



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

February 14, 2012

6:30 p.m.

www.cityofhemet.org

City of Hemet Council Chambers
450 E. Latham Avenue

Please silence all cell phones

**Notice: Members of the Public attending shall comply with the Council's adopted Rules of Decorum in Resolution No. 4148. A copy of the Rules of Decorum are available from the City Clerk.*

Call to Order

Roll Call

ROLL CALL: Council Members Franchville, Krupa and Smith, Mayor Pro
Tem Foreman and Mayor Youssef

Closed Session

Notice of Opportunity for Public Comment

Members of the Public may comment upon any identified item on the closed session agenda. Since the Council's deliberation on these items is confidential, the City Council and City Staff will not be able to answer or address questions relating to the items other than procedural questions. At the conclusion of the closed session, the City Attorney will report any actions taken by the City Council which the Ralph M. Brown Act requires to be publicly reported.

1. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(a)
Names of case: *Heartland/MSK Realty Ventures, LLC v. City of Hemet, RIC535678*

REGULAR SESSION

7:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

Call to Order

Roll Call

ROLL CALL: Council Members Franchville, Krupa and Smith, Mayor Pro
Tem Foreman and Mayor Youssef

Invocation

Pledge of Allegiance

City Attorney Closed Session Report

2. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(a)
Names of case: *Heartland/MSK Realty Ventures, LLC v. City of Hemet, RIC535678*
-

Presentation

3. Recognize West Valley's Academic Decathlon Champions
-

City Council Business

Notice to the Public

The Consent Calendar contains items which are typically routine in nature and will be enacted by one motion by the Council unless an item is removed for discussion by a member of the public, staff, or Council. If you wish to discuss a Consent Calendar item please come to the microphone and state the number of the item you wish to discuss. Then wait near the lectern. When the Mayor calls your item give your last name, and address, then begin speaking. You will have three minutes at that time to address the council.

Consent Calendar

4. **Approval of Minutes** - December 13, 2011
5. **Approval of Minutes** - December 22, 2011
6. **Recommendation by Public Works** - Notice of Completion - Project No. 5565 - Well #15 Rehabilitation
 - a. Accept this project; and
 - b. Instruct the City Clerk's Office to file a Notice of Completion with the County of Riverside Recorder's Office. The 10% retention and the Labor and Materials Bond will be released after the Notice of Completion is filed with the County Recorder's Office. The Performance Bond will be maintained for, and released after a period of one year.

7. **Recommendation by the Park Commission - Tree Removal Requests**
 - a. 548 De Soto Drive - Crape Myrtle (1)
Recommendation to deny request, approve to schedule tree for trim only
 - b. 408, 412, & 414 E. Florida Avenue - Magnolia (2) & African Sumac (1)
Recommendation to approve request and replace
 - c. 362 N. Buena Vista Street - Washington Robusta (2)
Recommendation to approve request and replace

8. **Recommendation by Engineering Director - City of Hemet Streetlight Maintenance District No. 52 (Seven Hills)**
 - a. Adopt a resolution initiating proceedings for the formation of City of Hemet Streetlight Maintenance District No. 52 (**Resolution Bill No. 12-012**); and
 - b. Adopt a resolution preliminarily approving the Engineer's Report in connection with the formation (**Resolution Bill No. 12-013**); and
 - c. Adopt a resolution declaring the City's intention to levy and collect assessments and calling for a public hearing on the formation of City of Hemet Streetlight Maintenance District No. 52.
(**Resolution Bill No. 12-014**)

9. **Recommendation by Engineering Director - City of Hemet Landscape Maintenance District No. 52 (Seven Hills)**
 - a. Adopt a resolution initiating proceedings for the formation of City of Hemet Landscape Maintenance District No. 52 (**Resolution Bill No. 12-015**); and
 - b. Adopt a resolution preliminarily approving the Engineer's Report in connection with the formation (**Resolution Bill No. 12-016**); and
 - c. Adopt a resolution declaring the City's intention to levy and collect assessments and calling for a public hearing on the formation of City of Hemet Landscape Maintenance District No. 52.
(**Resolution Bill No. 12-017**)

10. **Recommendation by Engineering - Award of Bid for South Juanita Water Line Replacement, City Project No. 5555**
 - a. Award the contract to the lowest bidder, Pro-Craft Construction, Inc. for the South Juanita Waterline Replacement Project CIP 555 in the amount of \$233,535, and reject all other bids; and
 - b. Authority the City Manager to enter into a construction contract for the improvements; and
 - c. Establish budget in the amount of \$233,535 in CDBG Fund No. 240-3975-5500 for the cost of construction and \$35,000 in CDBG Fund No. 240-3975-2710 for geotechnical testing and surveying and \$12,000 in CDBG Fund 240-3975-1100 for staff administrative time and inspection services.

City Council acting as the Redevelopment Successor Agency Consent Calendar

11. **Approval of Minutes** - Hemet Redevelopment Agency December 13, 2011
 12. **Recommendation by Finance Department** - Local Agency Investment Fund (LAIF) Account for Successor Agency to the Hemet Redevelopment Agency
 - a. Adopt a resolution as the Successor Agency to the Hemet Redevelopment Agency, authorizing investment monies in the Local Agency Investment Fund (LAIF). **(Resolution Bill No. 12-018)**
-

Communications From the Public

Anyone who wishes to address the Council regarding items not on the agenda may do so at this time. As a courtesy, please complete a Request to Speak Form, found at the City Clerk's desk. Submit your completed form to the City Clerk prior to the beginning of the meeting. Presentations are limited to three minutes in consideration of others who are here for agenda items. Please come forward to the lectern when the Mayor calls upon you. When you are recognized, you may proceed with your comments.

****Notice: Members of the Public attending shall comply with the adopted Rules of Decorum in Resolution No. 4148. A copy of the Rules of Decorum are available from the City Clerk.***

State law prohibits the City Council from taking action or discussing any item not appearing on the agenda except for brief responses to statements made or questions posed by the public. In addition, they may, on their own initiative or in response to questions posed by the public, ask a question for clarification, provide a reference to staff or other resources for factual information, or request staff to report back to them at a subsequent meeting. Furthermore, a member of the City Council or the council itself may take action to direct staff to place a matter of business on a future agenda.

Public Hearings

The City Council's procedure for public hearings will be as follows: The Mayor will ask the City Manager for the staff report; the City Manager will call on the appropriate staff member for the report. The Mayor will ask for clarification of items presented, if needed. The Mayor will open the public hearing: ask for comments from those IN FAVOR of the case; ask for comments IN OPPOSITION to the case; and finally for rebuttal to any comments made. The Mayor will then CLOSE THE PUBLIC HEARING. The Mayor will ask the City Manager to respond to any questions raised by the public (the public will not have the opportunity to respond). The matter will then be discussed by members of the City Council prior to taking action on the item.

13. **Zoning Ordinance Amendment 12-001, Sex Offender Residency Restrictions in the City of Hemet** - Community Development Director Elliano
 - a. Conduct a public hearing; and
 - b. Introduce, read by title only and waive further reading on a Ordinance establishing Article X, Division 3 of the Hemet Municipal Code regarding residency restrictions for sex offenders. **(Ordinance Bill No. 12-005)**

Discussion/Action Items

14. **Hemet ROCS Status Report and Request to Establish Advisory Committee**
- Community Development Director Elliano
 - a. That the Mayor establish an "Ad-Hoc Executive Advisory Committee" for the Hemet ROCS Program, and appoint a Council Member and Alternate Council Member to serve on the committee with the Mayor and City Department Heads; and
 - b. That the Mayor authorize the establishment of a "Hemet ROCS Citizen Advisory Committee" to provide input on various proposed ordinances, implementation measures, and community issues and perspective associate with the Program.

 15. **Fourth Amendment to Stetson Crossing Purchase and Sale Agreement** - John Jansons, Community Investment Director
 - a. Approve the Fourth Amendment to the Stetson Crossing Purchase and Sale Agreement; and
 - b. Authorize the City Manager to execute the agreement

 16. **Special Event Funding Policy** - John Jansons, Community Investment Director
 - a. Approve the proposed guidelines and policy for the funding and support of special events in Hemet.

 17. **Mayoral Appointment of Members to the Redevelopment Agency Dissolution Oversight Board** - John Janson, Community Development Director
 - a. Adopt a resolution confirming the Mayor's appointment of members to the Oversight Board. **(Resolution Bill No. 12-011)**

 18. **Public Safety Data Management Software System** - Dave Brown, Police Chief
 - a. Approve the purchase and implementation of the SpeedTrack data management system.

 19. **Recommendation by Community Investment Director** - Lease with Amerco Real Estate DBA U-Haul for Real Property
 - a. Approve a lease for real property located at 250-256 East Meier Street to Amerco Real Estate, DBA: U-Haul Center, Hemet, CA; and
 - b. Authorize the City Manager to execute the lease.

 20. **Recommendation by Community Investment Director** - Lease of Real Property located at 250-256 East Meier Street
 - a. Approve a short term lease for real property located at 250-256 East Meier Street to Agri-Empire of San Jacinto, CA; and
 - b. Authorize the City Manager to execute the lease.
-

City Council Reports

21. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Franchville

1. Riverside Transit Agency (RTA)
2. Airport Land Use Commission (ALUC)
3. League of California Cities
4. Autism Task Force

B. Council Member Krupa

1. Library Board
2. Traffic and Parking Commission
4. Riverside County Habitat Conservation Agency (RCHCA)
5. Riverside Conservation Authority (RCA)
6. Ramona Bowl Association
7. Indian Gaming Distribution Fund

C. Council Member Smith

1. League of California Cities
2. Riverside County Transportation Commission (RCTC)
3. Planning Commission
4. Public Safety Update
5. National League of Cities

D. Mayor Pro Tem Foreman

1. Park Commission
2. Indian Gaming Distribution Fund

E. Mayor Youssef

1. Western Riverside Council of Governments (WRCOG)
2. Riverside County Transportation Commission (RCTC)

F. Ad-Hoc Committee Reports

G. Town Hall Meetings

H. City Manager Nakamura

1. Manager's Reports
 2. Commission Appointments
-

Continued Closed Session

City Attorney Continued Closed Session Report

Future Agenda Items

If Members of Council have items for consideration at the next City Council meeting, please state the agenda item to provide direction to the City Manager.

Adjournment

Adjourn to Tuesday, February 21, 2012 at 7:00 p.m. for considerations of items placed on that agenda. The next regular meeting will be held, March 13, 2012.

Staff reports and other disclosable public records related to open session agenda items are available at the City Clerk's Office or at the public counter located at 445 E. Florida Avenue during normal business hours.

#4



MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

December 13, 2011

3:00 p.m.

www.cityofhemet.org

City of Hemet Council Chambers

450 E. Latham Avenue

Please silence all cell phones

Call to Order

Mayor Franchville called the meeting to order at 3:03 p.m.

Roll Call

PRESENT: Council Members Foreman, Krupa and Smith, Mayor Franchville

ABSENT: Vice Mayor Youssef

Council Member Smith moved and Council Member Krupa seconded a motion to excuse Vice Mayor Youssef. Motion carried 4-0

Council Reorganization

1. City Clerk to Call for Nominations for the Office of Mayor
 2. Mayor to Call for Nominations for the Office of Vice Mayor
- Continued to the 7:00 p.m. Regular Session**

Closed Session

Notice of Opportunity for Public Comment

There were no public comments presented at this time.
The City Council recessed to Closed Session at 3:03 p.m.

3. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: *Special Counsel Daphne Anneet, Deputy City Manager Orme, Finance Director Conrad*
Employee Organizations: *Hemet Fire Fighters Association*
4. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(a)
Names of case: *Peters v. City of Hemet et al., RIC535763*
Jane Doe v. City of Hemet et al., CV-10-01339 VAP
Rodriguez v. City of Hemet, CV-03518 RGK
Toungat v. City of Hemet, RIC1111811
Toungat v. City of Hemet, 9th Circuit Court of Appeal #11-55429
Joul v. City of Hemet, RIC1000086

5. Conference with Real Property Negotiators
 Pursuant to Government Code section 54956.8
 Property: *APN's: 456-050-013 and 022*
 Agency negotiator: *City Attorney Vail & Community Investment Director Jansons*
 Negotiating parties: *City of Hemet & Stetson Crossing Partners, LLC*
 Under negotiation: *Amended items for the sale of the property to Stetson Crossing Partners, LLC.*

 6. Conference with Real Property Negotiators
 Pursuant to Government Code Section 54956.8
 Property: APNs , 443-131-008, 443-140-001, 443-140-003 and 443-140-024
 Agency Negotiator: City Manager Nakamura
 Negotiating Parties: State of CA, A.O.C.
 Under Negotiation: Disposition, Price and Terms

 7. Conference with Legal Counsel - Anticipated Litigation
 One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(b)

 8. Public Employee Performance Evaluation
 Pursuant to Government Code section 54957
 Title: *City Manager*
-

REGULAR SESSION

7:00 p.m.
City of Hemet Council Chambers
450 E. Latham Avenue

Call to Order

Mayor Franchville called the meeting to order at 7:00 p.m.

Roll Call

PRESENT: Council Members Foreman, Franchville, Krupa, Smith and Youssef
ABSENT: None
OTHERS PRESENT: City Manager Nakamura, City Attorney Vail and City Clerk McComas

Council Reorganization

Continued from 3:00 p.m. Meeting

1. City Clerk to Call for Nominations for the Office of Mayor

City Clerk McComas, called for nominations for the Office of Mayor.
Council Member Foreman nominated **Council Member Youssef** and **Council Member Krupa** seconded the nomination. **Motion carried 3-1. Council Member Franchville** voted **No. Council Member Youssef** abstained.

2. Mayor to Call for Nominations for the Office of Vice Mayor
Mayor Youssef, called for nominations for the Office of Vice Mayor.
Council Member Smith nominated **Council Member Foreman** and **Council Member Krupa** seconded the nomination. **Motion carried 4-0. Council Member Foreman** abstained.

Brian Nakamura, City Manager, presented a crystal gavel to Council Member Franchville for this service as Mayor.

Council Member Franchville, noted his pride in the accomplishments that were completed in the past year. This speaks volumes of the City's Department Directors and City Manager, they made me look good.

The City Council recessed briefly at 7:04 p.m.
Reconvened at 7:08 p.m.

Invocation

Invocation was given by Dr. Arceneaux

Pledge of Allegiance

Pledge of Allegiance was led by Vice Mayor Foreman

City Attorney Closed Session Report

9. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: *Special Counsel Daphne Anneet, Deputy City Manager Orme, Finance Director Conrad*
Employee Organizations: *Hemet Fire Fighters Association*
The City Council did not discuss this item.

10. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(a)
Names of case: *Peters v. City of Hemet et al., RIC535763*
Jane Doe v. City of Hemet et al., CV-10-01339 VAP
Rodriguez v. City of Hemet, CV-03518 RGK
Toungat v. City of Hemet, RIC1111811
Toungat v. City of Hemet, 9th Circuit Court of Appeal #11-55429
Joul v. City of Hemet, RIC1000086

The City Council gave direction to the City Attorney. There was no additional reportable action.

11. Conference with Real Property Negotiators
Pursuant to Government Code section 54956.8
Property: APN's: 456-050-013 and 022
Agency negotiator: *City Attorney Vail & Community Investment Director Jansons*
Negotiating parties: *City of Hemet & Stetson Crossing Partners, LLC*
Under negotiation: Amended items for the sale of the property to Stetson Crossing Partners, LLC.

The City Council gave direction regarding price and terms to the City's negotiator. There was no additional reportable action.

12. Conference with Real Property Negotiators
Pursuant to Government Code Section 54956.8
Property: APNs , 443-131-008, 443-140-001, 443-140-003 and 443-140-024
Agency Negotiator: City Manager Nakamura
Negotiating Parties: State of CA, A.O.C.
Under Negotiation: Disposition, Price and Terms

This item was continued to the end of the Regular Session.

13. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(b)

The City Council received a briefing from the City Attorney. There was no additional reportable action.

14. Public Employee Performance Evaluation
Pursuant to Government Code section 54957
Title: *City Manager*

The City Council gave the City Attorney direction regarding the process for the evaluation. There was no additional reportable action.

Presentation

15. Proclamation for Ramona Animal Shelter's 2nd Place in ASPCA 100K Challenge
Mayor Youssef, read and presented a proclamation to Jeff Sheppard, President and CEO of Ramona Animal Shelter.
Jeff Sheppard, introduced Board Members Bob Duistermars, Connie Hall and Wayne Disher. This was a great community effort and partnership with PETSMAART and PETCO.

16. Introduction of New City of Hemet Employees
Chief Brown, introduced the departments newest Police Officers:
Art Piaz
Matt Gomez

Dean Benjamin
Matthew Hyatt
Derek Holstra

Acting Duty Chief Darkens, introduced the Fire Departments new employees:
Branden Humphries
Christopher Baker

The City Council heard "Communications from the Public" at this time.

Public Hearings

17. **General Plan Amendment (GPA) No. 11-002 (City of Hemet General Plan 2030** - Community Development Director Elliano
 - a. Conduct the public hearing and receive comments on GPA 11-002 which establishes citywide land uses, policies, and programs within ten general plan elements and replaced the city's existing general plan adopted in 1992 and includes consideration of the Program Environmental Impact Report prepared for the General Plan Update in compliance with the California Environmental Quality Act (SCH No. 2010061088); and
 - b. Direct staff to prepare any final changes to the Draft General Plan and Final EIR; and
 - c. Continue the public hearing to the City Council meeting of January 24, 2012 for the Certification of the Final Environmental Impact Report, adoption of the Mitigation Monitoring and Reporting Program, adoption of the Findings and Statement of Overriding Consideration, and adoption of the City of Hemet General Plan 2030.

Deanna Elliano, Community Development Director, the General Plan and Draft EIR are a culmination of much effort. Ms. Elliano acknowledged the City Council, the Planning Commission, the Park Commission, the Traffic and Parking Commission, the General Plan Advisory Committee, Community Organizations, AECOM Consultant Team, the Planning Department and City Staff members for their collective efforts. Ms. Elliano thanked the City Council for their patience, this gave us the opportunity to do it right. Ms. Elliano discussed the public comments received regarding the General Plan update and EIR. The draft General Plan provides a fundamental policy framework to guide land use development and public services in the City, future decisions must be consistent with the General Plan. The General Plan is for a period of 20 years: 2010 to 2030. The General Plan is required by the State of California and sets forth the Community's Vision for the future. The General Plan is not just lofty goals, it is principles, policies, strategies, data and programs that make up a detailed roadmap to achieve the goals and vision. The General Plan includes 10 Elements or topic areas including Introduction, Implementation, Programs and Appendices. The General Plan will be reviewed annually and may be amended up to four times per year. State law mandates that the General Plan address seven topics or elements: land use, circulation, housing, noise, conservation, open space, and safety. Based on community feedback five additional elements were included: Community Design;

Community Services and Infrastructure; Recreation and Trails; Historic Resources; and Art & Culture. The General Plan is a Comprehensive Resource Document of policies & technical data to guide decision-making through project review. The General Plan provides a balanced mix of land uses to achieve an improved job-housing ratio to meet the needs of the community. The General Plan focuses on economic development, job creation, and long-term fiscal viability. It promotes sustainable land use patterns and infrastructure design. The plan is designed to preserve, enhance, and promote Hemet's natural resources, scenic setting, and recreational opportunities. It is also designed to promote connections to regional transportation networks and integrate land uses with multi-modal transportation systems. Additional themes in the General Plan include: fostering a safe and healthy community for all citizens; recognizing and promoting the community's cultural, historic and social fabric; pursuing opportunities to strengthen the quality and number of educational institutions, facilities, and programs; enlisting smart growth principles and better coordinate development with the provision of infrastructure and public services; restoring and revitalizing older neighborhoods and the historic downtown; strengthen a positive image and create a sense of place for the community; promote coordination and participation with regional agencies and jurisdictions; emphasize the practical application of goals, policies, programs, and procedures to implement the General Plan over time; and engage the community in being a vital part of enhancing the City's present quality of life and in charting its future. The area within the City limits is 28.3 square miles. The land within the City's Sphere of Influence is 37 square miles. The remaining planning area is 32.1 square miles for a total of 97.4 square miles within the Planning Area. The General Plan goals, policies, implementation measures and land use authority apply only to areas within or annexed to the City. Chapter 2 Land Use establishes the framework for community growth and development. It includes the land use plan/map and development capacity. There are 21 land use categories. The chapter discusses the issues, opportunities, and future land use concepts of the land use districts, mixed-use areas, specific plan areas, and focused districts. There are 17 Districts with a special focus on Downtown, West Florida, West Hemet and Diamond Valley Lake districts. Ms. Elliano explained the development capacity through 2030. Chapter 3 Community Design is an optional element. Its primary objective is to achieve well-designed, well-built, attractive, safe, compatible, and connected neighborhoods and business districts. It provides community-wide guidelines for gateways into the City, streetscapes and scenic corridors, community signage, and public open space. It also provides site-specific guidelines for signage, walls and fences, landscaping, mixed-use design, defensible space, and the Downtown Hemet District. Chapter 4 Circulation is a State required element that establishes standards for the movement of people, goods, and services at the level necessary to support development of the land uses described in the Land Use Element. This chapter classifies the major roadways and provides cross-sections for design purposes. It addresses alternative modes of mobility to reduce vehicle trips such as bicycle and pedestrian paths, transit, rails, and neighborhood electric vehicles. It also integrates transportation networks with land uses. Chapter 5 Community Services and Infrastructure is an optional element that addresses schools, libraries, health care, water and sewer services, storm drainage systems, electric, gas and telecommunication utilities. It describes existing facilities and infrastructure, and outlines mechanisms for the continued provision of services to accommodate future growth. It also addresses evolving technological,

financial, and environmental issues that have the potential to affect service delivery and the community's health and welfare. Chapter 6 Public Safety meets State requirements for Safety and Noise. It describes potential hazards, and outlines measures to reduce risk. The potential hazards include earthquakes, landslides, floods, transportation-related accidents, hazardous waste, fire, crime, disasters, and the adverse health affects associated with noise. It addresses Police and Fire resources and programs. It includes goals, policies, and programs to establish proactive measures to ensure the community's safety. Chapter 7 Open Space and Conservation meets a State mandate. It identifies natural, open space, biological, and environmental resources and constraints. This chapter establishes goals and policies that enable a balance between resource conservation and long-term residential and economic growth. It promotes water, energy and open space conservation. It responds to recent legislation concerning climate change and the reduction of greenhouse gases, and promotes the City's core value of becoming a sustainable community. Chapter 8 Recreation and Trails is an optional element that recognizes the benefits of recreation and outdoor activities. It inventories and classifies the City's parks with special attention focused on Simpson Park and Diamond Valley Lake Recreation/Education area. It provides a master plan for off-road trails by identifying and classifying existing and planned trails into 3 categories: Open Space (unpaved), Equestrian, and Multi-Use (paved). It also connects the County trail system and WRCOG's Non-Motorized Transportation Plan. Chapter 9 Historic Resources is an optional element that acknowledges Hemet's unique heritage. It identifies paleontological, archeological, and historic resources. It draws particular attention to the significance of Downtown. It also provides policies and implementation measures to preserve these resources including demolition alternatives and the establishment of a historic resources ordinance. Chapter 10 Art and Culture is an optional element establishing the framework to integrate art and culture into all aspects of City life. It identifies local arts organizations, art and culture facilities and venues, performing and fine arts facilities, art and culture in the schools, and art in public places. It outlines the City's approach in using art and culture in its economic development efforts, particularly in Downtown Hemet. Chapter 11 Housing is a required element that identifies State mandated strategies for the provision of affordable housing. It is the only Element that must also be certified by the State and is required to be updated every 8 years. The element focuses on improving the housing stock and balancing residential and job growth while accommodating the City's share of regional housing needs mandated by the State (RHNA). Chapter 12 Implementation contains the implementation programs for all of the General Plan elements. All City departments and divisions will play key roles in ensuring completion of the programs in a timely and comprehensive manner. Programs will be evaluated annually, and implemented in accordance with funding available, community need, or state-mandate. There are 8 main categories: agency coordination; capital improvement; funding program; new plan or ordinance; updated plan or ordinance; project review requirement; and public outreach. Ms. Elliano gave a brief overview of a couple of notable appendices: Appendix A, General Plan policies on sustainability; Appendix B, A list of known Historic Resources; Appendix F, General Plan policies on Achieving a Healthy Community; and Appendix G, General Plan conformance with Measure C. Ms. Elliano explained a couple of recent property owner requests and the staff and Planning Commission recommendations. Ms. Elliano explained the next steps. The priority implementation actions following the adoption of the General Plan are:

Consistency Zoning for City & Planning Area; Zoning and Municipal Code Updates; Hemet ROCS Ordinances & Program Tasks; Climate Action Plan; Capital Improvement Plan; Master Drainage Plan Update; Economic Development Programs; and Housing Element Update (2014-2021).

John Bridges, AECOM, gave the City Council a presentation on the Program Environmental Impact Report. The EIR addresses the environmental impacts associated with the implementation of the General Plan, a series of public and private development projects. The first tier of environmental analysis is creating a foundation for future project-specific CEQA documents. The EIR covers the Hemet planning area. The EIR evaluates all CEQA required sections. The City has received 13 comment letters on EIR scope and content following the Notice of Preparation issuance. The comments were considered in preparing the Draft EIR. A Public scoping meeting was held on July 14, 2010 to receive suggestions for environmental issues to be addressed, mitigation measures and alternatives. The Draft EIR was released on September 30, 2011 for a 45-day public review period ending November 14, 2011. The significant environmental impacts are: agricultural resources - conversion of farmland to non-agricultural uses (significant unavoidable); air quality - air quality management plan compliance, exceeding air quality standards, sensitive receptor impact (significant unavoidable); greenhouse gas emissions - construction emissions, new development emissions (significant unavoidable); noise - transportation noise (significant unavoidable) and construction vibration levels (significant mitigatable); traffic & transportation - peak hour intersection level of service (significant unavoidable); and public services & energy efficiency - water supply (significant unavoidable). The City received 15 comments on the Draft EIR during the public review period. The Final EIR, including written responses to comments on the Draft EIR will be completed. The City Council will adopt Findings of Fact, Statement of Overriding Considerations (for significant unavoidable environmental impacts) and certify the Final EIR along with approval of the General Plan in January 2012.

Council Member Smith, commended Ms. Elliano for a job well done. Council Member Smith asked if the amount of public participation and comment in this process was average. Council Member Smith asked about the comments from RCTC and the alignment of Highway 79 that was used in the General Plan. Council Member Smith also asked about location of the light rail station.

Ms. Elliano, the public participation was above average, but the public comments presented were below average. Most of the public comments received were in support of the plan. RCTC's comments were addressed. The General Plan assumes that RCTC will approve the City's preferred alignment for Highway 79. If they approve an alternative, some changes will have to be made. The Land Use Plan and the Circulation Element includes a metrolink station downtown and one at the west end business complex. The EIR for the Metrolink Stations would be addressed in a project level EIR at the time of consideration.

Mayor Youssef, asked how the City's proposed Sphere of Influence will interact with LAFCO.

Ms. Elliano, LAFCO requires that the property included in the City's Sphere of Influence have a zoning and pre-zoning designation. The City will meet LAFCO's requirements when the consistency zoning is complete. It is recommended to move toward approval from LAFCO as soon as possible because we have a current EIR. Sphere amendments, if necessary, can run concurrently with annexation requests.

Mayor Youssef declared the Public Hearing opened at 9:23 p.m.

John Baranek, GPAC Member, complimented the City Council and staff for the great effort that went into the process. The GPAC was well represented with businessmen, developers and city staff. Mr. Baranek recommendation approval.

Gene Hikel, Four Season Awareness Community Committee, spoke in favor of the General Plan. Mr. Hikel commended the GPAC and the City Staff for their work and recommended approval.

Diane Norberg, Hemet, spoke in favor of the General Plan.

Don Digby, Hemet, recommended that the City Council follow the General Plan for solid growth in the valley. Mr. Digby thanked the GPAC members and City staff that worked on the plan and recommended approval.

Kathy Smigun, Hemet, thanked the City Council, City Staff and GPAC for their efforts. Ms. Smigun recommended approval.

CW Cecchi, Hemet, expressed concern with the location of the proposed downtown metrolink station, suggested that it be located south of Florida Ave. and west of State St.

Cash Hovivian, Hemet, spoke in favor of the General Plan and recommended approval.

Jerry Jaekels, Hemet, expressed concern with the realignment of Highway 79 and recommended that it be a thoroughfare instead of a freeway. Mr. Jaekels also recommended that the Tres Cerritos offramp be eliminated.

Andy Domenigoni, Winchester MAC, expressed opposition to the City's Sphere of Influence including the Winchester MAC Area.

John Sherrit, Emerald Acres, expressed opposition to the proposed land use designation for Emerald Acres.

Macy Lin, Copperfield Investments, expressed concern with the land use designation on their 43 acres located west of Sanderson Square. Ms. Lin recommended that the property be zoned commercial manufacturing.

Mayor Youssef declared the Public Hearing closed at 9:48 p.m.

Council Member Franchville, recommended approval of the General Plan as presented by staff. If changes need to be made in the future, the General Plan can be amended 4 times per year.

Council Member Krupa, thanked Deanna Elliano for a job well done. Council Member Krupa also expressed appreciation to the public who participated in the process.

Mayor Youssef, expressed appreciation to City staff, members of the GPAC and the members of the public who participated in the process. This is a milestone for the City.

Mayor Pro Tem Foreman moved and Council Member Franchville seconded a motion to approve this item as presented. Motion carried 5-0.

The City Council recessed briefly at 10:03 p.m.

Reconvened at 10:07 p.m.

City Council Business Consent Calendar

18. **Recommendation by Mayor Franchville** - Resignation from Planning Commission
 - a. Accept the resignation of Chauncey Thompson from the Planning Commission effective December 6, 2011.

19. **Receive and file** - Warrant Registers
 - a. Warrant registers dated November 3, 2011, November 8, 2011 and November 17, 2011. Payroll for the period of October 17, 2011 to October 30, 2011 was \$722,441.90 and October 31, 2011 to November 13, 2011 was \$681,801.25.

20. **Approval of minutes** - October 25, 2011

21. **Approval of minutes** - November 5, 2011

22. **Recommendation by City Manager** - Mayor Pro Tempore
 - a. Adopt a resolution formally recognizing and referring to the Vice Mayor as Mayor Pro Tempore. **(Resolution No. 4466)**

23. **Recommendation by Deputy City Manager** - Paying and Reporting the Value of Employer Paid Member Contributions to the California Public Employees' Retirement System (CalPERS)
 - a. Adopt resolutions to ensure compliance with PERS regulations. **(Resolution Bill Nos. 4467 and 4468)**

24. **Recommendation by City Manager** - Memorandum of Understanding with the Hemet Fire Fighters Association
 - a. Authorize the City's negotiating team to execute the Memorandum of Understanding (MOU) between the City and the Hemet City Fire Fighters Local No. 2342 (HFA) for the period of November 1, 2011 through October 31, 2013.

25. **Recommended by City Attorney** - Ordinance Restricting Location Where Sex Offenders May Be Present
 - a. Adopt an ordinance adding Section 46-10 to the Hemet Municipal Code relating to location restrictions for registered sex offenders. **(Ordinance No. 1844)**

26. **Recommendation by Engineering** - Acceptance of Public Improvements - Myers Street Parcel Map 35350 - Florida Promenade (Hemet 55, LLC) NE corner of Florida Avenue and Myers Street
 - a. Accept the public improvements, built by the developer of the project in compliance with the corresponding Condition of Approval No. 97, for the subject Parcel Map.

27. **Recommendation by Engineering** - Traffic and Parking Commission Recommendations
 - a. Approve removal of "2 Hour Parking" signage on the east side of Laursen St., from Florida Avenue to Latham Avenue.
 - b. Approval to continue monitoring the intersection and to temporarily place a speed trailer near the intersection of Johnston and San Francisco based on a request for a all-way stop sign.
 - c. Approval to continue monitoring the intersection and to temporarily place a speed trailer near the intersection of Lincoln and Steiner based on a request for a all-way stop sign.
 - d. Approval to paint two section of red curb on each side of the driveway at 490 S. Simpson Avenue.

28. **Recommendation by Public Works** - Award of Bid to L.O. Lynch Quality Wells & Pumps, Inc. for the Rehabilitation of Well 15 at Mary Henley Park - CIP No. 5565
 - a. Approve award of contract to L.O. Lynch Quality Wells & Pumps, of San Jacinto, in the amount of \$62,329.00 for the rehabilitation of Well No. 15.

29. **Recommendation by Public Works** - Installation of Banners Across Florida Avenue
 - a. Hemet/San Jacinto Valley Chamber of Commerce - State of the Valley Address - January 9, 2012.
 - b. Hemet Youth Baseball Sign-Ups - Baseball Registration.

30. **Recommendation by Public Works** - Award of Bid for the Purchase of One 2012 CNG Freightliner Patch Truck from Los Angeles Freightliner - Supplemental Appropriation
 - a. Award of bid to Los Angeles Freightliner in the amount of \$252,181 for the purchase of a 2012 CNG Freightliner Patch Truck to be funded from existing budgets in the Streets (Gas Tax) Equipment Replacement Fund 380-4200-5400; and
 - b. Authorize the Finance Director to record a supplemental appropriation in Equipment Replacement Fund 380-4200-5400 in the amount of \$22,181; and
 - c. Declare Unit No. 4248 (1991 Chevy Patch Truck) as surplus and authorize its sale at auction.

31. **Recommendation by City Attorney** - Second Amendment to Stetson Crossing Purchase and Sale Agreement
 - a. Approve the Second Amendment to the Stetson Crossing Purchase and Sale Agreement; and
 - b. Authorize the City Manager to execute the Second Amendment.

32. **Recommendation by Community Investment Director** - Mortgage Credit Certification Program
 - a. Adopt a resolution to participate in the Mortgage Credit Certification Program sponsored by Riverside County Economic Development Agency.
(Resolution No. 4469)

33. **Recommendation by Police Chief** - State COPS Grant Expenditure Plan and Supplemental Appropriation
 - a. Accept the 2011 State COPS grant award of \$158,569; and
 - b. Approve the proposed expenditure plan for the \$158,569 in State COPS Grant funding for 2010-2011; and
 - c. Upon award of the grant, authorize increase in revenues of \$158,569, increase in appropriation in the amount of \$158,569 to accounts to be assigned by Finance based on the approved expenditure plan.

34. **Recommendation by Public Works** - Master Agreement for State-Aid Transportation Projects
 - a. Adopt a resolution authorizing the City Manger to execute a Master Agreement between the State of California and the City of Hemet for State Funded Transportation Projects (Agreement No. 00360S) and all future project specific Program Supplement that may occur.
(Resolution No. 4470)

35. **Recommendation by Community Investment Director** - Professional Services Agreement for Neighborhood Stabilization Program 3 Administration with Civic Stone, Inc.
 - a. Approve a Professional Services Agreement for Neighborhood Stabilization 3 Program Administration with Civic Stone Inc. for the period of December 13, 2011 through April 7, 2014 in an amount not to exceed \$136,000.00; and
 - b. Authorize the City Manager to execute the Professional Services Agreement and any amendment deemed necessary for efficient and timely administration of the NSP 3 project.

36. **Recommendation by Public Works** - Park Commission Recommendations
 - a. Tree Removal Request: 3064 La Habra - Camphor (1)
Approve request and replace with a Crape Myrtle
 - b. Tree Removal Request: 3954 Paul Drive - Crape Myrtle (1)
Deny request; approve to schedule tree for trim

- c. Tree Removal Request: 2243 Carnation Avenue - Ash (1)
Approve root prune and trenching to determine impact; if impact is lifting driveway approval removal and replace with City approve three; replace concrete/grass as needed.

Item Nos. 18, 24, 30 and 31 were removed from the Consent Calendar. **Council Member Franchville moved and Council Member Smith seconded a motion to approve the remaining Consent Calendar items. Motion carried 5-0.**

Item No. 18

Mayor Youssef, thanked Chauncey Thompson from his time as Planning Commissioner. **Mayor Youssef moved and Council Member Krupa seconded a motion to approve this item as presented. Motion carried 5-0.**

Item No. 24

Council Member Krupa, thanked the Hemet Fire Fighters Association for working with staff to complete the negotiations.

Council Member Krupa moved and Mayor Pro Tem Foreman seconded a motion to approve this item as presented. Motion carried 5-0.

Item No. 30

Council Member Smith, commended staff for the follow up to confirm that this is the most efficient vehicle for this use.

Council Member Smith moved and Council Member Krupa seconded a motion to approve this item as presented. Motion carried 5-0.

Item No. 31

Mayor Youssef, recused himself from the discussion to the close proximity to his residence.

Council Member Franchville, to date the developer has not given the City a clear vision for this property.

Council Member Franchville moved and Council Member Smith seconded a motion to deny this item. Motion carried 4-0.

Communications From the Public

Don Digby, Hemet, spoke in support of Sharon Deuber. Mr. Digby spoke in support of Ms. Deuber's position regarding Tres Cerritos. The current City Council did not create the blight, you do have the chance to correct it. The City Council should talk to the residents. This is not the community that I grew up in.

Mayor Youssef, noted that the City Council does multiple town hall meetings giving the City Council a chance to hear from the residents.

Steve Sandefer, Hemet, spoke in support of the City of Hemet Fire Department. The employees would like to hear from the City Council that they will continue Fire Services with the Hemet Fire Department. The Fire Fighters Associations agreed to an MOU that will save the City \$300,000 this year and over \$500,000 next year. Mr. Sanderfer asked the City Council to not consider Item No. 39.A. This will not help the City's Emergency Response Services, we need a strong leader with a vision. The Members would like a Fire Chief that they can follow, we are open minded and willing to try anything.

Gene Hikel, Chair of Four Season's Awareness Committee, on November 8, 2011 the residents expressed our concern and opposition to the Tres Cerritos project at the Planning Commission hearing. The City Council did not listen to the residents. Mr. Hikel spoke in support of Sharon Deuber.

Kathleen Marquez, Hemet, expressed concern with the prostitutes on Florida Avenue. Ms. Marquez offer to assist in any way to help clean up Hemet.

Council Member Franchville, asked Deanna Elliano, Community Development Director to contact Ms. Marquez to work with the City on Hemet ROCS.

Diane Norberg, Hemet, spoke in support of Sharon Deuber. Ms. Deuber spoke as a resident. Ms. Norberg noted that Council Member Smith has offered his opinion at Planning Commission hearings.

Jerry Jaekels, Hemet, spoke in support of Sharon Deuber.

Kathy Smigun, Hemet, spoke in support of Sharon Deuber. Ms. Smigun recommended that the City Council publically apologize or request a public retraction.

Eric Vail, City Attorney, explained that the discussion regarding Ms. Deuber was under "Future Agenda Items", there was no action taken by the City Council just direction to staff. The meeting was still open to the public and they were welcome to stay. Mr. Vail explained the difference between the role and responsibilities of an elected official versus an appointed official. Members of the Planning Commissions are expected to have an unbiased opinion of the projects, elected officials are the elected voice of the residents. The details regarding the development can not be discussed at this time and will come back at a subsequent meeting.

Joy Dickinson, Hemet, asked the City Council for assistance. Ms. Dickinson was instrumental in helping the Hemet Police capture Nicolas Smit. Ms. Dickinson has not received her share of the reward money that was offered.

Mayor Youssef, the City Manager and the Police Chief will be making contact with you.

Richard Shirek, Hemet, expressed opposition to the proposed Tres Cerritos project. Mr. Shirek spoke in support of Sharon Deuber.

Richard Brusig, Hemet, spoke in support of the Hemet Fire Department.

Cash Hovivian, Hemet, spoke in support of Sharon Deuber. Mr. Hovivian also spoke in opposition to the proposed Tres Cerritos project.

George Raisty, Hemet, spoke in support of the Fire Department.

George Paris, Hemet, spoke in opposition to the proposed Tres Cerritos project. Mr. Paris spoke in favor of Sharon Deuber.

Ryan Meeker, Hemet, spoke in support of Sharon Deuber.

Shawn Weidman, Hemet, spoke in support of the Fire Department.

Charlie Toomey, H&R Block, introduced herself and her staff. Ms. Toomey is a new owner of H&R Block in Hemet and San Jacinto and wants to be part of the community.

Patricia Yepremian, Hemet, thanked all involved in the Hometown Christmas event on Harvard Street. The past two weeks have been well attended. Ms. Yepremian invited the City Council to attend the event.

Stephany Borders, Party Planners, expressed her appreciation and gratitude for the efforts in the parade. There were over 2,000 participants, with over 10,000 viewers. There were over 100 vendors and 4,000 people in Gibble Park for the "Christmas in the Park".

Jackie Fielder, YMCA, gave the City Council an update on their progress. The YMCA has 64 exercise classes per week, 20 groups meet at the facility per week and there are 3-5 room rentals per month. To date we have 623 members which puts the organization way ahead of their goal for this facility. Ms. Fielder thanked the City Council and the Community for their support.

The City Council heard Item No. 17 at this time.

Discussion/Action Items

37. **Paying and Reporting the Value of Employer Paid Member Contributions to California Public Employees' Retirement System (CalPERS) - Deputy City Manager Orme**

- a. Adopt a resolution to ensure compliance with CalPERS regulations.
(Resolution No. 4471)

Mark Orme, Deputy City Manager, this Resolution will confirm to CalPERS the employees share of retirement cost that was approved with the adoption of the Fire MOU. **Council Member Krupa moved and Council Member Franchville seconded a motion to approve this item as presented. Motion carried 5-0.**

38. **CalPERS Resolution of Intention to Approve an Amendment to Contract between the Board of Administration California Public Employees' Retirement System and the City Council of the City of Hemet**

- a. Adopt a resolution authorize the Mayor to sign the California Public Employees' Retirement System (CalPERS) Resolution of Intention initiating the amendment process through the CalPERS system to create a lower tier benefit for all City of Hemet newly hired employees.
(Resolution No. 4472)

Mark Orme, Deputy City Manager, this resolution lets CalPERS know that the City of Hemet intends to amend its contract lowering the retirement benefit for future employees. Negotiations have been completed with all bargaining units. Staff will prepare for City Council consideration an Ordinance approving the amendment. This amendment will be effective in February 2012. Staff can not give cost savings at this time, that will depend on future hiring.

Council Member Smith, asked if there has been any push back from CalPERS since a number of agencies are lowering benefits for future employees.

Mr. Orme, CalPERS did not anticipate this, therefore their rules and regulations do not directly address this. However, this trend does show the prudence of the cities that are moving in this direction in order to sustain operations into the future.

Council Member Smith moved and Mayor Pro Tem Foreman seconded a motion to approve this item as presented. Motion carried 5-0.

39. Recommendation by Police Chief - AB-109 Law Enforcement Task Force - Addition of Police Sergeant

- a. Approve the addition of one (1) Police Sergeant to the Police Department's Table of Organization; and
- b. Authorize the Director of Finance to increase revenues and expenditures each by \$115,354 to reflect the full costs and reimbursements associated with this program for FY 2011-2012.

Dave Brown, Police Chief, acknowledged that this is a significant request to add staff to any department during this economic time. This position is funded by the District Attorney's Office through AB109. This position will head the task force that was part of the Law Enforcement component of AB109. The Task Force members will be housed in Riverside and Beaumont. We have a verbal commitment from the District Attorney, the Sheriff and Department of Corrections to add personnel. This action will approve the addition of one Police Sergeant, funded by the County Probation allocation of AB109 through July 2012. **Council Member Franchville**, expressed concern that funding will not continue for this position. Council Member Franchville, expressed frustration that the State did not properly fund this program.

Chief Brown, all of the agencies share that concern. There is a verbal commitment that funding will continue, even increase. Continued lobbying of State Officials is necessary for adequate future funding.

Mayor Youssef, requested that the employee hired has adequate notice that this position is provisional and based on continued funding.

Mayor Pro Tem Foreman moved and Council Member Krupa seconded a motion to approve this item, to include notification that this a provisional position based on funding. Motion carried 5-0.

39.A Professional Services Agreement with Mr. Joseph Brann - City Manager Nakamura

- a. Authorize the City Manager to enter into a fixed term professional services agreement with Mr. Brann to provide analysis and recommendations for implementation of City-wide operational efficiencies. The agreement will provide for compensation and resources to perform the duties associated with the scope of services.

