor's Parcel for which a Building Permit has not been issued on or before **March 1**, preceding the Fiscal Year for which Special Taxes are being levied.

## **B. CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2015-16, each Assessor's Parcel shall first be classified by the CFD Administrator as Taxable Property or Exempt Property. In addition, each such Fiscal Year, each Assessor's Parcel of Taxable Property shall be further classified by the CFD Administrator as Developed Property or Undeveloped Property. Commencing with Fiscal Year 2015-16 and for each subsequent Fiscal Year, all Taxable Property shall be subject to the levy of Special Taxes pursuant to Section C below.

## **C. MAXIMUM SPECIAL TAXES**

Each Fiscal Year commencing the later of the issuance of the Bonds to refund the Prior Bonds or in Fiscal Year 2015-16, each taxable Assessor's Parcel shall be subject to the Special Tax. The Maximum Special Tax shall be equal to \$0.2645 per TLSF.

## **D. METHOD OF APPORTIONMENT OF SPECIAL TAX**

Commencing in Fiscal Year 2015-16 and for each subsequent Fiscal Year as provided in Section G, the CFD Administrator shall levy a Special Tax on all Taxable Property until the total amount of Special Taxes levied equals the Annual Costs in accordance with the following steps:

**Step One:** The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property, up to 100% of the applicable Maximum Special Tax for such Fiscal Year to fund the Annual Costs.

**Step Two:** If additional monies are needed to fund the Annual Costs after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax.

## **E. MANNER OF COLLECTION**

The collection of Special Taxes for CFD No. 2014-2 shall commence in Fiscal Year 2015-16 provided that the Prior Bonds have been refunded. The annual Special Taxes shall be collected in the same

manner and at the same time as ordinary ad valorem property taxes, provided, however, that the Special Taxes may be billed and collected at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2014-2.

#### F. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section F.

**“Administrative Fee”** equal the fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption.

**“Outstanding Bonds”** means all previously issued Bonds which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year.

**“Reserve Fund Credit”** shall equal the lesser of (i) the expected reduction in the applicable reserve fund requirement (as defined in the Bond Documents), if any, following the redemption of Outstanding Bonds from proceeds of the prepayment or (ii) the amount derived by subtracting the new reserve fund requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid in full, provided that there are a) no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time that the Special Tax obligation would be prepaid, and b) the amount of Special Taxes that may be levied on Taxable Property, net of reasonably estimated annual administrative expenses, is at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay all or a part of the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of a non-refundable deposit determined by the CFD Administrator as necessary to cover the cost to be incurred by CFD No. 2014-2 in calculating the proper amount of a prepayment. Within 30 business days of receipt by the CFD Administrator of the non-refundable deposit, the CFD Administrator shall notify such owner of the prepayment amount for the applicable Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Bond Documents.

The Prepayment Amount for each applicable Assessor’s Parcel or group of Assessor’s Parcels shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance Amount

plus	Administrative Fee
less	<u>Reserve Fund Credit</u>
<b>equals</b>	<b>Prepayment Amount</b>

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Taxable Property, compute the Special Tax applicable to such Assessor's Parcel by taking the product of \$0.2645 and the Taxable Lot Square Footage of such Assessor's Parcel.
2. For each Assessor's Parcel intending to prepay, divide the Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the sum of the estimated Special Tax applicable to all Assessor's Parcels of Taxable Property within CFD No. 2014-2 using the same approach identified in Step 1, excluding the Special Taxes of any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
3. For each Assessor's Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2, by the Outstanding Bonds. Sum up the product of each of the parcels to be prepaid, and round up to the nearest \$5,000 increment to calculate the "Bond Redemption Amount," for such Assessor's Parcel(s).
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Tax levied on and paid, for the Assessor's Parcel in the current Fiscal Year and the portion of Outstanding Bonds.
6. Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount until the next available redemption date for the Outstanding Bonds less an Administrative Fee (as listed in the definitions above).
7. Subtract the amount computed pursuant to paragraph 6 from the result computed pursuant to paragraph 5. This difference is the "Defeasance Amount."
8. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Defeasance Amount, and the Administrative Fee, less the Reserve Fund Credit (as listed in the definitions above).

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the CFD Administrator shall indicate in the records of CFD No. 2014-2 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

#### **G. TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor's Parcels of Taxable Property in accordance with Section D but in no event shall the Special Tax be levied on an Assessor Parcel after Fiscal Year 2020-21. If any delinquencies for Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may continue to be levied on delinquent parcels to the extent necessary to reimburse CFD No. 2014-2 for any uncollected Special Taxes.

#### **H. CESSATION OF SPECIAL TAX IN CFD NO. 91-1**

Following the issuance of the Bonds, the City, on behalf of CFD 91-1, may cease to levy or collect special taxes in CFD 91-1 pursuant to Government Code Section 53330.5 and the Act. To evidence such cessation, CFD No, 91-1 may record a notice of cessation of the special tax in the office of the County Recorder of the County of Riverside. Any cessation of the special tax to pay the 91-1 Bonds may provide for the forgiveness of past due or current delinquent taxes in CFD No. 91-1 as determined by CFD No. 91-1.

#### **I. APPEALS**

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the CFD Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the CFD Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund will only occur in the final Fiscal Year of Outstanding Bonds and for each prior Fiscal Year a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.



## **EXHIBIT B**

### **CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM)**

#### **FACILITIES**

The purpose of CFD 2014-2 is to provide for the cost of refinancing of outstanding bonds of Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris ("CFD 91-1").

The general description of the Facilities financed by CFD 91-1 pursuant to Resolution No. 1913 adopted on January 28, 1991 is as follows:

- (a) street and road facilities (including the purchase of rights-of-way and construction or acquisition of street and road improvements);
- (b) water facilities, wastewater and sewer facilities and storm drains;
- (c) street lights, traffic lights and public utility facilities (including gas, electrical and telephone); and to serve the area within proposed Community Facilities District No. 91-1 (Perris Valley Spectrum);
- (d) school facilities, fire protection and suppression facilities and services and open space, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities; and
- (e) governmental facilities which the City Council of the City of Perris is authorized by law to contribute revenue to, or construct, own or operate, including but not limited to civic center improvements and facilities, municipal facilities and improvements, police, jail and detention facilities, parks, recreation facilities, parkways, open-surface facilities, museums and cultural facilities, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities.
- (f) The incidental expenses which will be incurred are: (i) the cost of planning and designing such facilities and the cost of environmental evaluations thereof, (ii) all costs associated with the creation of the proposed Community Facilities District, issuance of the bonds thereof, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District, and (iii) any other expenses incidental to the construction, completion, and inspection of such facilities.

## Other

The District may also finance any of the following:


1. Bond related expenses, including underwriter's discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel fees and expenses, special tax consultant fees and expenses, dissemination agent fees and all other incidental expenses.
2. Administrative fees of the City and the Bond trustee or fiscal agent related to the District and the Bonds.
3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: January 13, 2015**

**SUBJECT:** Rider Street Closure

**REQUESTED ACTION:** Authorize Closure of Rider Street Between Perris Blvd. & Perris Valley Channel.

**CONTACT:** Habib Motlagh,  City Engineer

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**BACKGROUND/DISCUSSION:** The construction of Perris Logistics Center located at northwest corner of Rider & Perris Blvd. is underway. The engineering conditions for development of this project require construction of major underground master planned storm drain facilities (Line A-B) along Rider Street that extend from the project site to the Perris Valley Channel. The construction activity of this line is inspected by Riverside County Flood Control and City Engineer Office performing the construction oversight, including the pavement work.

Attached letter dated January 2, 2015 from Ridge Development Company is requesting closure of the road in order to perform the work in safer environment and faster completion. The letter is requesting full closure (Option 1) for a period of 155 working days or 31 weeks.

City staff is however recommending (Option 2) with 3 separate partial closures that will keep part of the road open at various stage but extend the anticipated construction completion to 195 working days or 39 weeks.

Regardless of the option approved by the Council, the following additional comments shall be required before start of construction:

- Minimum of 5 working days prior to start of construction, adequate signage shall be installed including flashing message signs to advise of the project and road closure.
- Minimum of 5 working days prior to start of closure, the contractor/developer must notify the police, fire, and other emergency services including school districts, CR&R, and the residents along Rider Street within the limits of the closure.
- Prior to closure, the contractor shall post with City a minimum cash deposit in the sum of \$25,000. The Contractor will be penalized \$2,500 for each and every working day keeping the road closed beyond the approved dates excluding rain and reasonable utility delays as determined by City Engineer. Additional penalties assessed @ \$2,500 per day beyond the original 10 days will be charged if needed and deducted from the project's RBBB and/or drainage credit.
- Prior to closure, the Developers shall submit writer verification from EMWD and other utilities confirming their facility relocation schedule.

Mr. Dennis Rice of Ridge Development Company will be present at the meeting to discuss his letter and to respond to questions.

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**BUDGET (or FISCAL) IMPACT:** All costs associated with the construction is paid by the applicant. Future drainage fee credit and reimbursement agreement will be considered by Council to offset the cost of construction of Line A-B.