Brian Nakamura, City Manager, In March of 2011, Mr. Brann made a presentation to the City Council recommending that efficiencies in the Public Safety Departments be considered. The City Council approved an agreement with Andrew Hall to manage the day

to day operations of the Fire Department after Mr. Brann reported inefficiencies. Mr. Brann will offer his software that will help track calls to allow for additional analysis of the departments services. There are no benefits or long term labor costs with these contracts. There is a detailed scope of services that Mr. Brann will provide as well. Mr. Brann will identify what services are meaningful and purposeful. New operational procedures have already implemented that have reduced the fire services calls by 100. The reduction in the code 3 calls makes the community safer for our residents. These type of efficiencies make us more effective. The data that we are collecting makes us more efficient in the long run. This is a fixed term contract. The data that we receive is our data. The two permanent positions were not filled in order to allow for this analysis. Mr. Nakamura recommended approval.

Michael Bruhn, Hemet, spoke in opposition to this item.

Paul Raver, Hemet, expressed concern with the contract language. Mr. Raver distributed his opposition to the contract to the City Council. Mr. Raver recommended that the contract be referred back to the City Manager's Office for more detail.

Dustin Murray, HPOA, spoke in opposition to this item. Officer Murray suggested that these services can be provided for less money, by a current, retired or laid off Officer.

Sean Murphy, Hemet Fire Department, recommended that the City Council hire a Fire Chief instead of approving this contract.

Mayor Pro Tem Foreman, expressed concern that other departments will get the benefit, but the Police Department will pay the bill. The City could hire a full time Sergeant for this amount of money. Mayor Pro Tem Foreman agrees that the City does not need two consultants looking at the Police Department, but does need a Fire Chief.

Council Member Franchville, during a recent conversation with Mr. Brann, he reminded me of a number of City Council goals and objectives which Mr. Brann's contract will meet. The contract is intentionally vague so Mr. Brann can explore the goals of the City Council. I agree that this contract with Mr. Brann will eventually save the City money. Keep in mind that we all had concerns with the cost of hiring Richard Tagore Erwin to help with the Refuse Contract and the benefit to the City was great. Chief Brown is open to suggestions from Mr. Brann and Mr. Hall. The culture in the Fire Department needs to change and Mr. Brann can help with that.

Mayor Pro Tem Foreman, Andy Hall is already working with the Fire Department and Dave Brown with Police.

Mr. Nakamura, it is a learning process, a tool and way to make the organization better and more efficient. The City Council has tasked this staff to come up with and implement radical changes to balance this budget, this is part of the implementation stage. It is in the recommendation that we will all benefit from the efficiencies of the department. IT will benefit from the software. These tools will be available for the other departments and the citizens. This is for a fixed term and not indefinite. The City Council will see results and will get a monthly update. This will make a significant difference in the way that the City conducts its business. This will make significant changes in the services and the operation.

Mayor Youssef, the City Council has faith in Chief Brown and his ability to be humble and learn and grow. Mayor Youssef asked for Chief Brown's opinion.

Chief Brown, the Police Department is always open to independent review, scrutiny and more importantly improvement.

The City Council discussed the contract, its language, scope of work and options.

Mr. Nakamura, the scope of work is designed to allow for some flexibility based on findings.

The City Council agreed that the scope of work is vague and expressed understanding.

The monthly reporting and the ability to end the contract at any time is key.

Council Member Franchville moved and Council Member Smith seconded a motion to approve this item as presented. Motion carried 3-2. Mayor Pro Tem Foreman and Mayor Youssef voted No.

City Council Reports

40. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Foreman

1. Park Commission
2. Indian Gaming Distribution Fund

B. Council Member Krupa

1. Library Board
2. Traffic and Parking Commission
3. Airport Land Use Commission (ALUC)
4. Riverside County Habitat Conservation Agency (RCHCA)
5. Riverside Conservation Authority (RCA)
6. Ramona Bowl Association
7. Indian Gaming Distribution Fund

C. Council Member Smith

1. League of California Cities
2. Riverside County Transportation Commission (RCTC)
3. Planning Commission

Council Member Smith, requested that "National League of Cities" be added to his reports.

D. Council Member Youssef

1. Western Riverside Council of Governments (WRCOG)
2. Riverside County Transportation Commission (RCTC)

E. Council Member Franchville

1. Riverside Transit Agency (RTA)
2. Airport Land Use Commission (ALUC)
3. League of California Cities
4. Autism Task Force

F. Ad-Hoc Committee Reports

1. Christmas Parade

G. Town Hall Meetings

1. Hemet West, December 1st

Council Member Franchville, the meeting went well, great reviews and comments.

H. City Manager Nakamura

1. Manager's Reports
-

The City Council recessed at 11:34 p.m. to the Redevelopment Agency Meeting.

Reconvened at 11:38 p.m.

The City Council recessed to Closed Session at 11:38 p.m.

Continued Closed Session

6. Conference with Real Property Negotiators

Pursuant to Government Code Section 54956.8

Property: APNs , 443-131-008, 443-140-001, 443-140-003 and 443-140-0241)

Agency Negotiator: City Manager Nakamura

Negotiating Parties: State of CA, A.O.C.

Under Negotiation: Disposition, Price and Terms

Reconvened at 11:58 p.m.

City Attorney Continued Closed Session Report

12 Conference with Real Property Negotiators

Pursuant to Government Code Section 54956.8

Property: APNs , 443-131-008, 443-140-001, 443-140-003 and 443-140-0241)

Agency Negotiator: City Manager Nakamura

Negotiating Parties: State of CA, A.O.C.

Under Negotiation: Disposition, Price and Terms

The City Attorney reported that there was no reportable action.

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 11:59 p.m. to Tuesday, January 10, 2012 at 7:00 p.m.



#5

MINUTES

SPECIAL MEETING OF THE HEMET CITY COUNCIL

December 22, 2011

5:30 p.m.

Sister City Board Room
445 E. Florida Avenue

www.cityofhemet.org

Please silence all cell phones

Call to Order

Mayor Youssef called the meeting to order at 5:30 p.m.

Roll Call

PRESENT: Council Members Franchville, Krupa and Smith and Mayor Youssef

ABSENT: Mayor Pro Tem Foreman

Council Member Franchville moved and Council Member Smith seconded a motion to excuse Mayor Pro Tem Foreman. Motion carried 4-0.

Communications From the Public

There were no communications from the public at this time.

Closed Session

Notice of Opportunity for Public Comment

There were no public comments presented.

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

1. Conference with Legal Counsel - Anticipated Litigation

One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(b)

The City Council reconvened at 5:55 p.m.

City Attorney Closed Session Report

2. Conference with Legal Counsel - Anticipated Litigation

One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(b)

The City Attorney reported that there was no reportable action.

Discussion/Action Item

The City Council heard Item No. 4 at this time.

3. **Second Amendment to Stetson Crossing Purchase and Sale Agreement -**
City Manager Nakamura
 - a. Approve the Second Amendment to the Stetson Crossing Purchase and Sale Agreement; and
 - b. Authorize the City Manager to execute the Second Amendment

Mayor Youssef, recused himself due to the close proximity to his residence and left the meeting at 5:58 p.m.

Brian Nakamura, City Manager, recommended approval of the Second Amendment to Stetson Crossing Purchasing and Sale Agreement approving a 30 day extension until January 31, 2012. Staff will give the City Council an update at their January 12, 2012 meeting.

Fred Salazar, told the City Council that he has an investor that is looking at this property if this agreement is not approved.

Mr. Nakamura, noted that the City is still under agreement with Mr. Cooper and can not discuss this property at this time.

Council Member Franchville, reminded the City Council about the Redevelopment money that is tied to this project.

Council Member Krupa moved and Council Member Smith seconded a motion to approve this item as presented. Motion carried 3-0.

4. **Revision Development Impact Fee Credit Agreement Parcel Map 35350 -**
Florida Promenade (Hemet 55, LLC) NE corner of Florida Avenue and
Myers Street - City Manager Nakamura
 - a. Approve the revision of the Development Impact Fee (DIF) Credit Agreement; and
 - b. Approve the reimbursement of \$289,082.04 corresponding to the construction of Myers St.

Brian Nakamura, City Manager, recommended approval of the revised Development Impact Fee Credit Agreement for Florida Promenade and the reimbursement of \$289,082.04.

Council Member Krupa moved and Mayor Youssef seconded a motion to approve this item as presented. Motion carried 4-0.

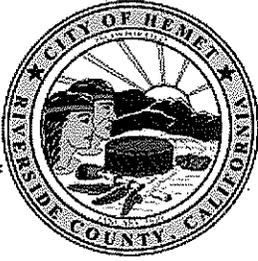
The City Council heard Item No. 3 at this time.

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 6:06 p.m. to Tuesday, January 10, 2012 at 7:00 p.m.



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council
FROM: Kristen Jensen, Deputy Director of Public Works *KJ*
Brian Nakamura, City Manager *BN*
DATE: February 14, 2012
RE: Notice of Completion – Project No. 5565 – Well #15 Rehabilitation

RECOMMENDED ACTION:

It is respectfully recommended that the City Council accept this project and instruct the City Clerk's office to file a Notice of Completion with the County of Riverside Recorder's Office. The 10% retention and the Labor and Materials Bond will be released after the Notice of Completion is filed with the County Recorder's Office. The Performance Bond will be maintained for, and released after, a period of one year.

BACKGROUND:

Well 15, located at 2570 W. Johnston Avenue, is a front line well that produces water at a rate of approximately 1100 gallons per minute (gpm). In September, 2011, an inspection of the well by City crews alerted staff to a drop in production. Further inspection determined that a hole in the pipe of the column tubing was attributing to the loss. Because this well is relied on for high volume water production, repair of the well was necessary prior to high water demand months. In October, 2011, the Purchasing Office issued a Notice Inviting Bids for emergency repair of the well. Bid responses were received in November, and on December 13, 2011, City Council approved award of bid to L.O. Lynch to perform the repairs.

PROJECT DESCRIPTION:

Repair work to the well began in late December, 2011, and was completed in mid January, 2012. The repairs and work completed included replacement of column tubing, installation of a new seamless oil tube, pump shaft, a new pump, and maintenance including brush and bailing, and sonar jetting. All contract work has been satisfactorily completed in accordance with the contract documents. All water quality tests have been performed, and the well is currently back online, with production rates that have returned to their prior levels of 1100 gpm.

COORDINATION & REVIEW:

Water Department staff initially coordinated with both the Engineering and Finance Departments for specification development, bid solicitation and review, and award of bid for this project.

FISCAL IMPACT:

No General Fund impact. Funding for this project is available the amount of \$62,329 in approved FY11/12 Operating Budget - Water Fund 571-9000-2450.

Respectfully submitted,


FOR Ron Proze
Water/Wastewater Superintendent


Rita Conrad
Finance Director



Staff Report

TO: Honorable Mayor and Members of the City Council
 FROM: Kris Jensen, Deputy Director of Public Works, ^{KJ} Brian Nakamura, City Manager
 DATE: February 14, 2012
 RE: Park Commission Recommendations of January 30, 2012, Park Commission Meeting

Park Commission Recommendations of January 30, 2012

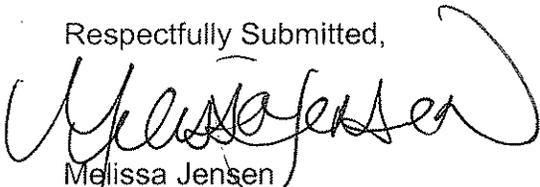
1. **Tree Removal Request: 548 De Soto Dr.**
 Grape Myrtle (1) - (Howard & Donna Sell)
Reason for Request: Resident is requesting removal of City tree due to the debris drop.
Recommendation: Deny removal request; Approve to schedule tree for trim only.

2. **Tree Removal Request: 408, 410, 412, 414 E. Florida Ave.**
 Magnolia (2) & African Sumac (1) - (Rose Seineke)
Reason for Request: Property Owner is requesting the removal of the City trees due to the location of the trees in front of business signs and the debris drop.
Recommendation: Approve request to remove and replace; removal to take place in conjunction with future downtown street tree removals. Replacement tree species to be determined as part of overall downtown street tree project.

3. **Tree Removal Request: 362 N. Buena Vista St.**
 Washington Robusta (2) -(Pastor Durant)
Reason for Request: These City trees are very tall and skinny.
Recommendation: Approve removal request; replace with two flowering pears.

Fiscal Impact: No impact to General Fund. City staff will perform work and costs will be absorbed in the existing operating budget.

Respectfully Submitted,


 Melissa Jensen
 Administrative Assistant



AGENDA

8

Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Jorge Biagioni, Engineering Director/City Engineer;
Brian Nakamura, City Manager

DATE: February 14, 2012

RE: Formation of City of Hemet Streetlight Maintenance District No. 52 (Seven Hills), and approval of the preliminary Engineer's Report, and declaring the City's intention to levy and collect assessments.

RECOMMENDED ACTION:

It is respectfully recommended that the City Council approve the resolutions:

- 1) Initiating proceedings for the formation of City of Hemet Streetlight Maintenance District No. 52;
- 2) Preliminarily approving the Engineer's Report in connection with the formation; and
- 3) Declaring the City's Intention to levy and collect assessments and calling for a public hearing on the formation of City of Hemet Streetlight Maintenance District No. 52.

BACKGROUND:

Seven Hills includes the commercial portion of the Seven Hills Senior Apartments development within the City, and is located west of Lyon Avenue, and generally east of Sanderson Avenue and north of Domenigoni Parkway. As a condition of approval, the developers are required to form a streetlight maintenance assessment district to cover the maintenance of streetlights installed by the developers.

For the City to be able to levy assessments, Article XIID of the California constitution and Section 53753 of the California Government Code require that a notice of the proposed assessment and ballot be mailed to each record owner of each parcel on an assessment is proposed and a public hearing be held regarding the proposed assessment.

Staff has prepared resolutions initiating proceedings to approve the formation of the District and to levy and collect assessments to fund the cost of streetlight maintenance within the District. The City Council has designated Willdan Financial Services as the assessment engineer and will hear on the preliminary Report, which outlines the District and the proposed annual assessments.

The attached resolutions and accompanying Engineer's Report initiate the process for the District and set a date for the public hearing. At the time of the public hearing, the ballots will be counted, and if the vote is yes, the Engineer's Report and resolution to be presented at the public hearing will be approved and the levy of assessments confirmed.

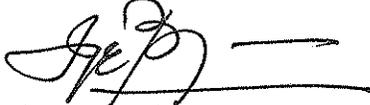
ANALYSIS:

The Engineer's Report has been prepared and is on file with the City Clerk. A public notice will be mailed and published in the Press Enterprise regarding the proposed streetlight assessment district.

FISCAL IMPACT:

The Engineer's Report indicates the proposed assessments for the District to be placed on the parcels in the District. The consultant fee for the formation of the District is borne by the developers.

Respectfully submitted,



Jorge Biagioni
Engineering Director/City Engineer

Fiscal review,



Rita Conrad
Finance Director

Attachments: Resolution Bill Nos. 12-012, 12-013, and 12-014



CITY OF HEMET
Hemet, California
RESOLUTION NO. 12-012

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9 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET,
10 CALIFORNIA INITIATING PROCEEDINGS FOR THE FORMATION
11 OF HEMET STREETLIGHT MAINTENANCE DISTRICT NO. 52
12 (SEVEN HILLS), AND THE LEVY AND COLLECTION OF
13 ASSESSMENTS WITHIN SUCH DISTRICT FOR FISCAL YEAR
14 2012/2013 PURSUANT TO THE LANDSCAPING AND LIGHTING
15 ACT OF 1972 PART 2 OF DIVISION 15 OF THE CALIFORNIA
16 STREETS AND HIGHWAYS CODE AND AS PROVIDED BY
17 ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION; AND
18 ORDERING THE PREPARATION OF AN ENGINEER'S REPORT IN
19 CONNECTION THEREWITH
20

21 THE CITY COUNCIL OF THE CITY OF HEMET FINDS, DETERMINES,
22 ORDERS AND RESOLVES AS FOLLOWS:
23

24 Section 1. The City Council hereby proposes to form a new streetlight
25 maintenance district to levy and collect assessments against the lots and parcels of land
26 within the Hemet Landscape Maintenance District No. 52 – Seven Hills (the "District"),
27 to pay for the costs and expenses of the improvements described in Section 3 hereof for
28 the fiscal year commencing July 1, 2012 and ending June 30, 2013, pursuant to the
29 Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California
30 Streets and Highways Code (the "Act") and as provided by Article XIII D of the
31 California Constitution.
32

33 Section 2. The general location and boundaries of the proposed district
34 are shown on maps on file in the office of the City Clerk, are incorporated herein by
35 reference, and open to public inspection. The designation of the proposed district is as
36 follows: "City of Hemet, Streetlight Maintenance District No. 52 (Seven Hills)".
37

38 Section 3. The proposed improvements may be briefly described as
39 follows: Installation, construction or maintenance of any authorized improvements under
40 the Act, including but not limited to, streetlight improvements and any facilities which are
41 appurtenant to any of the aforementioned or which are necessary or convenient for the
42 maintenance or servicing thereof.
43

44 Section 4. The City Council hereby designates Willdan Financial
45 Services as the Engineer for the purposes of these proceedings and orders the
46 Engineer to prepare and file with the City Clerk a written report in accordance with
47 Article XIII D, Section 4 of the California Constitution and Article 4 (commencing with

1 Section 22565) of Chapter 1 of the Act for that portion of the fiscal year 2012/2013
2 commencing July 1, 2012 and ending June 30, 2013. Such Report shall refer to the
3 District by its distinctive designation.
4

5 Section 5. Lots or parcels within the District that are owned or used by
6 any county, city, city and county, special district or any other local or regional
7 governmental entity, the State of California or the United States shall be assessed
8 unless the City demonstrates by clear and convincing evidence that such lots or parcels
9 receive no special benefit from the proposed improvements.
10

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12
13 PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.
14
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16
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18 _____
19 Robert Youssef, Mayor
20

21
22 ATTEST:

23 APPROVED AS TO FORM:
24

25 _____
26 Sarah McComas, City Clerk
27

28 _____
Eric S. Vail, City Attorney

1
2 State of California)
3 County of Riverside)
4 City of Hemet)

5
6 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
7 foregoing Resolution is the actual Resolution adopted by the City Council of the City
8 of Hemet and was passed at a regular meeting of the City Council on the 14th day of
9 February , 2012 by the following vote:

10
11 AYES:
12 NOES:
13 ABSTAIN:
14 ABSENT:

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19 _____
20 Sarah McComas, City Clerk

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CITY OF HEMET
Hemet, California
RESOLUTION NO. 12-013

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9 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET,
10 CALIFORNIA PRELIMINARILY APPROVING THE REPORT OF THE
11 ENGINEER IN CONNECTION WITH THE FORMATION OF HEMET
12 STREETLIGHT MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS), AND
13 THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN SUCH
14 DISTRICT FOR FISCAL YEAR 2012/2013 PURSUANT TO THE
15 LANDSCAPING AND LIGHTING ACT OF 1972, PART 2 OF DIVISION 15
16 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS
17 PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION
18
19

20 THE CITY COUNCIL OF THE CITY OF HEMET FINDS, DETERMINES,
21 ORDERS AND RESOLVES AS FOLLOWS:
22

23 Section 1. The City Council, pursuant to the Landscaping and Lighting
24 Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the
25 "Act") and as provided by Article XIII D of the California Constitution, by its previous
26 Resolution Bill No. 12-012 initiated proceedings for the formation of Hemet Streetlight
27 Maintenance District No. 52 – Seven Hills (the "District"), described on maps of the
28 Assessment Districts on file in the office of the City Clerk and incorporated herein by
29 reference, and the levy and collection of assessments against the assessable lots and
30 parcels of land within such District for the fiscal year commencing July 1, 2012 and
31 ending June 30, 2013 and ordered the Engineer, Willdan Financial Services to prepare
32 and file a written report in accordance with Article XIII D, Section 4 of the California
33 Constitution and Article 4 of Chapter 1 of the Act.
34

35 Section 2. The Engineer has prepared and filed with the City Clerk of
36 the City of Hemet and the City Clerk has presented to the City Council such report
37 entitled "City of Hemet, Streetlight Maintenance District No. 52 (Seven Hills)" (the
38 "Report") which pertains to the proposed District.
39

40 Section 3. The City Council has carefully examined and reviewed the
41 Report, and the Report is hereby approved as filed.
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PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.

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Robert Youssef, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Resolution is the actual Resolution adopted by the City Council of the City of Hemet and was passed at a regular meeting of the City Council on the 14th day of February, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk



CITY OF HEMET
Hemet, California
RESOLUTION NO. 12-014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA DECLARING ITS INTENTION TO FORM THE CITY OF HEMET STREETLIGHT MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS), TO LEVY AND COLLECT ASSESSMENTS WITHIN SUCH DISTRICT FOR FISCAL YEAR 2012/2013 PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972, PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION, AND APPOINTING A TIME AND PLACE FOR HEARING PROTESTS

THE CITY COUNCIL OF THE CITY OF HEMET FINDS, DETERMINES, ORDERS AND RESOLVES AS FOLLOWS:

Section 1. By its previous Resolution Bill No. 12-012, the City Council initiated proceedings pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the Streets and Highways Code, commencing with Section 22500 (the "Act") and as provided by Article XIII D of the California Constitution, for the formation of Hemet Streetlight Maintenance District No. 52 – Seven Hills (the "District"), described on maps on file in the office of the City Clerk and incorporated herein by reference, and the levy and collection of assessments against the assessable lots and parcels of land within such District for the 2012/2013 fiscal year and ordered the Engineer, Willdan Financial Services to prepare and file a written report in accordance with Article XIII D, Section 4 of the California Constitution and Article 4 of Chapter 1 of the Act. The Engineer has prepared and filed a written report with the City Clerk (the "Report"), which pertains to the proposed District, and by previous resolution the City Council approved the Engineer's Report.

Section 2. The City Council hereby (1) finds that the public interest and convenience requires and (2) declares its intention to order the formation of the District and to levy and collect assessments against the assessable lots and parcels of land within such District for that portion of the fiscal year commencing July 1, 2012 and ending June 30, 2013 to pay the costs and expenses of the improvements described in Section 3 below. If the assessments, proposed by this resolution, are approved by the property owners pursuant to a mailed ballot election conducted in accordance with Article XIII D of the California Constitution, the City may increase the assessments, commencing with fiscal year 2012/2013. The amount of the assessments for the District can be increased each year, per Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, Section 53739(b)(1) based upon the following formula:

1 Commencing with fiscal year 2012/2013, the amount of the assessment for the
2 District is proposed to increase each year, based upon the greater of the latest
3 composite percentage change in California Public Utilities Commission (CPUC)
4 approved rates for each light fixture used in the City's Streetlight Maintenance District or
5 the Consumer Price Index, All Urban Consumers, for the Los Angeles-Orange-Riverside
6 County Areas ("CPI"), as determined by the United States Department of Labor, Bureau
7 of Labor Statistics, or its successor or four percent (4%). The Engineer shall compute
8 the percentage difference between the CPI for February of each year and the CPI for
9 the previous February, and shall then adjust the existing assessment by an amount not
10 to exceed such percentage for the following fiscal year. Should the Bureau of Labor
11 Statistics revise such index or discontinue the preparation of such index, the Engineer
12 shall use the revised index or a comparable system as approved by the City Council for
13 determining fluctuations in the cost of living. Adjustments beyond the CPI rate will
14 require approval of the property owners of record as required by Proposition 218 "The
15 Right to Vote on Taxes Act".
16

17 Section 3. The proposed improvements may be briefly described as
18 follows: Installation, construction, or maintenance of any authorized improvements
19 under the Act, including, but not limited to streetlight improvements and any facilities
20 which are appurtenant to any of the aforementioned or which are necessary or
21 convenient for the maintenance or servicing thereof.
22

23 Section 4. The general location and boundaries of the proposed District
24 are shown on maps on file in the office of the City Clerk, are incorporated herein by
25 reference, and open to public inspection. The designation of the proposed District is as
26 follows: "City of Hemet, Streetlight Maintenance District No. 52 (Seven Hills)".
27

28 Section 5. Reference is hereby made to the Engineer's Report, on file
29 in the office of the City Clerk and open to public inspection, for a full and detailed
30 description of the improvements, the boundaries of the proposed District and the
31 proposed assessments upon assessable lots and parcels of land within the proposed
32 District.
33

34 Section 6. Notice is hereby given that the 12th day of July, 2012 at 7:00
35 p.m. in the Council Chambers of the City Hall of the City of Hemet, 450 E. Latham Avenue,
36 Hemet, California 92543, is the time and place fixed for a public hearing by the City
37 Council on the question of the levy and collection of assessments for fiscal year 2012/2013
38 against lots and parcels of land within the District. At the hearing, all interested persons
39 shall be afforded the opportunity to hear and be heard. Procedures of the City applicable
40 to the completion, return and tabulation of the ballots required pursuant to Article XIII D,
41 Section 4 of the California Constitution are on file in the office of the City Clerk and open
42 to public inspection.
43

44 Section 7. The City Clerk is hereby authorized and directed to give
45 notice of the public hearing as set forth in Section 6 in accordance with law.
46

1 Section 8. Lots or parcels within the District that are owned or used by
2 any county, city, city and county, special district or any other local or regional
3 governmental agency, the State of California or the United States shall be assessed
4 unless the City demonstrates by clear and convincing evidence that such lots or parcels
5 receive no special benefit from the proposed improvements.
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8 PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.
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13 _____
14 Robert Youssef, Mayor

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17 ATTEST:

18 APPROVED AS TO FORM:
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20 _____
21 Sarah McComas, City Clerk

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23 Eric S. Vail, City Attorney

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State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Resolution is the actual Resolution adopted by the City Council of the City of Hemet and was passed at a regular meeting of the City Council on the 14th day of February, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk

CITY OF HEMET



ENGINEER'S REPORT

STREETLIGHT MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS)

FISCAL YEAR 2012/2013

***PRELIMINARY REPORT: FEBRUARY 14, 2012
FINAL REPORT: FEBRUARY 28, 2012***

Prepared by:

Willdan Financial Services
27368 Via Industria, Suite 110
Temecula, California 92590
(951) 587-3500

ENGINEER'S REPORT AFFIDAVIT

CITY OF HEMET
STREETLIGHT MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)

FISCAL YEAR 2012/2013

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for fiscal year 2012/2013, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____ 2012.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of Hemet

By: _____
Jim McGuire
Senior Project Manager, Financial Consulting Services

By: _____
Richard Kopecky
R. C. E. # 16742

ENGINEER'S REPORT
CITY OF HEMET
STREETLIGHT MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)

FISCAL YEAR 2012/2013

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ENGINEER'S REPORT

**CITY OF HEMET
STREETLIGHT MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Hemet Resolution Bill No. 11- _____. The report is in compliance with the requirements of Article 4, Chapter 1, of the Landscaping and Lighting Act of 1972 (the "Act"), which is Part 2, Division 15 of the California Streets and Highways Code, State of California.

SECTION 2. Background

As development proceeds in the City, streetlights are to be installed before developments may be occupied. Streetlights are installed to make streets safer. Streetlights are installed to provide better visibility for drivers. One hundred percent (100%) of the illumination from the lights is directed to the street, ninety percent (90%) on the street side of the curb and ten percent (10%) behind the curb. The spacing of the lights is based on the speed of the vehicles and the natural ability of the motorists' eyes to adjust to light and dark areas. They are an integral part of the entire street, the same as curb, gutters, pavement, signage and striping. Taken as a group, they are the elements that provide a safe route for motorists.

The developer/owners of the properties are also required to provide for the long-term maintenance of the streetlights. This is to ensure that they will function as originally intended. Maintenance includes provisions for electrical energy and the upkeep of the poles, wiring, and luminaries.

The Act provides for the formation of a streetlight maintenance district within the City for the express purpose of installing, maintaining, and servicing lighting improvements. The costs associated with the installation, maintenance, and servicing of the improvements may be assessed against those properties, which are specially benefited by the installation, maintenance, and servicing. A City may form an assessment district or annex into an existing district after complying with the requirements of the Act, and the provisions in Proposition 218.

On November 5, 1996, the electorate approved Proposition 218, Right to Vote on Taxes Act, which added Articles XIII C and XIII D to the California Constitution. The Proposition affects the assessments upon real property for a special benefit conferred on the property. Assessments imposed under the Landscaping and Lighting Act of 1972 are these types of

special benefit assessments.

Assessments proposed to be levied for the Seven Hills within Hemet Streetlight Maintenance District No. 52 are new assessments. Proposition 218 further states that beginning July 1, 1997, existing, new, or increased assessments shall comply with Proposition 218. These developments will be included within the new Streetlight Maintenance District No. 52.

Proposition 218 requires that assessments, either new or additional, be supported by a detailed Engineer's Report prepared by a registered professional engineer. This report includes the information required by law for the district.

The City initiates proceedings for the district by passing a Resolution Bill, which proposes the district under the Act. This Resolution Bill also describes the improvements, describes the location of the proposed district, and finally orders an engineer, who is a registered professional engineer, certified by the State of California, to prepare and file a detailed report.

The report prepared by the engineer must include plans and specifications for the improvements. The report must also include an estimate of the costs of the improvements, a diagram, i.e., map of the district area showing the boundary of the district area, and an assessment of the estimated costs of the improvements against the parcels or lots which benefit from the improvements. Once the report is completed, it is presented to the City Council for its review. The report may then be approved as presented, or it may be modified by the City Council prior to approval.

After the report is approved by the City Council, a Resolution of Intention may be adopted, which declares the City Council's intent to create the district, describes the improvements within the district, and refers to the report for specific details of the district. The Resolution of Intention also sets a time and place for a hearing on the proposed district and the levy of assessments.

In accordance with Proposition 218, the property owners of the assessed parcels, through the use of Assessment Ballots, must approve any new or increased assessments no later than 45 days prior to the public hearing. Approval will be determined by weighting the ballots according to the proportional obligation of the affected property.

At the time of the public hearing, Assessment Ballots will be tallied and this information will be combined with the Engineer's Report for the proposed assessments for approval prior to submitting assessments to the Riverside County Auditor/Controller.

Assessments, if approved and authorized at the public hearing, would be placed on the Riverside County Tax Roll, and collected with the regular County property taxes once the streetlights are installed and approved for maintenance by the City.

Refer to Appendix C for copies of the applicable Resolutions.

SECTION 3. General Description

The City Council of the City of Hemet has elected to prepare the Engineer's Report for the inclusion of the Seven Hills into the City of Hemet Streetlight Maintenance program as District No. 52, the boundaries of which are within the City of Hemet, as shown on the map entitled "Streetlight Maintenance District No. 52, City of Hemet, California" (hereinafter referred to as the "District") which is on file in the Office of the City Clerk, City of Hemet, California.

The District consists of a single commercial development which is located west of Lyon Avenue, and generally east of Sanderson Avenue and north of Domenigoni Parkway within the City of Hemet

The purpose of the District is to ensure the ongoing maintenance, operation, and servicing of local streetlights installed in connection with the development of properties within the District. The District will provide the financial mechanism (annual assessments) by which the ongoing operation and maintenance of these improvements will be funded.

The District structure, proposed improvements, method of assessment and assessments described in this report are based on current development and improvement plans including estimated direct expenditures, incidental expenses, and reserves associated with the maintenance and servicing of the improvements.

SECTION 4. Plans and Specifications

The proposed improvements for the District may be generally described as follows:

- The installation of streetlights, safety lighting and traffic signals, and appurtenant facilities necessary for the daily operation of said lighting and traffic signals located within City road rights-of-way. Installation covers the work necessary for the installment or replacement of said lighting and signals and the appurtenant work necessary to complete said installation or replacement.
- The operation, maintenance, and servicing of the existing streetlights, safety lighting and traffic signals, and appurtenant facilities necessary for the daily operation of said lighting and traffic signals located within City road rights-of-way. Operation, maintenance, and servicing means the work necessary for the daily maintenance required to maintain said lights in proper operation including providing said lights with the proper energy necessary to operate the lights.

Improvements consisting of ornamental streetlights, mast arm streetlights, traffic signals and safety lighting at signalized intersections will be installed in the District as development proceeds. The cost associated with these improvements will be the cost of operations, maintenance and servicing during the 2012/2013 fiscal year.

Although the Landscaping and Lighting Act of 1972 allows for the construction or installation of improvements and the assignment of the benefit assessments associated therewith, it is not anticipated that any improvements will be installed nor benefit assessments made for the installation of improvements made during the 2012/2013 fiscal year.

Plans and specifications for the improvements for the District are voluminous and are not bound in this report but by this reference are incorporated and made a part of this report. The plans and specifications are on file with the City where they are available for public inspection.

Locations of the streetlights, and safety lighting and traffic signals are included on lighting inventory maps available for inspection in the office of the Finance Director.

SECTION 5. Method of Assessment

Lighting Benefit

The City, in determining the necessity of forming the District, took into account the cost of providing services to the residents, businesses, and properties located within the District. The benefit provided by streetlights and traffic signals consists of safety for pedestrians and motorists living, working, and owning property in the District during the nighttime hours, and to assign right-of-way for the safety of pedestrians and motorists during the hours of the day. This is a distinct and special benefit to the developed parcels in the District. Streets are constructed for the safe and convenient travel by vehicles and pedestrians. They also provide an area for underground and overhead utilities.

Streetlights and traffic signals are installed on and are for street purposes and are maintained and serviced to allow the street to perform to the standards it was designed. Assessments for the maintenance and servicing of streets may include streetlights and traffic signals.

Streetlights can be determined to be an integral part of "streets" as a "permanent public improvement." One of the principal purposes of fixed roadway lighting is to create a nighttime environment conducive to quick, accurate, and comfortable seeing for the user of the facility. These factors, if attained, combine to improve traffic safety and achieve efficient traffic movement. Fixed lighting can enable the motorist to see detail more distinctly and to react safely toward roadway and traffic conditions present on or near the roadway facility.

The system of streets within the District is established to provide access to each parcel in the District. Streetlights and traffic signals provide a safer street environment for owners of the parcels served. If the parcels were not subdivided to provide individual parcels to owners within the District, there would be no need for a system of streets with traffic signals and safety lighting. Therefore, the installation of traffic signals and streetlights is for the

express, special benefit of the parcels within the District. Since the benefits are special benefits for the parcels within the District area, there remains no specific general benefit to the public at large.

The City has determined that streetlights and traffic signals are also an integral part of the quality of life within the City. This quality of life is a special benefit to some degree to the parcels, except government owned parcels, vacant parcels regardless of zoning, including easements, and flood channel parcels. Agricultural parcels with structures will be considered developed and benefit from the streetlights and traffic signals.

Formula of Assessment

In the City of Hemet, streetlights are mounted on the standard marbalite poles with mast arms, or mast arms attached to wood power poles. The lights are exclusively high-pressure sodium vapor lights, typically 70 watts with some 150 to 200 watts with the higher wattage lights usually placed in the commercial areas of the City.

In determining the location of streetlights, the streetlights along residential streets are typically placed on an average of 170 feet apart. Streetlights along major and secondary roads, in areas of typically commercial use, are placed an average of 70 feet apart.

This spacing of streetlights in commercial areas allows for the potential of parcels with greater front footage to have a greater number of streetlights available to them. The increase in the number and intensity of lights available in the commercial areas of the District directly benefits commercial parcels by providing a safer night time environment for both employees and customers and allowing commercial businesses to provide night time hours of operation. Street lights also provide greater security for businesses which may close early in the day and which do not have the benefit of visible customer activity at night. Additionally, street lights also act as a draw for potential customers that might not frequent the establishment if it were not for the street lights.

By setting a residential parcel as a standard unit for determining benefit proportions, an equivalent frontage of commercial property would have an assessment rate of 2.42 times the residential rate (170 feet divided by 70 feet = 2.42). However, because the street lighting in commercial areas has a direct benefit to residences as well, the rate for commercial parcels can be reduced to 1.5 times the residential rate. Therefore, based on a front linear footage determination, each commercial parcel's front footage will be 1.5 times an equivalent residential parcel's front footage.

With this determination of benefit, each parcel in the District, regardless of land use, is assessed based on the parcel's front linear footage. Front footage is defined as the width of the parcel immediately abutting a street, with the following exceptions:

- Residential corner parcels where the shorter of the two sides immediately abutting streets will be considered the parcels front footage.
- Cul-de-sac parcels where the width of the parcel measured 50 feet back from the

property line immediately abutting a street will be considered the parcels front footage.

As detailed above, the benefit of streetlights to adjacent properties comes from many factors, which relate to the flow of vehicular and pedestrian traffic in relation to the parcels use. Since the benefit is related to land use, there should be distinct classifications of land use, which will be used to determine individual assessments.

Assessments proposed for individual lots within the District will be determined upon the following land classification:

- Commercial parcels are those lots which are not classified as single family residential detached properties.

The assessments will be made on the basis of a Unit of Benefit (UOB), with a UOB defined as an increment of the front linear footage of the particular parcel classification. Accordingly, parcels with greater front linear footage will have a proportionally higher number of UOBs. Since the factors that determine benefit consist of the spacing and intensity of streetlights, the UOBs will then be based on a factor related to the spacing of lights and lighting intensity based on the parcel clarifications. This results in the following parcel benefit determination:

- Commercial parcels will be assigned 1.5 UOB per front linear foot with no limit in front linear footage.

Currently the amount of front linear feet within the District is as follows:

Seven Hills = 1,382.55 commercial front linear feet.

Total Front Linear Feet within District: 1,382.55 Commercial front linear feet

Applying the aforementioned UOBs for this commercial development results in an adjusted front linear footage of 2,073.83 commercial front linear footage for purposes of assessment calculations. Based on a rate of \$1.53 per front linear foot for commercial parcels, the total expected assessment for the District in fiscal year 2012/2013 is: \$3,172.95.

The adjusted 2,073.83 commercial front linear footage shall be allocated amongst the assessable parcels within the district based on each parcel's proportionate share of the District's total acreage (excluding acreage of any exempt property).

SECTION 6. Estimated Operation and Maintenance Costs

The Act provides that the estimated costs of the improvements shall include the total cost of the improvements for the entire fiscal year 2012/2013, including incidentals, which may include reserves to operate the District.

The Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within the District is the total cost of installation, maintenance, and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

Estimated costs of improvements for the District are voluminous and are not bound in this report but by this reference are incorporated and made a part of this report. The estimated costs are on file in the office of the Finance Director where they are available for public inspection.

The maintenance of existing streetlight and traffic signal facilities is performed by either the Southern California Edison Company, or by the City of Hemet through its own forces or contract personnel. The portion of the streetlight system owned and operated by the Southern California Edison Company is billed to the City on a monthly, flat rate or metered basis. These flat rates or metered amounts vary based upon the type and wattage of streetlights and actual metered amounts.

A portion of the streetlight system is owned and maintained by the City of Hemet. Electrical energy is purchased from the Southern California Edison Company at metered locations.

The City of Hemet or its contractors maintain the traffic signals and safety lighting at signalized intersections.

Annual Streetlight Maintenance Expenses Within District No. 52, FY 2012/2013

City of Hemet				
Proposed Budget				
Hemet Streetlight Maintenance District No. 52 (Seven Hills)				
Levy Components	Maximum Assessment Budget	Budget for Fiscal Year 2012/2013		
DIRECT COSTS				
Operations and Maintenance				
Streetlighting Utilities	\$ 2,432	\$ 2,432		
Labor Costs	-	-		
Miscellaneous/Contingency	-	-		
Total Direct Costs	\$ 2,432	\$ 2,432		
ADMINISTRATION COSTS				
District Administration Personnel	250	250		
District Administration Contract Services	-	-		
District Administration Overhead Allocation	-	-		
County Administration Fee	121	121		
Total Administration Costs	\$ 371	\$ 371		
COLLECTIONS/(CREDITS) APPLIED TO LEVY				
Total Direct and Administration Costs	2,803	2,803		
Reserve Fund Collection/(Transfer)	370	370		
Balance to Levy	\$ 3,173	\$ 3,173		
DISTRICT STATISTICS				
Total Parcels Levied	2	2		
Total Equivalent Benefit Units/Units of Benefit ("UOB")	2,073.83	2,073.83		
Calculated Levy per Benefit Unit	\$1.53	\$1.53		
Maximum Levy per Benefit Unit	\$1.53	\$1.53		
Balloted Amount	\$3,172.95			
Inflationary Factor Applied to Maximum Rate	4.00%			

The annual assessment for the first fiscal year is based on the City's estimate of the improvements that will be accepted for maintenance during Fiscal Year 2012/2013 (July 1, 2012 and June 30, 2013).

Summary of Proposed Annual Assessments

Individual assessments for the parcels within the District are tabulated in the Appendix of this report.

Commencing with fiscal year 2012/2013, the amount of the assessment for the District is proposed to increase each year, based upon the greater of four percent (4%) or the latest composite percentage change in California Public Utilities Commission (CPUC) approved rates for each light fixture used in the City's Streetlight Maintenance District or the Consumer Price Index, All Urban Consumers, for the Los Angeles-Orange-Riverside County Areas ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Engineer shall compute the percentage difference between the CPI for February of each year and the CPI for the previous February, and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living. Adjustments beyond the CPI rate will require approval of the property owners of record as required by Proposition 218 "The Right to Vote on Taxes Act".

The City Council will hold a public hearing February 28, 2012 to consider confirming, or modifying and confirming, the foregoing assessments for the 2012/2013 fiscal year. These assessments, if confirmed, will be transmitted to the Riverside County Auditor and recovered through taxes paid by property owners as is required by the Landscaping and Lighting Act of 1972.

SECTION 7. Assessment Calculations

The assessed lots or parcels of real property within the District are listed on Assessment Rolls, which are on file in the office of the Finance Director, and are hereby made a part of this report by reference. Each Assessment Roll states the net amount to be assessed upon assessable lands within the District for fiscal year 2012/2013, shows the fiscal year 2012/2013 assessment upon each lot and parcel within the District, and describes each assessable lot or parcel of land within the District. These lots and parcels are more particularly described on the County Assessor's Roll, which is on file in the office of the Riverside County Assessor and by reference, is made a part of this report.

Individual assessments for the parcels within the District are tabulated in the Appendix "A" Assessment Roll of this report.

The City Council will hold a public hearing on February 28, 2012 to consider confirming, or modifying and confirming, the foregoing Engineer's Report and assessments for the 2012/2013 fiscal year. These assessments, if confirmed, will be transmitted to the Riverside County Auditor and recovered through taxes paid by property owners as is required by the Landscaping and Lighting Act of 1972.

SECTION 8. Assessment Diagram

Boundary maps/diagrams for the District are voluminous and are not bound in this report but are by this reference incorporated and made a part of this report. The boundary maps/diagrams are on file in the office of the Finance Director where they are available for public inspection. Reference is made to Appendix "B" for the map(s) showing the general location of the District.

SECTION 9. Order of Events

1. The City Council adopts a resolution ordering the preparation of the Engineer's Report.
2. The City Council adopts a resolution preliminarily approving the Engineer's Report.
3. The City Council adopts the resolution of intention specifying the district boundary and sets a time and place for a public hearing.
4. City staff will send notices of the public hearing and ballots to the property owners in the annexation.
5. The City Council conducts the public hearing, considers all testimony and determines whether to adopt the resolution levying the annual assessments for the fiscal year and to tally ballots for the proposed assessments.
6. Each subsequent year the assessment engineer files a report with the City Council outlining the proposed assessments for the following fiscal year.
7. Each year prior to August 10th, the City Council conducts a public hearing and approves, or modifies and approves, the levying of assessments contained within the annual report.

SECTION 10. Certifications

I, Sarah McComas, as City Clerk, do hereby certify that the foregoing Engineer's Report, together with the assessments, and boundary maps attached thereto, were filed in my office on the _____ 2012.

Sarah McComas, City Clerk
City of Hemet
State of California

I, Sarah McComas, as City Clerk, do hereby certify that the foregoing Engineer's Report, together with the assessments, and boundary maps attached thereto, were approved and confirmed by the City Council of the City of Hemet on the _____ 2012.

Sarah McComas, City Clerk
City of Hemet
State of California

APPENDIX A ASSESSMENT ROLL

CITY OF HEMET STREETLIGHT MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS)

FISCAL YEAR 2012/2013

The assessment roll is hereby incorporated and made a part of this report. For convenience, the assessment rolls are on file with the City Clerk, where they are available for public inspection.