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Reviewed by:

City Attorney  
Assistant City Manager *AC*

Attachments: Ridge Development Company Letter Dated December 2, 2014

Consent:  
Public Hearing:  
Business Item: Yes  
Other:

## **RIDGE DEVELOPMENT COMPANY**

2211 Michelson Drive, Suite 650

Irvine, CA 92612

949-751-5721

January 2, 2015

Mr. Habib Motlagh  
Tri Lake Consultants  
c/o The City of Perris  
135 North D Street  
City of Perris, CA 92570

**RE: Street Closure of Rider Street between Lake View Drive and the Perris Valley Storm Drain Channel**

Dear Habib,

On behalf of Duke Realty LP as the owner of the Duke Perris Logistics Center project located at the NW corner of Rider Street and Perris Blvd, please use this letter as our formal request for City Council's consideration to close Rider Street between Lake View Drive and the Perris Valley Storm Drain Channel ("PVSDC") to all traffic due to the construction of a significant storm drain structure. Please see the attached Exhibit A for an aerial description. **The section of Rider Street from Perris Blvd to Lake View Drive will remain open and is not part of this closure and can serve all the residents south of Rider between Perris Blvd and Lake View Drive.**

Due to the limited width of Rider Street (approx. 50') in most of the closure area, it is nearly impossible to perform all this work without a closure of Rider Street. There will not be enough room for cars to travel while this is under construction. This closure is necessary for the construction of a major, underground storm drain system (Line AB) that is being entirely paid for by Duke Realty LP. The closure is necessary due to the size of the storm drain structure, 14 EMWD laterals (going both north and south) tying into the storm drain structure and several locations where there are conflicts with dry utilities that need to be relocated for Verizon, Southern California Gas, and Southern California Edison. The storm drain structure is a cast-in-place (CIP) reinforced concrete box varying in size from as large as 8' x 7' to as small as 6' x 4' and is approximately 4,800 feet long. A structure that large needs an open area for excavation that is approximately 25 to 30 feet wide at the street level in order to provide enough slope for safety during construction, not to mention the construction equipment working outside the excavated area on top of the road.

We have 2 options for the City Council's consideration as described below. Please note there are total of three residents (the Salazar's, Shirley Veuhoff and the Reyes') along the entire stretch of construction area whose homes front on Rider Street and have their property access directly on Rider Street.

**Option 1** – one-time, full closure of Rider Street from Lake View Drive to the PVSDC. Construction would take 155 working days (31 weeks) to complete.

**Option 2** – 3-stage closure of Rider Street from Lake View Drive to the PVSDC. Stage 1 (from PVSDC to Wilson Ave = 55 working days), Stage 2 (from Wilson Ave to Redlands Ave = 70 working days), and Stage 3 (from Redlands Ave to Lake View Drive = 70 working days). The 3 stage option will take a total of 195 working days or 39 weeks. The Salazar's and Shirley Veuhoff would be directly impacted during the Stage 3 construction and the Reyes' would be impacted the Stage 2 construction.

Duke's preference is Option 1 since the work is scheduled to be completed 8 weeks earlier than Option 2. The Salazar family and Shirley Veuhoff are clustered next to each other on the north side of Rider Street between Lake View Drive and Redlands Ave and Ramon and Luisa Reyes are located on the south side of Rider Street between Redlands Ave and Wilson Ave. We have reached out to each of the three residents via hand delivery to their mailboxes and personal phone call. We were able to speak directly with the Salazar family and Shirley Veuhoff. We are still trying to talk directly with the Reyes'. The Salazar's and Shirley Veuhoff have approved the closure as long as they are assured to have full time access to their homes. We have assured them that full time access will be in place for each resident and their guests, caregivers, personal deliveries, etc., Post Office mail deliveries, and emergency personnel vehicles. We have reached out to the Reyes' with a second mailing and will try for the third time to personally stop by their house to speak with them.

Besides the three residents mentioned above, all the other residents in the area have other means to directly access their property during the closure. We have also included a Rider Street Detour Plan for both Option 1 and Option 2.

Both the project construction manager (The Mootte Group) and the general contractor (we have narrowed down to 2 general contractors, KIP and Jeff Carpenter....a final selection will be made the week of January 5, 2015) have committed that they will provide the 3 residents with full time ingress and egress to and from their homes during construction with proper traffic control measures in place. They will coordinate everything with the residents prior to start of construction and provide the residents with the Mootte Group project manager's cell phone number and the general contractor's job superintendent's cell phone number in case there is a problem.

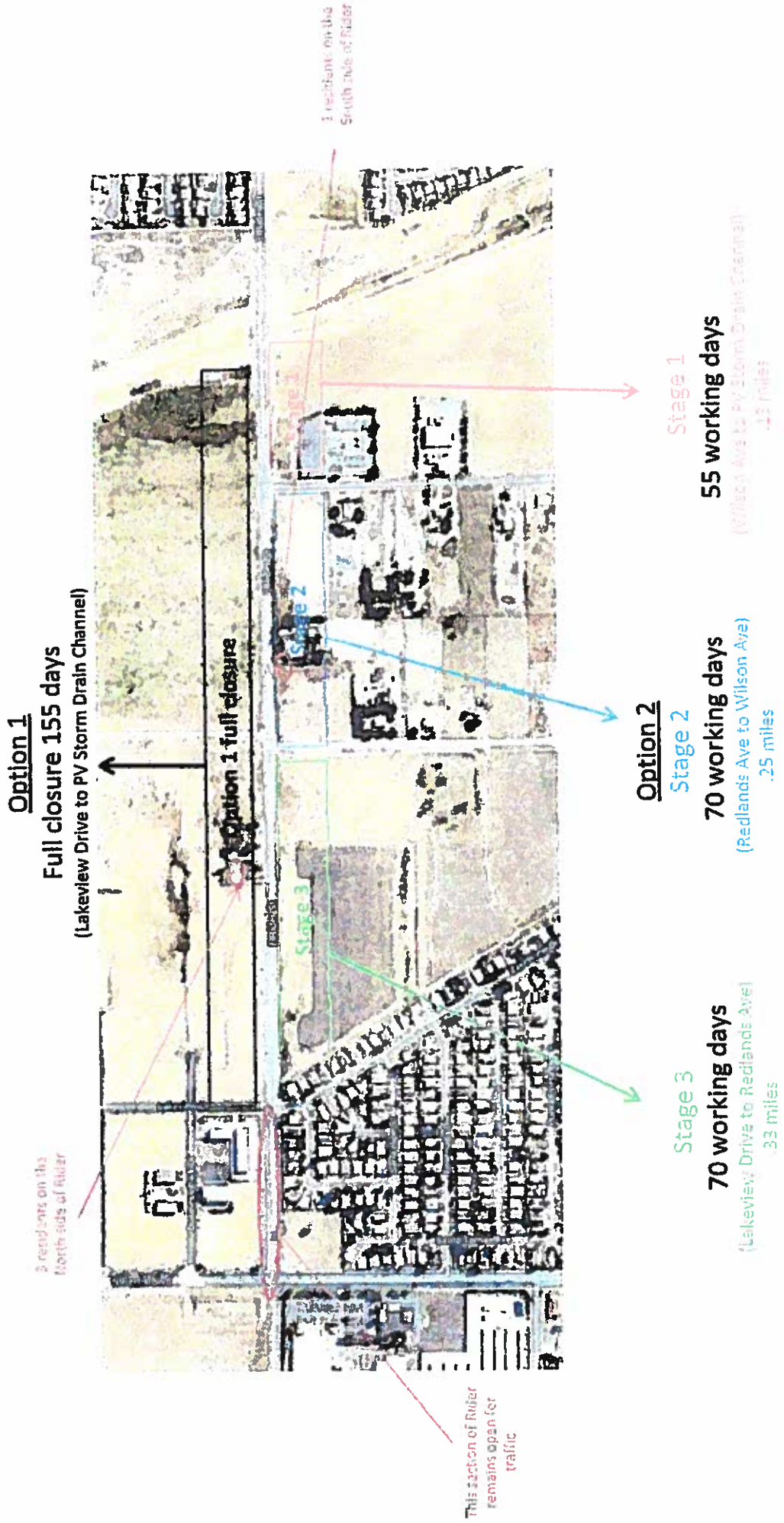
Attached are plans that show the one-time, full closure and the 3 stage closure of Rider Street. We are available to address any questions and we look forward to working with the City of Perris in completing this important project.

Respectfully,

  
Dennis Rice, Ridge Development Company

CC: Scott Sanders, Wil Freve, Bob Close, Adam Schmid - Duke Realty  
Gil Saenz - IEDS