Reference is made to the Riverside County Assessment Roll for a description of the lots or parcels in the District.

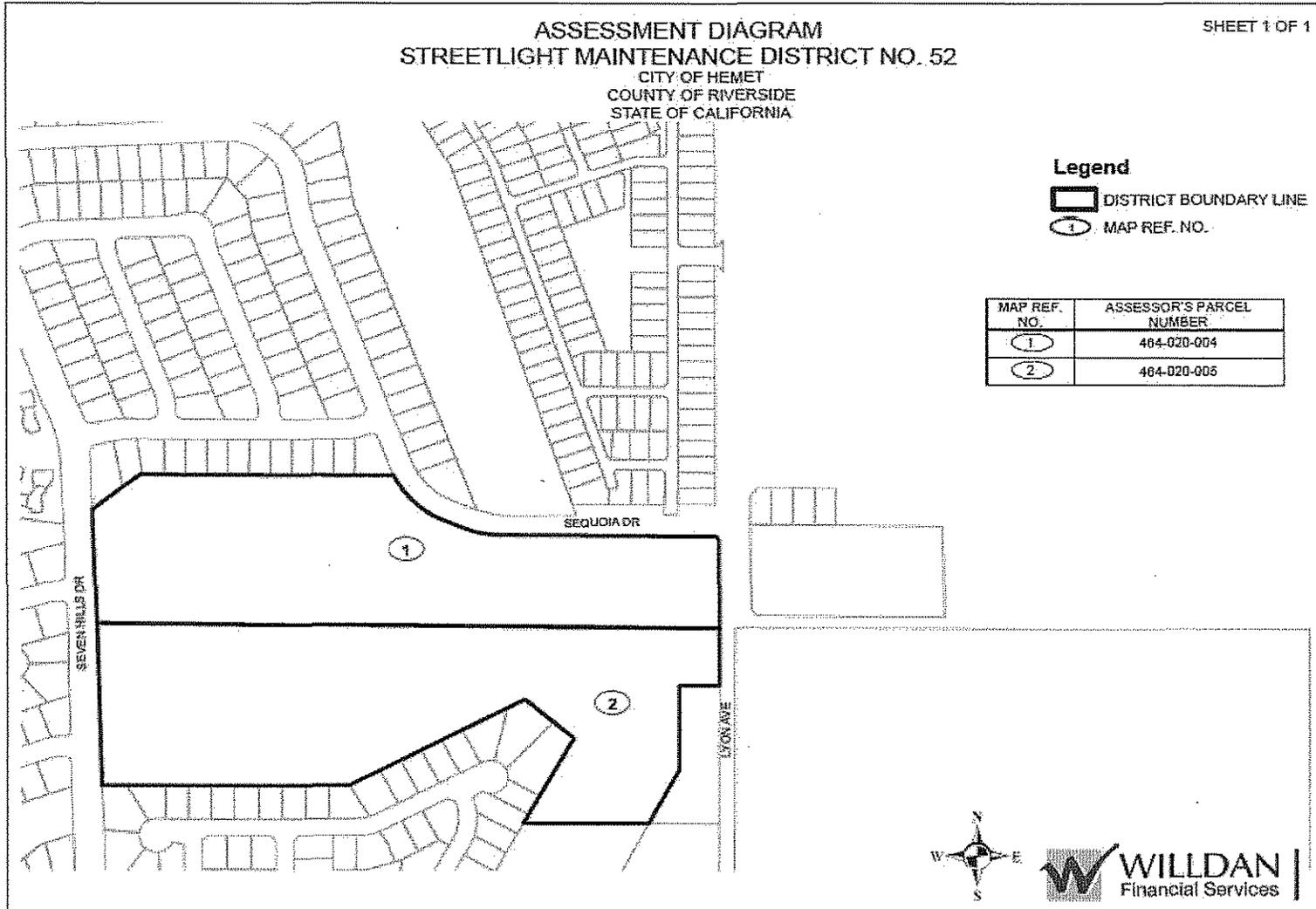
APN	Lot Identification	Acreage	Land Use	EBU	(Balloted) Maximum Assessment	First Year's Assessment
464-020-004	1	14.30	Commercial	933.45	1,428.18	1,428.18
464-020-005	1	17.47	Commercial	1,140.38	1,744.77	1,744.77
Totals:		31.77		2,073.83	\$ 3,172.95	\$ 3,172.95

**APPENDIX B
ASSESSMENT DIAGRAM**

**CITY OF HEMET
STREETLIGHT MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013

The following map details the general location of the District. Please refer to the current Riverside County Assessor Maps for exact locations and dimensions of parcels.



**APPENDIX C
RESOLUTIONS**

**CITY OF HEMET
STREETLIGHT MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013



TO: Honorable Mayor and Members of the Hemet City Council

FROM: Jorge Biagioni, Engineering Director/City Engineer 
Brian Nakamura, City Manager 

DATE: February 14, 2012

RE: Formation of City of Hemet Landscape Maintenance District No. 52 (Seven Hills), and approval of the preliminary Engineer's Report, and declaring the City's intention to levy and collect assessments.

RECOMMENDED ACTION:

It is respectfully recommended that the City Council approve the resolutions:

- 1) Initiating proceedings for the formation of City of Hemet Landscape Maintenance District No. 52;
- 2) Preliminarily approving the Engineer's Report in connection with the formation; and
- 3) Declaring the City's Intention to levy and collect assessments and calling for a public hearing on the formation of City of Hemet Landscape Maintenance District No. 52.

BACKGROUND:

Seven Hills includes the commercial portion of the Seven Hills Senior Apartments development within the City, and is located west of Lyon Avenue, and generally east of Sanderson Avenue and north of Domenigoni Parkway. As a condition of approval, the developers are required to form a landscape maintenance assessment district to cover the maintenance of landscaping installed by the developers.

For the City to be able to levy assessments, Article XIID of the California constitution and Section 53753 of the California Government Code require that a notice of the proposed assessment and ballot be mailed to each record owner of each parcel on which an assessment is proposed and a public hearing be held regarding the proposed assessment.

Staff has prepared resolutions initiating proceedings to approve the formation of the District and to levy and collect assessments to fund the cost of landscape maintenance within the District. The City Council has designated Willdan Financial Services as the assessment engineer and will hear on the preliminary Report, which outlines the District and the proposed annual assessments.

The attached resolutions and accompanying Engineer's Report initiate the process for the District and set a date for the public hearing. At the time of the public hearing, the ballots will be counted, and if the vote is yes, the Engineer's Report and resolution to be presented at the public hearing will be approved and the levy of assessments confirmed.

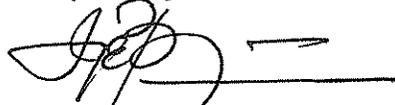
ANALYSIS:

The Engineer's Report has been prepared and is on file with the City Clerk. A public notice will be mailed and published in the Press Enterprise regarding the proposed landscape assessment district.

FISCAL IMPACT:

The Engineer's Report indicates the proposed assessments for the District to be placed on the parcels in the District. The consultant fee for the formation of the District is borne by the developers.

Respectfully submitted,



Jorge Biagioni
Engineering Director/City Engineer

Fiscal review,



Rita Conrad
Finance Director

Attachments: Resolution Bill Nos. 12-015, 12-016, and 12-017



CITY OF HEMET
Hemet, California
RESOLUTION NO. 12-015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA INITIATING PROCEEDINGS FOR THE FORMATION OF HEMET LANDSCAPE MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS), AND THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN SUCH DISTRICT FOR FISCAL YEAR 2012/2013 PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972, PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION; AND ORDERING THE PREPARATION OF AN ENGINEER'S REPORT IN CONNECTION THEREWITH

THE CITY COUNCIL OF THE CITY OF HEMET FINDS, DETERMINES, ORDERS AND RESOLVES AS FOLLOWS:

Section 1. The City Council hereby proposes to form a new landscape maintenance district to levy and collect assessments against the lots and parcels of land within the Hemet Landscape Maintenance District No. 52 – Seven Hills (the "District"), to pay for the costs and expenses of the improvements described in Section 3 hereof for the fiscal year commencing July 1, 2012 and ending June 30, 2013, pursuant to the Landscaping and Lighting Act of 1972, being Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and as provided by Article XIII D of the California Constitution.

Section 2. The general location and boundaries of the proposed District are shown on maps on file in the office of the City Clerk, are incorporated herein by reference, and open to public inspection. The designation of the proposed District is as follows: "City of Hemet, Landscape Maintenance District No. 52 (Seven Hills)".

Section 3. The proposed improvements may be briefly described as follows: the operation, maintenance, and servicing of ornamental structures, landscaping, including trees, shrubs, grass and other ornamental vegetation, and appurtenant facilities, including irrigation systems, and drainage devices located in public places within the boundaries of the District. Maintenance means the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of the ornamental structures, landscaping, and appurtenant facilities, including repair, removal or replacement of all or part of any of the ornamental structures, landscaping, or appurtenant facilities; providing for the life, growth, health, and beauty of the landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, and treating for disease or injury; the removal of trimmings, rubbish, debris and other solid waste;

1 and the cleaning, sandblasting, and painting of walls and other improvements to remove
2 or cover graffiti. Servicing means the furnishing of electricity for the lighting and
3 operation of the ornamental structures, landscaping, and appurtenant facilities, and
4 water for the irrigation and control of the landscaping and the maintenance of any of the
5 ornamental structures, landscaping, and appurtenant facilities.
6

7 Section 4. The City Council hereby designates Willdan Financial
8 Services as the Engineer for the purposes of these proceedings and orders the
9 Engineer to prepare and file with the City Clerk a written report in accordance with
10 Article XIII D, Section 4 of the California Constitution and Article 4 (commencing with
11 Section 22565) of Chapter 1 of the Act for that portion of the fiscal year 2012/2013
12 commencing July 1, 2012 and ending June 30, 2013. Such Report shall refer to the
13 District by its distinctive designation.
14

15 Section 5. Lots or parcels within the District that are owned or used by
16 any county, city, city and county, special district or any other local or regional
17 governmental entity, the State of California or the United States shall be assessed
18 unless the City demonstrates by clear and convincing evidence that such lots or parcels
19 receive no special benefit from the proposed improvements.
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23 PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.
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Robert Youssef, Mayor

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32 ATTEST:

APPROVED AS TO FORM:

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36 Sarah McComas, City Clerk

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38 Eric S. Vail, City Attorney

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State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Resolution is the actual Resolution adopted by the City Council of the City of Hemet and was passed at a regular meeting of the City Council on the 14th day of February, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk



**CITY OF HEMET
Hemet, California
RESOLUTION NO. 12-016**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA PRELIMINARILY APPROVING THE REPORT OF THE ENGINEER IN CONNECTION WITH THE FORMATION OF HEMET LANDSCAPE MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS), AND THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN SUCH DISTRICT FOR FISCAL YEAR 2012/2013 PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972, PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION

THE CITY COUNCIL OF THE CITY OF HEMET FINDS, DETERMINES, ORDERS AND RESOLVES AS FOLLOWS:

Section 1. The City Council, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and as provided by Article XIII D of the California Constitution, by its previous Resolution Bill No. 12-015 initiated proceedings for the formation of Hemet Landscape Maintenance District No. 52 – Seven Hills (the "District"), described on maps of the Assessment Districts on file in the office of the City Clerk and incorporated herein by reference, and the levy and collection of assessments against the assessable lots and parcels of land within such District for the fiscal year commencing July 1, 2012 and ending June 30, 2013 and ordered the Engineer, Willdan Financial Services to prepare and file a written report in accordance with Article XIII D, Section 4 of the California Constitution and Article 4 of Chapter 1 of the Act.

Section 2. The Engineer has prepared and filed with the City Clerk of the City of Hemet and the City Clerk has presented to the City Council such report entitled "City of Hemet, Landscape Maintenance District No. 52 (Seven Hills)" (the "Report") which pertains to the proposed District.

Section 3. The City Council has carefully examined and reviewed the Report, and the Report is hereby approved as filed.

PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.

Robert Youssef, Mayor

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ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

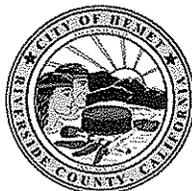
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State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Resolution is the actual Resolution adopted by the City Council of the City of Hemet and was passed at a regular meeting of the City Council on the 14th day of February, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk



CITY OF HEMET
Hemet, California
RESOLUTION NO. 12-017

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA PRELIMINARILY APPROVING THE REPORT OF THE ENGINEER IN CONNECTION WITH THE FORMATION OF HEMET LANDSCAPE MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS), AND THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN SUCH DISTRICT FOR FISCAL YEAR 2012/2013 PURSUANT TO THE LANDSCAPING AND LIGHTING ACT OF 1972, PART 2 OF DIVISION 15 OF THE CALIFORNIA STREETS AND HIGHWAYS CODE AND AS PROVIDED BY ARTICLE XIII D OF THE CALIFORNIA CONSTITUTION

THE CITY COUNCIL OF THE CITY OF HEMET FINDS, DETERMINES, ORDERS AND RESOLVES AS FOLLOWS:

Section 1. The City Council, pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code (the "Act") and as provided by Article XIII D of the California Constitution, by its previous Resolution Bill No. 12-015 initiated proceedings for the formation of Hemet Landscape Maintenance District No. 52 – Seven Hills (the "District"), described on maps of the Assessment Districts on file in the office of the City Clerk and incorporated herein by reference, and the levy and collection of assessments against the assessable lots and parcels of land within such District for the fiscal year commencing July 1, 2012 and ending June 30, 2013 and ordered the Engineer, Willdan Financial Services to prepare and file a written report in accordance with Article XIII D, Section 4 of the California Constitution and Article 4 of Chapter 1 of the Act.

Section 2. The Engineer has prepared and filed with the City Clerk of the City of Hemet and the City Clerk has presented to the City Council such report entitled "City of Hemet, Landscape Maintenance District No. 52 (Seven Hills)" (the "Report") which pertains to the proposed District.

Section 3. The City Council has carefully examined and reviewed the Report, and the Report is hereby approved as filed.

PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.

Robert Youssef, Mayor

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ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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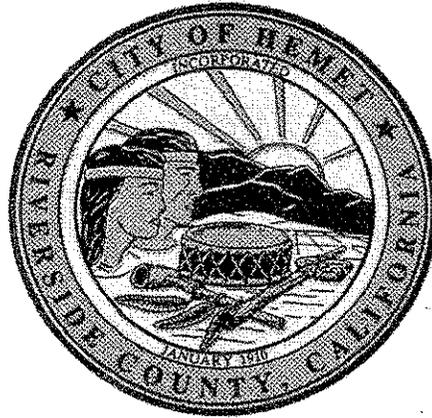
State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Resolution is the actual Resolution adopted by the City Council of the City of Hemet and was passed at a regular meeting of the City Council on the 14th day of February, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk

CITY OF HEMET



ENGINEER'S REPORT

**LANDSCAPE MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013

**PRELIMINARY REPORT: FEBRUARY 14, 2012
FINAL REPORT: FEBRUARY 28, 2012**

Prepared by:

Willdan Financial Services
27368 Via Industria, Suite 110
Temecula, California 92590
(951) 587-3500

ENGINEER'S REPORT AFFIDAVIT

CITY OF HEMET

ENGINEER'S REPORT
LANDSCAPE MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)

FISCAL YEAR 2012/2013

This Report describes the District including the improvements, budgets, parcels and assessments to be levied for fiscal year 2012/2013, as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____ 2012.

Willdan Financial Services
Assessment Engineer
On Behalf of the City of Hemet

By: _____
Jim McGuire
Senior Project Manager, Financial Consulting Services

By: _____
Richard Kopecky
R. C. E. # 16742

ENGINEER'S REPORT

**CITY OF HEMET
LANDSCAPE MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013

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ENGINEER'S REPORT
CITY OF HEMET
LANDSCAPE MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)

FISCAL YEAR 2012/2013

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Hemet, Resolution Bill Number 11-____. The report is in compliance with the requirements of Article 4, Chapter 1, of the Landscaping and Lighting Act of 1972 (the "Act"), which is Part 2, Division 15 of the California Streets and Highways Code, State of California.

SECTION 2. Background

The Act provides for the formation of a landscape maintenance district for the express purpose of installing, maintaining, and servicing landscape improvements. The costs associated with the installation, maintenance, and servicing of the improvements may be assessed against those properties which are specially benefited by the installation, maintenance, and servicing of the improvements.

A City may form a maintenance assessment district after complying with the requirements of the Act, and the provisions in Articles XIII C and XIII D of the California Constitution (The Right to Vote on Taxes Act - Proposition 218).

The City initiates proceedings for the district by passing a resolution, which proposes the district formation under the Act. This resolution also describes the improvements, the location of the proposed district, and orders an engineer, who is a registered professional engineer, certified by the State of California, to prepare and file a detailed report.

The report prepared by the engineer must include plans and specifications for the improvements. The report must also include an estimate of the costs of the improvements, a diagram, i.e., map of the district showing the boundary of the territory to be included within the district, and an assessment of the estimated costs of the improvements against the parcels or lots which benefit from the improvements. Once the report is completed it is presented to the City Council for its review and approval as presented, or it may be modified and approved.

After the report is approved, the City Council may adopt a Resolution of Intention, which declares its intent to form the district, describes the district's improvements, and refers to the report for details of the district. The Resolution of Intention also sets a time and place

for a hearing on the proposed district and the levy of assessments.

While the Act authorizes the City to consider the formation, Proposition 218 has specific requirements, which must be satisfied for assessment districts in addition to the requirements of the Act.

On November 5, 1996, the electorate approved Proposition 218, Right to Vote on Taxes Act, which added Articles XIII C and XIII D to the California Constitution. The Proposition affects the assessments upon real property for a special benefit conferred on the property. Assessments imposed under the Landscaping and Lighting Act of 1972 are these types of special benefit assessments.

Since the Passage of Proposition 218, Right to Vote on Taxes Act, which added Articles XIII C and XIII D to the California Constitution, new procedures must be followed to levy assessments under the Landscaping and Lighting Act of 1972.

Assessments levied under the Hemet Landscape Maintenance District No. 52, (the "District"), are new assessments. Proposition 218 further states that beginning July 1, 1997, existing, new, or increased assessments shall comply with Articles XIII C and XIII D.

Proposition 218 requires that the assessments be supported by a detailed Engineer's Report prepared by a registered professional engineer. This report includes the information required by law for the District.

In accordance with Proposition 218, the property owners of the assessed parcels, through the use of Assessment Ballots, must approve any new or increased assessments no later than 45 days prior to the public hearing. Approval will be determined by weighting the ballots according to the proportional financial obligation of the affected property.

At the time of the public hearing, Assessment Ballots will be tallied and this information will be combined with the Engineer's Report for the proposed District for approval prior to submitting assessments to the Riverside County Auditor.

Assessments, if approved and authorized at the public hearing, will be placed on the fiscal year 2012/2013 Riverside County Tax Roll, and be collected with the regular County property taxes.

SECTION 3. General Description

The City Council of the City of Hemet has elected to prepare the Engineer's Report for the inclusion of the Seven Hills into the City of Hemet Landscaping Maintenance program as District No. 52, the boundaries of which are within the City of Hemet, as shown on the map entitled "Landscaping Maintenance District No. 52, City of Hemet, California" which is on file in the Office of the City Clerk, City of Hemet, California.

The District consists of a single commercial development (Seven Hills Senior Apartments) which is located west of Lyon Avenue, and generally east of Sanderson Avenue and north of Domenigoni Parkway within the City of Hemet.

The purpose of the District is to ensure the ongoing maintenance, operation, and servicing of local landscaping improvements installed in connection with the development of properties within the District. The District will provide the financial mechanism (annual assessments) by which the ongoing operation and maintenance of these improvements will be funded.

The District structure, proposed improvements, method of assessment, and assessments described in this Report are based on current development and improvement plans including estimated direct expenditures, incidental expenses, and reserves associated with the maintenance and servicing of the improvements.

Refer to Appendix C for copies of the applicable resolutions.

SECTION 4. Plans and Specifications

Improvements and Services Authorized by the 1972 Act

As generally defined by the 1972 Act and may be applicable to this District, the improvements and associated assessments may include one or more of the following:

- The installation or planting of landscaping;
- The installation or construction of statuary, fountains, and other ornamental structures and facilities;
- The installation or construction of public lighting facilities including, but not limited to street lights and traffic signals;
- The installation or construction of any facilities which are appurtenant to any of the foregoing or which are necessary or convenient for the maintenance or servicing thereof;
- The installation of park or recreational improvements, including, but not limited to, all of the following:
 - Land preparation, such as grading, leveling, cutting and filling, sod, landscaping, irrigation systems, sidewalks, and drainage.
 - Lights, playground equipment, play courts, and public restrooms.
- The acquisition of land for park, recreational, or open-space purposes or any existing improvement otherwise authorized pursuant to this section.
- The maintenance or servicing, of any of the foregoing including the furnishing of services and materials for the ordinary and usual maintenance, operation, and servicing of any improvement including but not limited to:

- Repair, removal, or replacement of all or any part of any improvements;
 - Grading, clearing, removal of debris, the installation or construction of curbs, gutters, walls, sidewalks, or paving, or water, irrigation, drainage, or electrical facilities;
 - Providing for the life, growth, health, and beauty of landscaping, including cultivation, irrigation, trimming, spraying, fertilizing, or treating for disease or injury;
 - The removal of trimmings, rubbish, debris, and other solid waste;
 - The cleaning, sandblasting, and painting of walls and other improvements to remove or cover graffiti;
 - Electric current or energy, gas, or other illuminating agent for any public lighting facilities or for the lighting or operation of any other improvements;
 - Water for the irrigation of any landscaping, the operation of any fountains, or the maintenance of any other improvements.
- Incidental expenses associated with the improvements including, but not limited to:
 - The costs of the report preparation, including plans, specifications, estimates, diagram, and assessment;
 - The costs of printing and advertising, and publishing, posting and mailing of notices;
 - Compensation payable to the County for collection of assessments;
 - Compensation of any engineer or attorney employed to render services;
 - Any other expenses incidental to the construction, installation, or maintenance and servicing of the improvements;
 - Costs associated with any elections held for the approval of a new or increased assessment.

Description of District Improvements

The purpose of this District is to ensure the ongoing maintenance, operation and servicing of local landscaping improvements established or installed in connection with development of properties within Assessor's Parcel Number(s) ("APN") 464-020-004 and 464-020-005. These improvements include, but are not limited to irrigated open space areas; non-irrigated open space or fuel modification areas; streetscape landscaping; slope landscaping; drainage easement areas and/or detention basins (both irrigated and non-irrigated) and trails; within and associated with the development.

The maintenance and servicing of the improvements generally include, but are not limited to all materials, equipment, utilities, labor and incidental expenses including administrative expenses required for the annual operation of the District as well as the performance of periodic repairs, replacement and expanded maintenance activities as needed to provide for the growth, health, and beauty of landscaping, irrigation and drainage systems.

Landscaping improvements to be funded by the assessments may include, but are not limited to: turf; shrubs and plants; trees; ground cover (both hardscape and vegetation); weed and vector control; irrigation and drainage systems; ornamental lighting structures; related sidewalks, masonry walls or other fencing; entryway monuments or other ornamental structures and signs; and associated appurtenant facilities located within and associated with the District.

The proposed improvements for the District may be generally described as follows:

- Approximately 3,280 square feet of landscaping area along Lyon Avenue and Peppertree Drive.

Plans and specifications for the improvements for the District are voluminous and are not bound in this report but by this reference are incorporated and made a part of this report. The plans and specifications are on file with the City where they are available for public inspection.

SECTION 5. Method of Assessment

Background

The Landscaping and Lighting Act of 1972 provides that assessments may be apportioned upon the assessable lots or parcels of land within a District in proportion to the estimated benefits to be received by each lot or parcel from the improvements. In addition, Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Proposition provides that only special benefits are assessable, and the City must separate the general benefits from the special benefits conferred on a parcel. A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the District. The general enhancement of property value does not constitute a special benefit.

Special Benefit

In the case of the proposed District, each and every parcel within the District receives a particular and distinct benefit from the proposed improvements, over and above general benefits conferred by the improvements as discussed below.

In order to create or develop the parcels, the City requires the original developer to install, and guarantee the maintenance of landscaping, ornamental structures, and appurtenant facilities to serve the parcels. Therefore, each and every parcel within the District could not have been developed without the installation and maintenance of these facilities.

In addition, the improvements continue to confer a particular and distinct special benefit upon parcels within the District because of the nature of the improvements. The proper maintenance of landscaping and appurtenant facilities specially benefit parcels within the District by moderating temperatures, providing oxygenation, attenuating noise from adjacent streets and controlling dust for those properties in close proximity to the landscaping, thereby enhancing the environmental quality of the parcels and making them more desirable.

The spraying and treating of landscaping for disease reduces the likelihood of insect infestation and other diseases spreading to landscaping located throughout the properties within the District. The proper maintenance of the landscaping, ornamental structures, and appurtenant facilities reduces property-related crimes (especially vandalism) against properties in the District through the abatement of graffiti and the screening of properties within the District from arterial streets. Finally, the proper maintenance of landscaping and ornamental structures improves the attractiveness of the properties within the District and provides a positive visual experience each and every time a trip is made to or from the property. The above improvements contribute to a specific benefit for each of the parcels within the District.

General Benefit

The proper maintenance of landscaping and appurtenant facilities within a District will not only control dust from blowing onto properties within the District, but may also control dust from blowing onto properties outside of the District which may be of general benefit to areas outside the District. Also, the control of soils erosion will protect properties within the District, but may also reduce runoff into the City's storm drain system. The proper maintenance of landscaped areas not only facilitates proper drainage of properties within the District, but also may reduce the potential for flooding damage to properties on the downward slope from the District. The spraying and treating of landscaping within the District for disease may reduce the likelihood of insect infestation and other diseases spreading to landscaping located throughout other properties within the City. Finally, the proper maintenance of landscaping and ornamental structures provides a positive visual experience to persons passing by the District. All of the above constitute incidental general benefits conferred by the improvements.

The total benefits are thus a combination of the special benefits to the parcels within the District and the general benefits to the public at large and to adjacent property owners. The portion of the total landscape maintenance costs that are associated with general benefits will not be assessed to the parcels in the District, because the landscaping is located immediately adjacent to properties within the District, and is maintained solely for the benefit of the properties within the District, any benefit received by properties outside of the proposed District is merely incidental and not quantifiable.

Formula of Assessment

In the District, the parcels receive a unique and special benefit from the improvements due to their similarity in location, use and proximity to the improvements. Each parcel in the District is assessed for the special benefits of the maintained landscaping in that portion of the District, and only that portion of the District, and will receive a per parcel rate based upon the proportional spread of the total District Equivalent Benefit Units ("EBU") based on each parcel's acreage as compared to other parcels within the same commercial development.

All parcels within the District receive a special benefit from the street tree trimming

services. This special benefit is the trimming of trees in the area to preserve the trees' health and vigor.

SECTION 6. Estimated Operation and Maintenance Costs

The Act provides that the estimated costs of the improvements shall include the total cost of the improvements for the entire fiscal year 2012/2013, including incidentals, which may include reserves to operate the District.

The Act also provides that the amount of any surplus, deficit, or contribution be included in the estimated cost of improvements. The net amount to be assessed on the lots or parcels within the District is the total cost of installation, maintenance, and servicing with adjustments either positive or negative for reserves, surpluses, deficits, and/or contributions.

Estimated costs of improvements for the District are voluminous and are not bound in this report but by this reference are incorporated and made a part of this report. The estimated costs are on file in the office of the City Finance Director where they are available for public inspection.

The maintenance of landscaping within the District is performed by the City of Hemet through its own forces or contract personnel.

Annual Landscape Maintenance Expenses Within District No. 52, FY 2012/2013

City of Hemet		
Proposed Budget		
Hemet Landscaping Maintenance District No. 52 (Seven Hills)		
Levy Components	Maximum Assessment Budget	Budget for Fiscal Year 2012/2013
DIRECT COSTS		
Operations and Maintenance		
Landscape Maintenance	\$ 1,902	\$ 1,902
Street Tree Trimming	-	-
Landscape Utilities	564	564
Graffiti Removal	-	-
Miscellaneous/Contingency	91	91
Total Direct Costs	\$ 2,557	\$ 2,557
ADMINISTRATION COSTS		
District Administration Personnel	2,114	2,114
District Administration Contract Services	-	-
District Administration Overhead Allocation	-	-
County Administration Fee	121	121
Total Administration Costs	\$ 2,235	\$ 2,235
COLLECTIONS/(CREDITS) APPLIED TO LEVY		
Total Direct and Administration Costs	4,792	4,792
Reserve Fund Collection/(Transfer)	128	128
Balance to Levy	\$ 4,920	\$ 4,920
DISTRICT STATISTICS		
Total Parcels Levied	2	2
Total Equivalent Benefit Units	31.77	31.77
Calculated Levy per Benefit Unit	\$154.86	\$154.86
Maximum Levy per Benefit Unit	\$154.88	\$154.88
Balloted Amount	\$4,920.54	
Inflationary Factor Applied to Maximum Rate	4.00%	

The annual assessment for the first fiscal year is based on the City's estimate of the improvements that will be accepted for maintenance during Fiscal Year 2012/2013 (July 1, 2012 and June 30, 2013).

SECTION 7. Assessment Calculations

The assessed lots or parcels of real property within the District are listed on Assessment Rolls, which are on file in the office of the City Finance Director, and are hereby made a part of this report by reference. Each Assessment Roll states the net amount to be assessed upon assessable lands within the District for fiscal year 2012/2013, shows the fiscal year 2012/2013 assessment upon each lot and parcel within the District, and describes each assessable lot or parcel of land within the District. These lots and parcels are more particularly described on the Riverside County Assessment Roll, which is on file in Riverside County Assessor's Office and by reference is made a part of this report.

Individual assessments for the parcels within the District are tabulated in the Assessment Roll, Appendix "A", of this report.

Commencing with fiscal year 2012/2013, the amount of the assessment for the District is proposed to increase each year, based upon the greater of four percent or the Consumer Price Index, All Urban Consumers, for the Los Angeles-Orange-Riverside County Areas ("CPI"), as determined by the United States Department of Labor, Bureau of Labor Statistics, or its successor. The Engineer shall compute the percentage difference between the CPI for February of each year and the CPI for the previous February, and shall then adjust the existing assessment by an amount not to exceed such percentage for the following fiscal year. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the Engineer shall use the revised index or a comparable system as approved by the City Council for determining fluctuations in the cost of living. Adjustments beyond the CPI rate will require approval of the property owners of record as required by Proposition 218 "The Right to Vote on Taxes Act".

The City Council will hold a public hearing on February 28, 2012, to consider confirming, or modifying and confirming, the foregoing assessments for fiscal year 2012/2013. These assessments, if confirmed, will be transmitted to the Riverside County Auditor and recovered through payment of property taxes paid by property owners as is required by the Landscaping and Lighting Act of 1972.

SECTION 8. Assessment Diagram

Boundary maps/diagrams for the District are voluminous and are not bound in this report but are by this reference incorporated and made a part of this report. The boundary maps/diagrams are on file in the City Finance Department, where they are available for public inspection.

Reference is made to Appendix "B" for the map showing the general location only and is not to be considered the official boundary map on file in the office of the City Finance Director.

SECTION 9. Order of Events

1. The City Council adopts a resolution ordering the preparation of the Engineer's report.
2. The City Council adopts a resolution preliminarily approving the Engineer's Report.
3. The City Council adopts the Resolution of Intention specifying the District boundary and sets a time and place for a public hearing.
4. City staff will send notices of the public hearing and ballots to the property owners in the District.
5. The City Council conducts the public hearing, considers all testimony and determines whether to adopt the resolution levying the annual assessments for the fiscal year and to tally ballots for the proposed assessments.
6. Each subsequent year the assessment engineer files a report with the City Council outlining the proposed assessments for the following fiscal year.
7. Each year prior to August 10th, the City Council conducts a public hearing and approves, or modifies and approves, the levying of assessments contained within the annual report.

SECTION 10. Certifications

I, Sarah McComas, as City Clerk, do hereby certify that the foregoing Engineer's Report, together with the assessments, and boundary maps attached thereto, were filed in my office on the _____ 2012.

Sarah McComas, City Clerk
City of Hemet
State of California

I, Sarah McComas, as City Clerk, do hereby certify that the foregoing Engineer's Report, together with the assessments, and boundary maps attached thereto, were approved and confirmed by the City Council of the City of Hemet on the _____ 2012.

Sarah McComas, City Clerk
City of Hemet
State of California

APPENDIX A ASSESSMENT ROLL

CITY OF HEMET LANDSCAPE MAINTENANCE DISTRICT NO. 52 (SEVEN HILLS)

FISCAL YEAR 2012/2013

The assessment roll is hereby incorporated and made a part of this report. For convenience, the assessment rolls are on file with the City Clerk, where they are available for public inspection.

Reference is made to the Riverside County Assessment Roll for a description of the lots or parcels in the District.

APN	Lot Identification	Acreage	Land Use	EBU	(Balloted) Maximum Assessment	First Year's Assessment
464-020-004	1	14.30	Commercial	14.30	2,214.78	2,214.78
464-020-005	1	17.47	Commercial	17.47	2,705.75	2,705.75
Totals:		31.77		31.77	\$ 4,920.54	\$ 4,920.54

**APPENDIX B
ASSESSMENT DIAGRAM**

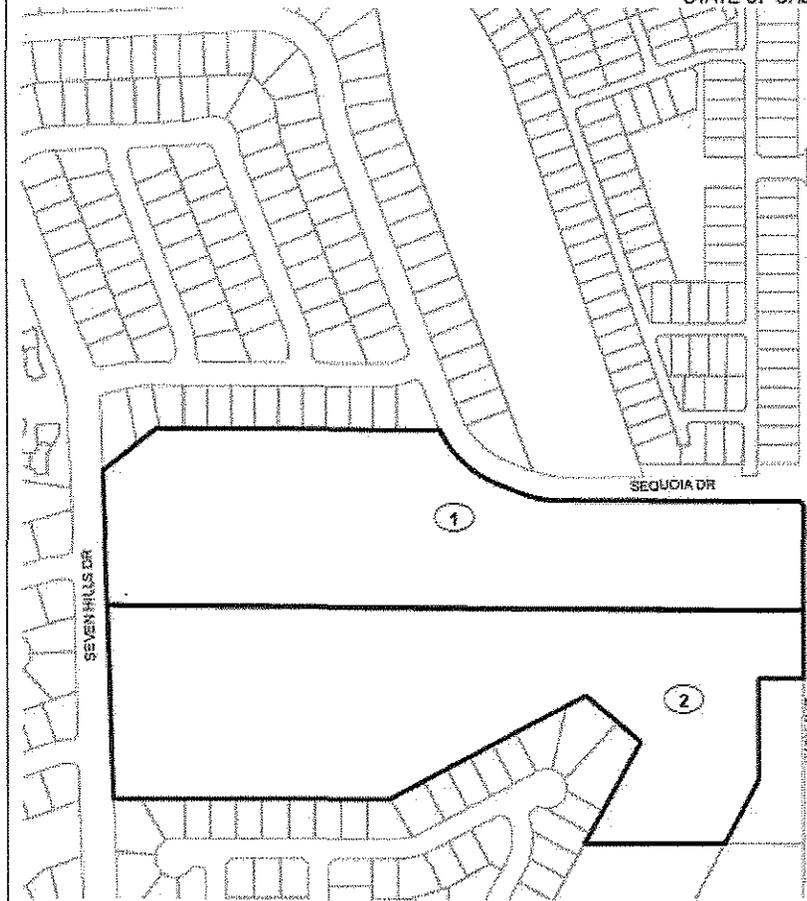
**CITY OF HEMET
LANDSCAPE MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013

The following map details the general location of the District. Please refer to the current Riverside County Assessor Maps for exact locations and dimensions of parcels.

**ASSESSMENT DIAGRAM
LANDSCAPE MAINTENANCE DISTRICT NO. 52
CITY OF HEMET
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA**

SHEET 1 OF 1



Legend

-  DISTRICT BOUNDARY LINE
-  MAP REF. NO.

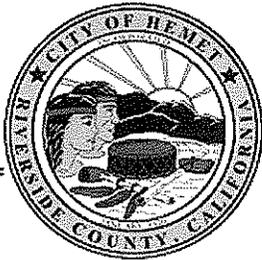
MAP REF. NO.	ASSESSOR'S PARCEL NUMBER
1	404-020-004
2	404-020-005



**APPENDIX C
RESOLUTIONS**

**CITY OF HEMET
LANDSCAPE MAINTENANCE DISTRICT NO. 52
(SEVEN HILLS)**

FISCAL YEAR 2012/2013



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Jorge Biagioni, Director of Engineering/City Engineer;
 Brian Nakamura, City Manager *[Signature]*

DATE: February 14, 2012

RE: Award of Bid for the South Juanita Water Line Replacement, City Project 5555

RECOMMENDED ACTION:

That the City Council award the contract to the lowest bidder, Pro-Craft Construction, Inc. for the South Juanita Waterline Replacement Project CIP 5555 in the amount of \$233,535, and reject all other bids;

Authorize the City Manager to enter into a construction contract for the improvements;

Establish budget in the amount of \$233,535 in CDBG Fund No. 240-3975-5500 for the cost of construction and \$35,000 in CDBG Fund No. 240-3975-2710 for geotechnical testing and surveying and \$12,000 in CDBG Fund 240-3975-1100 for staff administrative time and inspection services.

BACKGROUND:

The City of Hemet awarded \$299,505 of CDBG Funds to pay for this capital improvement in its' CDBG 11/12 Funding Program.

PROJECT DESCRIPTION:

The project will replace 1,325 feet of existing 4 inch diameter water main line on South Juanita Street from Kimball Avenue to Mayberry Avenue, by installing a new 8 inch diameter pipeline and abandoning the existing 4 inch diameter asbestos cement water main. 26 new residential water services will be installed, as well as six new fire hydrants for fire protection, as shown on the attached Exhibit "A".

ANALYSIS:

On January 26th, 2012 the Purchasing offices received 15 sealed bids, Exhibit "B", with the three lowest shown below;

Pro-Craft Construction of Redlands, CA	\$ 233,535
MCC Equipment Rental of Yucaipa, CA	\$ 263,658
EI-Co Contractors of San Bernardino, CA	\$ 271,879

COORDINATION & REVIEW:

The project was circulated for Public Bidding purposes by publishing an advertisement in the Press Enterprise and the following contractor plan rooms McGraw Hill, Reed Construction Data, iSqFt Planroom, Association of General Contractors and Bid America.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The South Juanita Water Line Replacement project is consistent with the CDBG 2011-2012 Program Year.

FISCAL IMPACT:

The construction of the project, inspection, geotechnical engineering, surveying and project administration will be funded by CDBG 11/12 Fund No. 240-3975-5500, CDBG Fund 240-3975-2710 and 240-3975-1100.