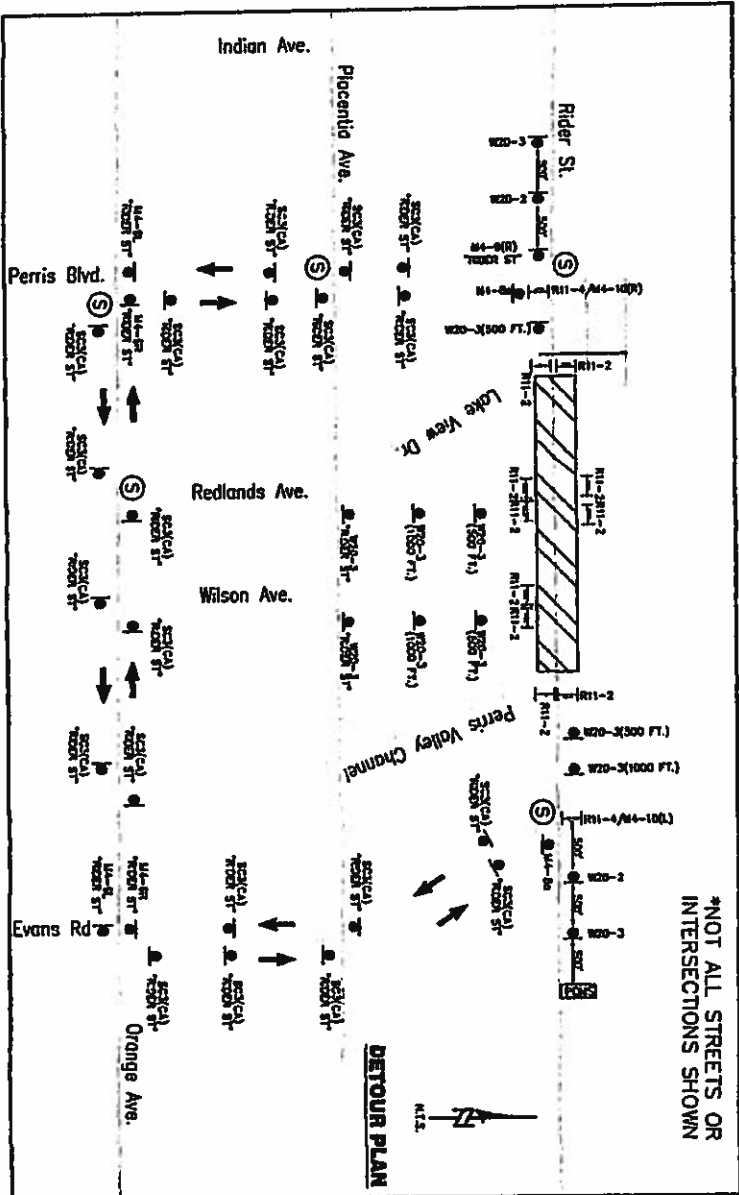
**DUKE PERRIS LOGISTICS CENTER**  
**Rider Street (between Lake View Dr. and Perris Valley Storm Drain Channel)**



# RIDER STREET DETOUR PLAN

**DURATION: 155 WORKING DAYS**

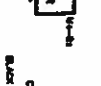
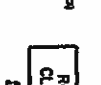
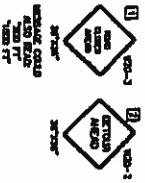
- DETOUR ROUTE:**
- PERRIS BOULEVARD
  - ORANGE AVENUE
  - EVANS ROAD



\*NOT ALL STREETS OR INTERSECTIONS SHOWN

**DETOUR PLAN**

**SIGN LEGEND:**



**LEGEND:**

- ① TEMPORARY TRAFFIC CONTROL SIGN
- T TYPE & SURFACE
- D DIRECTION OF TRAFFIC
- P PLACED LOCATION
- ⑤ SIGNALIZED INTERSECTION
- AREA OF CONSTRUCTION
- ②③④ PORTABLE OVERHEAD MESSAGE SIGN

**PCMS MESSAGING**

- MESSAGE ①: "RIDER STREET"
- MESSAGE ②: "CLOSED AHEAD"
- MESSAGE ③: "USE DETOUR"

Call before you dig

DATE	TIME	BY	REMARKS

**TECH ENGINEERING, INC.**  
 1001 S. GARDEN ST. SUITE 100  
 PERRIS, MI 48870  
 TEL: 313.486.1111  
 FAX: 313.486.1112  
 www.techeng.com