Respectfully submitted,



Victor Monz
Principal Engineer

Fiscal Review:

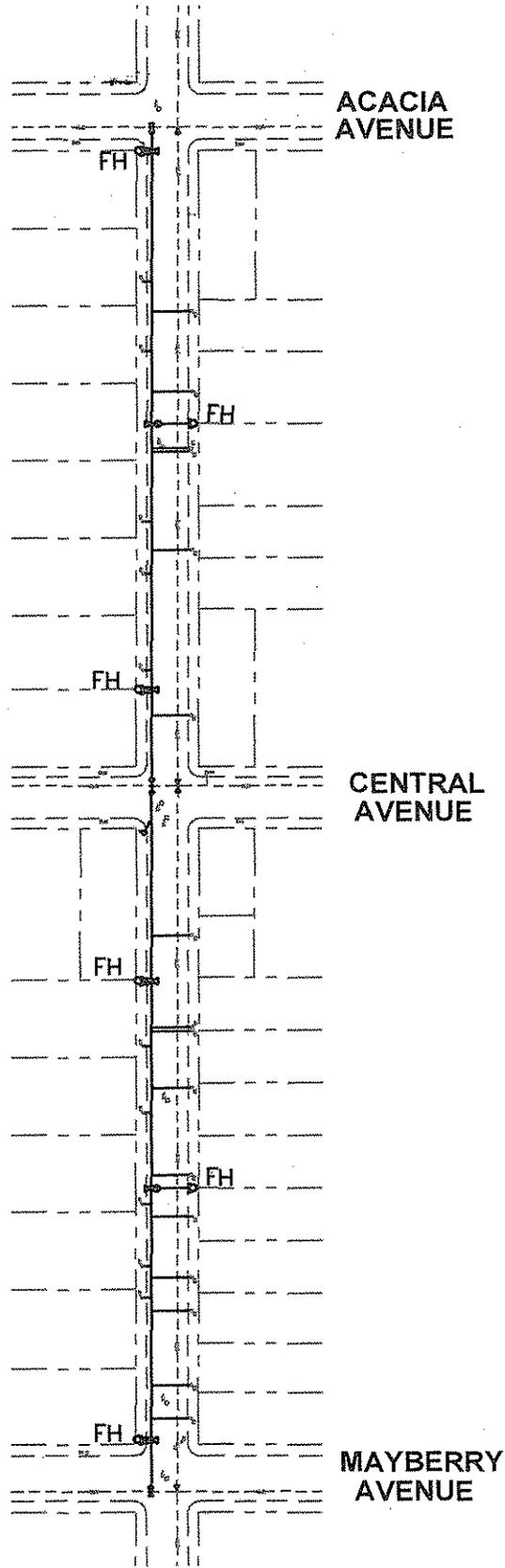
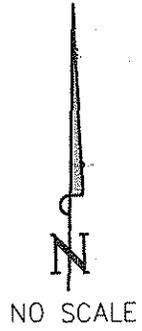


Rita Conrad
Finance Director

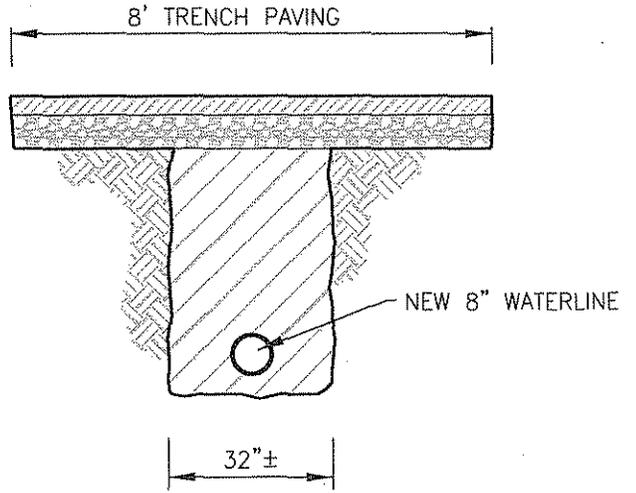
Attachment(s): Exhibit "A" Plan View
Exhibit "B" Bid Results

Exhibit 'A'

Juanita Street - Water Replacement

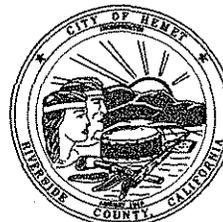


NEW 1,325 L.F. 8" WATER LINE
26 NEW WATER SERVICES AND METERS
6 NEW FIRE HYDRANTS (FH)



Water Replacement Detail

NO SCALE



City of Hemet
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION

510 E. FLORIDA AVENUE
HEMET, CA 92543
(951) 765-2360

City of Hemet Public Works Department

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Juanita Street Waterline Replacement - CIP #5555

EXHIBIT "B"

Sheet 1 of 4

Item No. & Description	Unit	Quantity	Pro-Craft Const. ,Inc.		MCCEquipment Rentals		EI-Co Contractors, Inc.		Merlin Johnson Const.	
			Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid
1. Mobilization	L.S.	1	\$ 12,000.00	\$ 12,000.00	\$ 17,000.00	\$ 17,000.00	\$ 12,000.00	\$ 12,000.00	\$ 11,440.00	\$ 11,440.00
2. Disconnect, abandoned, fill	L.S.	1	\$ 3,000.00	\$ 3,000.00	\$ 4,800.00	\$ 4,800.00	\$ 6,500.00	\$ 6,500.00	\$ 3,700.00	\$ 3,700.00
3. 8" PVC C-900	L.F.	1,325	\$ 75.00	\$ 99,375.00	\$ 44.00	\$ 58,300.00	\$ 56.00	\$ 74,200.00	\$ 48.00	\$ 63,600.00
4. Trench backfill & repave	S.F.	16,000	\$ 3.00	\$ 48,000.00	\$ 6.00	\$ 96,000.00	\$ 6.25	\$ 100,000.00	\$ 6.00	\$ 96,000.00
5. Replace 1" water service	EA.	26	\$ 950.00	\$ 24,700.00	\$ 1,000.00	\$ 26,000.00	\$ 1,200.00	\$ 31,200.00	\$ 1,370.00	\$ 35,620.00
6. Fire Hydrant	EA.	6	\$ 4,000.00	\$ 24,000.00	\$ 5,100.00	\$ 30,600.00	\$ 3,800.00	\$ 22,800.00	\$ 6,091.00	\$ 36,546.00
7. Fire hydrant spotter	EA.	6	\$ 10.00	\$ 60.00	\$ 70.00	\$ 420.00	\$ 20.00	\$ 120.00	\$ 23.00	\$ 138.00
8. 8" Gate Valve	EA.	4	\$ 1,300.00	\$ 5,200.00	\$ 1,500.00	\$ 6,000.00	\$ 1,300.00	\$ 5,200.00	\$ 1,236.00	\$ 4,944.00
9. Air Vac Assembly	EA.	1	\$ 1,850.00	\$ 1,850.00	\$ 2,700.00	\$ 2,700.00	\$ 2,700.00	\$ 2,700.00	\$ 2,938.00	\$ 2,938.00
10. 8"x8" Tee	EA.	1	\$ 500.00	\$ 500.00	\$ 4,800.00	\$ 4,800.00	\$ 470.00	\$ 470.00	\$ 650.00	\$ 650.00
11. Thrust Block	EA.	10	\$ 50.00	\$ 500.00	\$ 105.00	\$ 1,050.00	\$ 120.00	\$ 1,200.00	\$ 75.00	\$ 750.00
12. 8"x6" Cross	EA.	1	\$ 1,500.00	\$ 1,500.00	\$ 4,100.00	\$ 4,100.00	\$ 601.00	\$ 601.00	\$ 830.00	\$ 830.00
13. Cap exist. w/Blind Flange	EA.	4	\$ 450.00	\$ 1,800.00	\$ 340.00	\$ 1,360.00	\$ 732.00	\$ 2,928.00	\$ 50.00	\$ 200.00
14. Replace Meter Box	EA.	26	\$ 200.00	\$ 5,200.00	\$ 240.00	\$ 6,240.00	\$ 110.00	\$ 2,860.00	\$ 86.00	\$ 2,236.00
15. Adjust SMH to grade	EA.	1	\$ 350.00	\$ 350.00	\$ 575.00	\$ 575.00	\$ 850.00	\$ 850.00	\$ 500.00	\$ 500.00
16. Traffic Control Plan	L.S.	1	\$ 2,000.00	\$ 2,000.00	\$ 1,964.00	\$ 1,964.00	\$ 7,500.00	\$ 7,500.00	\$ 11,285.00	\$ 11,285.00
17. S.W.P.P.P.	L.S.	1	\$ 3,500.00	\$ 3,500.00	\$ 1,749.00	\$ 1,749.00	\$ 750.00	\$ 750.00	\$ 1,000.00	\$ 1,000.00
TOTAL BID AMOUNT				\$ 233,535.00		\$ 263,658.00		\$ 271,879.00		\$ 272,377.00

City of Hemet Public Works Department

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Juanita Street Waterline Replacement - CIP #5555

Sheet 2 of 4

Item No. & Description	Unit	Quantity	Gwinco Incorporated		Genesis Construction		CP Construction		EAR Engineering	
			Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid
1. Mobilization	L.S.	1	\$ 20,000.00	\$ 20,000.00	\$ 30,912.00	\$ 30,912.00	\$ 3,000.00	\$ 3,000.00	\$ 30,500.00	\$ 30,500.00
2. Disconnect, abandoned, fill	L.S.	1	\$ 2,500.00	\$ 2,500.00	\$ 4,000.00	\$ 4,000.00	\$ 8,500.00	\$ 8,500.00	\$ 4,500.00	\$ 4,500.00
3. 8" PVC C-900	L.F.	1,325	\$ 100.00	\$ 132,500.00	\$ 125.00	\$ 165,625.00	\$ 59.00	\$ 78,175.00	\$ 75.00	\$ 99,375.00
4. Trench backfill & repave	S.F.	16,000	\$ 3.00	\$ 48,000.00	\$ 0.50	\$ 8,000.00	\$ 6.00	\$ 96,000.00	\$ 4.50	\$ 72,000.00
5. Replace 1" water service	EA.	26	\$ 1,000.00	\$ 26,000.00	\$ 1,000.00	\$ 26,000.00	\$ 1,350.00	\$ 35,100.00	\$ 825.00	\$ 21,450.00
6. Fire Hydrant	EA.	6	\$ 4,200.00	\$ 25,200.00	\$ 5,000.00	\$ 30,000.00	\$ 4,950.00	\$ 29,700.00	\$ 6,000.00	\$ 36,000.00
7. Fire hydrant spotter	EA.	6	\$ 30.00	\$ 180.00	\$ 10.00	\$ 60.00	\$ 85.00	\$ 510.00	\$ 50.00	\$ 300.00
8. 8" Gate Valve	EA.	4	\$ 2,000.00	\$ 8,000.00	\$ 2,000.00	\$ 8,000.00	\$ 2,150.00	\$ 8,600.00	\$ 1,850.00	\$ 7,400.00
9. Air Vac Assembly	EA.	1	\$ 2,500.00	\$ 2,500.00	\$ 3,000.00	\$ 3,000.00	\$ 3,500.00	\$ 3,500.00	\$ 2,500.00	\$ 2,500.00
10. 8"x8" Tee	EA.	1	\$ 800.00	\$ 800.00	\$ 3,500.00	\$ 3,500.00	\$ 495.00	\$ 495.00	\$ 1,100.00	\$ 1,100.00
11. Thrust Block	EA.	10	\$ 100.00	\$ 1,000.00	\$ 200.00	\$ 2,000.00	\$ 115.00	\$ 1,150.00	\$ 250.00	\$ 2,500.00
12. 8"x6" Cross	EA.	1	\$ 1,000.00	\$ 1,000.00	\$ 3,500.00	\$ 3,500.00	\$ 2,500.00	\$ 2,500.00	\$ 1,400.00	\$ 1,400.00
13. Cap exist. w/Blind Flange	EA.	4	\$ 500.00	\$ 2,000.00	\$ 500.00	\$ 2,000.00	\$ 1,500.00	\$ 6,000.00	\$ 500.00	\$ 2,000.00
14. Replace Meter Box	EA.	26	\$ 200.00	\$ 5,200.00	\$ 80.00	\$ 2,080.00	\$ 395.00	\$ 10,270.00	\$ 300.00	\$ 7,800.00
15. Adjust SMH to grade	EA.	1	\$ 250.00	\$ 250.00	\$ 350.00	\$ 350.00	\$ 600.00	\$ 600.00	\$ 550.00	\$ 550.00
16. Traffic Control Plan	L.S.	1	\$ 1,500.00	\$ 1,500.00	\$ 500.00	\$ 500.00	\$ 4,500.00	\$ 4,500.00	\$ 6,800.00	\$ 6,800.00
17. S.W.P.P.P.	L.S.	1	\$ 1,500.00	\$ 1,500.00	\$ 250.00	\$ 250.00	\$ 6,000.00	\$ 6,000.00	\$ 4,500.00	\$ 4,500.00
			\$ 278,130.00		\$ 289,777.00		\$ 294,600.00		\$ 300,675.00	

City of Hemet Public Works Department

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Juanita Street Waterline Replacement - CIP #5555

Sheet 3 of 4

<u>Item No. & Description</u>	<u>Unit</u>	<u>Quantity</u>	<u>Apple Valley Const.</u>		<u>TBU, Inc.</u>		<u>TK Construction</u>		<u>STI, Inc.</u>	
			<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>	<u>Unit Bid</u>	<u>Total Bid</u>
1. Mobilization	L.S.	1	\$ 40,000.00	\$ 40,000.00	\$ 35,000.00	\$ 35,000.00	\$ 1,000.00	\$ 1,000.00	\$ 32,600.00	\$ 32,600.00
2. Disconnect, abandoned, fill	L.S.	1	\$ 8,300.00	\$ 8,300.00	\$ 4,000.00	\$ 4,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,960.00	\$ 6,960.00
3. 8" PVC C-900	L.F.	1,325	\$ 58.00	\$ 76,850.00	\$ 37.75	\$ 50,018.75	\$ 80.00	\$ 106,000.00	\$ 57.35	\$ 75,988.75
4. Trench backfill & repave	S.F.	16,000	\$ 6.00	\$ 96,000.00	\$ 8.50	\$ 136,000.00	\$ 7.00	\$ 112,000.00	\$ 5.25	\$ 84,000.00
5. Replace 1" water service	EA.	26	\$ 1,400.00	\$ 36,400.00	\$ 1,850.00	\$ 48,100.00	\$ 1,500.00	\$ 39,000.00	\$ 851.00	\$ 22,126.00
6. Fire Hydrant	EA.	6	\$ 5,930.00	\$ 35,580.00	\$ 3,850.00	\$ 23,100.00	\$ 5,600.00	\$ 33,600.00	\$ 4,100.00	\$ 24,600.00
7. Fire hydrant spotter	EA.	6	\$ 25.00	\$ 150.00	\$ 75.00	\$ 450.00	\$ 34.00	\$ 204.00	\$ 50.00	\$ 300.00
8. 8" Gate Valve	EA.	4	\$ 1,470.00	\$ 5,880.00	\$ 1,750.00	\$ 7,000.00	\$ 1,600.00	\$ 6,400.00	\$ 1,538.00	\$ 6,152.00
9. Air Vac Assembly	EA.	1	\$ 3,840.00	\$ 3,840.00	\$ 2,250.00	\$ 2,250.00	\$ 4,200.00	\$ 4,200.00	\$ 3,750.00	\$ 3,750.00
10. 8"x8" Tee	EA.	1	\$ 480.00	\$ 480.00	\$ 850.00	\$ 850.00	\$ 2,000.00	\$ 2,000.00	\$ 9,221.00	\$ 9,221.00
11. Thrust Block	EA.	10	\$ 120.00	\$ 1,200.00	\$ 95.00	\$ 950.00	\$ 250.00	\$ 2,500.00	\$ 210.00	\$ 2,100.00
12. 8"x6" Cross	EA.	1	\$ 746.00	\$ 746.00	\$ 750.00	\$ 750.00	\$ 2,300.00	\$ 2,300.00	\$ 12,291.00	\$ 12,291.00
13. Cap exist. w/Blind Flange	EA.	4	\$ 1,200.00	\$ 4,800.00	\$ 125.00	\$ 500.00	\$ 1,200.00	\$ 4,800.00	\$ 175.00	\$ 700.00
14. Replace Meter Box	EA.	26	\$ 110.00	\$ 2,860.00	\$ 350.00	\$ 9,100.00	\$ 200.00	\$ 5,200.00	\$ 1,100.00	\$ 28,600.00
15. Adjust SMH to grade	EA.	1	\$ 450.00	\$ 450.00	\$ 575.00	\$ 575.00	\$ 800.00	\$ 800.00	\$ 350.00	\$ 350.00
16. Traffic Control Plan	L.S.	1	\$ 3,000.00	\$ 3,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,600.00	\$ 2,600.00	\$ 16,000.00	\$ 16,000.00
17. S.W.P.P.P.	L.S.	1	\$ 5,500.00	\$ 5,500.00	\$ 3,000.00	\$ 3,000.00	\$ 4,300.00	\$ 4,300.00	\$ 8,600.00	\$ 8,600.00
			\$ 322,036.00		\$ 324,143.75		\$ 332,904.00		\$ 334,338.75	

City of Hemet Public Works Department

510 E. Florida Avenue, Hemet, CA 92543

Project Name: Juanita Street Waterline Replacement - CIP #5555

Sheet 4 of 4

Item No. & Description	Unit	Quantity	Downing Const. Inc.		Piperin Corp.		Kinkaid Industries, Inc.	
			Unit Bid	Total Bid	Unit Bid	Total Bid	Unit Bid	Total Bid
1. Mobilization	L.S.	1	\$ 10,000.00	\$ 10,000.00	\$ 40,000.00	\$ 40,000.00	\$ 17,000.00	\$ 17,000.00
2. Disconnect, abandoned, fill	L.S.	1	\$ 2,000.00	\$ 2,000.00	\$ 8,000.00	\$ 8,000.00	\$ 11,000.00	\$ 11,000.00
3. 8" PVC C-900	L.F.	1325	\$ 107.00	\$ 141,775.00	\$ 95.00	\$ 125,875.00	\$ 96.00	\$ 127,200.00
4. Trench backfill & repave	S.F.	16000	\$ 7.25	\$ 116,000.00	\$ 7.00	\$ 112,000.00	\$ 6.00	\$ 96,000.00
5. Replace 1" water service	EA.	26	\$ 1,100.00	\$ 28,600.00	\$ 2,000.00	\$ 52,000.00	\$ 2,500.00	\$ 65,000.00
6. Fire Hydrant	EA.	6	\$ 5,200.00	\$ 31,200.00	\$ 7,000.00	\$ 42,000.00	\$ 7,000.00	\$ 42,000.00
7. Fire hydrant spotter	EA.	6	\$ 5.00	\$ 30.00	\$ 35.00	\$ 210.00	\$ 60.00	\$ 360.00
8. 8" Gate Valve	EA.	4	\$ 1,800.00	\$ 7,200.00	\$ 2,000.00	\$ 8,000.00	\$ 3,000.00	\$ 12,000.00
9. Air Vac Assembly	EA.	1	\$ 1,800.00	\$ 1,800.00	\$ 4,000.00	\$ 4,000.00	\$ 3,300.00	\$ 3,300.00
10. 8"x8" Tee	EA.	1	\$ 1,500.00	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00	\$ 4,200.00	\$ 4,200.00
11. Thrust Block	EA.	10	\$ 100.00	\$ 1,000.00	\$ 700.00	\$ 7,000.00	\$ 400.00	\$ 4,000.00
12. 8"x6" Cross	EA.	1	\$ 1,200.00	\$ 1,200.00	\$ 1,000.00	\$ 1,000.00	\$ 4,000.00	\$ 4,000.00
13. Cap exist. w/Blind Flange	EA.	4	\$ 1,000.00	\$ 4,000.00	\$ 500.00	\$ 2,000.00	\$ 1,800.00	\$ 7,200.00
14. Replace Meter Box	EA.	26	\$ 400.00	\$ 10,400.00	\$ 300.00	\$ 7,800.00	\$ 600.00	\$ 15,600.00
15. Adjust SMH to grade	EA.	1	\$ 400.00	\$ 400.00	\$ 1,000.00	\$ 1,000.00	\$ 600.00	\$ 600.00
16. Traffic Control Plan	L.S.	1	\$ 3,500.00	\$ 3,500.00	\$ 8,000.00	\$ 8,000.00	\$ 25,000.00	\$ 25,000.00
17. S.W.P.P.P.	L.S.	1	\$ 2,700.00	\$ 2,700.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
			\$ 363,305.00		\$ 424,885.00		\$ 439,460.00	



MINUTES
REGULAR MEETING OF THE
HEMET REDEVELOPMENT AGENCY
December 13, 2011

REGULAR SESSION

7:00 p.m.
City of Hemet Council Chambers
450 E. Latham Avenue

Call to Order

Chairperson Foreman called the meeting to order at 11:34 p.m.

Roll Call

PRESENT: Board Members Franchville, Krupa and Youssef, Vice Chairperson Smith and Chairperson Foreman

ABSENT: None

Reorganization

1. Agency Secretary to Call for Nominations for Chairperson **Secretary McComas**, called for nominations for Chairperson. **Board Member Youssef nominated Board Member Krupa and Board Member Smith seconded the nomination. Motion carried 5-0.**

2. Chairperson to Call for Nominations for Vice Chairperson **Chairperson Krupa**, called for nominations for Vice Chairperson. **Board Member Smith nominated Board Member Franchville and Board Member Foreman seconded the nomination. Motion carried 5-0.**

Consent Calendar

3. **Approval of minutes - August 25, 2011**
Board Member Smith moved and Vice Chairperson Franchville seconded the motion to approve the Consent Calendar as presented. Motion carried 5-0.

Communications From the Public

There were no communications from the public at this time.

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 11:37 p.m.



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Rita Conrad, Director of Finance

DATE: February 14th, 2012

RE: Resolution authorizing LAIF Account for Successor Agency to the Hemet Redevelopment Agency

RECOMMENDATION:

Adopt a resolution for the City of Hemet, as Successor Agency to the Hemet Redevelopment Agency, authorizing investment of monies in the Local Agency Investment Fund (LAIF).

BACKGROUND:

As a consequence of the recent dissolution of redevelopment agencies, each city/county that had redevelopment funds invested in LAIF (Local Agency Investment Fund) must adopt a resolution authorizing the transfer of former redevelopment funds to a new LAIF account designated for use by the "Successor Agency to the Redevelopment Agency." LAIF is an investment fund pool for governmental agencies managed by the State Treasurer's Office.

On January 25th, 2012 the Office of the State Treasurer announced that this change had to occur by January 31st, 2012 in order for cities to access former redevelopment monies. Because of this short notice, and concern that the State might put some type of indefinite hold on our monies, the Hemet Finance Department withdrew all funds from this account as a precautionary measure and deposited them into the City's money market account. This decision was made after discussion with other members of CSMFO (California Society of Municipal Finance Officers) and the City Attorney's Office. Once this resolution is adopted, the City will have the ability to invest 'Successor Agency' funds in LAIF again.

FISCAL IMPACT:

There is no fiscal impact from approving this resolution.

Respectfully submitted,

Rita Conrad
Finance Director

Attachments: Resolution No. 12-018
Attachment A



CITY OF HEMET
Hemet, California
RESOLUTION BILL NO. 12-018

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
HEMET, CALIFORNIA, AS SUCCESSOR AGENCY FOR THE
HEMET REDEVELOPMENT AGENCY, AUTHORIZING
INVESTMENT OF MONIES IN THE LOCAL AGENCY
INVESTMENT FUND (LAIF)

WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and;

WHEREAS, The City of Hemet adopted Resolution # 4474 designating the City of Hemet as Successor Agency to the Redevelopment Agency of the City of Hemet and;

WHEREAS, THE City Council of the City of Hemet does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the City of Hemet as Successor Agency for the Redevelopment Agency of the City of Hemet.

NOW THEREFORE, BE IT RESOLVED, that the City Council does hereby authorize the deposit and withdrawal of monies of the City of Hemet, as Successor Agency to the Redevelopment Agency, in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOVLED, that the following City of Hemet officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

Judith Oltman, City Treasurer
Rita Conrad, Director of Finance
Lorena Rocha, Accounting Manager
Donna Rowley, Principal Accountant

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PASSED, APPROVED, AND ADOPTED this 14th day of February, 2012.

Robert Youssef, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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State of California)
County of Riverside)
City of Hemet)

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Resolution is the actual Resolution adopted by the City Council of the City of Hemet and was passed at a regular meeting of the City Council on the 14th day of February, 2012 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk

STATE OF CALIFORNIA

Bill Lockyer, Treasurer

OFFICE OF THE TREASURERP. O. BOX 942809
SACRAMENTO, CA 94209-0001

January 25, 2012

Dear LAIF Participant:

As you know, as a result of AB x1 26 and the recent Supreme Court decision, redevelopment agencies will no longer exist as of January 31, 2012. Your agency maintains an account with the Local Agency Investment Fund (LAIF), managed by the State Treasurer's Office. Our policies require that no transactions can be processed in LAIF accounts without evidence that the individual requesting the transaction is authorized by the agency on whose behalf the request is made. Specifically, we require a LAIF resolution, bank and authorization form.

We believe it is important that you are aware of these requirements as you wind down your operations and transition to the successor entity. Please provide us with information regarding the identity of the successor entity that will be taking over your agency's operations and contact information for a person at the successor entity we can work with to get new authorization documents in place as soon as possible.

You and your successor entity should be aware that without appropriate documentation in place, transactions in the LAIF account for your agency, or as it is taken over by the successor entity, cannot be processed.

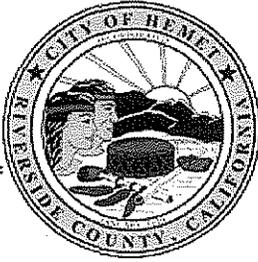
It is important that you immediately send a letter that states what your successor entity is and the above mentioned supporting documentation to the State Treasurer's Office. Please do this for each account you have in LAIF, including any bond accounts. This material should be sent to:

**Local Agency Investment Fund
California State Treasurer's Office
PO Box 942809
Sacramento, CA 94209-0001
Attention: RDA Coordinator**

If you have questions on this, please contact the LAIF staff at 916/653-3001.

Thank you,

Daniel S. Dowell
Director, Investment Division



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Deanna Elliano, Community Development Director *DE*
Brian Nakamura, City Manager *BN*
David Brown, Police Chief
Eric Vail, City Attorney

DATE: February 14, 2012

RE: **ZONING ORDINANCE AMENDMENT 12-001 establishing Sex Offender Residency Restrictions in the City of Hemet:** A city-initiated ordinance of the City of Hemet amending Chapter 90 (Zoning) of the Hemet Municipal Code to add a new Article X entitled "Special Housing Classifications" and adopting Division 3 which establishes Sex Offender Residency Restrictions. This ordinance is a component of the **Hemet ROCS (Restoring Our Community Strategy)** Program for the City of Hemet. (**Ordinance Bill No. 12-005**)

RECOMMENDED ACTION:

The Planning Commission recommends that the City Council:

1. *Introduce, read by title only and waive further reading of Ordinance Bill No. 12-005, establishing Article X, Division 3 of the Hemet Municipal Code regarding residency restrictions for sex offenders.*

BACKGROUND:

The Hemet City Council has directed staff and the City Attorney to prepare the attached ordinance imposing additional residency restrictions on sex offenders as a component of the Hemet ROCS (Restoring Our Community Strategy) program.

In 2006, the voters of the State of California passed Proposition 83, commonly referred to as "Jessica's Law", which provides certain restrictions on where convicted sex offenders can reside in order to better protect the safety and welfare of children in the community. The proposition enacted Penal Code Section 3003.5(b) which prohibits any registered sex offender from residing within 2,000 feet of any public or private school, or any park where children regularly gather. In addition, Penal Code Section 3003.5(a) prohibits a registered sex offender from living with another sex offender while on parole unless the two are related or are living in a state-licensed residential care facilities with six (6) or fewer residents.

Subsection (c) of Penal Code Section 3003.5, authorizes municipalities to enact local ordinances that further restrict the residency of any registered sex offender, and several cities and counties in California have adopted additional restrictions. However, case law has established limits on how far a municipality may go in restricting sex offender residency. Ordinances restricting sex

or probation at the time the ordinance takes effect. The ordinance can only apply to sex offenders who have not yet been released from custody. But if a sex offender who has already been released from custody is convicted of a new crime (whether a sex crime or not) the Ordinance can then be applied to that sex offender. In addition, a local ordinance cannot be so restrictive as to effectively banish all sex offenders from residing within the municipality.

PROJECT DESCRIPTION:

In addition to the existing California Penal Code Section 3003.5 requirements that a registered sex offender is prohibited from residing within 2,000 feet of any school (K-12) or park, the proposed ordinance also restricts sex offenders from living within 2,000 feet of a licensed child care center, the Hemet Public Library, the James Simpson Memorial Center, the Fingerprints Museum or the Police Activities League (P.A.L.) Club, as these are places where children routinely gather in the City of Hemet. Places of residence under the ordinance include single and multi-family dwellings, mobile homes, motels and hotels.

The ordinance also prohibits sex offenders from congregating together in dwellings, motels, hotels or mobile home parks, unless they are related by blood, marriage or adoption. However, pursuant to State law, while a sex offender is on parole they may reside in a State-licensed residential care facility with six or fewer residents, even if the residence is already occupied by a sex offender.

In addition to the requirements imposed upon sex offenders, the ordinance also prohibits a property owner or agent ("Responsible Party") from knowingly renting a dwelling or room to more than one sex offender in accordance with the provisions of this ordinance.

The proposed ordinance is based upon similar ordinances adopted in Riverside County and other California cities. As part of the preparation and analysis of the proposed ordinance, City staff prepared a GIS-based map to identify the locations of all park, school and child care sites identified in the ordinance, and assigned the 2,000 separation requirements to determine if an adequate amount of housing sites were still available for sex offenders to locate, in accordance with state requirements. The analysis determined that a sufficient number of dwellings, motels and hotels were unrestricted and could provide housing opportunities. The map is not included in this staff report as the information regarding the location of State-licensed residential child care facilities is considered proprietary and not available for public review or publication. The map will be required to be updated on a regular basis to insure accurate implementation of the ordinance.

The Hemet Police Department is the primary implementation and enforcement entity for this ordinance. Much of the enforcement will be accomplished proactively, as sex offenders are required to register their address with the Police Department. The Police will then be able to determine if the address provided is in compliance with the adopted residency restrictions. The ordinance can also be enforced as a result of a complaint or other notification that a sex offender or property owner may be in violation of the ordinance. Persons who violate the ordinance are guilty of a misdemeanor and subject to criminal prosecution and fines.

It is the opinion of staff and the City Attorney that the proposed ordinance provides additional protections for the community's youth from sexual predators, and is as restrictive as currently allowed under state law.

COORDINATION & PUBLIC REVIEW:

The proposed ordinance was prepared by the City Attorney, and reviewed by the Community Development and Police Departments. The Planning Commission reviewed the draft ordinance at a noticed public hearing on January 17, 2012, and unanimously adopted Resolution No. 12-002, recommending that the City Council adopt the ordinance. To date, staff has not received any correspondence or public testimony regarding the draft ordinance.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The proposed ordinance is a component of the Hemet ROCS program, which the City Council has identified as a Strategic Goal for 2012. In addition, the proposed ordinance is consistent with the following General Plan 2030 Implementation Programs and Policies:

LU-P-36: Hemet ROCS. *The City shall prepare ordinances and implementation programs to achieve the Hemet "Restoring Our Community Strategy" to address issues associated with vacant and absentee properties, maintenance issues, blight, and crime, in order to enhance the quality of life for Hemet Citizens.*

GOAL PS-8: *Ensure a secure environment with minimized risk of crime for residents, visitors, and businesses throughout the City of Hemet.*

Policy LU-3.9: *Prohibit uses that lead to the deterioration of residential neighborhoods, or adversely affect its safety or residential character.*

Policy LU-4.8: *Ensure that the City's housing stock, including mobile home parks and RV parks, is clean, healthy, and safe for the benefit of all income levels and segments of the community.*

POTENTIAL ALTERNATIVE ACTIONS:

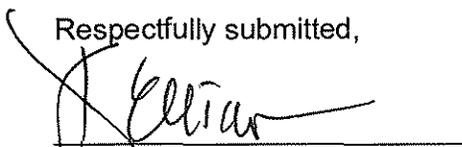
As alternatives to the proposed ordinance, the City Council may also consider the following:

- A. Take action to DENY the ordinance, in which case the city would only apply the residency limitations pursuant to existing state law (Jessica's Law); or,
- B. Take action to MODIFY the proposed ordinance by placing a lesser distance requirement from child care centers and facilities where children typically gather of 1,000 or 1,500 feet, as opposed to the 2,000 separation contained in the recommended ordinance.

FISCAL IMPACT:

Routine implementation and enforcement of the proposed ordinance would be provided under the ongoing operations within the Police Department budget. A more pro-active enforcement approach may require additional funding as implementation proceeds forward.

Respectfully submitted,



Deanna Elliano
Community Development
Director



Eric S. Vail
City Attorney



David Brown
Police Chief

Attachments:

1. City Council Ordinance Bill No. 12-005 regarding residency restrictions for sex offenders.
2. Planning Commission Resolution No. 12-002 recommending adoption of Ordinance Bill No. 12-005 to the City Council

Attachment 1

City Council
Ordinance Bill No. 12-005



CITY OF HEMET
Hemet, California

ORDINANCE BILL NO. 12-005

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA ADDING ARTICLE X ("SPECIAL HOUSING CLASIFICATIONS") TO CHAPTER 90 OF THE HEMET MUNICIPAL CODE AND ADOPTING RESIDENCY RESTRICTIONS FOR SEX OFFENDERS, AN ELEMENT OF THE HEMET RESTORING OUR COMMUNITIES STRATEGY (HEMET ROCS) PROGRAM.

WHEREAS, on November 7, 2006, the voters of the State of California overwhelmingly approved Proposition 83, the Sexual Predator Punishment and Control Act, commonly referred to as Jessica's Law, so as to better protect Californians, and, in particular, the children of this State from sex offenders; and

WHEREAS, Proposition 83 enacted subsection (b) of the Penal Code Section 3003.5 which prohibits any registered sex offender from residing within 2,000 feet of any public or private school, or any park where children regularly gather; and

WHEREAS, subsection (a) of Penal Code Section 3003.5 prohibits any person who is released on parole for a crime for which he or she must register as a sex offender from living in a single-family dwelling with another sex offender during his or her parole, unless those individuals are related; and

WHEREAS, subsection (c) of Penal Code Section 3003.5, authorizes municipal jurisdictions to enact local ordinances that further restrict the residency of any registered sex offender; and

CITY OF HEMET ORDINANCE BILL NO. 12-005
ZONING ORDINANCE AMENDMENT NO. 12-001
SEX OFFENDER RESIDENCY RESTRICTIONS

1 **WHEREAS**, Riverside County and cities surrounding Hemet have enacted
2 ordinances restricting the residency of sex offenders, which may result in Hemet
3 becoming a refuge for sex offenders; and

4 **WHEREAS**, sex offenders have a dramatically higher recidivism rate for their
5 crimes than any other type of violent felon. According to a 1998 report by the U.S.
6 Department of Justice, sex offenders are the least likely to be cured and the most likely
7 to reoffend, and they prey on the most innocent members of our society. More than
8 two-thirds of the victims of rape and sexual assault are under the age of 18; and,

9 **WHEREAS**, the City is concerned with recent occurrences, within the City and
10 elsewhere in California, where multiple registered sex offenders have been residing in
11 clusters; and

12 **WHEREAS**, the City further finds that California State licensed day care facilities
13 are necessarily included as places where children frequently gather; and

14 **WHEREAS**, Article XI, Section 7 of the California Constitution authorizes the City
15 to enact and enforce ordinances that regulate conditions which may be public nuisances
16 or health hazards, or that promote social, economic or aesthetic considerations; and

17 **WHEREAS**, California Government Code section 38773.5 authorizes cities to
18 pass ordinances that provide for the recovery of attorneys' fees in any action,
19 administrative proceeding, or special proceeding to abate a nuisance.

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CITY OF HEMET ORDINANCE BILL NO. 12-005
ZONING ORDINANCE AMENDMENT NO. 12-001
SEX OFFENDER RESIDENCY RESTRICTIONS

1 NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF HEMET DOES
2 HEREBY ORDAIN AS FOLLOWS:

3 **SECTION 1: ADDITION ARTICLE X (“SPECIAL HOUSING**
4 **CLASSIFICATIONS”) TO CHAPTER 90 OF THE HEMET MUNICIPAL CODE.**

5 A new Article X entitled “Special Housing Classifications” is hereby added to
6 Chapter 90 of the Hemet Municipal Code, which shall read as shown in Exhibit “A” to
7 this Ordinance.

8 **SECTION 2: SEVERABILITY.**

9 If any section, subsection, subdivision, sentence, clause, phrase, or portion of
10 this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of
11 any court of competent jurisdiction, such decision shall not affect the validity of the
12 remaining portions of this Ordinance. The City Council hereby declares that it would
13 have adopted this Ordinance, and each section, subsection, subdivision, sentence,
14 clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,
15 subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared
16 invalid or unconstitutional.

17 **SECTION 3: EFFECTIVE DATE.**

18 This Ordinance shall take effect thirty (30) days from its passage by the City
19 Council of the City of Hemet.

20 **SECTION 4: PUBLICATION.**

21 The City Clerk is authorized and directed to cause this Ordinance to be published
22 within fifteen (15) days after its passage in a newspaper of general circulation and
23 circulated within the City in accordance with Government Code Section 36933(a) or, to
24 cause this Ordinance to be published in the manner required by law using the
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27 **CITY OF HEMET ORDINANCE BILL NO. 12-005**
28 **ZONING ORDINANCE AMENDMENT NO. 12-001**
SEX OFFENDER RESIDENCY RESTRICTIONS

1 alternative summary and pasting procedure authorized under Government Code
2 Section 39633(c).

3 **INTRODUCED** at the regular meeting of Hemet City Council on _____ 2012.

4
5 **APPROVED AND ADOPTED** this ____ day of _____ 2012.

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7 _____
8 **Robert Youssef, Mayor**

9 **ATTEST:**

APPROVED AS TO FORM:

10 _____
11 **Sarah McComas, City Clerk**

_____ **Eric S. Vail, City Attorney**

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28 **CITY OF HEMET ORDINANCE BILL NO. 12-005
ZONING ORDINANCE AMENDMENT NO. 12-001
SEX OFFENDER RESIDENCY RESTRICTIONS**

1 State of California)
County of Riverside)
2 City of Hemet)

3 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
4 foregoing Ordinance was introduced and first read on the 14th day of February 2012,
5 and had its second reading at the regular meeting of the Hemet City Council on the ____
6 day of _____, 2012, and was passed by the following vote:
7

8 **AYES:**

9 **NOES:**

10 **ABSTAIN:**

11 **ABSENT:**

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13 Sarah McComas, City Clerk
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27 **CITY OF HEMET ORDINANCE BILL NO. 12-005**
28 **ZONING ORDINANCE AMENDMENT NO. 12-001**
SEX OFFENDER RESIDENCY RESTRICTIONS

EXHIBIT "A"

ARTICLE X. SPECIAL HOUSING CLASSIFICATIONS

DIVISION 1. Reserved

90-271 - 290 Reserved

DIVISION 2. Reserved

90-291 - 310 Reserved

DIVISION 3. Sex Offender Residency Restrictions

90-311 Definitions

90-312 Sex Offender Residency Restrictions

90-313 Responsible Party Rental Restrictions

90-314 Exception

90-315 Offenses Constituting Nuisances

90-316 Nuisances; Recovery of Abatement Expenses

90-317 Penalties

90-318 Criminal Penalties Do Not Satisfy Administrative Or Civil Actions

90-319 Application of This Division

DIVISION 3. SEX OFFENDER RESIDENCY RESTRICTIONS

SECTION 90-311. Definitions

To the extent terms defined in Section 90-4 of this Code are used in this Division, those terms shall be defined as stated in Section 90-4. For the purpose of this Division, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

a. "Child" or "Children" shall mean any person(s) under the age of eighteen (18) years of age.

b. "Child Care Center" shall mean any State of California, Department of Social Services licensed facility that provides non-medical care to children in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a twenty-four (24) hour basis, including but not limited to a family day care home, infant center, preschool, extended-day care facility, or school-age child care center.

c. "Dwelling" means a building, or portion thereof, designed or occupied for residential purposes, including but not limited to single-family homes, duplex buildings, apartment buildings, condominium buildings, and mobile homes, but not including a hotel or motel.

d. "Owner's Authorized Agent" shall mean any natural person, firm, association, joint venture, joint stock company, partnership, organization, club, company, corporation, business trust or the manager, lessee, agent, servant, office or employee authorized to act for the owner of a property.

e. "Park" shall include those areas, whether publicly or privately owned, in which the public may engage in recreational, cultural, or community service activities, including, but not limited to, playgrounds, athletic fields and grounds, swimming pools, and dog parks, where children regularly gather.

f. "Property Owner" as applied to buildings and land shall mean the owner of record of any parcel of real property as designated on the county assessor's tax roll, or a holder of a subsequently recorded deed to the property, and shall include any part owner, joint owner, tenant, tenant in common, or joint tenant, of the whole or part of such a building or land.

g. "Reside" means to occupy for any period of time pursuant to a legal right obtained as of a certain date.

h. "Responsible Party" shall mean the property owner and/or the owner's authorized agent.

i. "School" shall mean any public or private school with one or more grades kindergarten through 12.

j. "Sex Offender" means any person for whom registration is required pursuant to Section 290 of the California Penal Code.

k. "State-Licensed Residential Care Facility" means a facility in which six or fewer individuals with a disability or children reside that provides onsite care, treatment or other services to its residents and that is required to be and is licensed by the State of California. State- licensed residential care facilities include without limitation the following, provided the

number of residents does not exceed six: intermediate care facilities for the developmentally disabled (Health & Safety Code § 1267.8(c)); congregate living health facilities (Health & Safety Code §§ 1267.8(c), 1267.16(a)); residential community care facilities, including foster family homes, small family homes, social rehabilitation facilities, community treatment facilities, and transitional shelter care facilities (Health & Safety Code §§ 1502, 1566.3); residential care facilities for persons with chronic life-threatening illnesses (Health & Safety Code § 1568.0831); residential care facilities for the elderly (Health & Safety Code § 1569.85); pediatric day health and respite care facilities (Health & Safety Code § 1761.4).

SECTION 90-312. Sex Offender Residency Restrictions.

a. As provided for in Penal Code Section 3003.5(b), as it may be amended from time to time, a sex offender shall not reside within two thousand (2,000) feet of any school or park .

b. A sex offender shall not reside in a dwelling, hotel or motel within two thousand (2,000) feet of the closest property line of a lot containing a child care center, the James Simpson Memorial Center, the Hemet Public Library, the Hemet Police Activities League (P.A.L.) Club, or the Fingerprints Youth Museum. A lot shall be considered to be within two thousand (2,000) feet of a child care center if its property line closest to a child care center falls within two thousand (2,000) linear feet of the property line of the child care center. In the case of a hotel or motel, the two thousand (2,000) feet shall be measured using the closest property line of the hotel or motel, and not the room in which the sex offender resides. In the case of a mobile home park, the two thousand (2,000) feet shall be measured using the property line of the mobile home park nearest to the space or unit in which the sex offender resides.

c. A sex offender shall not reside in a dwelling already occupied by another sex offender, unless those sex offenders are legally related by blood, marriage or adoption.

d. A sex offender shall not reside in a dwelling located within a mobile home park if any other dwelling located within the same mobile home park is already occupied by a sex offender.

e. A sex offender shall not reside in a guest room of a hotel or motel if that guest room is already occupied by a sex offender, unless those sex offenders are legally related by blood, marriage or adoption.

f. A sex offender shall not reside in a guest room of a hotel or motel if another guest room in the hotel or motel is already occupied by a sex offender.

Section 90-313. Responsible Party Rental Restrictions.

a. A responsible party shall not knowingly rent a dwelling to, or allow occupancy of a dwelling by, more than one (1) sex offender at the same time, unless those persons are legally related by blood, marriage or adoption.

b. A responsible party shall not knowingly rent a guest room in a hotel or motel to, or allow occupancy of a guest room in a hotel or motel by, more than one (1) sex offender at the same time, unless those persons are legally related by blood, marriage, or adoption.

c. A responsible party shall not knowingly rent more than one (1) guest room in a hotel or motel to, or allow occupancy of more than one (1) guest room in a hotel or motel by, sex offenders at the same time.

d. A responsible party shall knowingly rent more than one (1) mobile home in a mobile home park to, or allow occupancy of more than one (1) mobile home in a mobile home park by, sex offenders at the same time.

SECTION 90-314. Exception.

Notwithstanding Sections 90-312 and 90-313, and as required by Penal Code Section 3003.5(a), a sex offender on parole may, during the period of parole, reside in a state-licensed residential care facility with six or fewer residents even if the facility is already occupied by a sex offender.

SECTION 90-315. Offenses Constituting Nuisances.

Any dwelling, hotel, motel, or mobile home park operated or maintained in a manner inconsistent with the occupancy requirements of this Division or the restrictions of Penal Code section 3003.5 is declared to be unlawful and is defined as and declared to be public nuisances per se that are injurious to the public health, safety, and welfare.

SECTION 90-316. Nuisances; Recovery of Abatement Expenses.

In any action or proceeding to enforce the provisions of this Division, the prevailing party will be entitled to recovery of all costs, attorney's fees and expenses, to the extent provided for in Section 1-8 of this code.

SECTION 90-317. Penalties.

Every person who violates any provision of this Division shall be guilty of a misdemeanor and shall be subject to the penalties as set forth in Section 1-8. Each day that such violation exists shall be deemed a new and separate offense.

SECTION 90-318. Criminal Penalties Do Not Satisfy Administrative Or Civil Actions.

Neither the arrest, prosecution, conviction, imprisonment, or payment of any fine for the violation of this Division shall satisfy or diminish the authority of the City to institute administrative or civil actions seeking enforcement of any or all of the provisions of this Division.

SECTION 90-319. Application of This Division.

Notwithstanding anything to the contrary contained herein, this Division shall only apply to:

- a. Sex offenders who were released from custody for any criminal offense on or after the effective date of this Division.
- b. Responsible parties who rent to, or allow occupancy by, sex offenders subject to this Division on or after the effective date of this Division.
- c. Nothing in this Division is intended to limit the obligations of a sex offender to comply with the requirements of state law, including but not limited to Penal Code Section 3003.5.

Attachment 2

Planning Commission
Resolution No. 12-002



CITY OF HEMET
Hemet, California

RESOLUTION NO. 12-002

A RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF HEMET, CALIFORNIA,
RECOMMENDING THAT THE CITY COUNCIL
ADOPT AN ORDINANCE ADDING ARTCILE X
("SPECIAL HOUSING CLASIFICATIONS") TO
CHAPTER 90 (ZONING) TO THE HEMET
MUNICIPAL CODE REGARDING RESIDENCY
RESTRICTIONS FOR SEX OFFENDERS AS AN
ELEMENT OF THE HEMET RESTORING OUR
COMMUNITIES STRATEGY (HEMET ROCS)
PROGRAM

WHEREAS, pursuant to Government Code sections 65854 and 65855, the
Planning Commission has the authority to review and make recommendations to the
City Council regarding amendments to the City's zoning ordinances; and

WHEREAS, on January 7, 2012, the City gave public notice by publishing notice
in the Press Enterprise of the holding of a public hearing at which the amendment to the
City's zoning ordinances would be considered; and

WHEREAS, on January 17, 2012 the Planning Commission held the noticed
public hearing at which interested persons had an opportunity to testify in support of, or
opposition to, the proposed amendment to the City's zoning ordinance and at which
time the Planning Commission considered the proposed amendment to the City's
zoning ordinance; and

WHEREAS, the City has analyzed this proposed project and has determined that
it is exempt from the California Environmental Quality Act ("CEQA") under section
15061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is
no possibility that the activity in question may have a significant effect of the
environment; and

WHEREAS, attached as Exhibit "A" is the proposed Ordinance.

Planning Commission Resolution No. 12-002
ZONING ORDINANCE NO. 12-001
SEX OFFENDER RESIDENCY RESTRICTIONS

1 **NOW THEREFORE, THE PLANNING COMMISSION OF THE CITY OF HEMET**
2 **DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:**

3 **SECTION 1. ENVIRONMENTAL FINDINGS.**

4 The Planning Commission, in light of the whole record before it, including but not limited
5 to, the City's Local CEQA Guidelines and Thresholds of Significance, the
6 recommendation of the Community Development Director as provided in the Staff
7 Report dated January 17, 2012 and documents incorporated therein by reference, and
8 any other evidence (within the meaning of Public Resources Code § 21080(e) and §
9 21082.2) within the record or provided at the public hearing of this matter, hereby finds
10 and determines as follows:

11 1. CEQA: The City has analyzed this proposed project and has determined
12 that it is exempt from the California Environmental Quality Act ("CEQA") under section
13 15061(b)(3) of the CEQA Guidelines which provides that CEQA only applies to projects
14 that have the potential for causing a significant effect on the environment. Where, as
15 here, it can be seen with certainty that there is no possibility that the activity in question
16 may have a significant effect on the environment, the activity is not subject to CEQA.
17 The addition of this section to Chapter 90 only relates to residency restrictions for sex
18 offenders. It does not relate to any physical project and will not result in any physical
19 change to the environment. Therefore, it can be seen with certainty that there is no
20 possibility that this Ordinance may have a significant adverse effect on the environment,
21 and therefore the adoption of this Ordinance is exempt from CEQA pursuant to Section
22 15061(b)(3) of the CEQA Guidelines.