**CITY OF PERRIS**

**TEMPORARY TRAFFIC CONTROL PLAN**

DETOUR PLAN

PERRIS STREET

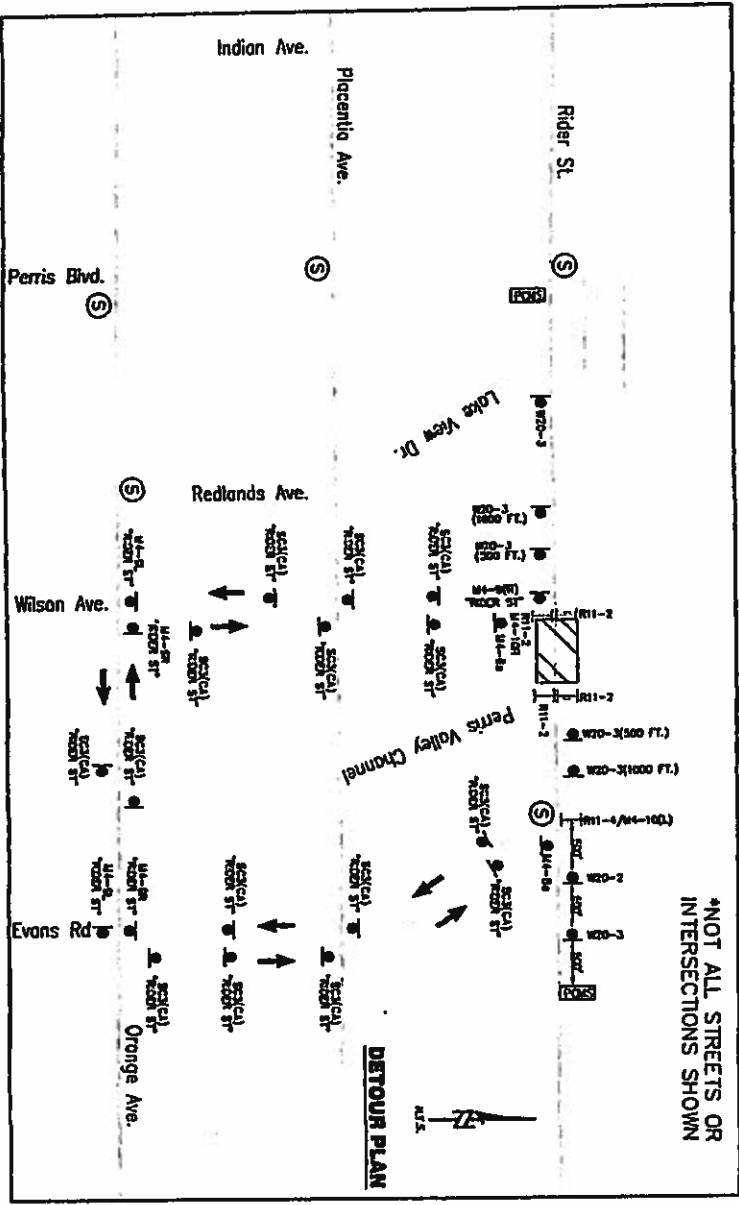
SHEET NO. 1 OF 1



# RIDER STREET DETOUR PLAN

**STAGE 1**  
**DURATION: 55 WORKING DAYS**

- DETOUR ROUTE:**
- WILSON AVENUE
  - ORANGE AVENUE
  - EVANS ROAD



NOT ALL STREETS OR INTERSECTIONS SHOWN

**DETOUR PLAN**

**SIGN LEGEND:**

- ROAD CLOSED AHEAD
- ROAD CLOSED THROUGH TRAFFIC
- DETOUR
- DETOUR
- ROAD CLOSED
- END DETOUR
- ROAD ST.
- ROAD ST.

**LEGEND:**

- REGULATORY SIGNIFICANT CONTROL SIGN
- TYPE OF SIGNAGE
- DIRECTION OF TRAFFIC
- PLACEMENT LOCATION
- REGULATED INTERSECTION
- AREA OF CONSTRUCTION
- NATURAL OVERLAP MESSAGE BOX

**PCMS MESSAGING**

- MESSAGE ①: "RIDER STREET"
- MESSAGE ②: "CLOSED AHEAD"
- MESSAGE ③: "USE DETOUR"

**STAGE 1**

**CITY OF PERRIS**  
**TEMPORARY TRAFFIC CONTROL PLAN**  
**STAGE 1: RIDER STREET**  
**PERMITS: (P) (C) (M) (S) (N) (A) (E)**  
**TH-14-014**

**DATE:** 10/20/2014  
**TIME:** 2:03:22 PM



Call before you dig  
 811

NO.	DATE	DESCRIPTION	BY	APP.
1	10/20/14	ISSUED	...	...
2	10/20/14	...	...	...
3	10/20/14	...	...	...

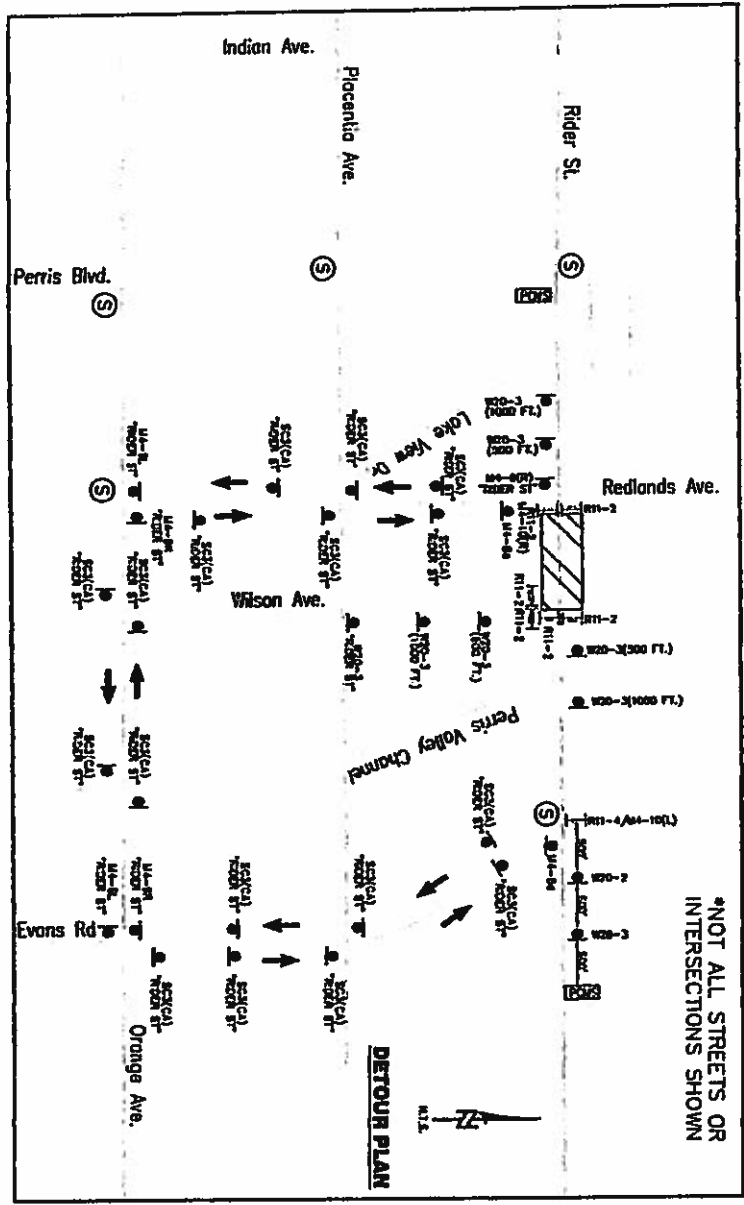
**FAST ENGINEERING, INC.**  
 1417 N. STATE ST., SUITE 100  
 PERRIS, CA 92404  
 TEL: (951) 221-1111  
 FAX: (951) 221-1112  
 WWW.FASTENGINEERING.COM

# RIDER STREET DETOUR PLAN

CLOSURE BETWEEN WILSON AVENUE TO REDLANDS AVENUE

**STAGE 2**  
**DURATION: 70 WORKING DAYS**

- DETOUR ROUTE:
- REDLANDS AVENUE
- ORANGE AVENUE
- EVANS ROAD



\*NOT ALL STREETS OR INTERSECTIONS SHOWN

### DETOUR PLAN

### SIGN LEGEND:

- ROAD CLOSED AHEAD
- ROAD CLOSED
- DETOUR
- DETOUR
- DETOUR
- DETOUR
- ROAD CLOSED
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- DETOUR

### LEGEND:

- TEMPORARY TRAFFIC CONTROL SIGN
- TYPE A ADVANCE
- DIRECTION OF TRAVEL
- ADVANCE LOCATION
- SIGNALIZED INTERSECTION
- AREA OF CONSTRUCTION
- VARIABLE CHANNEL MESSAGE SIGN

### PCMS MESSAGING

- MESSAGE ①: "RIDER STREET"
- MESSAGE ②: "CLOSED AHEAD"
- MESSAGE ③: "USE DETOUR"

### STAGE 2

	CITY OF PERRIS TEMPORARY TRAFFIC CONTROL PLAN STAGE 2 (RIDER ST.) PROJECT NO. 174-14-014	SHEET NO. 2
		TOTAL SHEETS 3



**CITY COUNCIL  
AGENDA SUBMITTAL**

**Meeting Date: January 13, 2015**

**SUBJECT:** Consideration to change the start time of future City Council Meetings from 6:00 pm to 7:00 pm.

**REQUESTED ACTION:** It is requested that the Mayor and City Council provide direction whether or not they would like to change the start time for future City Council Meeting.

**CONTACT:** City Manager

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**BACKGROUND/DISCUSSION:** At the December City Council meeting City Councilmember Rabb requested that the rest of the City Council consider changing the start time for future meetings from 6:00 pm to 7:00 pm. This would allow additional time for constituents who work during the day to attend and participate in meetings. If the City Council decides to change the meeting to 7:00 future close session agenda items could be scheduled prior to the public meetings.

If it is the desire of the City Council to change the meeting, staff will draft a Code Amendment and bring the item back for review and approval.

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

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**Reviewed by:**

City Attorney	N/A
Assistant City Manager	N/A
Attachments:	N/A

Consent:  
Public Hearing:  
Business Item: 1-13-15  
Other:

CITY COUNCIL  
AGENDA SUBMITTAL

**Meeting Date: January 13, 2015**

**SUBJECT:** Appointments to Committees and City Commissions.  
Agencies and Mayor Pro Tem

**REQUESTED ACTION:** Mayor and City Council to make appointments to the  
various agencies and committees to represent the City.

**CONTACT:** City Council and City Manager

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**BACKGROUND/DISCUSSION:** The terms for the various committee appointments  
are nearing expiration and it is now time to appoint delegates for 2015. A list of the  
committees/agencies requiring appointment is attached for consideration.