23 **SECTION 2. ZONING ORDINANCE AMENDMENT FINDINGS**

24 According to Hemet Municipal Code section 90-41.5(a), the Planning
25 Commission makes the following findings with respect to this zoning ordinance
26 amendment:

27 1. *The zoning ordinance amendment is in conformance with the latest*
28 *adopted general plan for the City.*

29 The zoning ordinance is in conformance with the latest adopted general plan for
30 the City in that placing restrictions on sex offender residency does not conflict
31 with any allowable uses in the land use element and does not conflict with any
32 policies or programs in any other element of the general plan. The City is
33 authorized to adopt this zoning ordinance by Penal Code Section 3003.5(c).

34 2. *The zoning ordinance amendment will protect the public health, safety and*
35 *welfare.*

36 The zoning ordinance will protect the public health, safety and welfare in that sex
37 offender residency restrictions will help protect the City from sex offenders who

Planning Commission Resolution No. 12-002
ZONING ORDINANCE NO. 12-001
SEX OFFENDER RESIDENCY RESTRICTIONS

1 have a dramatically higher recidivism rate for their crimes than any other type of
2 violent felon. This ordinance will protect the health, safety and welfare by limiting
3 the ability of sex offenders to reside in clusters. Further, the zoning ordinance
4 prohibits sex offenders from residing too closely to locations where children are
5 frequently present and therefore will assist in keeping sex offenders away from
6 the most vulnerable members of society.

7 **SECTION 3. PLANNING COMMISSION RECOMMENDATIONS.**

8 The Planning Commission hereby takes the following action:

- 9 1. The Planning Commission approves Resolution Bill No. 12-002 recommending
10 that the City Council adopt the proposed Ordinance which is attached hereto and
11 incorporated herein by reference as Exhibit "A."

12 **PASSED, APPROVED, AND ADOPTED** this 17th day of January, 2012 by the
13 following vote:

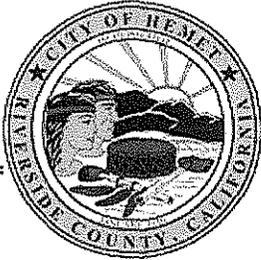
14
15 **AYES:** Chairman Gifford, Vice Chairman Deuber, and Commissioners Overmyer
16 and Rogers
17 **NOES:** None
18 **ABSTAIN:** None
19 **ABSENT:** None
20
21
22
23
24

25 _____
26 John Gifford, Chairman
27 Hemet Planning Commission

28 ATTEST:
29
30
31

32 _____
33 Nancie Shaw, Records Secretary
Hemet Planning Commission

Planning Commission Resolution No. 12-002
ZONING ORDINANCE NO. 12-001
SEX OFFENDER RESIDENCY RESTRICTIONS.



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Brian Nakamura, City Manager *BN*
 Deanna Elliano, Community Development Director *DE*

DATE: February 14, 2012

RE: **HEMET ROCS STATUS REPORT AND REQUEST TO ESTABLISH ADVISORY COMMITTEES**

RECOMMENDED ACTIONS:

1. That the Mayor establish an "Ad-Hoc Executive Advisory Committee" for the Hemet ROCS Program, and appoint a Councilmember and Alternate Councilmember to serve on the Committee with the Mayor and City Department Heads; and,
2. That the Mayor and Council authorize the establishment of a "Hemet ROCS Citizen Advisory Committee" to provide input on various proposed ordinances, implementation measures, and community issues and perspectives associated with the Program.

BACKGROUND:

The City Council has identified the Hemet ROCS ("Restoring Our Community Strategy") Program as a strategic goal for the City to accomplish in 2012. The program consists of the preparation and implementation of a number of ordinances and procedures to reduce blight, upgrade housing conditions and neighborhoods, improve property maintenance, and enhance the image and quality of life within the City of Hemet. A number of these measures have already been adopted and are currently being put into practice. Several others are still in draft stages or need to be developed or updated. At the Council meeting, staff will provide a brief overview of the progress made to date, and the next steps forward.

PROPOSED COMMITTEES:

As a component of the work effort, city staff has assembled a multi-departmental staff team (the Technical Advisory Team) to work on the various aspects of research, preparation, review and implementation of the proposed ordinances and programs. In addition, in order to assist in moving the program components forward to the full Council for adoption, and to provide opportunities for review and input by community stakeholders, (as well as the general public), it is recommended that the following advisory committees be established to work with staff:

A. Ad-Hoc Executive Advisory Committee (EAC) :

Comprised of the Mayor and a Councilmember, the City Manager, the City Attorney, and certain City Department Heads to help guide policy and review preliminary program components, as well as recommendations from the staff Technical Advisory Team and the Citizens Advisory Committee. The committee would be established as an Ad-Hoc

Committee of limited duration (approximately 6 months) and meet as needed to provide direction. The Mayor would appoint a Council member and an Alternate Council member to serve on this committee. The proposed composition of the Executive Committee is provided in the attached Exhibit 1.

B. Citizen Advisory Committee (CAC):

This Committee would be comprised of representatives from various community organizations within the City, as well as landowner, business owner, and resident representatives. A suggested list of representative categories for this committee is provided in Exhibit 1. In order to be an efficient working group, staff recommends that the Citizens Advisory Committee be limited to no more than 10-15 individuals. It is anticipated that the Committee would meet approximately once per month, at a date and time to be established by the Committee. Staff from the Technical Advisory Team would be present at the meetings to present items for review and receive comments and suggestions from the Committee. The Committee would also provide recommendations to the Executive Advisory Committee and ultimately the full City Council, as Hemet ROCS ordinances and programs came before them for consideration. The Committee would serve for a limited duration (approximately 6 months), and could then be considered for extension by the Council if needed.

If the Council takes action to form the CAC, Staff suggests that persons interested in servicing on the CAC submit their contact information through a special form located on the City's new website, or come in to City Hall and fill out a Hemet ROCS Citizen Advisory Committee Interest Form at the Planning Division counter. Sign-ups for the Interest List would be available for a two-week period, and then collected for review and selection by the Executive Advisory Committee. It would be staff's intention to have the CAC appointments selected and presented to the full Council at their March 13th meeting.

C. Government Agency Liaisons:

As expressed by the City Council, it is the City's intention to work cooperatively with the staff and elected officials of the City of San Jacinto and the County of Riverside on mutual ordinances and programs that will benefit the entire valley. In addition, the City will also contact and coordinate with representatives of our State and Federal offices including State Senator Bill Emerson, State Assembly members Paul Cook and Brian Nestande, and U.S. Congresswoman Mary Bono Mack, as may be appropriate. It is anticipated that this liaison between governmental agencies will be on an ongoing and as-needed basis, and no formal committee will be established.

COORDINATION & REVIEW:

The proposed formation of the Ad-hoc Executive Committee and Citizens Advisory Committee for Hemet ROCS has been reviewed and discussed by the City Manager and City Department Heads, and recommended for Council action. City Staff has also met with the Mayor to get his input and ideas regarding Committee representation, purpose, selection process, and the format and frequency of the meetings. Per the Mayor's directive, this item is being presented to the full Council for action.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The establishment of the proposed Advisory Committees will assist in the implementation of the Hemet ROCS program, which the City Council has identified as a Strategic Goal for 2012. In

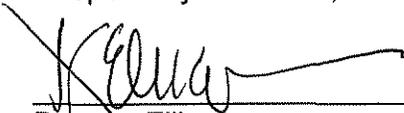
addition, the proposed action is consistent with the following General Plan 2030 Implementation Program:

LU-P-36: Hemet ROCS. *The City shall prepare ordinances and implementation programs to achieve the Hemet "Restoring Our Community Strategy" to address issues associated with vacant and absentee properties, maintenance issues, blight, and crime, in order to enhance the quality of life for Hemet Citizens.*

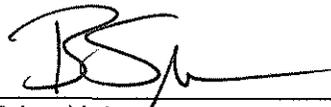
FISCAL IMPACT:

To date, the cost of developing and implementing Hemet ROCS ordinances and implementation programs has been absorbed by the existing department budgets - primarily Planning, Code Enforcement, Police and the City Attorney. Staff resources and materials will continue to be required and funding needs will increase with the City's added emphasis on Hemet ROCS and the establishment of the Committees. Originally, it was anticipated that a large portion of Hemet ROCS programs might be funded from Redevelopment and Housing Funds. However, now that the State legislators have abolished Redevelopment Agencies, additional funding sources will need to be identified in conjunction with the next budget cycle for FY 12-13. In the interim, resources will continue to be allocated to the extent feasible from the existing operating budgets of the associated departments.

Respectfully submitted,



Deanna Elliano
Community Development Director



Brian Nakamura
City Manager

Attachment(s):

Exhibit 1: Suggested List of Hemet ROCS Committee Representation

EXHIBIT 1

PROPOSED HEMET ROCS AD-HOC EXECUTIVE COMMITTEE

- Mayor
- Council member
- Council member (Alternate)
- City Manger
- City Attorney
- Police Chief
- Community Development Director
- Community Investment Director
- Finance Director

PROPOSED HEMET ROCS CITIZENS ADVISORY COMMITTEE

ORGANIZATION OR COMMUNITY SEGMENT REPRESENTED	
1	Chamber of Commerce representative
2	Planning Commission member
3	Real Estate Agent/Broker
4	Apartment Owner representative
5	Mobile Home Park Owner representative
6	Mobile Home park resident group representative
7	Hemet Unified School District representative
8	Hemet Community Action Network rep.
9	Public Service/Non-profit Agency rep.
10	Public Service/Non-profit Agency rep.
11	Faith-based organization rep.
12	Business owner - at large
13	Resident - at large
14	Resident - at large
15	Property owner- at large

*Staff Report*

TO: Honorable Mayor and Members of the City Council

FROM: John Jansons, Community Investment Director *JJ*

DATE: February 14, 2012

RE: Fourth Amendment to Stetson Crossing Purchase and Sale Agreement

RECOMMENDATION:

That the City Council approve the Fourth Amendment to the Stetson Crossing Purchase and Sale Agreement and authorize City Manager to execute the Fourth Amendment.

BACKGROUND:

On April 9, 2011, the City entered into an Amended and Restated Purchase and Sale Agreement with Joint Escrow Instructions with Stetson Crossing Partners, LLC ("Purchase Agreement"). The Purchase Agreement set forth the terms and conditions upon which Stetson Crossing Partners would purchase the real property identified in the Purchase Agreement from the City.

On or about April 26, 2011, the City and Stetson Crossing Partners entered into a First Amendment to the Purchase Agreement that extended the time for the close of escrow to December 29, 2011, and required Stetson Crossing Partners to provide proof of financial ability prior to closing.

On December 22, 2011, the City Council approved the Second Amendment to the Amended and Restated Purchase and Sale Agreement with Joint Escrow Instructions with Stetson Crossing Partners, LLC to extend the Agreement to January 31, 2012.

On January 24, 2012, the City Council approved the Third Amendment to the Amended and Restated Purchase and Sale Agreement with Joint Escrow Instructions with Stetson Crossing Partners, LLC to extend the Agreement to May 31, 2012.

DISCUSSION:

At the January 24th City Council meeting, Stetson Crossing Partners, LLC, (Developer) made a presentation regarding project status, potential anchor tenant and other leasing possibilities for build-out of the site.

At that meeting, the Developer requested additional consideration and terms to allow for tenant negotiations to mature, site work to commence and to finalize financing matters to bring the project to fruition in 2012.

The additional terms (summarized) requested include:

1. Extend Closing Date to September 30, 2012, (last business day Sept. 28)
2. Permission to substitute a multi-screen theater complex of approximately 12-16 screens of +/- 60,000 square feet in place of National Retailer as anchor tenant,
3. City to consider amendment of Specific Plan to allow for "premium movie theater" as anchor tenant, and
4. "Provide evidence of financial capacity to perform" by August 24, 2012.

This request also stipulates that flood control channel work funded by City/Agency will be started by April 1, 2012 and completed by June 30, 2012 as mutually agreed upon by City and Developer.

COORDINATION AND REVIEW:

This recommendation was prepared and coordinated with the Office of the City Manager, Department of Community Development, Department of Community Investment, Public Works Engineering Division, and City Attorney.

INTEGRATION OF COUNCIL GOALS / STRATEGIC PLAN:

The recommendation supports the Council's goals of: economic vitality, increasing municipal revenue, local job creation, and high quality commercial development.

FISCAL IMPACT:

None.

ALTERNATIVE(S):

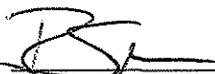
Adjust the amount of time extended to the Developer, or amend the terms under which the extension is granted. This alternative is not recommended because of Council's decision on January 24, 2012 to approve an extension of time based upon the terms outlined in this report.

CONCLUSION:

It is respectfully recommended that the City Council approve the Fourth Amendment to the Stetson Crossing Purchase and Sale Agreement and authorize the City Manager to execute the Fourth Amendment.

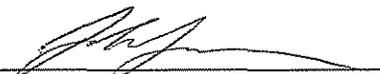
Attachment: 1 – Fourth Amendment to PSA

Approved By:



Brian S. Nakamura
City Manager

Respectfully Recommended,



John Jansons
Community Investment Director

**FOURTH AMENDMENT TO
AMENDED AND RESTATED PURCHASE AND SALE
AGREEMENT WITH JOINT ESCROW INSTRUCTIONS
[Stetson Crossing]**

by and between

the

CITY OF HEMET

and

STETSON CROSSING PARTNERS, LLC

Dated: February 14, 2012

**FOURTH AMENDMENT TO AMENDED AND RESTATED PURCHASE AND SALE
AGREEMENT WITH JOINT ESCROW INSTRUCTIONS**

This Fourth Amendment to the Amended and Restated Purchase and Sale Agreement with Joint Escrow Instructions ("**Fourth Amendment**"), which is dated for reference as indicated on the cover page, is hereby entered into by and between the CITY OF HEMET, a California general law city ("**Seller**"), and STETSON CROSSING PARTNERS, LLC, a California limited liability company ("**Purchaser**"), as follows:

RECITALS

- A. Seller and Purchaser entered into that Amended and Restated Purchase and Sale Agreement with Joint Escrow Instructions on April 9, 2011 ("**Purchase Agreement**") providing the terms and conditions under which Seller would sell and Purchaser would purchase that certain real property described in the Agreement as the "**Real Property**".
- B. Since entry into the Purchase Agreement, Seller and Buyer have mutually agreed to amend the Purchase Agreement three times by means of the First, Second and Third Amendments ("**Prior Amendments**") to revise the terms and extend the Close of Escrow to adapt to changing market conditions.
- C. By means of this Fourth Amendment, the Parties desire to extend the Term of Escrow to September 28, 2012, provided, however, that Purchaser is able to provide suitable proof of financial ability to complete certain onsite improvements by a specific date, as provided below.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the promises made and recited herein, the parties do hereby enter into this Fourth Amendment which modifies and amends the Purchase Agreement and Prior Amendments as follows:

- 1. **AMENDMENTS.** The Purchase Agreement, inclusive of the Prior Amendments, is hereby amended as follows:

- 1.1 **Term of Escrow.** Section 3.2 of the Purchase Agreement is hereby amended to read:

- "**Term of Escrow.** Close of Escrow shall occur no later than September 28, 2012, unless this Agreement is amended by mutual agreement of the Parties, as provided in Section 19 [Entire Agreement] herein."

- 1.2 **Proof of Financial Ability.** Subsection 5.2.3.1 ("Purchaser's Construction Loan Document") of the Purchase Agreement is hereby amended to read:

- "**Purchaser's Proof of Financial Ability.** Purchaser must, by August 24, 2012 (the "**Financing Date**"), provide Seller with the documents provided in subsection (a) and/or subsection (b):

(a) *Construction Loan Documents.* Copies of all loan documents, and such other agreements, financial records, statements, reports and similar documents as Seller may reasonably require: (i) to evidence that a lender, acceptable to Seller as provided below, has entered into a legally binding and enforceable agreement to provide the Construction Loan to Purchaser, and that the loan documents (collectively the "Loan Documents") require the proceeds of the Construction Loan to be available for Purchaser's draw as of the Close of Escrow; and (ii) to evidence that Purchaser has the ability to timely make all payments due and otherwise perform all obligations required under the Loan Documents (collectively, the "Performance Documents"). Seller shall review the Loan Documents and the Performance Documents promptly upon receipt and, not more than fifteen (15) days following receipt of the Loan Documents and the Performance Documents, shall deliver to the Purchaser written notice that the Loan Documents and Performance Documents either (x) are approved as reasonably acceptable to Seller or (y) are rejected as not reasonably acceptable to Seller, in which case such notice shall specify with reasonable detail the terms or provisions that are not reasonably acceptable and what provisions would be reasonably acceptable to Seller. If the Seller does not provide timely notice to Purchaser following receipt of the Loan Documents and the Performance Documents, then Seller shall be deemed to have approved such documents as reasonably acceptable to Seller. If the Seller timely rejects the Loan Documents or Performance Documents, Purchaser shall have until fifteen (15) days following receipt of Seller's notice to respond to and cure any reasonable objections of Seller to the Loan Documents and/or the Performance Documents. If the Purchaser does not timely cure the reasonable objections of Seller, to Seller's reasonable satisfaction, then Seller may immediately terminate the Purchase Agreement and cancel the escrow. If Seller has or is deemed to have approved the Loan Documents and Performance Documents, then Seller shall execute a subordination agreement or otherwise subordinate the Carryback Note and Carryback Deed of Trust to the Construction Loan and related deed of trust in conformance with such customary terms reasonably required by the lender. The lender providing the Construction Loan may either be a commercial lending institution, in good standing, with assets in excess of \$100 Million as of the Financing Date ("Commercial Lender") or a financing company, investment group, affiliate member of Purchaser, or similar enterprise (collectively "Other Lender"). For purposes of this section, a lender is reasonably acceptable to Seller if the lender is a Commercial Lender or where the lender is an Other Lender, if Purchaser provides to Seller by the Financing Date sufficient financial records, bank statements, or similar information demonstrating to Seller's reasonable satisfaction that the Other Lender is capable of making and funding the Construction Loan.

(b) *Equity Partner or other Financial Resources.* Copies of: (i) the agreement or other documents, executed by the authorized representatives of the parties, evidencing that Purchaser has secured a legally binding commitment for additional equity necessary (in combination with or in addition to proceeds from the Construction Loan), to timely fund the Purchaser's on-site improvement construction obligations under the Development Agreement; and (ii) bank statements in the name of Developer or the equity provider showing the equity funds on deposit, or a bank's letter of confirmation of the existence and accessibility of such funds.

(c) The parties acknowledge that the Purchaser shall demonstrate the ability, to the reasonable satisfaction of Seller, to fund the Purchaser's on-site improvement construction obligations under the Development Agreement by any combination of equity and loans. Proceeds from the sale or lease of all or a portion of the Real Property shall be considered a reasonably acceptable means of satisfying loan repayment obligations so long as the Purchaser has a legally binding commitment to purchase and/or lease such Real Estate.

1.3 Mutual Conditions to Close of Escrow. Subsection 6.1.5 of Section 6.1 ("Mutual Conditions to Close of Escrow") of the Purchase Agreement is hereby amended to read as follows:

"6.1.5 Purchaser having successfully negotiated with a qualifying National Retailer, or a regional movie theatre operator committed to develop and operate a premium movie theatre, playing first run movies, with ancillary uses (which may include an upscale bowling alley), for either the purchase or long term ground lease of, and development of, the Primary Retailer Parcel and such transaction being ready to close simultaneously with the Close of Escrow; and

1.4 Conditions to Seller's Obligation. New subsections 6.3.4 and 6.3.5 are hereby added to Section 6.3 ("Conditions to Seller's Obligation) of the Purchase Agreement as follows:

"6.3.4 Purchaser having timely provided to Seller all of the documents required under subsection 5.2.3.1."

"6.3.5 Purchaser having commenced construction of the Flood Channel Improvements by April 1, 2012, or as soon thereafter as permitted by the governmental agencies having jurisdiction over such construction of the Flood Channel, and substantial completion of the Flood Channel Improvements by June 30, 2012, provided that such completion date may be extended by the number of days by which commencement is delayed post April 1, 2012, if at no fault of Purchaser, by a governmental agency having jurisdiction over the construction or the Channel."

1.5 Timing of Close. Section 7.4 ("Timing of Close") of the Purchase Agreement is hereby amended to read as follows:

Timing of Close. Purchaser shall provide not less than five (5) business days advance written notice of the date for the Close of Escrow, provided that such notice must be provided no later than September 21, 2012, for a September 28, 2012 closing."

2. OMNIBUS AMENDMENT

2.1 Movie Theatre Operator. The Parties agree such other sections of the Purchase Agreement that are not expressly referenced in this Fourth Amendment shall be deemed amended to the extent necessary to implement the intent of subdivision 6.1.5 as amended by this Fourth Amendment, to allow Purchaser to develop, sell, and/or lease the Primary Retailer Parcel to a premium movie theatre operator. This amendment does not, and shall not be interpreted to, relieve Purchaser of any obligation it may have under the City's Land Use Regulations or

otherwise under California Law to obtain such permits and approvals necessary for such use, including, without limitation, amendment of the Amended and Restated Development Agreement and/or the Existing Land Use Approvals (as defined in the Development Agreement) and/or to obtain any Subsequent Approvals as defined in the Purchase Agreement.

3. GENERAL PROVISIONS.

3.1 **Remainder Unchanged.** Except as specifically modified and amended in this Fourth Amendment, the Purchase Agreement remains in full force and effect and binding upon the parties. For avoidance of doubt, the parties intend that the definition of "Construction Loan" is hereby modified to include a loan extended by an Other Lender, as provided herein.

3.2 **Integration.** This Fourth Amendment consists of pages 1 through 6 inclusive, which constitute the entire understanding and agreement of the parties and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the transaction discussed in this Fourth Amendment.

3.3 **Effective Date.** This Fourth Amendment shall not become effective until the date it has been formally approved by the City Council and executed by the appropriate authorities of the Seller and Purchaser.

3.4 **Applicable Law.** The laws of the State of California shall govern the interpretation and enforcement of this Fourth Amendment.

3.5 **References.** All references to the Purchase Agreement include all their respective terms and provisions. All defined terms utilized in this Fourth Amendment have the same meaning as provided in the Purchase Agreement, unless expressly stated to the contrary in this Fourth Amendment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment to the Purchase Agreement on the date and year first written above.

CITY:

CITY OF HEMET

By: _____
Brian Nakamura, City Manager

ATTEST:

Sarah McComas, City Clerk

APPROVED AS TO FORM

Eric S. Vail, City Attorney

STETSON CROSSING PARTNERS, LLC.

By: _____

By: _____

Its: _____

Its: _____

NOTE: PURCHASER'S SIGNATURES SHALL BE DULY NOTARIZED, AND APPROPRIATE ATTESTATIONS SHALL BE INCLUDED AS MAY BE REQUIRED BY THE BYLAWS, ARTICLES OF INCORPORATION, OR OTHER RULES OR REGULATIONS APPLICABLE TO PURCHASER'S BUSINESS ENTITY.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

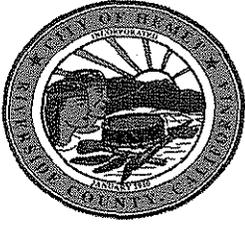
(SIGNATURE OF NOTARY)

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form

CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT
<input type="checkbox"/> INDIVIDUAL	_____
<input type="checkbox"/> CORPORATE OFFICER	TITLE OR TYPE OF DOCUMENT
_____	_____
TITLE(S)	NUMBER OF PAGES
<input type="checkbox"/> PARTNER(S) <input type="checkbox"/> LIMITED	_____
<input type="checkbox"/> GENERAL	DATE OF DOCUMENT
<input type="checkbox"/> ATTORNEY-IN-FACT	_____
<input type="checkbox"/> TRUSTEE(S)	SIGNER(S) OTHER THAN NAMED ABOVE
<input type="checkbox"/> GUARDIAN/CONSERVATOR	_____
<input type="checkbox"/> OTHER _____	_____
_____	_____
_____	_____

SIGNER IS REPRESENTING:
(NAME OF PERSON(S) OR ENTITY(IES))



Staff Report

TO: Honorable Mayor and City Council

FROM: John Jansons, Director of Community Investment *JJ*

DATE: February 14, 2012

RE: Special Event Funding Policy

RECOMMENDATION:

It is respectfully recommended that the City Council approve the proposed guidelines and policy for City support of special events in Hemet.

BACKGROUND:

The City of Hemet has a long tradition of producing and funding special events that provide community benefit to residents and businesses.

In recent years, the City has directly produced events that include:

- Fourth of July Parade
- Veteran's Days Celebration
- Christmas Parade
- Hemet Beautification Day
- Centennial Celebration
- Mayor's State of the City Address.

Likewise in recent years, the City has provided sponsorships, funding or services to events produced by others that include:

- Bands of America - Hemet Unified School District
- Community Livability Awareness - San Jacinto Valley Green Coalition
- Hemet Farmers Market / Wednesday Street Fair - Patricia Yepremian
- Hemet's Got Talent & Hometown Christmas -The Valley View Group
- Hemet Harvest Festival - Hemet-San Jacinto Chamber of Commerce
- Hemet Ryan Air Show - Riverside County EDA
- Ramona Pageant - Ramona Bowl Foundation
- Tinsel Triathlon - Central Valley United Way

In years past, the events described above have been funded by both the City's General Fund and by the City's Redevelopment Agency. The Redevelopment Agency typically

funded events where there was a clear benefit to the City's businesses, downtown revitalization effort, economic development program, community promotion and tourism.

Special event support has been provided by the City primarily in two ways. Hemet has provided financial support to events by providing the sponsoring organizations with monetary support. Hemet has also provided in-kind support to events by providing the sponsoring organizations with equipment, facilities, and labor.

Financial support has typically been in exchange for sponsorship recognition and credit as "sponsor" of the event in the organization's marketing, program and outreach materials. The level of financial sponsorships has ranged from \$250 to \$25,000 in years past.

In-kind support has typically included:

- Planning, permit and approval assistance
- Traffic control
- Electrical provision and support
- Street closures
- Security
- City equipment
- City Personnel man-hours
- Provision of City facilities including:
 - Parks
 - Downtown parking
 - Right of ways
 - Portable and fixed restrooms.

DISCUSSION:

Special events foster community pride, provide family-friendly activities, and create economic development benefits that contribute to quality of life for the residents and businesses of Hemet, which the City of Hemet has enthusiastically supported.

Unfortunately, over the past few years funding for special events has been limited due to the poor economy and declining City revenues. The Economic Development Program of the Redevelopment Agency has provided funding for the majority of event sponsorships. Now, with the recent elimination of Redevelopment and its tax increment funding stream, the City must prioritize how it wishes to use General Fund resources to support special events, and identify those events it believes provide the most community benefit to the residents and businesses of Hemet.

To do so, staff proposes adoption of a Special Event Funding Approval Process, which is a funding request and approval process that allows Council to identify those event funding requests that it deems to have the greatest community benefit, and allocate City resources accordingly.

Attachment 1 is a draft of an "Event Funding Request" packet that can be used to identify all of the community events that would like to receive City support, and then allow Council to prioritize the City's limited resources and determine how much financial support Council wishes to provide each of those events throughout the year. The materials are in draft form and will be finalized along with an application form following Council discussion and direction.

COORDINATION AND REVIEW:

The recommended action and the proposed Funding Application and Selection Package were prepared collaboratively by the City Manager's Office, Community Investment Department, and Finance Department and with input from the City Attorney.

STRATEGIC PLAN AND COUNCIL GOALS INTEGRATION:

The recommended action supports the City's goals of fostering and maintaining a high quality of life for its residents and promoting economic activity to benefit the local business community and Hemet residents.

FISCAL IMPACT:

There is no fiscal impact associated with approving the recommended action. Fiscal impact will occur if/when funding is granted to a specific event or for a series of events in Fiscal Year 2012-2013 and beyond.

CONCLUSION:

It is respectfully recommended that the City Council approve the proposed guidelines and policy for the funding and support of special events in Hemet.

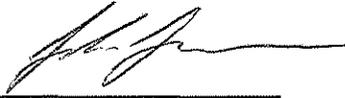
Attachment: Special Event Funding Application and Selection Package

Approved By:



Brian S. Nakamura
City Manager

Recommended By:



John Jansons
Community Investment Director

Attachment No. 1

Proposed Special Event Funding Policy and Procedures

City Council

February 14, 2012

DRAFT

City of Hemet Event Funding Request

The City of Hemet is accepting requests for financial assistance to help fund community events that provide enjoyment and benefit to the citizens and businesses of Hemet. Organizations may request City sponsorship funds each year during the City's annual application period, for events that will take place during the following fiscal year (July 1 to June 30). The City Council will evaluate all applications received; evaluation is based on the award criteria detailed herein this application packet; and City Council may then choose to award financial assistance to one or more event funding requests.

Application Deadline: Complete application packets, including all requested information and signatures, must be received by the City of Hemet: Department of Community Investment no later than March 30. Applicant is responsible to ensure that application is complete. Incomplete or late applications may not be considered.

- For an event occurring between the following dates: July 1, 2012 - June 30, 2013
Application Deadline: TBD (per FY 12/13 Budget Cycle)

Eligibility: Organizations that produce a community event in the City of Hemet.

- The Community event must be held within the Hemet city limits.
- Event must take place during the fiscal year directly following the application deadline. (applications for future years' events will not be considered until the review cycle for that particular year)
- Sporting events are not eligible for funding under this process.

Award Limitations: Funding may be granted up to \$5,000 per event; however, the amount of any award will be dependent upon, and may be limited by, funding available at the time an application is evaluated, the number of events that are awarded funding, and/or the City Council's evaluation of the merits of an application.

Application Review Process: City staff will compile all applications received and will forward them to City Council for review during a regularly scheduled City Council meeting. All applicants will be given an opportunity to speak to City Council about their application during the City Council meeting. The City Council will then decide whether to provide financial assistance to one or more proposed community events. All applicants will be notified of City Council's decision.

Application Review Criteria: Proposals submitted will be evaluated based on the following criteria:

CRITERIA	MAXIMUM POINTS POSSIBLE
What services/benefits/products will the City of Hemet receive in return for sponsoring the event (i.e., Advertising, Services to Hemet citizens, etc.).	20
Will the event generate local hotel/motel stays?	20
How long has this event been in existence?	10 pts for first year event 5 pts for established event
Is Financial Statement clear and understandable? (other event sponsors, event revenues, event expenditures, donations being made, recipients of profits, etc.)	20
Has the applicant demonstrated that they are going to meet all federal, state, and local regulations, and obtain any required permits (i.e., ADA, vendor permits, health permits, street closures, security, clean up, etc.).	20
Location of event.	10 pts for downtown core 5 pts for outside downtown core

Application Submittal: Please complete the attached application form (must be signed original) and submit prior to the application deadline to:

City of Hemet
Attn: Community Investment Dept.
445 E. Florida Avenue
Hemet, CA 92543

Include Attachments:

1. Application Form
2. Event Description – Statement of Purpose
3. Sponsoring Organization's Background, History, Executives-Board of Directors etc. and history of proposed event (if any)
4. Financial Statement for Event : Including, other event sponsors, event budget (revenues, expenditures, other donations being made, recipients of profits, etc.)
5. Statement of other requirements (City permits, health dept. permits, contracts etc.)

*Staff Report*

TO: Honorable Mayor and City Council

FROM: John Jansons, Director of Community Investment

DATE: February 14, 2012

RE: City Council Confirmation of Mayoral Appointment of Members to the
Redevelopment Agency Dissolution Oversight Board

RECOMMENDATION:

Staff recommends that the City Council, by motion, approve and adopt Resolution No. 12-011 confirming the Mayor's appointment of members to the Oversight Board.

BACKGROUND:

On June 28, 2011, as part of the 2011-2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, dissolving the Hemet Redevelopment Agency ("Agency"), unless the City of Hemet ("City") elected to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to the County of Riverside.

On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement of AB 26 and AB 27, pending the Supreme Court's determination of the legality of AB 26 and AB 27.

On August 11, 2011, the Supreme Court issued an order in the Legal Action granting a partial stay of AB 26, exclusive of Health and Safety Code Sections 34161 through 34167 (suspending new redevelopment activity), and a complete stay of AB 27, such that the City and the Agency could not pursue new redevelopment activity under the Alternative Voluntary Redevelopment Program (collectively, "Stay").

On August 17, 2011, the Supreme Court modified the Stay to no longer affect Health and Safety Code Sections 34167.5 through 34169.5, in addition to California Health and

Safety Code Sections 34161 through 34167, or California Health and Safety Code Sections 34194(b)(2), but all new redevelopment activity was still prohibited.

On December 29, 2011, the Supreme Court issued its opinion in the Legal Action, upholding AB 26, invalidating AB 27, extending certain statutory deadlines under Health and Safety Code Sections 34170 through 34191, and dissolving all redevelopment agencies throughout the State, effective February 1, 2012.

DISCUSSION:

A) City Resolution Confirming Mayor's Appointment of Members to the Oversight Board

AB 26 provides that successor agencies are to be designated as the successor entities to the former redevelopment agencies, vested with all authority, rights, powers, duties, and obligations previously vested with the former redevelopment agencies under the Community Redevelopment Law (Health & Saf. Code, § 33000 et seq.), with certain exceptions, and responsible for the wind down of the agencies' affairs upon the agencies' dissolution.

The City elected to be the Agency's successor agency by Resolution No. 4474, on January 10, 2012. The activities of the City, as successor agency, will be overseen by an oversight board, until such time as the debts of the Agency are paid off, all Agency assets liquidated and all property taxes are redirected to local taxing agencies. Health and Safety Code section 34179, enacted by AB 26, provides that the oversight board is composed of seven members, to be selected as follows:

1. One member appointed by the Riverside County Board of Supervisors.
2. One member appointed by the Mayor of the City, because the City formed the Agency.
3. One member appointed by the largest special district, by property tax share, with territory in the territorial jurisdiction of the Agency, which is the type of special district eligible to receive property tax revenues pursuant to Health and Safety Code section 34188. If there are no such special districts within the territorial jurisdiction of the Agency, then Riverside County may appoint an additional member to represent the public.
4. One member appointed by the Riverside County Superintendent of Education to represent schools if the Superintendent is elected. If the Superintendent is appointed, then the appointment shall be made by the Riverside County Board of Education.
5. One member appointed by the Chancellor of the California Community Colleges to represent community college districts in Riverside County.

6. One member of the public appointed by the Riverside County Board of Supervisors.

7. One member representing the employees of the Agency appointed by the Mayor from the recognized employee organization representing the largest number of former redevelopment agency employees employed by the successor agency at that time.

B) Appointments

Based on Health and Safety Code section 34179, the Mayor is responsible for appointing two members to the City's oversight board, and has selected the following:

- (1) Brian S. Nakamura, as the member appointed by the Mayor; and
- (2) John Jansons, as the member representing former Agency employees.

ALTERNATIVES:

1) Approve the City Council Resolution No. 12-011 confirming the Mayor's appointment of members to the oversight board and direct staff to take appropriate actions, including but not limited to notifying the County Auditor-Controller, the State Controller, and the State Department of Finance.

2) Do not approve the City Council Resolution No.12-011, and provide staff direction as appropriate.

FISCAL IMPACT:

No City funds are involved with the confirmation of the Mayor's appointment of members to the oversight board.

COORDINATION AND REVIEW:

The recommended action has been coordinated with the City Manager's Office, Community Investment Department, and with input from the City Attorney.

STRATEGIC PLAN AND COUNCIL GOALS INTEGRATION:

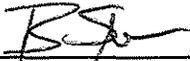
The recommended action supports the City's goals of fostering and maintaining a high quality of life for its residents and promoting economic activity to benefit the local business community and Hemet residents.

CONCLUSION:

It is respectfully recommended that the City Council, by motion, approve and adopt Resolution No. 12-011 confirming the Mayor's appointment of members to the Oversight Board.

ATTACHMENTS: 1 - City Council Resolution No. 12-011 confirming the Mayor's appointment of members to the oversight board.

Approved By:



Brian S. Nakamura
City Manager

Recommended By:



John Jansons
Community Investment Director

Attachment No. 1

**City Council Resolution No. 12-011
Mayor's Appointments to Successor Agency of Hemet
Redevelopment Agency**

City Council

February 14, 2012



1
2
3
4 CITY COUNCIL OF THE CITY OF HEMET
5 Hemet, California
6 RESOLUTION BILL NO. 12-011
7

8
9 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
10 HEMET, CALIFORNIA, CONFIRMING THE MAYOR'S
11 APPOINTMENT OF MEMBERS TO THE OVERSIGHT
12 BOARD
13

14 **WHEREAS**, the City Council of the City of Hemet ("City") approved and
15 adopted the Redevelopment Plans for the Downtown, Weston Park, Farmers Fair,
16 Combined Commercial and Hemet Redevelopment Projects covering certain properties
17 within the City; and
18

19 **WHEREAS**, the Hemet Redevelopment Agency ("Agency") has been
20 engaged in activities to execute and implement the Redevelopment Plans pursuant to
21 the provisions of the California Community Redevelopment Law (Health and Safety
22 Code § 33000, et seq.) ("CRL"); and
23

24 **WHEREAS**, as part of the 2011-12 State budget bill, the California
25 Legislature enacted, and the Governor signed, companion bills AB 1X 26 and AB 1X 27,
26 requiring that each redevelopment agency be dissolved unless the community that
27 created it enacts an ordinance committing it to making certain payments; and
28

29 **WHEREAS**, on July 18, 2011, a Petition for Writ of Mandate was filed in the
30 Supreme Court of the State of California in the matter of *California Redevelopment*
31 *Association, et al. v. Ana Matosantos, et al.*, Case No. S194861 ("Legal Action"),
32 challenging the constitutionality of AB 1X 26 and AB 1X 27 on behalf of cities, counties
33 and redevelopment agencies and requesting a stay of enforcement of AB 1X 26 and AB
34 1X 27, pending the Supreme Court's determination of the legality of AB 1X 26 and AB
35 1X 27; and
36

37 **WHEREAS**, on December 29, 2011, the Supreme Court issued its opinion in
38 the Legal Action, upholding AB 1X 26, invalidating AB 1X 27, extending certain statutory
39 deadlines under Health and Safety Code Sections 34170 through 34191, and dissolving
40 all redevelopment agencies throughout the State, effective February 1, 2012; and
41

42 **WHEREAS**, AB 1X 26 provides that successor agencies be designated as
43 successor entities to the former redevelopment agencies, and provides that, with certain
44 exceptions, all authority, rights, powers, duties and obligations previously vested with
45 the former redevelopment agencies, under the CRL, are vested in the successor
46 agencies; and
47

1 **WHEREAS**, on January 10, 2012, the City Council adopted Resolution No. 4474
2 electing to serve as the successor agency to the former Agency; and
3

4 **WHEREAS**, AB 1X 26 further provides that the successor agency's activities
5 are subject to review and approval by an oversight board ("Oversight Board"), which
6 shall be created for each dissolved redevelopment agency; and
7

8 **WHEREAS**, the Oversight Board is to be comprised of seven political
9 appointees from affected local taxing entities and the community that established the
10 redevelopment agency, including one member to be appointed by the Mayor for the city
11 that formed the redevelopment agency, and one member to be appointed by the Mayor
12 representing the employees of the former redevelopment agency; and
13

14 **WHEREAS**, at its meeting of February 14, 2012, the Mayor of the City of Hemet
15 announced the appointment of Brian Nakamura to serve as the Mayor's representative
16 to the Oversight Board, and John Jansons to serve as the representative for the
17 employees of the former Agency; and
18

19 **WHEREAS**, the Council desires to confirm the Mayor's appointments to the
20 Oversight Board; and
21

22 **WHEREAS**, all other legal prerequisites to the adoption of this Resolution
23 have occurred.
24

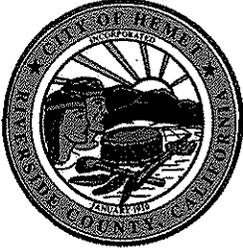
25 **NOW, THEREFORE, BE IT RESOLVED**, ordered, and determined by the
26 City Council of the City of Hemet:
27

28 **SECTION 1. Recitals.** The Recitals set forth above are true and correct and
29 incorporated herein by reference.
30

31 **SECTION 2. Confirmation of Mayoral Appointments.** The City Council
32 hereby confirms the Mayor's appointment of Brian Nakamura to serve as the
33 Mayor's representative to the Oversight Board, and John Jansons to serve as the
34 representative for the employees of the former Agency.
35

36 **SECTION 3. Implementation.** The City Council hereby authorizes and directs
37 the City Manager to take any action and execute any documents necessary to
38 carry out the purposes of this Resolution, including but not limited to,
39

40 **SECTION 4. Severability.** If any provision of this Resolution or the
41 application thereof to any person or circumstance is held invalid, such invalidity
42 shall not affect other provisions or applications of this Resolution which can be
43 given effect without the invalid provision or application, and to this end the
44 provisions of this Resolution are severable. The City Council hereby declares
45 that it would have adopted this Resolution irrespective of the invalidity of any
46 particular portion thereof.
47



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: David M. Brown, Chief of Police
 Brian S. Nakamura, City Manager *BSN*

DATE: February 14, 2012

RE: Purchase of Public Safety Data Management Software System

RECOMMENDATION:

It is respectfully recommended that the City Council approve the purchase and implementation of the SpeedTrack data management system.

BACKGROUND:

In June 2011, the Hemet City Council approved the grant funded purchase and implementation of the West Covina Service Group (WCSG) public safety computer aided dispatch and records management system. That system is on-track to "go-live" in March, 2012.

In an effort to more effectively analyze, manage and allocate public safety resources, police and fire command staff have identified a deficiency in the availability of management-level data and information needed for performance monitoring and resource allocation. Although the WCSG system provides excellent data resources to front-line public safety personnel, there are limitations in terms of the quality and breadth of timely management information provided by the system.

DISCUSSION / ANALYSIS:

Public safety agencies have traditionally measured effectiveness by measuring and assessing basic police activities such as number of arrests, calls, citations, crimes, etc. Therefore, most "crime analysis" software provides just that; summaries of police activities, calls for service and crimes. The West Covina Service Group CAD/RMS system will provide excellent summaries of activity. Therefore, we do not have a need to purchase traditional crime analysis software.

In the "new economy" where policing resources are significantly reduced, there is a pressing need to measure the results and effects of police activity, not just the activity itself. SpeedTrack has developed patented software designed to drill down into all

department activities and examine variables and influences overlooked by traditional CAD/RMS and Crime Analysis systems. This software will significantly enhance our ability to identify the underlying factors that contribute to crime and disorder, and to better assess our programs and deployment strategies. This will provide police and fire management teams with timely and meaningful data to better assess our effectiveness and resource deployment.

Another significant benefit of using SpeedTrack is their association with the West Covina Service Group. SpeedTrack is currently working with WCSG to design and build an interface in order to offer this technology to the other member-agencies. Hemet will benefit by this relationship because the cost of the interface is partially absorbed by SpeedTrack. The WCSG is not working with any other data-analysis provider.

COORDINATION AND REVIEW:

Police and Fire management teams have met with the City of Hemet Information Technology department and the WCSG Implementation team to discuss the integration of SpeedTrack into their existing platform. All parties agree that the implementation will be effective and successful.

Staff worked closely with the city attorney, finance department and information technology during this project. The software license agreement and order documents are a result of that collaborative effort.

INTEGRATION OF CITY COUNCIL GOALS AND GENERAL PLAN:

The relevant and timely data provided via SpeedTrack will enhance our ability to more effectively deliver public safety services. Specifically to 1) reduce disorder and address blight; 2) reduce crime, and; 3) improve police and fire response times.

FISCAL IMPACT:

The initial purchase and first year of software license fees will be funded by the 2010 CA Citizens Option for Public Safety (COPS) grant fund balance and the Hemet Police Asset Forfeiture Fund balance.

There is no impact to the general fund in the current or next fiscal year. However, the department may recommend a general fund operations increase in FY 13/14 to fund the on-going annual software license fee of a maximum of \$25,000/year.

Respectfully Submitted,



David M. Brown
Chief of Police

Legal Review,



Eric S. Vail, Esq.
City Attorney

Fiscal Review,



Rita Conrad
Director of Finance

SOFTWARE LICENSE AGREEMENT WITH SPEEDTRACK, INC.

This Software License Agreement (the "Agreement") is made as of February 14, 2012 by and between SpeedTrack, Inc., a California corporation, with its corporate mailing address 18340 Yorba Linda Blvd., Yorba Linda, California, 92886, USA ("SpeedTrack") and the City of Hemet, CA ("City"), a municipal corporation hereafter referred to as "Licensee".

1. Definitions. The following terms shall have the meanings assigned to them as reflected below.

"Affiliate" means an entity controlled by, controlling, or under common control with Licensee where control means the ownership or control, directly or indirectly, of more than fifty percent (50%) of all of the voting power of the shares (or other securities or rights) entitled to vote for the election of directors or other governing authority, as of the date of this Agreement or hereafter during the term of this Agreement.

"Documentation" means the user manuals and other documentation pertaining to the Software that SpeedTrack delivers to Licensee.

"Order Document" means the document describing the software and /or the services ordered by Licensee to be provided by SpeedTrack, as set forth in Attachment A attached hereto.

"Software" means (i) the machine-readable object code version of the SpeedTrack software specified in the applicable Order Document, including all corrections, enhancements, and upgrades thereto that SpeedTrack provides to Licensee pursuant to Section below, (ii) the Documentation, and (iii) all copies of the foregoing.

"Specifications" means the specifications for the Software, as set forth in Attachment A attached hereto.

2. License. Subject to all of the terms and conditions of this Agreement (including, without limitation, Licensee's payment of the annual license fee specified in the Order Document), SpeedTrack hereby grants to Licensee, and Licensee hereby accepts from SpeedTrack, a non-exclusive, non-transferable license to (i) install, execute, access, run and use the Software solely for Licensee's own internal business operations as related to the searching, analysis and reporting of data contained in Licensee's databases specified in the Order Document; (ii) install the Software on a secondary server that can be used at any time if the primary server is not operational or is otherwise experiencing problems; (iii) make a reasonable number of other copies of the Software solely for non-productive archival purposes, so long as not more than one copy of the Software is in use at the same time; and (iv) make copies of the Documentation as reasonably necessary to support use of the Software by Licensee's

authorized employees. Licensee shall not remove, alter, obscure or fail to reproduce any copyright or other proprietary rights notices or legends contained in or on the Software or Documentation or physical media thereof. Licensee acknowledges and agrees that, except as otherwise agreed to by the parties in writing, it has no right to receive, use or examine any source code or design documentation of any portion of the Software. As between the parties, SpeedTrack retains all right, title and interest in and to the Software, including all applicable intellectual property and proprietary rights existing anywhere in the world, except as expressly and unambiguously licensed herein, and SpeedTrack reserves all rights in the Software not granted to Licensee hereunder.

3. Affiliate Use. Except as otherwise agreed to by the parties in writing, the license granted to Licensee under this Agreement does not include any Licensee parent, subsidiary or affiliated entity. Licensee may include one or more of its Affiliates under this Agreement by entering into an additional Order Document specifying the terms of SpeedTrack's license of the Software to such Affiliate(s) as mutually agreed upon by the parties. Upon execution of such Order Document by both parties, such Affiliate(s) shall be included within the license granted hereunder, provided that Licensee shall ensure compliance by such Affiliate(s) with the terms of Sections 2, 4, 10, 15 and 17 and Licensee shall be liable to SpeedTrack for any violation by such Affiliate(s) of such terms and conditions as if such violation had been committed by Licensee.

4. Restrictions. Except as permitted under Section 2 and this Section 4, Licensee shall not (and shall not permit others to): (i) reverse engineer, decompile, disassemble or otherwise attempt to discover or reconstruct the source code (or underlying ideas, sequence, structure organization or algorithms) of any portion of the Software, or attempt to do so, except to the limited extent the foregoing is expressly permitted by applicable law, in which case Licensee must first notify SpeedTrack in writing and request interoperability information regarding the Software, (ii) modify, adapt, translate or create or prepare derivative works of the Software or include the Software in any other products or software, (iii) file any patent application claiming an improvement of any of the concepts, inventions, processes, methods or functionality contained or embodied in the Software, (iv) provide, rent, resell, lease or loan the Software to any other person or entity or provide any information services to any other person or entity through the use of the Software, whether in the form of a timesharing service, service bureau or other information processing service, as a managed service provider, an application service provider or in performing any consulting or training services, (v) disseminate performance information or analysis relating to the Software (except for use conducting city business if required by law or lawful court order), or (vi) use the Software in hazardous environments requiring fail-safe performance in which the failure of the Software could lead to death, personal injury or environmental damage. Licensee shall not use a third party to manage Licensee's computer network environment in which the Software is installed without SpeedTrack's prior written consent, which will not be unreasonably withheld. For clarity, the foregoing does not apply to any computer repair technicians used to repair the computer network environment. SpeedTrack acknowledges and agrees that Licensee shall use the

Software, in addition to other uses, to create reports containing Licensee's data in connection with service to Licensee's customers. To the extent that that any of Licensee's customers need to use the Software in order to access, download, read, or work with any of the reports created by Licensee containing such performance data, SpeedTrack hereby grants to such customers of Licensee, at no charge to either Licensee or Licensee's customers, a limited license to use the Software during the term of this Agreement to the extent necessary to so access, download, read, or work with the reports.

5. Professional Services. SpeedTrack shall diligently perform all the services described in the Scope of Services attached hereto as Attachment A (the "Professional Services"). Time is of the essence in the performance of the Professional Services under this Agreement and SpeedTrack shall perform the Professional Services in accordance with the schedule included in Attachment A. The failure by SpeedTrack to strictly adhere to the schedule may result in termination of this Agreement by Licensee. The Software and the Professional Services shall be subject to acceptance testing by Licensee to determine if the Software and Professional Services meet the requirements of Licensee and shall not be deemed accepted until Licensee provides written notice of such acceptance to SpeedTrack. In the event Licensee rejects the Software and Professional Services, then, upon written notice thereof, SpeedTrack shall refund to Licensee any fees previously paid for the Software and Professional Services and this Agreement shall terminate.

6. Assignment. Neither party may assign or transfer any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld, and any purported assignment, transfer or delegation without such other party's consent shall be null and void and deemed a material breach of this Agreement.

7. Payment. SpeedTrack shall invoice Licensee in accordance with the Order Document. Licensee shall pay all invoiced amounts in full within thirty (30) days from the date of SpeedTrack's invoice. In the event that Licensee fails to pay any undisputed amount when due, and such failure continues for thirty (30) days after receipt of written notice from SpeedTrack specifying such failure, SpeedTrack may charge a late fee equal to 1% of the invoice amount per month, or if less, the maximum rate permitted by law, such late fee to commence thirty (30) days after Licensee's receipt of notice.

8. Taxes. No taxes shall be paid by Licensee under this Agreement in connection with the Software or services. If taxes are deemed to be owed then Licensee shall be responsible for said payment.

9. Termination. This Agreement is effective on the date of execution by SpeedTrack and shall continue in effect for a period one (1) year and shall automatically renew for successive one (1) year terms, unless and until terminated in accordance with this Section 9. This Agreement may be terminated (i) by mutual agreement of SpeedTrack

and Licensee, (ii) by Licensee, upon thirty (30) days prior written notice to SpeedTrack, or (iii) by SpeedTrack, if Licensee or any of its Affiliates breaches any material provision of this Agreement and fails to cure such breach within thirty (30) days following receipt of SpeedTrack's notice thereof describing the breach, (iv) in the event Licensee rejects the Software and/or Professional Services as provided in Section 5 of this Agreement, or (v) in the event of SpeedTrack's inability to cure a breach of its Warranty as provided in Section 12 of this Agreement. Upon any termination of this Agreement, Licensee shall immediately cease all use of the Software and certify in writing to SpeedTrack within thirty (30) days after termination that Licensee has destroyed or returned to SpeedTrack such Software and all copies thereof. If termination pursuant to either of the foregoing clauses (i), (ii), or (iv) occurs, SpeedTrack shall refund to Licensee prorata, as of the date of termination, that portion of the license fee paid in advance. Termination of this Agreement shall not limit either party from pursuing any remedies available to it, including injunctive relief, or relieve Licensee of its obligation to pay all amounts that have accrued or have become payable by Licensee hereunder. The provisions of Sections 1, 2 (subject to this Section 9), 4, 8, 9, 10, 12, 13, 14, 15, 16, 18 and 21 will survive any termination of this Agreement.

10. Export Prohibition. Licensee: (i) shall use the Software only in the United States of America, (ii) shall not export the Software outside of the United States in any manner whatsoever, or permit any person or entity to gain access to the Software in violation of applicable US laws or regulations, and (iii) shall comply with all applicable US laws and regulations.

11. Maintenance, Service and Support. Subject to Licensee's payment of the annual license fees specified in the Order Document for the Software, SpeedTrack shall provide the maintenance services defined in Attachment B ("Maintenance Services") to Licensee during the term of this Agreement:

SpeedTrack shall make available to Licensee without charge all new versions and releases of the Software, including Software corrections, enhancements and upgrades, if and when SpeedTrack makes them generally available to licensees of the Software as part of Maintenance Services for the Software.

SpeedTrack shall use commercially reasonable efforts to respond to communications from Licensee's Support Liaison (defined in Attachment B, attached hereto) that request SpeedTrack's consultation on the operational/technical aspects of the Software as set forth in Attachment B; provided that if agreed by the parties in writing that such consultation with respect to the operations/technical aspects requested may only be effective through on-site consultation, then such consultation shall be performed on-site at Licensee's facilities and shall be charged at SpeedTrack's hourly rate as set forth in the Service Order.

Except as agreed by the parties above, SpeedTrack shall provide Maintenance Services only via email or telephone.

SpeedTrack shall have no obligation to provide Maintenance Services for (i) altered, damaged or modified Software or any portion of the Software incorporated with or into other software, (ii) Software problems caused by Licensee's negligence, abuse or misapplication, use of software other than as specified in this Agreement or the Documentation or (iii) Software installed on any computer hardware other than the computer hardware specified by SpeedTrack at installation. Further, SpeedTrack shall have no liability for any changes in Licensee's hardware which may be necessary to use the Software due to any new release or version provided by SpeedTrack.

12. Limited Warranty. SpeedTrack warrants to Licensee that for a period of ninety (90) days from Licensee's acceptance of the Software under Section 5 above: (i) the media provided by SpeedTrack, if any, on which the Software is recorded will be free from material defects in materials and workmanship under normal use, and (ii) the operation of the Software, as provided by SpeedTrack, will substantially conform to the Specifications and to the Documentation applicable to the Software. The foregoing warranty shall not apply to any third party software not provided by SpeedTrack or if a failure of the Software to substantially conform to the Specifications or Documentation is due, in whole or in part, to (a) any accident, abuse, attempted or actual modification by anyone other than SpeedTrack, misuse, improper installation or misapplication, of the Software or (b) any malfunction of any hardware or other equipment and/or third party software not provided by SpeedTrack used in conjunction with the Software. Licensee's sole and exclusive remedy, and SpeedTrack's sole obligation, under the foregoing warranty shall be as follows: Following receipt of Licensee's written notice of a failure of the Software to conform with the foregoing warranty, to (I) replace the nonconforming Software with conforming Software, or (II) correct, or provide a workaround for, errors that are reproducible by SpeedTrack. If options (I) and (II) are not successful despite SpeedTrack's best efforts, such that SpeedTrack remains in breach of warranty, then SpeedTrack shall refund all fees paid by Licensee and terminate this Agreement and the license granted hereunder with respect to such Software.

SpeedTrack also represents and warrants to Licensee that it has, shall obtain, and shall keep in full force in effect during the term of this Agreement, at its sole cost and expense, all licenses, permits, qualifications, insurance and approvals of whatsoever nature that is legally required of SpeedTrack to operate its business. SpeedTrack shall maintain a City business license during the term of this Agreement.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF, AND SPEEDTRACK HEREBY DISCLAIMS, ALL OTHER WARRANTIES, WHETHER EXPRESS, STATUTORY OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, INTERFERENCE WITH QUIET ENJOYMENT, SATISFACTORY QUALITY, ACCURACY, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, AND FITNESS FOR A PARTICULAR PURPOSE.

13. Infringement. SpeedTrack will at its own expense defend or settle any claim, demand, suit, action, or proceeding brought against Licensee by a third party alleging (i) that Licensee's use of the Software in accordance with this Agreement infringes any

copyright, trademark, or patent or misappropriates any trade secret or (ii) any other claim or cause of action against Licensee arising out of or related to the Licensee's authorized use of the Software (a "Claim") and SpeedTrack shall pay all settlements by SpeedTrack and judgments of Claims awarded against Licensee (including reasonable attorneys' fees and costs) by order of a court of competent jurisdiction; provided that Licensee (a) gives prompt written notice of such Claim to SpeedTrack; (b) permits SpeedTrack to retain sole control of the investigation, defense or settlement of such Claim, and (c) provides SpeedTrack with such cooperation and assistance as SpeedTrack may reasonably request from time to time in connection with the investigation, defense or settlement thereof, at SpeedTrack's expense. SpeedTrack shall have no obligation with respect to any Claim to the extent such claim is based upon (I) any use of the Software other than as authorized in this Agreement, (II) a modification of the Software made by anyone other than by SpeedTrack, (III) Licensee's continued use of the Software after SpeedTrack provides written notice to Licensee that Licensee must discontinue use of the Software due to possible or actual infringement; provided that Licensee shall have thirty (30) days from receipt of such notice to discontinue use, (IV) Licensee's use of a superseded release of Software if the infringement would have been avoided by use of a current release of the Software made available to Licensee, provided that at such time as SpeedTrack delivers such release, SpeedTrack provides written notice to Licensee that use of such release is necessary to avoid infringement; or (V) the combination, operation or use of the Software with any products, processes or materials not provided by SpeedTrack. In the event SpeedTrack reasonably determines that the Software is or may be infringing, SpeedTrack may, at its option and its expense, either (i) obtain for Licensee the right to continue using the Software, (ii) replace the Software with a functionally equivalent non-infringing product, (iii) modify the Software so that it is non-infringing while providing substantially similar functionality, or (iv) accept the return of the Software and refund to Licensee the unamortized portion of the license fees paid for such Software, calculated on a straight-line basis over a five (5) -year period from the initial delivery of the Software. This Section 13 states the entire liability of SpeedTrack, and Licensee's sole and exclusive remedy, with respect to infringement of third party intellectual property rights by the Software.

14. Limitation of Liability and Damages. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, EXCEPT FOR SPEEDTRACK'S LIABILITY UNDER SECTION 15 OF THIS AGREEMENT, AND SPEEDTRACK'S LIABILITY UNDER SECTION 13 OF THIS AGREEMENT FOR CLAIMS, AS DEFINED THEREIN, ATTORNEYS FEES, AND COSTS, ALL OF WHICH SHALL NOT BE LIMITED BY THIS SECTION 14, IN NO EVENT SHALL SPEEDTRACK OR SPEEDTRACK'S SUPPLIERS BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR (I) ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OR CORRUPTION OF BUSINESS INFORMATION OR DATA AND THE LIKE), EVEN IF SPEEDTRACK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, (II) THE COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY,

SERVICES OR RIGHTS OR (III) ANY AMOUNT IN EXCESS OF THE AGGREGATE AMOUNT OF LICENSE FEES PAID TO SPEEDTRACK UNDER THIS AGREEMENT FOR THE SOFTWARE OR SERVICES GIVING RISE TO LIABILITY EXCEPT AS EXPRESSLY PROVIDED IN SECTION 12 ABOVE, IN NO EVENT WILL SPEEDTRACK BE LIABLE FOR ANY CLAIMS, DEMANDS OR ACTIONS OF ANY NATURE BROUGHT BY ANY THIRD PARTY AGAINST LICENSEE.

IN NO EVENT SHALL LICENSEE BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES WHATSOEVER (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OR CORRUPTION OF BUSINESS INFORMATION OR DATA AND THE LIKE), EVEN IF LICENSEE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

15. Confidential Information. "Confidential Information" means trade secrets, know-how and any proprietary tools, proprietary knowledge or proprietary methodologies disclosed by one party (the "Disclosing Party") to the other party (the "Receiving Party") and not generally available to the public. The Order Document, this Agreement, the Software and all source code, information relating to the functionality and performance of the Software, Software benchmark test results and Software license keys shall be deemed SpeedTrack's Confidential Information. The Receiving Party shall maintain all Confidential Information of the Disclosing Party in strict confidence and shall take all reasonable precautions necessary to safeguard the confidentiality of the Confidential Information, including the precautions the Receiving Party uses in protecting its own confidential information, but in no event shall the Receiving Party exercise less than a reasonable degree of care. The Receiving Party shall not use or disclose any of the Disclosing Party's Confidential Information, except to its employees and to the extent necessary to exercise the rights granted, and to perform its obligations, under this Agreement. The Receiving Party shall promptly notify the Disclosing Party of any known unauthorized use or disclosure of the Confidential Information and will cooperate with the Disclosing Party in any action brought by the Disclosing Party against third parties to protect its proprietary rights in the Confidential Information.

In addition to the foregoing, in providing services hereunder SpeedTrack may have access to Licensee's systems and data. SpeedTrack is granted access to such systems and data solely to facilitate the services in this Agreement, and is limited to those specific systems, data, time periods and personnel designated by SpeedTrack as separately agreed to by Licensee and SpeedTrack from time to time. Access is subject to information and data protection policies, standards and guidelines as may be provided by Licensee. Use of other systems is expressly prohibited. This prohibition applies even when a system which SpeedTrack is authorized to access serves as a gateway to other systems and assets outside the scope of SpeedTrack's

authorization. Without limiting the foregoing, SpeedTrack warrants that it has adequate security measures in place to comply with the obligations set forth in this paragraph and to insure that access granted will not impair the integrity and availability of Licensee's information assets/systems and data.

16. Injunctive Relief. Each party acknowledges and agrees that in the event of a material breach of this Agreement including, but not limited to, a breach of any of the provisions of Section 2 (License), Section 4 (Restrictions), or Section 15 (Confidential Information) of this Agreement, the non-breaching party shall be entitled to seek immediate injunctive relief, without the requirement of posting a bond or any other form of security and without limiting its other rights and remedies.

17. Not Applicable. Left Blank on Purpose

18. Conflicts of Interest. SpeedTrack or its employees may be subject to the provisions of the California Political Reform Act of 1974 (the "Act"), which (1) requires such persons to disclose any financial interest that may foreseeably be materially affected by the work performed under this Agreement, and (2) prohibits such persons from making, or participating in making, decisions that will foreseeably financially affect such interest. If subject to the Act, SpeedTrack shall conform to all requirements of the Act. Failure to do so constitutes a material breach and is grounds for immediate termination of this Agreement by Licensee. SpeedTrack shall indemnify and hold harmless Licensee for any and all claims for damages resulting from SpeedTrack's violation of this Section.

19. Equal Opportunity Employment. SpeedTrack represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age.

20. Insurance. Without limiting SpeedTrack's indemnification of Licensee, and prior to commencement of services under this Agreement, SpeedTrack shall obtain, provide and maintain at its own expense during the term of this Agreement, a policy or policies of liability insurance of the type and amounts described in Attachment C and in a form satisfactory to Licensee.

21. General.

a) This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to any conflicts of laws principles that would require the application of laws of a different state. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement. Furthermore, the parties acknowledge that terms of the Uniform Computer Information Transaction Act (UCITA) shall not apply to this Agreement, regardless of the states in which the parties do business or are incorporated. Any action seeking enforcement of this Agreement or any provision

hereof shall be brought exclusively in the state or federal courts located in the County of Orange, State of California, United States of America. Each party hereby agrees to submit to the jurisdiction and venue of such courts.

b) If any provision of this Agreement shall be held by a court of competent jurisdiction to be contrary to law, that provision will be enforced to the maximum extent permissible and the remaining provisions of this Agreement will remain in full force and effect.

c) All notices, consents or approvals required by this Agreement shall be in writing and shall be deemed given five (5) days after being sent by certified or registered air mail, postage prepaid, or when received after being sent by commercial overnight courier service with tracking capabilities and written confirmation of receipt, to the parties at the addresses set forth above or such other addresses as may be designated in writing by the respective parties pursuant to the terms of this sub-paragraph.

d) No amendment to or modification of this Agreement will be binding unless in writing and signed by both parties. No waiver of any breach of this Agreement shall be effective unless in writing, nor shall any breach constitute a waiver of any subsequent breach of any of this Agreement. This Agreement (including all Attachments) constitutes the entire agreement of the parties regarding the subject matter hereof and supersedes all prior and contemporaneous negotiations, agreements and understandings, written or oral, between the parties with respect to the subject matter hereof.

e) This Agreement will be administered by the designee of the City Police Department, or his/her designee (the "Administrator"), who shall have the authority to act for City under this Agreement. The Administrator shall represent City in all matters pertaining to the services to be rendered pursuant to this Agreement.

Signatures on following page.

IN WITNESS WHEREOF, each party has caused its duly authorized representative to execute this Agreement as of the date set forth below.

CITY OF HEMET

By: _____
Brian Nakamura, City Manager

ATTEST:

Sarah McComas
City Clerk

APPROVED AS TO FORM

By: _____
Eric S. Vail
City Attorney

SPEEDTRACK, INC.:

By: _____
Miles Yano, Chairman
SpeedTrack, Inc.

SPEEDTRACK, INC.:

By: _____
Miles Yano, CEO

SpeedTrack, Inc.

**Attachment A
Order Document**

See attached Order Document.

Attachment B Maintenance and Service Level Policy

SpeedTrack provides maintenance and support, and Software updates as part of the license of the Software. Support services include answering questions relating to the operation of the Software and troubleshooting.

Technical Support

Technical support will be provided as long as the annual license fee is paid in full and in still in force.

Telephone support may be obtained in the following ways:

- Phone: (858) 481-7199
9:00 A.M.-6:00 P.M. PT; Monday through Friday on non-holidays (US)
 - Fax: (888) 609-8680
 - E-mail: support@speedtrack.com
 - Message: (858) 481-7199 after hours please leave message
- Head of Technical Support: Dr. Jerzy Lewak, CTO

If Licensee is unable to reach a SpeedTrack Technical Support Person by phone, please send an e-mail or leave a voice mail message. When leaving an e-mail/voice mail message, the following information should be stated:

- Name
- Company
- Phone Number
- SpeedTrack Software being used
- E-mail address

Upon logging an issue, Licensee will receive an issue identification number for future reference.

A "Support Liaison" is defined as a person whom Licensee has designated as a point-of-contact with SpeedTrack's support personnel. Licensee must designate two employees, but may designate up to five employees, to serve as the Support Liaison. Licensee may change its Support Liaisons on occasion, if necessary, so long as it provides written notice to SpeedTrack of such change.

Technical and Service Support Objectives

SpeedTrack's Technical Support will keep Licensee informed of all material technical issues, upcoming production releases and maintenance versions and with a mechanism for escalating issues as necessary.

SpeedTrack's shall use commercially reasonable efforts to:

- Answer Licensee contacts directly or, otherwise, acknowledging all contacts within 24 hours.
- Respond to each issue as soon as practicable; and, otherwise, responding to Licensee within 1 business day with details on SpeedTrack's progress in resolving the issue and/or intended plan of action.
- Notify Licensee when the status of Licensee's feature requests or ongoing issues changes, or when a fix for any of the issues or feature requests is ready in a new version of the Software;
- Ensure that Licensee understands and agrees with the actions that have been taken and the consequences of those actions (within reason and practicability).

SpeedTrack shall provide fixes and corrections as necessary to resolve issues; fixes and corrections will be provided in the form of code changes or work-arounds; SpeedTrack shall be responsible for directly accessing Licensee's servers to implement these code changes or work-arounds via a VPN connection. SpeedTrack shall be responsible for implementing the VPN connection and the costs for such VPN connection.

Prioritization of Issues and Progress Reporting

Priority levels are assigned by SpeedTrack to each issue during the initial call, whenever possible. SpeedTrack's objective is to assign a prioritization level to all issues within one business day. These prioritization levels are aimed at resolving important issues quickly and to determine the escalation procedures for an issue.

Priority 1: A production system is down or severely impacted as a result of the Software. Examples include, Sever(s) crashes, corrupted or incorrect data, or "bugs" in the software. Resolved on the highest priority basis with a target of resolving in one (1) business day from initial call by Licensee. Daily status reports provided.

Priority 2: Licensee has a serious issue with a feature of the Software necessary to its work for which it has discovered no work-around and which completely prevents the feature from being used. Resolved on the highest priority basis with a target of resolving within two (2) business days from the initial call by Licensee. Daily status reports provided.

Priority 3: Licensee has a serious issue with a feature of the Software for which a workaround exists, a minor issue with a feature for which no work-around exists or a critical usage question. Target of resolving in three (3) business days from initial call by Licensee. Weekly status reports provided.

Priority 4: Licensee has a minor issue with a feature of the Software for which a workaround exists, a usage question or a high-priority enhancement request. Scheduled along with other Priority 4 and 5 issues.

Priority 5: Licensee has a minor question, issue or enhancement request relating to the

Software. Scheduled along with other Priority 4 and 5 issues.

Escalation Procedures

SpeedTrack Technical Support will use commercially reasonable efforts to resolve material technical support issues and questions regarding the Software in a timely manner. If, however, Licensee is not satisfied with the responsiveness or the quality of the support received, it may escalate the priority level of an issue.

If Licensee is not satisfied with the response of SpeedTrack Technical Support Person handling the technical issue, then the first level of escalation will be to contact.

Dr. Jerzy Lewak
Chief Technology Officer, SpeedTrack
Ph:(858) 481-1584
e-mail: jerzy@speedtrack.com
Fax: 888.609.8680

If Licensee is still not satisfied with the response of SpeedTrack in handling the technical issue, then the second level of escalation will be to contact.

Miles Yano
Chief Executive Officer, SpeedTrack
Ph:(714) 693-7289
e-mail: miles@speedtrack.com
Fax: 888.609.8680

Examples of where Licensee may request escalation of an issue to a higher priority level include:

- The SpeedTrack Technical Support staff is not adhering to the policies outlined in this Technical Support Policy.
 - Licensee reasonably believes that an issue was assigned a lower priority than it deserves.
 - Licensee reasonably believes that escalation is warranted by special circumstances.
- Licensee may request escalation of an issue to a higher priority level by calling the support line and asking to discuss the matter with the Chief Technology Officer.

Product Upgrades

Technical Support includes Software updates and upgrades that SpeedTrack makes generally available to its licensees.

Licensee shall not be required to implement new updates or upgrades and SpeedTrack will continue to support the Software for the term of this Agreement. If Licensee wishes to implement an update or upgrade, SpeedTrack shall use commercially reasonable efforts to implement via the VPN connection. If such implementation is not technically feasible, the parties shall agree on another method.

ATTACHMENT C

Insurance Requirements

- A. Certificates of Insurance. SpeedTrack shall provide certificates of insurance with original endorsements to Licensee as evidence of the insurance coverage required herein. Insurance certificates must be approved by Licensee's Risk Manager prior to commencement of performance or issuance of any permit. Current certification of insurance shall be kept on file with Licensee at all times during the term of this Agreement.
- B. Signature. A person authorized by the insurer to bind coverage on its behalf shall sign certification of all required policies.
- C. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Licensee's Risk Manager.
- D. Coverage Requirements.
- i. Workers' Compensation Coverage. SpeedTrack shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for his or her employees in accordance with the laws of the State of California. In addition, SpeedTrack shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by Licensee at least thirty (30) calendar days (10 calendar days written notice of non-payment of premium) prior to such change. The insurer shall agree to waive all rights of subrogation against Licensee, its officers, agents, employees and volunteers for losses arising from work performed by SpeedTrack for Licensee.
 - ii. General Liability Coverage. SpeedTrack shall maintain commercial general liability insurance in an amount not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage, including without limitation, contractual liability. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement, or the general aggregate limit shall be at least twice the required occurrence limit.

iii. Automobile Liability Coverage. SpeedTrack shall maintain automobile insurance covering bodily injury and property damage for all activities of SpeedTrack arising out of or in connection with work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than one million dollars (\$1,000,000) combined single limit for each occurrence.

iv. Professional Errors and Omissions Insurance. SpeedTrack shall maintain professional errors and omissions insurance, which covers the services to be performed in connection with this Agreement in the minimum amount of one million dollars (\$1,000,000).

E. Endorsements. Each general liability and automobile liability insurance policy shall be endorsed with the following specific language:

- i. The Licensee, its elected or appointed officers, officials, employees, agents and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of SpeedTrack.
- ii. This policy shall be considered primary insurance as respects to Licensee, its elected or appointed officers, officials, employees, agents and volunteers as respects to all claims, losses, or liability arising directly or indirectly from SpeedTrack's operations or services provided to Licensee. Any insurance maintained by Licensee, including any self-insured retention Licensee may have, shall be considered excess insurance only and not contributory with the insurance provided hereunder.
- iii. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
- iv. The insurer waives all rights of subrogation against Licensee, its elected or appointed officers, officials, employees, agents and volunteers.
- v. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Licensee, its elected or appointed officers, officials, employees, agents or volunteers.
- vi. The insurance provided by this policy shall not be suspended, voided, canceled, or reduced in coverage or in limits, by either party except after thirty (30) calendar days (10 calendar days written notice of non-payment of premium) written notice has been received by Licensee.

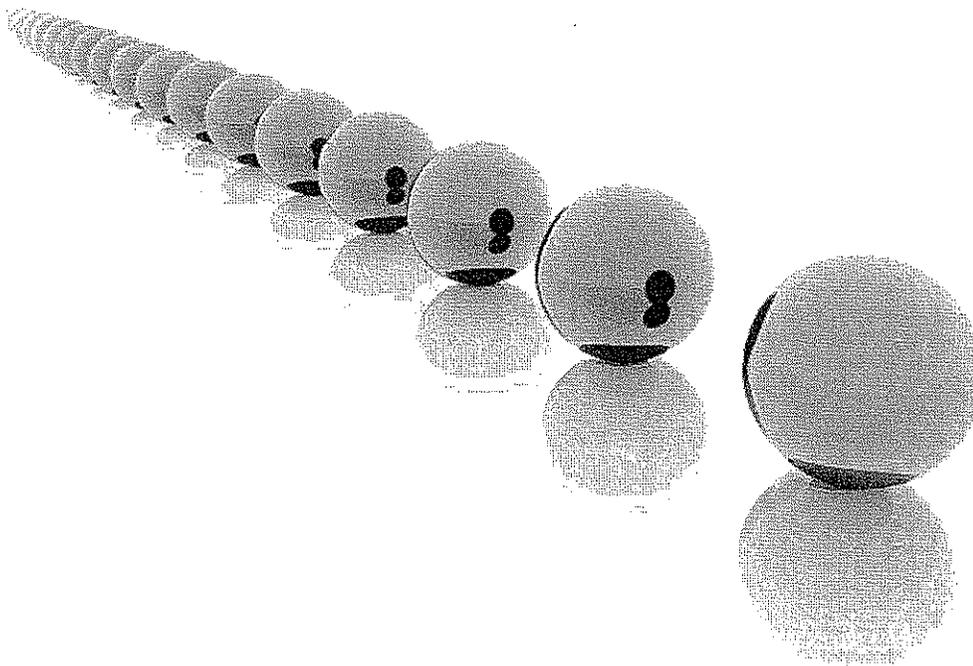
F. Timely Notice of Claims. SpeedTrack shall give Licensee prompt and timely notice of claim made or suit instituted arising out of or resulting from SpeedTrack's performance under this Agreement.

- G. Additional Insurance. SpeedTrack shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

SpeedTrack, Inc.
.....simply information

**Proposal and Order Document Improving
Organizational Effectiveness via Results
Driven Performance**

**City of Hemet (CITY)
RMS and CAD
Search and Analysis**



February 8, 2012

**SpeedTrack, Inc.
18340 Yorba Linda Blvd. Ste 107-194
Yorba Linda, CA 92668**

**Miles Yano, CEO
miles@speedtrack.com
714.404.8662 mobile
714.693.7289 phone
888.609.8680 fax
www.speedtrack.com**

THIS DOCUMENT WAS PREPARED EXPRESSLY FOR THE CITY OF HEMET BY SPEEDTRACK, INC.

Questions regarding this document should be addressed directly to:

Miles Yano, CEO
Miles@Speedtrack.com
(714) 693-7289 direct ph.
(714) 404-8662 mobile
(888) 609-8680 fax

Legal Name:

SpeedTrack, Inc.
18340 Yorba Linda Blvd., Ste 107-194
Yorba Linda, CA 92886

SpeedTrack, Inc. is a California "C" Corporation (2143880)
Tax ID Number: 95-4757490
Company general phone number (714) 693-7289

Facility and Correspondence:

Miles Yano, CEO
SpeedTrack, Inc.
18340 Yorba Linda Blvd., Ste 107-194
Yorba Linda, CA 92886

Website:

www.speedtrack.com

HEMET POLICE DEPARTMENT

Improving Organizational Effectiveness via Results Driven Performance

Objective

Implement a software system that provides access to actionable information for improving organizational effectiveness, line officers and investigators with powerful search and crime analysis capabilities, and command staff and policymakers with timely and relevant organizational performance data.

The Need

Truly effective law enforcement agencies are those that recognize their performance is best measured by assessing the results they achieve (outcomes) rather than the activities (inputs) they are engaged in. Yet, most departments continue to place great emphasis on measuring basic police activity (arrests, calls, citations, etc.) and mistakenly view these as being an indicator of effectiveness or success. Additionally, when these activities are inadvertently misdirected or poorly focused they become very costly as they result in significant inefficiencies and lost productivity.

Arguably, the reduction of criminal activity and maintenance of social order are considered the ultimate measures of police performance and effectiveness. Police management must therefore be able to ensure that the efforts and activities undertaken by individual officers and work units are directly tied to the agency's goals and that these can then be accurately assessed via the performance metrics that are employed. This process logically begins with the ability to capture detailed summaries of all ongoing activity. It also requires the ability to conduct timely and meaningful analyses of the data and the application of fact-based decisions so as to develop suitable strategies and tactics that are responsive to the unique and ever-changing circumstances that influence crime. SpeedTrack's software system provides those features and more.

Through the use of SpeedTrack, the department can improve the ability to drill down into all calls for service and officer activities to examine variables and influences that are often overlooked or unrecognized due to various limitations associated with existing CAD and RMS systems. SpeedTrack will assist the Police Department in better identifying and dealing with underlying factors that contribute to crime and disorder, the concentration of problems that exist in particular areas, and can help promote the development of strategies and deployment of tactics to achieve the desired reductions in crime and service demands. The system capabilities improves timely feedback on to the effectiveness of your strategies as well as data which can help establish the return on your investment (ROI), which can be measured as a function of the outcomes and costs (crime reduction and officer time).

Using this same data but in a different application, officers, investigators and crime analysts will have the most powerful and advanced search and analytical capabilities available to quickly recall data from multiple systems with a simple click of the mouse. This will greatly improve their productivity and should reduce the time required to solve crimes and identify key factors which contribute to the incidence of criminal activity. Some of the features line personnel will find particularly useful include:

1. Search: Fast intuitive search and analysis of CAD and RMS to easily retrieve the information they need related to details on individuals, vehicles, locations, incidents, cases/events, etc. This will greatly improve individual performance and reduce the need to involve IT and crime analysts to perform these tasks.
2. Criminal Activity Analysis: Pattern recognition and mapping of data points to view patterns and types of activity.

3. Automatically Mediated Association Group Identification: We will provide the officer/analyst with the necessary tools to determine associations, whether direct or implied, between data entities. These tools enable the officer/analyst to choose various ways of defining associations and determining the associated entities. SpeedTrack's approach to identifying key groups and associations is flexible and adaptable to a variety of different conditions. It is **NOT** based upon a fixed set of assumptions regarding how to define links and associations, which is a major limitation of other systems

Over time, additional databases of information can be associated and integrated with this application to improve criminal analytical capabilities, and in turn improve resource management via effective staffing and deployment analysis. Policing strategies and tactics can be improved by utilizing response and call management data. Additionally, problem oriented policing tactics and programs will be enhanced by the ability to analyze, track and visualize criminal activity.

1. Summary of Project for City of Hemet

The City of Hemet (CITY) is seeking to improve organizational effectiveness and measure the results of its law enforcement activity. This program will be used by the Hemet Police Department in conjunction with the Records Management System, Computer Aided Dispatch, and in the future, other City and Police databases (to be determined) as necessary to carry out additional analysis.

Using the CAD and RMS data outputs provided, SpeedTrack will deliver a solution to all designated Hemet personnel which provides:

- Search and analysis of criminal, call for service and officer activity.
- Powerful search, performance dashboards and investigative capability as outlined in section 2.0 below.

This solution will utilize the new RMS and CAD data from the Hemet RMS and CAD system being housed at West Covina Service Group (WCSG).

As SpeedTrack is providing CITY with special pricing and consideration with regard the RMS and CAD Search and Analysis applications being hosted at the WCSG. CITY will work in cooperation with WCSG to promote the CITY/ SpeedTrack application to other WCSG customers.

It is anticipated that the legacy database at CITY containing the RMS and CAD data from the previous system will be integrated with the new CITY SpeedTrack system in the near future. Particulars on the implementation of this new system will be addressed by a separate proposal when appropriate.

Overview of the SpeedTrack Solution

SpeedTrack's solutions are based on an innovative new technology called Guided Information Access (GIA™). GIA crime analytics solutions were developed specifically for criminal database systems including RMS and CAD. The GIA platform recognizes every possible answer contained in your data and allows the user to intuitively navigate to the information that is most important to them (think **GPS for information**). There is no wasted time searching through standard report sets, or making special requests to IT analysts. For the first time, decision makers have direct access to the information that is most important to them.

SpeedTrack's crime analysis solutions are not intended to replace all of your current standard reports. They are designed specifically to provide the most advanced technology available to analyze, understand and get ahead of the key drivers of these trends.

Management Accountability Performance System – (MAPS)

MAPS is an interactive management dashboard that displays the key performance metrics. Selected performance metrics are integrated and linked such that key dimensional aspects can be analyzed in terms of their effect on the other dimensions. This unique visualization will promote improved critical thinking skills and allow command staff to quickly identify previously unknown relationships to guide deployment and other tactical decisions. There can be numerous different dashboards depending upon the performance parameters that you may want to measure. They can include but are not limited to:

1. Activity type: Calls for service, officer initiated, administrative, origin, etc.
2. Activity detail: Nature, frequency, time of occurrence, location, response time, total on scene time, individual officer on scene time, ID of highest utilization calls and locations, etc.

Criminal Information Management System (CRIMeS) – Search and Analysis

CRIMeS is a powerful search engine for patrol officers and investigators. Searches can be performed across multiple databases such as Computer Aided Dispatch (CAD), Records Management System (RMS). Crime analysts, investigators, patrol officers and command staff can quickly and easily find the information they are looking for amongst all the calls for service, people, incidents, vehicles, locations, MO's, etc. They will use this data daily to help them solve crimes and management can also use the analytical capabilities to analyze crime patterns and trends and to establish prevention strategies.

What Patrol Officers, Investigators, Analysts and Command Staff are able to do with CRIMeS

Decision makers at all levels have at their fingertips an "n-dimensional" guided search capability of their data, with ability to associate detailed information, or even partial information such as (if this data is provided):

- Information about people (by involvement) such as name, sex, DOB, age, race, height, weight, occupation, address, phone #, etc.
- Location of event such as street name and number, type, state, county, city, zip code, zone, beat, etc.
- Incident type; date; location by division, district, beat; method of entry; means of attack; crime class and charge.
- Vehicle year, make, model, style, color, license plate, wildcard plate, positional plate number, etc.
- Call for Service analytics: Units on Scene, Response Times, and Cost per Call.
- Search of all free text fields, reports and remarks.

Traditional Approach

Conventional databases and applications are focused on storing data and providing fast linear text searches. They do not take into account the information within the data and so cannot provide user guidance to that information. In other words, conventional solutions are designed to respond to questions using specific words, often unknown to users other than IT personnel.

This approach requires that you:

1. Formulate a question using the "right" words.
2. Search or query the data to determine if a match exists, hoping it answers your question (the equivalent to shooting arrows in the dark, hoping to hit something), or
3. Rely on pre-defined data summaries designed to produce predetermined types of answers (e.g., residential burglaries per quarter by region).

As a result:

1. You can spend valuable time searching for information that may not be in your data, or
2. You risk having valuable answers go undetected by not asking the "right question".
3. The system will sometimes return massive result sets of thousands (or millions) of records, or sometimes return "nothing found" with no guidance about how to best refine the query.

In short, you have no idea what the range and breadth of answers are that exist in your data, must focus on asking the right questions, and cannot identify what you may be missing. You don't know what you don't know!

SpeedTrack's Guided Information Access (GIA)

GIA's primary focus is to show you every answer that exists in your data, and let you decide what's important. GIA stores all of the associations that exist between the words and values of your data, and what they describe. By capturing the associations, GIA stores information (as opposed to just storing data). Using this approach, GIA identifies every possible question that can be asked which has an answer contained in your data, and presents them to you in a dynamic interface.

Rather than requiring you to guess what information is available, or rely on a set of predefined reports, GIA:

1. Presents you with lists of every *unique* word or value for every data field, document, or sentence in your data set. Then,
2. Narrows or expands the lists as you make selections from these words and values to reveal only words and values that are associated with your selections – guiding you to information with 100% contextual relevance.

This occurs n-dimensionally across every data field, every document and every sentence. You are essentially “navigating” your information, continuously making new discoveries and expanding your knowledge.

1.1. Analyze Data

GIA analytics solutions provide unparalleled ability to mine data and identify previously hidden information by allowing the user to navigate information from the RMS, CAD and other databases using any combination of dimensions contained in the data (spatial, temporal or statistical) to produce reports. In addition, calls for service and incident dashboards are available for command staff to quickly assess activity by call type, division, beat, address and response times. Finally, custom filters are easily created by the users enabling them to perform complex queries at the click of a button.

1.2. Assist in Communication

GIA can push the results of any ad-hoc search to a standard report format, MS Excel, CSV file or mapping program. In addition, because GIA provides information access to all levels of the organization in a user friendly intuitive manner, everyone throughout the organization can perform their own analyses and the amount of resources currently dedicated to creating special reports can be significantly reduced. This access to information promotes a level of critical thinking and problem oriented policing that is otherwise unattainable.

2. SpeedTrack Software

2.1. Client Side Software

The GIA client is a JAVA application that is downloaded on each PC using a Web Start page. The users go to an internal web page and click on a link to the application, which automatically downloads to the users' machine. Updates to the application are made each day when the users login in to the application. There are several different views allowing the information to be displayed and analyzed in a variety of ways.

- Dynamic dashboard(s) provide a graphical representation of key data fields when trending and pattern recognition is desired. The dashboards are dynamic in terms of allowing users to interact with the graphs, pie charts and lists of data to perform both canned and ad-hoc analysis and reports.
- Faceted navigation displays a number of data fields which show the interaction between the data values in each of the data fields. This is extremely valuable in learning inter-associated details about criminal activity which cannot be found using traditional database queries and standard reporting programs.
- Standardized data view is used when there are many data fields to be analyzed and reported on (10's to 100's).

2.2. Server Side Software

The GIA server is a C++ application that is run on a Windows web server. The GIA server stores the metadata and text files required to perform all search, analytics and reporting queries received from the GIA client. The GIA server contains the metadata of the RMS, CAD and other (incorporated) data systems. This is the equivalent of what we call the "Answer Cube". The Answer Cube contains all of the possible pre-defined search and analysis combinations which are available from the data. The data is simply stored as text files on the server. This is exactly the opposite of a traditional relational database solution which only stores the data and then relies on the search queries on the data to determine if the question can be answered.

The Item Viewer reporting server is a JAVA application which handles the data viewing, search query data extraction and reporting functionality. It also allows the user to export the data into Excel or CSV file formats.

There is also a supporting auxiliary data server which handles miscellaneous functions to make the GIA server more efficient.

2.3. Data Extraction Capabilities

We have a data extractor which can extract all fields from all files designated, in a delimited text file format for:

- SQL
- Oracle
- Access
- Excel

We can schedule this download for automatic updating and data refreshes. In addition, SpeedTrack has the ability to export data for use in other applications. We can easily configure the data export and map to their data formatting requirements.