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

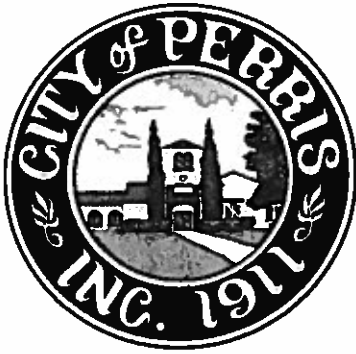
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**Reviewed by:**

**City Attorney:** N/A  
**Assistant City Manager:** *OC*

**Attachments:** Council Appointments

**Consent:**  
**Public Hearing:**  
**Business Item:** January 13, 2015  
**Other:**



# CITY OF PERRIS

Office of the City Clerk

Nancy Salazar, City Clerk  
101 North "D" Street  
Perris, California 92570  
Tel: (951) 956-2925  
Fax: (951) 657-1087

*On August 26, 2014, the following appointments were made and will be effective until December 31, 2014.*

## **COUNCIL APPOINTMENTS**

***Mayor Pro Tem Rita Rogers***

### **DEPARTMENT OF COMMUNITY ACTION-COMMUNITY ACTION COMMISSION**

*Mayor Pro Tem Rita Rogers  
Staff Member Cynthia Quintero*

*December 2014*

### **RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT**

*Councilmember Raul (Mark) Yarbrough, Delegate  
Councilmember Al Landers, Alternate*

*December 2014  
December 2014*

### **RIVERSIDE TRANSPORTATION AGENCY**

*Councilmember Raul (Mark) Yarbrough, Delegate  
Mayor pro Tem Rita Rogers, Alternate*

*December 2014  
December 2014*

### **WESTERN RIVERSIDE COUNCIL OF GOVERNMENTS**

*Mayor Pro Tem Rita Rogers, Representative  
Councilmember Al Landers, Alternate*

*December 2014  
December 2014*

### **RIVERSIDE COUNTY REGIONAL CONSERVATION AGENCY**

*Councilmember Raul (Mark) Yarbrough, Delegate  
Councilmember Al Landers, Alternate*

*December 2014  
December 2014*

### **MARCH AIR FORCE BASE REALIGNMENT JOINT POWERS AUTHORITY**

*Mayor Daryl Busch, Representative  
Councilmember Raul (Mark) Yarbrough, Representative  
Councilmember Al Landers, Alternate*

*December 2014  
December 2014  
December 2014*

**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

*Vacant*

*December 2014*

**EAST-WEST CORRIDOR COMMITTEE**

*Councilmember Al Landers, Representative*  
*Councilmember Raul (Mark) Yarbrough, Alternate*

*December 2014*  
*December 2014*

**RIVERSIDE COUNTY HABITAT  
CONSERVATION AUTHORITY**

*Councilmember Mark Yarbrough, Representative*  
*Councilmember Al Landers, Alternate*

*December 2014*  
*December 2014*

**RIVERSIDE COUNTY LIBRARY SYSTEM ZONE ADVISORY BOARD**

*Mayor Pro Tem Rita Rogers, Representative*

*December 2014*

**RIVERSIDE COUNTY TRANSPORTATION COMMISSION**

*Mayor Daryl Busch, Representative*  
*Councilmember Al Landers, Alternate*

*December 2014*  
*December 2014*

**COUNTY FREE LIBRARY ADVISORY COMMITTEE**

*Mayor Pro Tem Rita Rogers, Delegate*

*December 2014*

**RIVERSIDE COUNTY OFFICE ON AGING ADVISORY BOARD**

*Mayor Pro Tem Rita Rogers, Representative*

*December 2014*

**TUMF ZONE COMMITTEE**

*Mayor Pro Tem Rita Rogers, Representative*  
*Councilmember Al Landers, Alternate*

*December 2014*  
*December 2014*

**REGIONAL FAMILY, YOUTH AND HEALTH TASK FORCE**

*Mayor Pro Tem Rita Rogers*  
*Councilmember Al Landers*

*December 2014*  
*December 2014*

**SIX WORKING COMMITTEES**

**WAYS & MEANS**

*Councilmember Raul (Mark) Yarbrough  
Councilmember Al Landers*

*December 2014  
December 2014*

**PUBLIC WORKS**

*Councilmember Raul (Mark) Yarbrough  
Councilmember Al Landers*

*December 2014  
December 2014*

**PARKS & RECREATION**

*Mayor Pro Tem Rita Rogers  
Councilmember Al Landers*

*December 2014  
December 2014*

**AD HOC SCHOOL DISTRICT LIAISON**

*Mayor Pro Tem Rita Rogers  
Councilmember Raul (Mark) Yarbrough*

*December 2014  
December 2014*

**SENIOR CITIZEN AD HOC**

*Mayor Pro Tem Rita Rogers  
Councilmember Raul (Mark) Yarbrough*

*December 2014  
December 2014*

**PUBLIC SAFETY AD HOC**

*Councilmember Al Landers  
Councilmember Raul (Mark) Yarbrough*

*December 2014  
December 2014*