2.4. Data Management Abilities

We have the capability and tools to handle and manipulate all forms of data from any source, provided that the data can be extracted and downloaded into any delimited text file format, namely, but not limited to: comma separated value, tab delimited or, pipe delimited format.

2.5. Geo-Spatial Analysis Capabilities

Our solution allows the dataset from ANY of the standardized and ad-hoc queries to be mapped. Mapping can distinguish different types of data items, such as:

- Incident types
- Incident crime class categories, Type I, II, etc. (provided the categorization is provided to SpeedTrack)
- Geographic region
 - Council district
 - Beat and Reporting District
 - Zip Code
 - Any other definable spatial group
- Calls for Service
 - Call type
 - Call priority
 - Exact address, etc.

These analyses can encompass any and all of the possibilities available in your data.

2.6. Data Reporting and Extraction Features

SpeedTrack provides the ability to review and extract data from RMS and CAD. Basic reports can be generated by the SpeedTrack application.

The differentiating advantage of the SpeedTrack application is that it allows for easier exploration (via intuitive ad-hoc queries) and encourages examination of the data in a manner that uncovers significant and insightful information that can be of particular interest to any user(s) for reporting. These reports can also be easily configured by the Administrator and routinely pushed out with a minimum of effort and expense. There is no need to hire additional staff or to use third party reporting tools such as Crystal Reports, Access, etc., thereby enabling immediate use and controlling additional costs.

2.7. Compatibility with Other Analytical Applications

SpeedTrack can provide data output files in a universal file format (CSV or XML) which can be read into and used by any other program which can accept a delimited text file.

3. Hardware/Software Requirements

In order to obtain consistent performance, reliability, and control, with the least complexity, SpeedTrack strongly recommends a dedicated server for your SpeedTrack solution(s). The following hardware and software is recommended. These items are not priced in our proposal, and accordingly will be provided and hosted by the Customer. In this case either CITY or WCSG

3.1. Server Hardware – Hemet WCSG CAD/RMS, also will accommodate legacy CITY CAD/RMS (HTE) data.

Hemet-only non-virtual server hardware:

- CPU: 1 or more Xeon Six Core (minimum 1 Six Core processor)
- 16GB or more of RAM for best performance and scalability.
- Hard Drives: two sets of drives, a system drive and a data drive:
 - System Drive: (RAID1) 2 X (250GB)
 - Data Drive: at least 1TB in RAID5 configuration

3.2. Server Operating System

64-bit Windows 2003 – 2008 Standard or Enterprise Server or XP Pro utilizing IIS

3.3. Server Software

Since SpeedTrack can export information to Excel for your external reporting, we would like to have this application on the server for our testing purposes. (Excel or MS Office, or Open Office if necessary)

3.4. Server Access

SpeedTrack requires direct VPN access to the server for implementation, troubleshooting and maintenance activities. Setting up remote desktop access (terminal services), with a username and password will facilitate remote access and maintenance activities.

In order to use our web based mapping feature, server access to the Internet is needed as well.

3.5. Alerting

We have found that by creating alerts to automate notification of job process completion/failure, we can offer our customers the best service. This requires your email server to forward the email notification to our outside address. Alternatively, you may elect to use another process that will send email notification(s) to our SpeedTrack email addresses.

3.6. End User PC

Windows XP or Windows 7

Microsoft Internet Explorer 7.0 or higher

Java version 6 is required on each individual users PC in order to run the application

Adobe Reader

MS Excel (or Office) or a compatible system for viewing output data tables

2GB RAM standard, however better performance is achieved with 4GB or more

4. Data Management and Storage Capabilities

4.1. *Product Integration Capabilities for Extracting Data from RMS and CAD*

Data is downloaded on a set periodic basis and then uploaded and processed into the SpeedTrack data integration server. The application will display the last time each of the various agencies has updated their data into the system. If allowed, we can perform this function on an automated basis, either downloading changes to the databases (add, modify or delete), or downloading the entire databases periodically, if feasible.

4.2. *Data Storage Capabilities*

The individual RMS and CAD flat files will be stored on the GIA server. The data itself will be accessed through either; the Report Server via an existing report, or directly from the client's machine using the client JAVA application. The user can select any and all items of interest resulting from his set of search criteria. The search result set is sent to the Data/Report Server from the Data Integration Server.

The SpeedTrack solution provides for a relatively straightforward approach to integrating new data sources with each new data source following the general process and the new "vocabulary" being added to the metadata cloud and associated to other data records which are relevant. The SpeedTrack technologies native ability to associate disparate data is paramount to why it can easily handle new data sources.

5. Professional Services: Implementation Process

SpeedTrack believes in rapid prototyping and continuous process improvement, allowing two beta versions to be tested before "going live" into production.

1. Meet with customer to determine details of the business requirements, establish critical success factors, and identify/resolve issues and agree upon roles and responsibilities. Establish timelines for the tasks listed below based upon a detailed understanding of the end user requirements.
2. Review of WCSG - RMS and CAD databases and utilize the data extracts. Discuss user habits and desires regarding management reporting, and investigative and crime analysis capabilities desired of each system and for the combined data analysis capabilities.
3. Data Extract: WCSG has agreed to provide the data extracts to allow SpeedTrack to download the data to CSV, pipe or tab delimited text files per SpeedTrack documentation. SpeedTrack can assist using its own extractor, for Oracle, SQL and Access databases, which can extract data for this project.
4. Review Data Extracts: Receive and load data onto the SpeedTrack server. Verify the integrity of each file, check that the field names are in the first line and that the field values seem to match the field names. Create exception reports and notify the customer of any discrepancies. Extract file and field names for all data.
5. Generic Data Cleansing: Perform generic data cleansing to generate "clean" CSV files. Extract a sample of each file and check the cleaned data.
6. Thorough Data Analysis: Using our "HOAN" (hands off data analyzer) we thoroughly analyze the data on several dozen parameters which provides deep knowledge of the integrity and quality of the data. This includes the extraction of every unique data value from each field from each file in the project. This is unique to the SpeedTrack technology as these are the values from which our generalized vocabulary is built and becomes the basis for search and analysis parameters.
7. Selection of Data Fields and Data Dictionary: Meet with the customer to determine/confirm the field names, data values and meanings. Collection of all data conversion code tables.
8. Creation of Customer Vocabulary: In conjunction with the customer, create a vocabulary which will define the fields and data values to be used for this project as defined by the requirements gathered. The vocabulary will be selected from the actual data values extracted from the databases. If necessary, list of privacy data can be identified to prevent display of these data.
9. Preparation of the Full Authoring Process: Using the vocabulary, set up the required implementation runs to create the metadata and the analysis matrix which contains the answers to all possible combinations of Boolean search queries available in the selected fields of data. Once this process is completed, the resulting matrix will be the core of the implementation process.
10. Creation of Various Levels of Data Access: If necessary prepare the required number of "views" into the data to accommodate the desired levels of data sharing.

11. Creation of the GUI(s): Starting with the basic graphic user interface (GUI), create the set of tabs and selector groupings based upon the users initial input and feedback. Edit the definition file with final adjustments and create the application configuration file.
12. Validation Testing: Form a user group to test the usability of the application, collect comments and recommendations. SpeedTrack will perform requirements validation testing to ensure all requirements are met.
13. Repeat process to incorporate new data or requested changes.

SEE ATTACHED SCHEDULE FOR IMPLEMENTATION TIMELINES

6. Other Services and Support

6.1. *Training Plan*

SpeedTrack employs the “train the trainer” concept, once acceptance testing is completed. User group are trained in 2 hour classes or until the user groups feel confident utilizing the SpeedTrack application, consisting of a functionality walkthrough, and several example searches which demonstrate the features. A SpeedTrack trainer is selected from each user group (Crime Analyst, Command Staff, Investigators) to serve as the internal SpeedTrack trainer. SpeedTrack will provide materials and support for the trainers as needed.

Training materials will be developed. SpeedTrack will include materials for “train the trainer” sessions and offer local in-office training, and remote training via GoToMeeting.

SpeedTrack will hold a number of required classes after acceptance testing to ensure that the users and administrators are qualified to use the system.

6.2. *Security Measures*

This application runs within the customer firewall, so secure access to the application is similar to running other applications within your protected environment. SpeedTrack has internal security measures which provide for using Active Directory to setup individual user names and passwords if desired, or to grant application access once the user is logged on. A unique capability SpeedTrack has is that it can create different “views” into the data which can restrict access to administer defined data fields.

6.3. *Support, Maintenance and Product Updates*

For the purposes of this engagement, the annual software license fee will be fixed for the first three years. The annual software license includes technical support services for software products licensed from SpeedTrack (the “Products”), maintenance and support, and free product updates (as such term is defined in the Software License Agreement between the customer and SpeedTrack).

Under this proposal, SpeedTrack will provide all support necessary to deliver a stable and fully operational system to satisfy the customer in meeting agreed upon project goals.

Support services include answering questions with regard to the operation of the software and troubleshooting. Support services do not include services which, in the usual course of SpeedTrack’s business, are provided to customers as *consulting services*. An example of consulting services may include, but are not limited to; custom application development, data warehouse design, requirements analysis, and/or database design tasks that are not specifically included in the scope of the project.

Ongoing technical support is provided as long as the annual subscription license is paid in full and is still in force.

7. Cost Quote

7.1. Costs, General Terms and Conditions

Costs, general terms and conditions to the use of SpeedTrack's application for use by City of Hemet (CITY) are as follows. Upon the decision to proceed with this proposal, SpeedTrack and CITY will enter into a formal software license and service agreement, which will contain the standard clauses for the license, use and technical support and services. The prices quotes below are good until **February 29, 2012**.

The initial implementation will utilize WCSG - CAD and RMS data.

License and Implementation	Year 1	Year 2	Year 3
Set-up/Implementation Fee: (includes programming required). \$50,000 original cost – 50% reduction.	\$25,000.	\$0.	\$0.
1 st Year Software License Fee: Includes software licenses for Tie Server, Tie Client, Report Server and Item Viewer Server.	\$50,000.		
2 nd year and on Annual License Fee: Year 2 and beyond, includes license fee for software listed above. Minor adjustments to implementation from time to time, once a quarter as necessary, to improve the application for entire CITY/WCSG application		\$25,000.	\$25,000.
Total CRIMEs Solution:	\$75,000.	\$25,000.	\$25,000.
Service, Maintenance, Upgrades**	Year 1	Year 2	Year 3
Service Maintenance, Upgrades (normally 30% of Year 1 costs, or \$30,000)	Waived	Waived	Waived
Grand Totals:	\$50,000.	\$25,000.	\$25,000.
Milestone Payment Schedule			
1. Initial kick-off starts on payment of invoiced PO: 1 st year software license fee.	\$50,000.		
2. Once 1 st full version is in testing at CITY (beta):	\$12,500.		
3. In Production: Payment of invoice upon full use of software to the satisfaction of CITY, Net 30 days.	\$12,500.		
Note			
This quote is valid until February 29, 2012. **Service, Maintenance and Upgrades fee is waived in lieu of additional implementation hours for future add-ons.			

7.2. Software License

The SpeedTrack TIE-Server License is a non-exclusive and non-transferable license for performing data integration and analysis residing in multiple databases for the CITY. All members of the CITY employees may access the server using the SpeedTrack TIE- GUI, JAVA application. The application may not be copied to another server outside the CITY.

The yearly software license is \$25,000, renewable on the 1st of the month, 12 months after issuance of the purchase order and every 12 months thereafter. After the 3rd year SpeedTrack reserves the right to

increase the yearly license fee at no more than 5% per annum at the last day of the 36th month of the license.

Should any other Police Department in the WCSG system purchase the SpeedTrack implementation CITY shall receive a permanent credit against the yearly software license in the amount of \$5,000 per agency (for as long as the agency renews the SpeedTrack license) to a minimum annual payment of \$1.

7.3. Service and Support

Yearly service and support for the SpeedTrack TIE-Database Server, SpeedTrack-Report Server and SpeedTrack CRIMS-GUI Java application is waived as special consideration for CITY. This includes phone and e-mail support plus all product upgrades. A technical support policies and procedures agreement is outlined in section 7.3 above.

7.4. Systems Integration (Knowledge Engineering) & Implementation

Engineering and developer support to integrate the CITY data and implement the SpeedTrack applications implementation tasks (including development of training materials) at a cost per hour of \$150 USD per hour for a total of \$50,000 USD. As mentioned above, SpeedTrack has agreed to apply a 50% discount to our standard implementation pricing, to arrive at a quote of \$25,000. Additional required system integration for out-of-scope work from defined tasks will be charged at the hourly rate of \$150/hr.

7.5. Limits of Liability

SpeedTrack will have no obligation or liability, whether arising in contract, tort (whether or not arising from the negligence of SpeedTrack), or otherwise, for loss of use, revenue or profit or any other incidental or consequential damages from the use of SpeedTrack applications at CITY.

7.6. Payment Terms and Conditions

(a) CITY shall pay the 1st year software license fee (\$50,000) within 30 days of issuance of purchase order and receipt of invoice. Upon receipt of such payment, SpeedTrack shall cause work to commence on the development of the applications for use by the CITY, based on the specifications set forth within this proposal. SpeedTrack shall use its best reasonable efforts to complete the applications within a reasonable period of time, and CITY shall fully and promptly cooperate with all SpeedTrack's reasonable requests for information, access to databases, technical support, etc. that SpeedTrack may find helpful in such development.

(b) One-half of the set-up implementation fee (\$12,500) due within 30 days of the release of the first full version of the applications for CITY testing/feedback.

(c) The final half of the set-up implementation fee (\$12,500) is due upon full use of software to the satisfaction of CITY, net 30 days.. Upon receipt of such payment, SpeedTrack shall cause the Production version of the CRIMeS for use by the CITY to go live to the CITY users and automatic updating for the data to occur, based on the specifications set forth within this proposal.

(d) All software licenses are good for 1 year (365 days) inclusive of service and support. SpeedTrack agrees to renew the basic software licenses to CITY at a cost of \$25,000 per year provided that CITY agrees to subscribe to the software license for a minimum of 3 years.

7.7. Ownership of Technology

It is understood and agreed that all rights to and in the SpeedTrack-TIE technology, including without limitation, any development or customization created pursuant to this Agreement are, as between SpeedTrack and CITY, the exclusive rights and property of SpeedTrack.

7.8. Partnership with City of Hemet

It is understood that this contract is done in full cooperation and partnership with CITY. As such CITY is receiving special price and project scope consideration. In return CITY agrees to fully cooperate with SpeedTrack in providing their insight into law enforcement needs for data integration and what software features would add value to the existing SpeedTrack applications. Additionally, CITY agrees to share with SpeedTrack any software code developed to extract data, create reports, etc., which are used to interface with the SpeedTrack application. This will allow SpeedTrack to continue to provide SpeedTrack applications at a reasonable cost with other law enforcement agencies which utilize similar databases.

End of document

**SpeedTrack Pre-Implementation Requirements
HPD @ WCSG Implementation**

HPD and WCSG Prep for Implementation

Pre-Implementation Requirements	Responsible Party	Status	Comments
Environment Prep			
Server	WCPS	Open	<ul style="list-style-type: none"> o CPU: 2 Xeon Six Core, 2.66 GHz or better (x5650 or similar) o 16GB or more of RAM for best performance and scalability, plus room to add 8 GB for each additional customer in the future. o Hard Drives: two sets of drives, a system drive and a data drive: System Drive: (RAID1) 2 X (250GB to 500 GB)
Software	WCPS	Open	Windows Server 2008 R2 64 bit Enterprise, Excel/Office
VPN Access	WCPS	Open	
Client Machines	HPD	Open	Recommend a 64 bit system; Windows XP, Vista or Windows 7; IE 7.0 or higher; Java version 6; MS Excel; Minimum 2 GB RAM, 4 GB is better.
Data			
HPD- WCPS RMS/CAD Data	WCPS	Open	Provide access to data and documentation
Code Table Translation Tables	WCPS	Open	HPD Specific Codes
Beat and Reporting District Tables	WCPS	Open	HPD Specific Codes
Other Required Information	WCPS	Open	HPD Specific Information
People			
Designate project manager/contact	HPD/WCPS	Open	
Designate testers/evaluators	HPD/WCPS	Open	

**SpeedTrack Implementation Timeline
HPD @ WCSG Application**

SpeedTrack HPD Implementation @ WCSG

Implementation Tasks/Timeline	Time Est. Required	Responsible Party	Parallel/Serial	Comments
Kickoff Meeting	1	ST/HPD/WCPS	Serial	Convene kickoff meeting between key representatives from ST/HPD/WCPS to review time line and responsibilities.
Server Preparation	2	ST	Serial	Setting up necessary software that ST uses such as Perl and Java, etc.
Review Data and Documentation	2	ST	Serial	Reviewing and understanding the WCPS CAD and RMS data before starting the implementation process
Respond to ST Questions (if any)		HPD/WCPS	Serial	
Create Rosetta Stone	3	ST	Serial	The Rosetta Stone is a ST document that describes each field and respective group used in the implementation, and any derived calculations.
Coding scripts for any derived calculations	3	ST	Serial	Creating/modifying data preparation scripts to construct the HPD/WCPS data to the required specifications.
Taxonomy Changes/Sample Run	1	ST	Serial	Creating taxonomy to reflect the desired implementation features.
Initial Client Configuration	1	ST	Serial	Configuring the client to reflect the desired implementation features.
Review Test for functionality	1	ST	Serial	
Full Run	5	ST	Serial	
Test for Performance	1	HPD/WCPS	Serial	Check response times at HPD, ensure no significant delays, coordinate with WCPS
Customer Test Drive One	5	HPD/WCPS	Serial	Allowing 5 days for customer evaluation feedback - customer may request more time.
Incorporate Feedback/Full Run 2	5	ST	Serial	Time required may be longer depending on the customer feedback.
Customer Test Drive Two	5	HPD/WCPS	Serial	Allowing 5 days for customer evaluation feedback - customer may request more time.
Incorporate Feedback/Full Run 3	5	ST	Serial	Time required may be longer depending on the customer feedback.
Customer Review and Acceptance	3	HPD/WCPS	Serial	Review application functionality with customer and obtain final sign off.
Create Training Materials/Schedule Training	5	ST	Serial	
Provide Training	5	ST	Serial	Training schedule is dependent on the number of users and ability to coordinate scheduling.
Total Time (days)	53			
Release into production				



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: John Jansons, Community Investment Director *JJ*

DATE: February 14, 2012

RE: Lease of Real Property Located at 250-256 East Meier Street to Amerco Real Estate

RECOMMENDATION:

- 1) That the City Council approve a lease for real property located at 250-256 East Meier Street to Amerco Real Estate, DBA: U-Haul Center, Hemet, CA,
- 2) Authorize the City Manager to execute the lease.

BACKGROUND:

Since 2006, Amerco Real Estate, DBA U-Haul Center Hemet, CA (Amerco) has sub-leased outdoor parking spaces from Agri-Empire under their master lease of 250-256 East Meier Street with the City of Hemet.

In December 31, 2011 Agri-Empire gave a 30 day notice to Amerco terminating their lease effective February 1, 2012. The termination is a result of Agri-Empire agreeing to vacate the City-owned premises later this year.

DISCUSSION:

At this time, the City wishes to enter into a direct lease with Amerco to continue their use of the outdoor parking areas of 250-256 East Meier Street to avoid disruption to a long time Hemet business and to realize rental income from the City's property asset.

The City and Amerco have agreed to the lease rate of \$600.00 per month. Over the one year term of the proposed lease, Attachment 1, the City will receive \$7,200.00 in rental income.

COORDINATION AND REVIEW:

This recommendation was prepared and coordinated with the Office of the City Manager, Department of Community Investment, Finance Department and City Attorney's office.

INTEGRATION OF COUNCIL GOALS / STRATEGIC PLAN:

The recommendation supports the Council's goals of: economic vitality, increasing municipal revenue, and business retention.

FISCAL IMPACT:

The fiscal impact to the General Fund is approximately \$7,200.00 per year in new revenue to the City.

ALTERNATIVE(S):

- 1) Do not approve proposed lease.
- 2) Provide direction to staff.

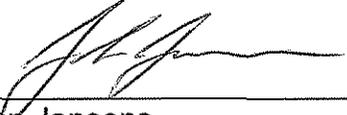
CONCLUSION:

It is respectfully recommended:

- 1) That the City Council approve a lease for real property located at 250-256 East Meier Street to Amerco Real Estate, DBA: U-Haul Center, Hemet, CA,
- 2) Authorize the City Manager to execute the lease.

Attachment: 1 – Lease for Real Property located at 250-256 East Meier Street.

Respectfully Recommended:



John Jansons
Community Investment Director

Approved By:



Brian S. Nakamura
City Manager

Attachment No. 1

**Proposed Lease by and between City of Hemet and
Amerco Real Estate, Inc. DBA UHaul Center Hemet, CA**

City Council

February 14, 2012

LEASE AGREEMENT

By And Between

THE CITY OF HEMET

And

**AMERCO REAL ESTATE COMPANY, A NEVADA
CORPORATION, DBA: U-HAUL CENTER HEMET, CA**

Dated: February 14, 2012

LEASE AGREEMENT

This Lease Agreement (the "Agreement") is entered into as the date indicated on the cover page by and between the CITY OF HEMET, a municipal corporation (the "Landlord"), and Amerco Real Estate Company, a Nevada Corporation DBA U-Haul Center Hemet (the "Tenant"), who agree as follows:

RECITALS

A. Tenant currently occupies the Parking Area under a sub-lease agreement with Agri Empire, (Landlord's Lessee), which has been terminated with Tenant's vacancy to occur prior to February 1, 2012.

B. Landlord and Tenant desire to enter into a Lease Agreement for use of the Parking Area (defined below) on a month-to-month basis for a term of one year to expire on January 31, 2013.

OPERATIVE PROVISIONS

For consideration, the receipt and value of which is hereby acknowledged by both Parties, Landlord and Tenant hereby agrees as follows:

1. **Definitions.** For purposes of this Agreement, the terms set forth below shall be defined as and have the specific meaning ascribed herein:

1.1 "***Expiration Date***" means January 31, 2013, the date upon which the Term of the Agreement expires and Tenant is obligated to have vacated and surrendered the Parking Area.

1.2 "***Hazardous Materials***" shall mean any and all of the following:

(i) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or for which liability arises for misuse, pursuant to the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C.S. § 2601, et seq.; the Clean Water Act, 33 U.S.C. §1251, et seq.; the Insecticide, Fungicide, Rodenticide Act, 7 U.S.C. § 136, et seq.; the Superfund Amendments and Reauthorization Act, 42 U.S.C. § 6901, et seq.; the Clean Air Act, 42 U.S.C. § 7401, et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f, et seq.; the Solid Waste Disposal Act, 42 U.S.C. §6901, et seq.; the Surface Mining Control and Reclamation Act, 30 U.S.C. § 1201, et seq.; the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 11001, et seq.; the Occupational Safety and Health Act, 29 U.S.C. §§ 655 and 657; the Hazardous Waste Control Act, California Health and Safety Code ("H.&S.C.") § 25100, et seq.; the Hazardous Substance Account Act,

H.&S.C. § 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, H.&S.C. § 25249.5, et seq.; the Underground Storage of Hazardous Substances, H.&S.C. § 25280, et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, H.&S.C. § 25300, et seq.; the Hazardous Waste Management Act, H.&S.C. §25170.1, et seq.; the Hazardous Materials Response Plans and Inventory, H.&S.C. § 25001, et seq.; the Porter-Cologne Water Quality Control Act, Water Code § 13000, et seq., all as they may from time to time be amended;

(ii) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or for which liability for misuse arises pursuant to any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree due to its hazardous, toxic or dangerous nature;

(iii) any petroleum, crude oil or any substance, product, waste, or other material of any nature whatsoever which contains gasoline, diesel fuel or other petroleum hydrocarbons other than petroleum and petroleum products contained within regularly operated motor vehicles; and

(iv) polychlorinated biphenyls (PCB), radon gas, urea formaldehyde, asbestos and lead.

1.3 "**Parking Area**" means those areas of the Real Property, which have been designated for Tenant's Permitted Use, as identified on Exhibit "A," attached hereto and incorporated herein by reference.

1.4 "**Permitted Use**" means the limited use of the Parking Area for parking of U-Haul rental trucks and trailers as described in Section 5.1. of this Agreement.

1.5 "**Real Property**" means that certain real property commonly known as 250 East Meier Street, Hemet, California and having Assessor's Parcel Number 443-131-008.

1.6 "**Term**" means the duration of this Agreement as specified in Section 4.

2. **Material Inducement.** Tenant agrees that its promises and agreements to strictly adhere to and comply with the material terms and conditions set forth in this Agreement are a material inducement to Landlord's lease of the Parking Area to Tenant, in the absence of which Landlord would not have leased the Parking Area to Tenant. Tenant's failure to adhere to and comply with the terms and conditions of this Agreement shall be deemed a material breach of the Agreement.

3. **Demise.** Subject to the terms and conditions of this Agreement, Landlord leases to Tenant and Tenant leases from Landlord the Parking Area. Landlord also grants to Tenant the right of ingress and egress over and across the Real Property as necessary for Tenant to obtain entry to and from the Parking Area during the Term of

this Agreement. Tenant shall have no right to enter, occupy or use any building or structure on the Real Property.

3.1 "AS-IS" Condition: Tenants Sole Risk.

(i) Tenant agrees that it is thoroughly familiar with the Real Property and all aspects thereof, including, without limitation, the physical condition of the Real Property, its zoning and all other restrictions and limitations applicable to the Real Property (whether or not of public record). Tenant also agrees that Landlord has made no material alterations to the Parking Area, that Tenant has, under its sublease with Agri Empire, been solely responsible for the care, maintenance, and upkeep of the Parking Area, and that Landlord has not been and is not now responsible for the existing condition of the Parking Area. Tenant additionally agrees that it assumes all liability and responsibility for the physical condition of the Parking Area. **Tenant agrees that neither Landlord nor anyone acting on Landlord's behalf has made any representation or warranty of any kind or nature whatsoever respecting the physical condition of the Parking Area, its suitability for Tenant's use, or any other matter relating to the Parking Area (including, but not limited to, the environmental condition of the Parking Area) or this Agreement, and Tenant agrees that it is leasing the Parking Area in its "AS-IS CONDITION AND WITH ALL FAULTS".**



Tenant's Initials

4. Term. The term ("Term") of this Agreement commences on February 1, 2012 and, unless earlier terminated, automatically expires on January 31, 2013 ("Expiration Date") without the necessity of any notice or other action on Landlord's part. Notwithstanding the foregoing, Tenant may terminate this Agreement by giving written notice to Landlord at least 30 days prior to the intended Expiration Date. Tenant understands and acknowledges that Landlord is under no obligation to grant any extension of the Term beyond the Expiration Date, that Tenant shall have no right to holdover or otherwise continue to occupy the Parking Area beyond the Expiration Date and shall instead vacate and surrender the Parking Area on or before the Expiration Date.

5. Use; Restricted Access to Parking Area; Safety Measures; Compliance with Laws.

5.1 Use. Tenant agrees that it shall use the Parking Area solely for the parking of U-Haul rental trucks and trailers in Tenant's commercial rental business ("Permitted Use"), and for no other purpose. Tenant further agrees that Tenant shall not conduct any of the following activities within the Parking Area:

Sale, fueling, maintenance, repair, painting, washing, clean-out, loading or unloading, application of any Hazardous Substance to or in any truck, trailer, vehicle,

equipment or otherwise, or the storage of any truck, vehicle, trailer that is unlicensed, or not registered to tenant, or that is inoperable ("Non-Permitted Uses").

5.2. Safety Measures. Tenant agrees to take all actions reasonable necessary to protect human safety in the course of its occupancy of the Parking Area. Tenant shall secure the Parking Area from entry by customers and the general public. Tenant shall not interfere with the ingress and egress of Landlord's other Tenants.

5.3 Hazardous Materials. Tenant agrees that it shall not generate, store, release or dispose of any Hazardous Materials on, in, at or under the Real Property, and that its ancillary use of any Hazardous Substance necessary for the Permitted Use shall at all times be in strict compliance with all laws, rules, orders and regulations, and decisions of administrative bodies and courts of competent jurisdiction, relating to the use, generation, transportation, storage, disposal or release of hazardous materials. In addition to Tenant's other obligations of indemnity under this Agreement, Tenant agrees to indemnify, protect, defend (by counsel reasonably satisfactory to Landlord) and hold Landlord and its officials, officers, agents and employees, and each of them, harmless from and against all claims, losses, liabilities, actions, judgments, costs and expenses (including reasonable attorneys' fees and costs) which they, or any of them, may suffer or incur arising from or relating to the use, generation, storage or release by Tenant, its agents, employees, contractors, guests or invitees of any hazardous materials in, on or about the Real Property.

6. Rent. As rent for the Parking Area, Tenant agrees to pay to Landlord the sum of \$600 per month. Rent is to be paid in advance, without abatement, deduction or offset due to City by 1st of each Month. Rent for any partial month, or at the termination of this Lease by Tenant pursuant to its termination right contained in Section 4, will be prorated on a daily basis to the date of expiration or termination.

7. Maintenance. Tenant agrees that it shall, at its sole cost and expense, during Tenant's occupancy of the Parking Area, maintain the Parking Area and all portions thereof in a clean and neat condition, free of refuse and debris. Tenant agrees that Landlord has no obligation of any kind or nature to maintain, repair, replace or improve the Parking Area or any portion thereof. Tenant agrees that Tenant is solely responsible for the security, protection and insuring of its trucks, trailers, vehicles and other property, and that of its employees, servants and contractors, located on or about the Parking Area. Tenant agrees that Landlord will have no liability of any kind or nature respecting any loss or theft of, or damage to, any such trucks, trailers, vehicles and other property.

8. Insurance. Tenant agrees to keep and maintain public liability and property damage insurance respecting the Parking Area, naming Landlord as an additional insured, in form and amounts (not less than \$1,000,000 per occurrence) and with insurers reasonably satisfactory to Landlord. Such insurance shall expressly cover Tenant's obligation to indemnify, protect, defend and hold Landlord harmless, as provided in Section 9 of this Agreement. Tenant also agrees to keep and maintain a policy or policies of fire and extended coverage insurance, with vandalism and malicious

mischievous endorsements, in the name of Landlord and with loss payable to Landlord, to the extent of the full replacement cost of the improvements located on the Parking Area and otherwise in form and with insurers reasonably satisfactory to Landlord. Tenant also agrees to keep and maintain worker's compensation insurance coverage for its employees in the minimum amounts required by California law. All such insurance will be primary and not contributing with any insurance which Landlord may maintain, and the insurer providing such insurance must agree that such insurance will not be changed or cancelled except upon at least thirty (30) days prior written notice to Landlord. Tenant waives any and all rights of recovery against Landlord and its officials, officers, agents and employees on account of loss or damage occasioned to Tenant or its property or the property of others under its control, to the extent that such loss or damage is insured against under the fire and extended coverage policy required to be kept and maintained by Tenant under this Agreement; and Tenant shall cause each policy required to be kept and maintained by it under this Lease to provide that the insurer waives all right of recovery by way of subrogation against Landlord in connection with any damage covered by such policy. Tenant will provide Landlord with copies of the policies of such insurance or certificates evidencing such insurance upon execution of this Agreement and from time to time thereafter as reasonably requested by Landlord.

9. **Indemnification.** In addition to, and without limiting, Tenant's other obligations of indemnity under this Agreement, Tenant agrees to indemnify, protect, defend (by counsel reasonably satisfactory to Landlord) and hold Landlord and its officials, officers, agents and employees, and each of them, harmless from and against all claims, losses, liabilities, actions, judgments, orders, demands, costs and expenses (including without limitation reasonable attorneys' fees and costs) arising from or in any way related to: (1) the use and/or occupancy of the Parking Area by Tenant and/or its officers, employees, agents, contractors, or invitees; (2) any bodily injury or trauma (including, without limitation, death, dismemberment, mental or physical illness, and/or emotional distress) suffered by any person while on the Parking Area relating in any way to Tenant's use of the Parking Area, or condition of the Real Property; (3) any injury or damage (including, without limitation, loss of profit, loss of opportunity) to any real or personal property or rights thereto, that is owned by Tenant, or its officers, employees, agents, contractors, or invitees where such injury or damage is in any way related to the Tenant's use of the Parking Area or condition of the Real Property; (4) any willful misconduct, negligence, or act or omission of Tenant, or its officers, employees, agents, contractors, or invitees in or about the Parking Area; or (5) any default by Tenant under this Agreement, but excluding any claims, losses, liabilities, actions, judgments, costs and expenses arising from or relating to Landlord's willful misconduct or sole negligence.

10. **Utilities.** Tenant agrees to pay, before delinquency, for all water, sewer, gas, heat, light, power, telephone service, refuse removal and all other utilities or services of any kind supplied to the Parking Area. It is agreed that Landlord is not liable for any failure or interruption of any utility or service, and the failure or interruption of

any utility or service will not entitle Tenant to terminate this Agreement or stop making any rental or other payments due under this Agreement.

11. **Taxes.** Tenant shall pay before delinquency all real property taxes and assessments (both general and special) levied or assessed against the Parking Area during the Term of this Agreement. Tenant shall promptly furnish Landlord with satisfactory evidence that such taxes and assessments have been paid. If any such taxes and assessments cover any period of time after the expiration of the Term of this Agreement, Tenant's share of such taxes and assessments will be equitably prorated to cover only the period of time within the tax fiscal year this Agreement is in effect. Tenant shall also pay before delinquency all taxes levied or assessed against Tenant's trade fixtures, equipment and personal property located at the Parking Area or elsewhere. If Tenant fails to pay any taxes or assessments required to be paid by it under this Agreement, Landlord, at its option, may pay the same and Tenant agrees to reimburse Landlord therefore immediately upon demand. Tenant acknowledges that this Agreement may create a possessory interest subject to taxation and that Tenant may be subject to payment of any and all taxes levied on that possessory interest.

12. **Alterations.** Tenant agrees that it will not make any alterations or improvements to the Parking Area, or any portion thereof, without Landlord's prior written consent, which consent Landlord is under no obligation to give. If Landlord consents to the making of any alterations or improvements, Tenant agrees that such alterations or improvements will be made in strict compliance with all applicable laws, rules and regulations of all governmental authorities having jurisdiction, will be performed in a good and workmanlike manner, and will be made in compliance with such other conditions as Landlord may require in connection with the granting of its consent. Tenant agrees that it will pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use on the Parking Area, which claims are or may be secured by any mechanics' or materialmen's lien against the Parking Area or any interest therein. All alterations and improvements made by Tenant shall, at Landlord's option and at Tenant's sole cost and expense, be removed from the Parking Area at the end of the Term of this Agreement and the Parking Area restored to their condition prior to the making of such alterations or improvements.

13. **Tenant's Property.** All equipment and personal property of Tenant located at the Parking Area will be removed from the Parking Area on the expiration or termination of the Agreement, at Tenant's sole cost and expense, and shall remain the property of Tenant.

14. **Damage and Destruction.** If the Parking Area or any portion thereof are damaged or destroyed by any casualty (whether or not insured), Tenant, at Tenant's sole cost and expense, shall promptly repair and restore the same; provided, that the proceeds, if any, of the fire and extended coverage insurance required to be kept and maintained by Tenant under Section 7 (after deduction of all costs incurred by Landlord in recovering the same) shall be made available to Tenant by Landlord for the purpose

of making such repairs and restorations; provided, further, that if the cost of repairing or restoring the Parking Area exceeds one month's rent or if the repairs and restorations would require more than one month to complete once commenced, then either Landlord or Tenant may cancel this Agreement upon the giving of written notice to the other. Upon any cancellation of this Agreement pursuant to the provisions of this Section, all proceeds of insurance shall be the sole property of Landlord, and Tenant shall have no right or interest therein.

15. **Assignment.** Tenant may not assign this Agreement nor sublet all or any part of the Parking Area.

16. **Default.** The occurrence of any one or more of the following shall constitute a default by Tenant:

(a) Vacation or abandonment of the Parking Area by Tenant.

(b) Failure by Tenant to make payment of rent or any other payments required to be made by Tenant hereunder as and when due.

(c) Failure by Tenant to keep and maintain any of the insurance required to be kept and maintained by Tenant under this Agreement.

(d) Failure by Tenant to observe or perform any of the covenants or provisions of this Agreement, other than as provided in subsections (b) and (c) above, when such failure continues for a period of 30 days after written notice of such failure is given by Landlord to Tenant; provided, that if the nature of Tenant's failure is such that more than 30 days are reasonably required for its cure, then Tenant will not be deemed to be in default if Tenant commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

17. **Remedies.** If Tenant is in default, then, in addition to all other rights and remedies which Landlord may have at law or in equity, Landlord has the following rights and remedies which are not exclusive but are cumulative:

(a) Landlord can, with or without terminating this Agreement, reenter the Parking Area and remove all property and persons therefrom, and any such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of Tenant. If Landlord elects to reenter or shall take possession of the Parking Area pursuant to legal proceedings or pursuant to any notice provided by law, and if Landlord has not elected to terminate this Agreement, Landlord may either recover all rent as it becomes due under this Agreement or relet the Parking Area or any part or parts thereof for such term or terms and upon such provisions as Landlord may deem advisable and will have the right to make repairs to and alterations of the Parking Area. No reentry or taking possession of the Parking Area by Landlord is to be construed as an election to terminate this Agreement unless a written notice of such intention is given to Tenant by Landlord. Notwithstanding any reletting without termination by Landlord because of Tenant's default,

Landlord may, at any time after such reletting, elect to terminate this Agreement because of such default. If Landlord elects to relet the Parking Area without terminating this Agreement, then rent received by Landlord therefrom will be applied as follows:

(i) First, to any indebtedness from Tenant to Landlord other than rent due from Tenant;

(ii) Second, to all costs and expenses, including, without limitation, for maintenance, repairs or alterations, incurred by Landlord in connection with reletting the Parking Area; and

(iii) Third, to the payment of rent due and unpaid under this Agreement and the residue, if any, will be held by Landlord and applied in payment of future rent as the same may become due and payable under this Agreement, and to any damages and other amounts which Landlord is otherwise entitled to under this Agreement. Should that portion of such rent received from such reletting during any month, which is applied to the payment of rent hereunder, be less than the rent payable hereunder during that month by Tenant, then Tenant agrees to pay such deficiency to Landlord immediately upon demand. In no event will Tenant be entitled to any excess rent received by Landlord from such reletting.

(b) Landlord can terminate Tenant's right to possession of the Parking Area at any time. No act by Landlord other than giving written notice to Tenant will terminate this Agreement. Acts of maintenance, efforts to relet the Parking Area, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Agreement shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:

(i) The worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Agreement;

(ii) The worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Agreement until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided;

(iii) The worth, at the time of the award, of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and

(iv) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

"The worth, at the time of the award," as used in (i) and (ii) of this subsection (b), is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The worth, at the time of the award," as referred to in (iii) of

this subsection (b), is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

(c) Landlord can have a receiver appointed to collect rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Agreement.

(d) Without waiving the default, Landlord can, at its sole option, pay such sums and/or take such actions as are necessary in Landlord's reasonable judgment in order to cure the default, and all sums expended or incurred by Landlord in connection therewith, together with interest thereon at the maximum rate permitted by law, shall be paid by Tenant to Landlord immediately on demand.

18. **Late Payment.** Rent and other amounts not paid by Tenant when due under this Agreement shall bear interest at the rate of ten percent (10%) per annum from the date due until the date paid.

19. **Landlord Entry.** Landlord and its authorized representatives shall have the right upon reasonable prior written notice to Tenant to enter all portions of the Parking Area for any of the following purposes: (a) to determine whether the Parking Area are in good condition and whether Tenant is complying with its obligations under this Agreement; (b) to inspect the Parking Area; (c) in connection with Landlord's design and construction planning respecting Landlord's future use of the Parking Area; and (d) to post notices of nonresponsibility. Notwithstanding the foregoing to the contrary, Landlord and its authorized representatives shall have the right to enter the Parking Area at any time, and without notice to Tenant, where an emergency situation necessitates such entry. No exercise by Landlord of its rights under this Section shall entitle Tenant to any damages for any injury or inconvenience occasioned thereby or to any abatement of rent or other amounts payable under this Agreement.

20. **Surrender of Parking Area.** Upon the expiration or other termination of the Term of this Agreement, Tenant agrees to surrender possession of the Parking Area, and every party thereof, to Landlord in generally the same condition as it was at commencement date of the Agreement, ordinary wear and tear alone excepted. "Ordinary wear and tear" does not include any damage or deterioration that would have been prevented by Tenant performing all of its obligations under this Agreement.

21. **Notices.** Except as otherwise provided, all notices required or permitted to be given under this Agreement must be in writing and addressed to the parties at their respective notice addresses set forth below; provided, that notices to Tenant may also be effectively given in writing and addressed to Tenant at the Parking Area address. Notices must be given by personal delivery (including by commercial delivery service) or by first-class mail, postage prepaid. Notices will be deemed effectively given, in the case of personal delivery, upon receipt (or if receipt is refused, upon attempted delivery), and in the case of mailing, three (3) days following deposit into the

custody of the United States Postal Service. The notice addresses of the parties are as follows:

If to Landlord: City of Hemet
445 E. Florida Avenue
Hemet, California 92543-2409
Attention: City Manager

With a copy to:

Eric S. Vail, City Attorney
Burke, Williams & Sorensen, LLP
2280 Market Street, Suite 300
Riverside, California 92501-3629

If to Tenant: Amerco Real Estate Company
2727 North Central Avenue, Suite 500
Phoenix, Arizona 85004

With a copy to:

U-Haul Center Hemet, CA
222 North State Street
Hemet, CA 92543
Attention: *General Manager*

22. **Waiver and Release of Benefits.** Tenant acknowledges that upon expiration of the Term, including any extension thereof, or upon termination of any holdover tenancy (collectively "Expiration of Tenancy"), Tenant might be or become eligible to receive compensation, reimbursement, assistance, including, but not limited to, the fair market value of real and personal property, loss of goodwill, loss of profits, actual and reasonable expenses for moving a business, loss of tangible personal property as a result of moving the business, expenses incurred in searching for a replacement site for the business, expenses to reestablish the business at the new site, "in-lieu payments," and other such benefits (collectively "Benefits") under the California Relocation Assistance Act (Government Code §7260, *et seq.*), Title 25 of the California Code of Regulations, Article 1, § 19 of the California Constitution, the California Eminent Domain Law (Code of Civil Procedure §1230.010, *et seq.*), or other similar local, state, or federal statute, ordinance, regulation, rule, or decisional law (collectively "Compensatory Laws"). Tenant further acknowledges that it has received full and fair compensation of all Benefits Tenant is or might be or might become entitled to recover from the City of Hemet and/or the Hemet Redevelopment Agency (collectively "City") as a result of, or in any way related to, Expiration of the Tenancy, City's acquisition of the Parking Area, and City's occupancy and possession of the Parking Area. Therefore, being fully informed of and understanding the acknowledgments made herein and of Tenant's rights or potential rights to Benefits under the Compensatory Laws, Tenant

hereby expressly and unconditionally waives, and Releases the City from, any and all rights of Tenant to claim, demand, sue for, or receive any Benefits which Tenant is or might be or might become entitled to recover from the City as a result of, or in any way related to, Expiration of the Tenancy, City's acquisition of the Parking Area, and City's occupancy and possession of the Parking Area.



Tenant's Initials

23. **Survival of Obligations.** Tenant acknowledges that it is currently in possession of the Parking Area on a month-to-month basis as a holdover tenant, on the terms and conditions set forth in the Initial Lease Agreement, as amended. Tenant further acknowledges that Tenant's month-to-month tenancy is being terminated and replaced by the executions and earlier of this Agreement. Notwithstanding the termination of Tenant's month-to-month tenancy (including without limitation, obligations of indemnity and insurance) such obligations survive such termination.

24. **General.**

(a) The acceptance by Landlord of any rental or other payments due hereunder with knowledge of the breach of any of the terms, covenants or provisions of this Agreement by Tenant shall not be construed as a waiver of any such breach. The acceptance at any time or times by Landlord of any sum less than that which is required to be paid by Tenant shall, unless Landlord specifically agrees otherwise in writing, be deemed to have been received only on account of the obligation for which it is paid, and shall not be deemed an accord and satisfaction notwithstanding any provisions to the contrary written on any check or contained in any writing transmitting the same.

(b) The titles to the sections of this Agreement are for convenience of reference only and are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement. Any exhibits attached to this Agreement are, however, a part of this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to any otherwise governing principles of conflicts of law. In construing this Agreement, none of the parties to it shall have any term or provision construed against it solely by reason of its having drafted the same.

(c) Any provision of this Agreement that is invalid, illegal or unenforceable shall be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating, diminishing or rendering unenforceable the rights and obligations of the parties under the remaining provisions of this Agreement.

(d) No term or provision of this Agreement may be amended, altered, modified or waived orally or by a course of conduct, but only by an instrument in writing signed by a duly authorized officer or representative of the party against which enforcement of such amendment, alteration, modification or waiver is sought. Any

amendment, alteration, modification or waiver shall be for such period and subject to such conditions as shall be specified in the written instrument affecting the same. Any waiver shall be effective only in the specific instance and for the specific purpose for which given.

(e) This Agreement and all exhibits attached to it constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements (whether written or oral) with respect to that subject matter.

(f) This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(g) If either party hereto brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in such action, on trial or appeal, shall be entitled to reasonable attorneys' fees to be paid by the losing party as fixed by the court.

The parties have caused this Agreement to be duly executed by their respective duly authorized officers or representatives as of the date first set forth above.

CITY OF HEMET, a municipal corporation

By: _____
Brian Nakamura
City Manager

ATTEST:

Sarah McComas, City Clerk

APPROVED AS TO FORM:

Eric S. Vail,
City Attorney

Amerco Real Estate Company,
a Nevada corporation,
DBA: U-Haul Center Hemet CA

By: 
Carlos Vizcaino
President

By: 
George Olds
Assistant Secretary

APPROVED AS TO FORM:

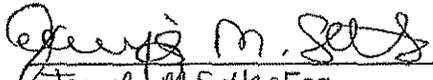

Jennifer M. Settle Esq.

EXHIBIT "A"

- 1. Parcel Map of Site**
- 2. Property Description**
- 3. Ariel View of Approximate Parking Area**

A.1

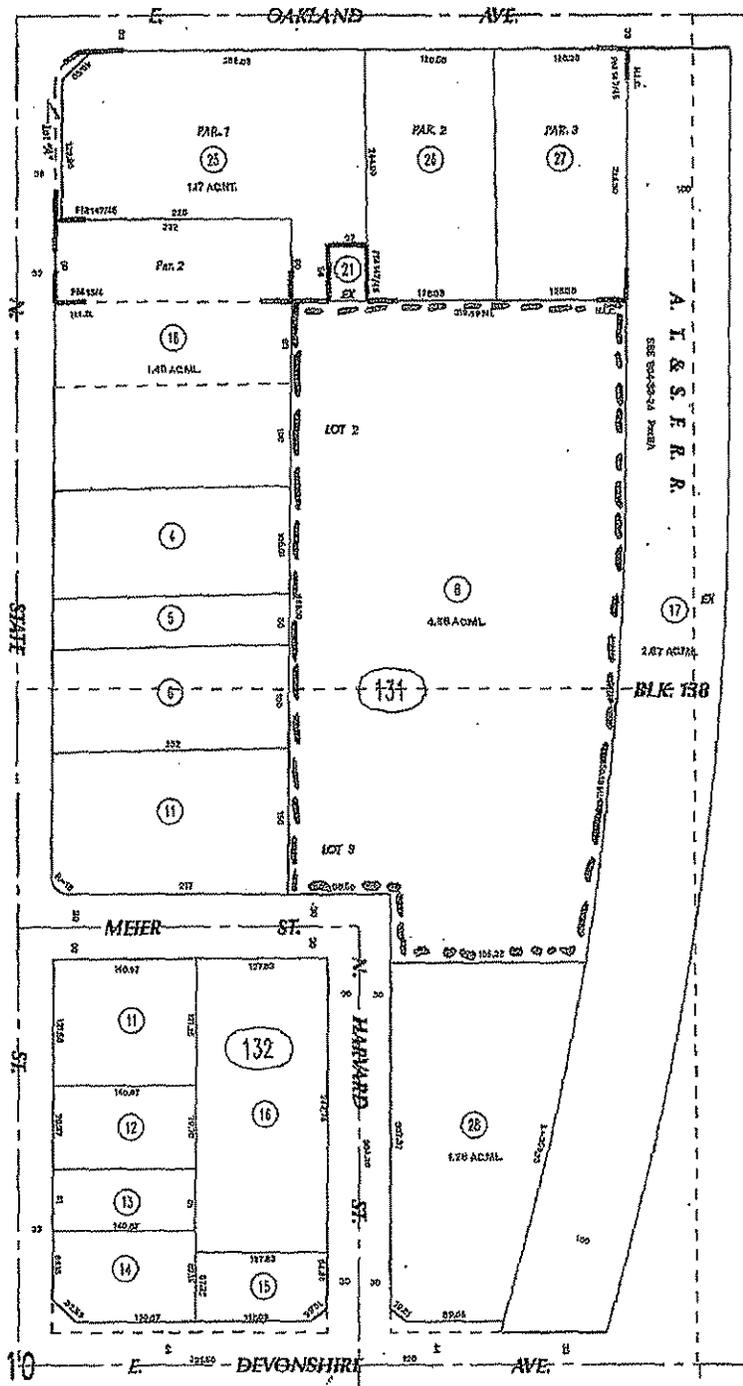
THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S FIELD DATA MAY NOT CORRELATE WITH LOCAL LOT-TO-LOT OR BUILDING SITE INFORMATION.

POP. NE. 10 T. 5S. R. 1W.
CITY OF HELETT

T.R.A. 008-183

443-13
10-27

1" = 100'
ANGLE = 90°



ASSASSOR'S MAP 82413 PG. 33
Riverside County, Calif. AMB
DATE: SEP 28-24-11 MR. SL

MB 1/14-16 HELET LAND CO.
PL 15/A PARCEL MAP 8238
PL 147/45-48 PARCEL MAP 22872

LOT	AREA	ACRES	PERCENT
1	1.48	0.033	0.33
2	1.48	0.033	0.33
3	1.48	0.033	0.33
4	1.48	0.033	0.33
5	1.48	0.033	0.33
6	1.48	0.033	0.33
7	1.48	0.033	0.33
8	4.88	0.112	1.12
9	1.48	0.033	0.33
10	1.48	0.033	0.33
11	1.48	0.033	0.33
12	1.48	0.033	0.33
13	1.48	0.033	0.33
14	1.48	0.033	0.33
15	1.48	0.033	0.33
16	1.48	0.033	0.33
17	2.67	0.059	0.59
18	1.48	0.033	0.33
19	1.48	0.033	0.33
20	1.48	0.033	0.33
21	1.48	0.033	0.33
22	1.48	0.033	0.33
23	1.48	0.033	0.33
24	1.48	0.033	0.33
25	1.47	0.032	0.32
26	1.48	0.033	0.33
27	1.48	0.033	0.33
28	1.79	0.039	0.39

DATE: SEP 28-24-11 MR. SL

PROPERTY INFORMATION

A.2

1) Property: 250 MEIER ST, HEMET CA 92543-2973 C035
 APN: 443-131-008 Card#: Use: COMMERCIAL BUILDING
 County: RIVERSIDE, CA Prop Tax: Total Value:
 MapPg/Grid: 811-A6 Old Map: Tax Year: Delinq: Land Value:
 Census: 434.01 Tract #: Tax Area: 6165 Imprv Value:
 High School: HEMET Elem School: Taxable Val:
 Comm Coll: MT JACINTO Exemptions: Assd Year:
 Subdivision: HEMET LAND CO % Improved:
 Owner: CITY OF HEMET Phone: 951/765-2300
 Owner Vest: / / CO

Mail: 445 E FLORIDA AVE; HEMET CA 92543-4209 C006

Owner Transfer = Rec Dt: 08/10/2006 Price: Doc#: 588848 Type: GRANT DEED
 Sale Dt: 03/31/2006

SALE & FINANCE INFORMATION

	LAST SALE	PRIOR SALE
Recording/Sale Date:		
Sale Price/Type:		
Document #:		
Deed Type:		
1st Mtg Amt/Type:		
1st Mtg Rt/Type/Trm:	/	/
1st Mtg Lender:		
2nd Mtg Amt/Type:		
2nd Mtg Rt/Type/Trm:	/	/
Title Company:		
Seller:		
New Construction:		
Other Last Sale Info = # Parcels:	Type 2:	Pend:

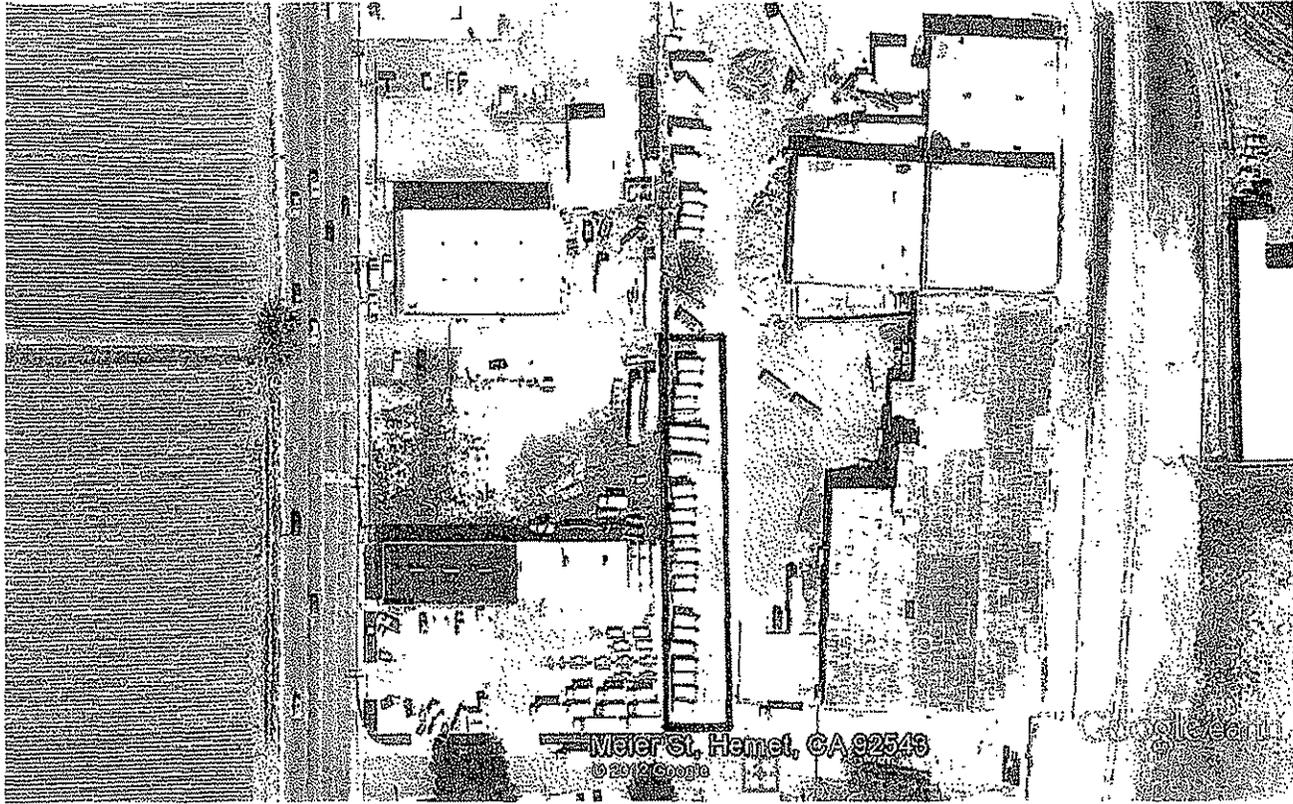
IMPROVEMENTS

Bldg/Liv Area:
 Gross Area:
 Ground Flr:
 Bsmnt Area:
 \$/SqFt:
 Yrbl/Eff:
 # Stories:
 Rooms:
 Bedrooms:
 Full/Half Bath:
 Til Baths/Fixt:
 Fireplace:
 Pool:
 Porch Type:
 Patio Type:
 Construct:
 Foundation:
 Ext Wall:
 Roof Shape:
 Roof Type:
 Roof Matl:
 Floor Type:
 Floor Cover:
 Heat Type:
 Heat Fuel:
 Air Cond:
 Quality:
 Condition:
 Style:
 Equipment:
 Other Rms:

SITE INFORMATION

# Res. Units:	County Use: C1	Acres: 4.55
# Comm Units:	Zoning: M2	Lot Area: 198,198
# Buildings:	Flood Panel: 0602530005D	Lot Width:
Bldg Class:	Panel Date: 08/19/1997	Lot Depth:
Parking Sqft:	Flood Zone: X500	Usable Lot:
Park Spaces:	Sewer Type:	
Garage Cap#:	Water Type:	
Park Type:		
Other Impvs:		
Legal Blk/Bldg: 138	Site Influence:	
Legal Lot/Unit: 2	Amenities:	
Legal: 4.55 ACRES M/L IN POR LOTS 2 & 3 BLK 138 MB 001/014 HEMET LAND CO		

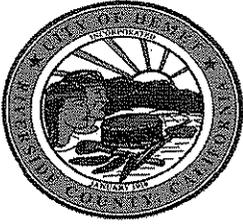
A.3



Water St, Hamet, CA 92543
© 2012 Google

Google earth





Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: John Jansons, Community Investment Director *JJ*

DATE: February 14, 2012

RE: Short Term Lease of Real Property Located at 250-256 East Meier Street

RECOMMENDATION:

- 1) That the City Council approve a short term lease for real property located at 250-256 East Meier Street to Agri-Empire of San Jacinto, CA.
- 2) Authorize the City Manager to execute the lease.

BACKGROUND:

Since 2006, Agri-Empire of San Jacinto has leased real property located at 250-256 East Meier Street, commonly know as the Potato Shed, from the City of Hemet. The City and Agri-Empire now wish to enter into a new short-term lease from February 1, 2012 through June 15, 2012.

DISCUSSION:

At this time, the City and Agri-Empire wish enter into a new short-term lease that would reduce the amount of space occupied by the tenant and prepare for the tenant's ultimate vacancy of the entire property by June 15, 2012. By doing so, Agri-Empire intends to complete its agricultural business cycle with no disruptions, losses or layoffs.

The City and Agri-Empire have agreed to a lease rate of \$2,500.00 per month. Over the term of the proposed lease (Attachment 1) the City will receive \$12,500.00 in rental income.

COORDINATION AND REVIEW:

This recommendation was prepared and coordinated with the Office of the City Manager, Department of Community Investment, Finance Department and City Attorney's office.

INTEGRATION OF COUNCIL GOALS / STRATEGIC PLAN:

The recommendation supports the Council's goals of: economic vitality, increasing municipal revenue, and business retention.

FISCAL IMPACT:

The fiscal impact to the General Fund is approximately \$12,500.00 per year in new revenue to the City.

ALTERNATIVE(S):

- 1) Do not approve proposed lease.
- 2) Provide direction to staff.

CONCLUSION:

It is respectfully recommended:

- 1) That the City Council approve a short term lease for real property located at 250-256 East Meier Street to Agri-Empire of San Jacinto, CA.
- 2) Authorize the City Manager to execute the lease.

Attachment: 1 – Lease for Real Property located at 250-256 East Meier Street.

Respectfully Recommended:



John Jansons
Community Investment Director

Approved By:



Brian S. Nakamura
City Manager

Attachment No. 1

**Proposed Lease by and between City of Hemet and Agri
Empire for 250-256 East Meier Street Hemet, CA**

City Council

February 14, 2012

SHORT TERM LEASE AGREEMENT

By And Between
THE CITY OF HEMET
And
AGRI-EMPIRE

Dated: February __, 2012

SHORT TERM LEASE AGREEMENT

This Short Term Lease Agreement (the "Agreement") is entered into as the date indicated on the cover page by and between the CITY OF HEMET, a municipal corporation (the "Landlord"), and AGRI-EMPIRE, a California corporation (the "Tenant"), who agree as follows:

RECITALS

A. Landlord and Tenant previously entered into that Lease Agreement dated August 10, 2006, for use of the Premises (defined below) for a term of one year to expire on August 10, 2007. The Lease Agreement was amended four times (July 23, 2007, August 12, 2008, July 14, 2009, and July 13, 2010), each time to extend the term for an additional year. The extended term of the Lease Agreement expired on August 10, 2011.

B. Tenant has remained in possession of the Premises after the expiration of the extended term of the Lease Agreement, without the permission of Landlord. A dispute has arisen between the Tenant and Landlord regarding Tenant's right to continue to occupy and possession of the Real Property and Premises. Without the admission of fault by either Party, both Landlord and Tenant desire to settle the dispute and to compromise and release any claims they may have against the other Party arising out of, or in connection with, this dispute by means of this Short Term Lease Agreement.

C. Tenant and Landlord acknowledge that the Building Official for the City of Hemet has inspected the Premises and determined that certain portions of the Premises constitute an unsafe and dangerous building not suitable for human occupation. It is the intent of Landlord to demolish the building after the expiration of the Term (as defined below) of this Agreement. As a condition of Tenant's lease of the Premises, Tenant has agreed, as set forth herein, to assume all responsibility and liability for injury or damage to persons or property resulting from the condition of the Premises, and to take the safety measures set forth herein.

OPERATIVE PROVISIONS

For consideration, the receipt and value of which is hereby acknowledged by both Parties, Landlord and Tenant hereby agrees as follows:

1. **Definitions.** For purposes of this Agreement, the terms set forth below shall be defined as and have the specific meaning ascribed herein:

1.1 "**Expiration Date**" means June 15, 2012, the date upon which the Term of the Agreement expires and Tenant is obligated to have vacated and surrendered the Premises.

1.2 **"Hazardous Materials"** shall mean any and all of the following:

(i) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or for which liability arises for misuse, pursuant to the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901, et seq.; the Toxic Substances Control Act, 15 U.S.C.S. § 2601, et seq.; the Clean Water Act, 33 U.S.C. §1251, et seq.; the Insecticide, Fungicide, Rodenticide Act, 7 U.S.C. § 136, et seq.; the Superfund Amendments and Reauthorization Act, 42 U.S.C. § 6901, et seq.; the Clean Air Act, 42 U.S.C. § 7401, et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f, et seq.; the Solid Waste Disposal Act, 42 U.S.C. §6901, et seq.; the Surface Mining Control and Reclamation Act, 30 U.S.C. § 1201, et seq.; the Emergency Planning and Community Right to Know Act, 42 U.S.C. § 11001, et seq.; the Occupational Safety and Health Act, 29 U.S.C. §§ 655 and 657; the Hazardous Waste Control Act, California Health and Safety Code ("H.&S.C.") § 25100, et seq.; the Hazardous Substance Account Act, H.&S.C. § 25330, et seq.; the California Safe Drinking Water and Toxic Enforcement Act, H.&S.C. § 25249.5, et seq.; the Underground Storage of Hazardous Substances, H.&S.C. § 25280, et seq.; the Carpenter-Presley-Tanner Hazardous Substance Account Act, H.&S.C. § 25300, et seq.; the Hazardous Waste Management Act, H.&S.C. §25170.1, et seq.; the Hazardous Materials Response Plans and Inventory, H.&S.C. § 25001, et seq.; the Porter-Cologne Water Quality Control Act, Water Code § 13000, et seq., all as they may from time to time be amended;

(ii) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or for which liability for misuse arises pursuant to any other federal, state or local statute, law, ordinance, resolution, code, rule, regulation, order or decree due to its hazardous, toxic or dangerous nature;

(iii) any petroleum, crude oil or any substance, product, waste, or other material of any nature whatsoever which contains gasoline, diesel fuel or other petroleum hydrocarbons other than petroleum and petroleum products contained within regularly operated motor vehicles; and

(iv) polychlorinated biphenyls (PCB), radon gas, urea formaldehyde, asbestos and lead.

1.3 **"Occupational Safety Laws"** means those laws, rules, regulations, and decisions pertaining to occupational safety as defined in Section 5.2.2.

1.4 **"Permitted Use"** means the limited use of the Premises for cold potato storage as described in Section 5.1. of this Agreement.

1.5 **"Premises"** means those certain buildings, or portions of buildings, and improvements identified on Exhibit "A," attached hereto and incorporated herein by reference.

1.6 "**Real Property**" means that certain real property commonly known as 250 East Meier Street, Hemet, California and having Assessor's Parcel Number 443-131-008.

1.7 "**Term**" means the duration of this Agreement as specified in Section 4.

2. **Material Inducement.** Tenant agrees that its promises and agreements to strictly adhere to and comply with the material terms and conditions set forth in this Agreement are a material inducement to Landlord's lease of the Premises to Tenant, in the absence of which Landlord would not have leased the Premises to Tenant. Tenant's failure to adhere to and comply with the terms and conditions of this Agreement shall be deemed a material breach of the Agreement.

3. **Demise.** Subject to the terms and conditions of this Agreement, Landlord leases to Tenant and Tenant leases from Landlord the Premises. Landlord also grants to Tenant the right of ingress and egress over and across the Real Property as necessary for Tenant to obtain entry to and from the Premises during the Term of this Agreement.

3.1 **"AS-IS" Condition; Tenants Sole Risk.**

(i) Tenant agrees that it has occupied and controlled the Premises and Real Property as its owner for decades prior to the sale of the Real Property and Premises to Landlord in 2006. Tenant further agrees that it is thoroughly familiar with the Premises and all aspects thereof, including, without limitation, the physical condition of the Premises and Real Property, its zoning and all other restrictions and limitations applicable to the Premises (whether or not of public record). Tenant also agrees that Landlord has made no material alterations to the Premises, that Tenant has, at all times since the sale of the Premises to Landlord, been solely responsible for the care, maintenance, and upkeep of the Premises and Real Property, and that Landlord has not been and is not now responsible for the existing condition of the Premises or Real Property. Tenant additionally agrees that it assumes all liability and responsibility for the physical condition of the Premises and Real Property. **Tenant agrees that neither Landlord nor anyone acting on Landlord's behalf has made any representation or warranty of any kind or nature whatsoever respecting the physical condition of the Premises, its suitability for Tenant's use, or any other matter relating to the Premises (including, but not limited to, the environmental condition of the Premises) or this Agreement, and Tenant agrees that it is leasing the Premises in its "AS-IS CONDITION AND WITH ALL FAULTS".**

Tenant's Initials

(ii) Tenant acknowledges and agrees that Landlord has provided Tenant with its own inspection report of the Premises ("City's November 2011 Report"), that Landlord has expressed to Tenant its concerns that portions of the Premises are unsafe for human occupancy or use, and that the entire Premises should be vacated and no longer occupied. Tenant acknowledges and agrees that Landlord has required Tenant to independently investigate the physical condition of the Premises and Real Property and whether such may be safely used and occupied and, in the exercise of its own due diligence, placing no reliance upon any representation or warranty, statement, report or information of Landlord, to determine of its own accord whether it is safe to occupy and use the Premises and Real Property or any part thereof. Tenant agrees that it occupies and uses the Premises at its sole discretion, risk and hazard and that Landlord shall not be in any way liable or responsible for Tenant's occupancy or use of the Premises or Real Property for any damage to life, person, or property, including without limitation Tenant's potato crop, equipment or employees.

Tenant's Initials

4. **Term.** The term ("**Term**") of this Agreement commences on February 1, 2012 and, unless earlier terminated, automatically expires on June 15, 2012 ("**Expiration Date**") without the necessity of any notice or other action on Landlord's part. Notwithstanding the foregoing, Tenant may terminate this Agreement by giving written notice to Landlord at least 30 days prior to the intended expiration date. Tenant understands and acknowledges that Landlord will not entertain any extension of the Term beyond the Expiration Date, that Tenant shall have no right to holdover or otherwise continue to occupy the Premises beyond the Expiration Date and shall instead vacate and surrender the Premises on or before the Expiration Date.

5. **Use; Restricted Access to Premises; Safety Measures; Compliance with Laws.**

5.1 **Use.** Tenant agrees that it shall use the Premises solely for the cold storage, cutting, warming and removal of Tenant's inventory of seed potatoes that are currently stored within the Premises, and operations directly related thereto ("**Permitted Use**"), and for no other purpose. Tenant further agrees that Tenant shall maintain and store on the Premises only that equipment and material necessary for the Permitted Use. Tenant agrees that it shall not transport to, store, or process at the Premises or Real Property any other potatoes, seeds, crops, equipment, or any other materials of whatsoever type or nature. Tenant agrees that it shall maintain and store on the Premises only that equipment and material necessary for the Permitted Use.

5.2. **Safety Measures.** Tenant's agrees to take all actions reasonable necessary to protect human safety in the course of its occupancy of the Premises. Such measures shall include, but are not limited to:

5.2.1 *Secure the Premises from Unauthorized Entry.* Tenant agrees that its use of the Premises for the Permitted Uses shall be strictly confined to

the portions of the Premises on the diagram attached hereto as Exhibit "A". Tenant represents and warrants that as of the commencement of the Term of this Agreement it has fully vacated the portions of the Premises delineated on Exhibit "A" as "DO NOT ENTER," and has secured these areas from further access. Tenant agrees to take all affirmative actions, at its sole cost and expense, necessary to prohibit access to these areas by Tenant's officers, employees, agents, representatives, invitees, and third parties (excepting only officers, employees, agents and representatives of the City of Hemet or other governmental agency having jurisdiction over such Premises or uses thereof). Tenant shall be solely responsible for securing and controlling access to the Premises including without limitation installation of fencing, locking doors, and onsite security personnel as may be necessary to restrict access to the Premises and, under no circumstances shall Landlord be responsible or liable for securing or limiting access to the Premises or otherwise incurring any expense whatsoever related to such restrictions.

5.2.2 *Occupational Safety Laws.* Tenant agrees to comply with all laws, rules, orders and regulations adopted or issued by the State of California, inclusive of any department or division thereof, together with any precedential administrative or judicial decisions issued by administrative bodies or courts of competent jurisdiction, that are applicable to Tenant's use of the Premises for the Permitted Use ("**Occupational Safety Laws**"). Tenant shall be responsible for compliance with all Occupational Safety Laws at its sole cost and expense and under no circumstances shall Landlord be responsible or liable for making any improvement to the Premises or otherwise incurring any expense whatsoever related to such compliance.

5.2.3 *Safe Use Recommendations.* Tenant agrees to implement and comply with all recommendations for continued safe use of the Premises contained in the study prepared by Helfrich Associates Engineering and Construction Consulting dated _____ 2012 ("**Safe Use Recommendations**"). Tenant agrees to commence implementation of all Safe Use Recommendations by no later than February 15, 2012, and to have completed implementation of all Safe Use Recommendations by March 1, 2012. Until all Safe Use Recommendations have been implemented, Tenant shall minimize human presence within the Premises, except as necessary to complete such implementation. Tenant shall be responsible for implementation of all Safe Use Recommendations at its sole cost and expense and under no circumstances shall Landlord be responsible or liable for making any improvement to the Premises or otherwise incurring any expense whatsoever related to such implementation.

5.2.4 *Safety Equipment.* Tenant agrees to ensure that all persons (other than City of Hemet personnel) entering any portion of the Premises wear a safety helmet (i.e. a hard hat) and are equipped with such other safety equipment or apparel as may be required by the Occupational Safety Laws or suggested by the Safe Use Recommendations. Tenant shall supply all safety equipment and apparel issued to Tenant's officers, employees, agents and representatives at Tenant's sole cost and expense. Under no circumstances shall Landlord be responsible or liable for providing

any safety equipment to any persons except its own officers, employees, agents and contractors.

5.2.5. *Safety Notices.* Tenant, at its sole cost and expense, shall affix to the Premises, and maintain in good condition at all times during the Term, safety notices prominently at all ingress and egress points of the Premises stating "WARNING: You are entering Premises that may be structurally unsafe. Appropriate Safety Equipment is required at all times. Work within these Premises is only permitted in compliance with an established Occupational Safety Plan. For more information contact [Name of Tenant's Representative] at [Provide address and phone number]." Notices shall be bright yellow in color, printed in a font no smaller than 24 points, on durable all weather material, at least 8.5 inches wide and 11 inches long.

5.2.6. *Inform Insurers.* Tenant agrees to provide a copy of this Agreement, the City November 2011 Report and the Helfrich Report to its liability insurers and to then provide written assurance to Landlord that the insurance policies required under this Agreement and issued by such insurer cover the risks and liabilities assumed by Tenant under the Agreement due to the condition of the Premises and the nature of Tenant's operations therein.

5.3 Hazardous Materials. Tenant agrees that it shall not generate, store, release or dispose of any Hazardous Materials on, in, at or under the Premises or Real Property, and that its use of any Hazardous Substance necessary for the Permitted Use shall at all times be in strict compliance with all laws, rules, orders and regulations, and decisions of administrative bodies and courts of competent jurisdiction, relating to the use, generation, transportation, storage, disposal or release of hazardous materials. In addition to Tenant's other obligations of indemnity under this Agreement, Tenant agrees to indemnify, protect, defend (by counsel reasonably satisfactory to Landlord) and hold Landlord and its officials, officers, agents and employees, and each of them, harmless from and against all claims, losses, liabilities, actions, judgments, costs and expenses (including reasonable attorneys' fees and costs) which they, or any of them, may suffer or incur arising from or relating to the use, generation, storage or release by Tenant, its agents, employees, contractors, guests or invitees of any hazardous materials in, on or about the Premises.

6. Rent. As rent for the Premises, Tenant agrees to pay to Landlord the sum of \$2,500 per month. Rent is to be paid in advance, without abatement, deduction or offset. Tenant agrees that it has been in occupancy of the Premises without payment of rent since December 1, 2011, and that within five (5) days of Landlord's approval of the Lease shall pay to Landlord back rent of \$5,000 plus \$2,500 rent for February. Thereafter, the next payment of monthly rent is due on February 29th, and thereafter on the last business day of each month. Rent for the partial month of June, or at the termination of this Lease by Tenant pursuant to its termination right contained in Section 4, will be prorated on a daily basis to the date of expiration or termination.

7. Maintenance. Tenant agrees that it shall, at its sole cost and expense, during Tenant's occupancy of the Premises, maintain the Premises and all portions

thereof, whether structural or non-structural, in a state safe for human use and occupancy. Tenant agrees that Landlord has no obligation of any kind or nature to maintain, repair, replace or improve the Premises or any portion of the Premises. Tenant agrees that Tenant is solely responsible for the security, protection and insuring of its equipment, materials and other property, and that of its employees, servants and contractors, located on or about the Premises. Tenant agrees that Landlord will have no liability of any kind or nature respecting any loss or theft of, or damage to, any such equipment, materials or other property.

8. **Insurance.** Tenant agrees to keep and maintain public liability and property damage insurance respecting the Premises, naming Landlord as an additional insured, in form and amounts (not less than \$5,000,000 per occurrence) and with insurers reasonably satisfactory to Landlord. Such insurance shall expressly cover Tenant's obligation to indemnify, protect, defend and hold Landlord harmless, as provided in Section 9 of this Agreement. Tenant also agrees to keep and maintain a policy or policies of fire and extended coverage insurance, with vandalism and malicious mischief endorsements, in the name of Landlord and with loss payable to Landlord, to the extent of the full replacement cost of the improvements located on the Premises and otherwise in form and with insurers reasonably satisfactory to Landlord. Tenant also agrees to keep and maintain worker's compensation insurance coverage for its employees in the minimum amounts required by California law. All such insurance will be primary and not contributing with any insurance which Landlord may maintain, and the insurer providing such insurance must agree that such insurance will not be changed or cancelled except upon at least thirty (30) days prior written notice to Landlord. Tenant waives any and all rights of recovery against Landlord and its officials, officers, agents and employees on account of loss or damage occasioned to Tenant or its property or the property of others under its control, to the extent that such loss or damage is insured against under the fire and extended coverage policy required to be kept and maintained by Tenant under this Agreement; and Tenant shall cause each policy required to be kept and maintained by it under this Lease to provide that the insurer waives all right of recovery by way of subrogation against Landlord in connection with any damage covered by such policy. Tenant will provide Landlord with copies of the policies of such insurance or certificates evidencing such insurance upon execution of this Agreement and from time to time thereafter as reasonably requested by Landlord.

9. **Indemnification.** In addition to, and without limiting, Tenant's other obligations of indemnity under this Agreement, Tenant agrees to indemnify, protect, defend (by counsel reasonably satisfactory to Landlord) and hold Landlord and its officials, officers, agents and employees, and each of them, harmless from and against all claims, losses, liabilities, actions, judgments, orders, demands, costs and expenses (including without limitation reasonable attorneys' fees and costs) arising from or in any way related to: (1) the use and/or occupancy of the Premises by Tenant and/or its officers, employees, agents, contractors, or invitees; (2) any bodily injury or trauma (including, without limitation, death, dismemberment, mental or physical illness, and/or emotional distress) suffered by any person while on the Premises or related to the

Premises; (3) any injury or damage (including, without limitation, spoilage, loss of profit, loss of opportunity) to any real or personal property or rights thereto, that is owned by Tenant, or its officers, employees, agents, contractors, or invitees where such injury or damage is in any way related to the Premises or Real Property; (4) any willful misconduct, negligence, or act or omission of Tenant, or its officers, employees, agents, contractors, or invitees in or about the Premises; or (5) any default by Tenant under this Agreement, but excluding any claims, losses, liabilities, actions, judgments, costs and expenses arising from or relating to Landlord's willful misconduct or sole negligence.

10. **Utilities.** Tenant agrees to pay, before delinquency, for all water, sewer, gas, heat, light, power, telephone service, refuse removal and all other utilities or services of any kind supplied to the Premises. It is agreed that Landlord is not liable for any failure or interruption of any utility or service, and the failure or interruption of any utility or service will not entitle Tenant to terminate this Agreement or stop making any rental or other payments due under this Agreement.

11. **Taxes.** Tenant shall pay before delinquency all real property taxes and assessments (both general and special) levied or assessed against the Premises during the Term of this Agreement. Tenant shall promptly furnish Landlord with satisfactory evidence that such taxes and assessments have been paid. If any such taxes and assessments cover any period of time after the expiration of the Term of this Agreement, Tenant's share of such taxes and assessments will be equitably prorated to cover only the period of time within the tax fiscal year this Agreement is in effect. Tenant shall also pay before delinquency all taxes levied or assessed against Tenant's trade fixtures, equipment and personal property located at the Premises or elsewhere. If Tenant fails to pay any taxes or assessments required to be paid by it under this Agreement, Landlord, at its option, may pay the same and Tenant agrees to reimburse Landlord therefore immediately upon demand. Tenant acknowledges that this Agreement may create a possessory interest subject to taxation and that Tenant may be subject to payment of any and all taxes levied on that possessory interest.

12. **Alterations.** Except as may be required pursuant to the Safe Occupancy Recommendations, or as may be otherwise necessary to protect human life, Tenant agrees that it will not make any alterations or improvements to the Premises, or any portion of the Premises, without Landlord's prior written consent, which consent Landlord is under no obligation to give. If Landlord consents to the making of any alterations or improvements, Tenant agrees that such alterations or improvements will be made in strict compliance with all applicable laws, rules and regulations of all governmental authorities having jurisdiction, will be performed in a good and workmanlike manner, and will be made in compliance with such other conditions as Landlord may require in connection with the granting of its consent. Tenant agrees that it will pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use on the Premises, which claims are or may be secured by any mechanics' or materialmen's lien against the Premises or any interest therein. All alterations and improvements made by Tenant shall, at Landlord's option and at Tenant's sole cost and expense, be removed from the Premises at the end of the

Term of this Agreement and the Premises restored to their condition prior to the making of such alterations or improvements.

13. **Tenant's Property.** All trade fixtures, refrigeration cooling facilities, equipment and personal property of Tenant located at the Premises will be removed from the Premises on the expiration or termination of the Agreement, at Tenant's sole cost and expense, and shall remain the property of Tenant. Landlord intends to raze the Premises on expiration or termination of the Lease.

14. **Damage and Destruction.** If the Premises or any portion thereof are damaged or destroyed by any casualty (whether or not insured), Tenant, at Tenant's sole cost and expense, shall promptly repair and restore the same; provided, that the proceeds, if any, of the fire and extended coverage insurance required to be kept and maintained by Tenant under Section 7 (after deduction of all costs incurred by Landlord in recovering the same) shall be made available to Tenant by Landlord for the purpose of making such repairs and restorations; provided, further, that if the cost of repairing or restoring the Premises exceeds one month's rent or if the repairs and restorations would require more than one month to complete once commenced, then either Landlord or Tenant may cancel this Agreement upon the giving of written notice to the other. Upon any cancellation of this Agreement pursuant to the provisions of this Section, all proceeds of insurance shall be the sole property of Landlord, and Tenant shall have no right or interest therein.

15. **Assignment.** Tenant may not assign this Agreement nor sublet all or any part of the Premises.

16. **Default.** The occurrence of any one or more of the following shall constitute a default by Tenant:

- (a) Vacation or abandonment of the Premises by Tenant.
- (b) Failure by Tenant to make payment of rent or any other payments required to be made by Tenant hereunder as and when due.
- (c) Failure by Tenant to keep and maintain any of the insurance required to be kept and maintained by Tenant under this Agreement.
- (d) Failure by Tenant to observe or perform any of the covenants or provisions of this Agreement, other than as provided in subsections (b) and (c) above, when such failure continues for a period of 30 days after written notice of such failure is given by Landlord to Tenant; provided, that if the nature of Tenant's failure is such that more than 30 days are reasonably required for its cure, then Tenant will not be deemed to be in default if Tenant commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

17. **Remedies.** If Tenant is in default, then, in addition to all other rights and remedies which Landlord may have at law or in equity, Landlord has the following rights and remedies which are not exclusive but are cumulative:

(a) Landlord can, with or without terminating this Agreement, reenter the Premises and remove all property and persons therefrom, and any such property may be removed and stored in a public warehouse or elsewhere at the cost and for the account of Tenant. If Landlord elects to reenter or shall take possession of the Premises pursuant to legal proceedings or pursuant to any notice provided by law, and if Landlord has not elected to terminate this Agreement, Landlord may either recover all rent as it becomes due under this Agreement or relet the Premises or any part or parts thereof for such term or terms and upon such provisions as Landlord may deem advisable and will have the right to make repairs to and alterations of the Premises. No reentry or taking possession of the Premises by Landlord is to be construed as an election to terminate this Agreement unless a written notice of such intention is given to Tenant by Landlord. Notwithstanding any reletting without termination by Landlord because of Tenant's default, Landlord may, at any time after such reletting, elect to terminate this Agreement because of such default. If Landlord elects to relet the Premises without terminating this Agreement, then rent received by Landlord therefrom will be applied as follows:

(i) First, to any indebtedness from Tenant to Landlord other than rent due from Tenant;

(ii) Second, to all costs and expenses, including, without limitation, for maintenance, repairs or alterations, incurred by Landlord in connection with reletting the Premises; and

(iii) Third, to the payment of rent due and unpaid under this Agreement and the residue, if any, will be held by Landlord and applied in payment of future rent as the same may become due and payable under this Agreement, and to any damages and other amounts which Landlord is otherwise entitled to under this Agreement. Should that portion of such rent received from such reletting during any month, which is applied to the payment of rent hereunder, be less than the rent payable hereunder during that month by Tenant, then Tenant agrees to pay such deficiency to Landlord immediately upon demand. In no event will Tenant be entitled to any excess rent received by Landlord from such reletting.

(b) Landlord can terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving written notice to Tenant will terminate this Agreement. Acts of maintenance, efforts to relet the Premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Agreement shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:

(i) The worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Agreement;

(ii) The worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this Agreement until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided;

(iii) The worth, at the time of the award, of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and

(iv) Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

"The worth, at the time of the award," as used in (i) and (ii) of this subsection (b), is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The worth, at the time of the award," as referred to in (iii) of this subsection (b), is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

(c) Landlord can have a receiver appointed to collect rent and conduct Tenant's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Landlord to terminate this Agreement.

(d) Without waiving the default, Landlord can, at its sole option, pay such sums and/or take such actions as are necessary in Landlord's reasonable judgment in order to cure the default, and all sums expended or incurred by Landlord in connection therewith, together with interest thereon at the maximum rate permitted by law, shall be paid by Tenant to Landlord immediately on demand.

18. **Late Payment.** Rent and other amounts not paid by Tenant when due under this Agreement shall bear interest at the rate of ten percent (10%) per annum from the date due until the date paid.

19. **Landlord Entry.** Landlord and its authorized representatives shall have the right upon reasonable prior written notice to Tenant to enter all portions of the Premises for any of the following purposes: (a) to determine whether the Premises are in good condition and whether Tenant is complying with its obligations under this Agreement; (b) to inspect the Premises; (c) in connection with Landlord's design and construction planning respecting Landlord's future use of the Premises; and (d) to post notices of nonresponsibility. Notwithstanding the foregoing to the contrary, Landlord and its authorized representatives shall have the right to enter the Premises at any time, and without notice to Tenant, where an emergency situation necessitates such entry. No exercise by Landlord of its rights under this Section shall entitle Tenant to any damages for any injury or inconvenience occasioned thereby or to any abatement of rent or other amounts payable under this Agreement.

20. **Surrender of Premises.** Upon the expiration or other termination of the Term of this Agreement, Tenant agrees to surrender possession of the Premises, and every party thereof, to Landlord in generally the same condition as it was at commencement date of the Agreement, ordinary wear and tear alone excepted. "Ordinary wear and tear" does not include any damage or deterioration that would have been prevented by Tenant performing all of its obligations under this Agreement.

21. **Notices.** Except as otherwise provided, all notices required or permitted to be given under this Agreement must be in writing and addressed to the parties at their respective notice addresses set forth below; provided, that notices to Tenant may also be effectively given in writing and addressed to Tenant at the Premises address. Notices must be given by personal delivery (including by commercial delivery service) or by first-class mail, postage prepaid. Notices will be deemed effectively given, in the case of personal delivery, upon receipt (or if receipt is refused, upon attempted delivery), and in the case of mailing, three (3) days following deposit into the custody of the United States Postal Service. The notice addresses of the parties are as follows:

If to Landlord: City of Hemet
445 E. Florida Avenue
Hemet, California 92543-2409
Attention: City Manager

With a copy to:

Eric S. Vail, City Attorney
Burke, Williams & Sorensen, LLP
2280 Market Street, Suite 300
Riverside, California 92501-3629

If to Tenant: Agri-Empire
630 W. Seventh Street
San Jacinto, California 92583

With a copy to:

Rosenthal & Excell Commercial Real Estate Services
1600 E. Florida Avenue, Suite 110
Hemet, California 92544
Attention: Howard Rosenthal

22. **Waiver and Release of Benefits.** Tenant acknowledges that upon expiration of the Term, including any extension thereof, or upon termination of any holdover tenancy (collectively "Expiration of Tenancy"), Tenant might be or become eligible to receive compensation, reimbursement, assistance, including, but not limited to, the fair market value of real and personal property, loss of goodwill, loss of profits, actual and reasonable expenses for moving a business, loss of tangible personal

property as a result of moving the business, expenses incurred in searching for a replacement site for the business, expenses to reestablish the business at the new site, "in-lieu payments," and other such benefits (collectively "Benefits") under the California Relocation Assistance Act (Government Code §7260, *et seq.*), Title 25 of the California Code of Regulations, Article 1, § 19 of the California Constitution, the California Eminent Domain Law (Code of Civil Procedure §1230.010, *et seq.*), or other similar local, state, or federal statute, ordinance, regulation, rule, or decisional law (collectively "Compensatory Laws"). Tenant further acknowledges that it has received full and fair compensation of all Benefits Tenant is or might be or might become entitled to recover from the City of Hemet and/or the Hemet Redevelopment Agency (collectively "City") as a result of, or in any way related to, Expiration of the Tenancy, City's acquisition of the Premises, and City's occupancy and possession of the Premises. Therefore, being fully informed of and understanding the acknowledgments made herein and of Tenant's rights or potential rights to Benefits under the Compensatory Laws, Tenant hereby expressly and unconditionally waives, and Releases the City from, any and all rights of Tenant to claim, demand, sue for, or receive any Benefits which Tenant is or might be or might become entitled to recover from the City as a result of, or in any way related to, Expiration of the Tenancy, City's acquisition of the Premises, and City's occupancy and possession of the Premises.

23. **Survival of Obligations.** Tenant acknowledges that it is currently in possession of the Premises on a month-to-month basis as a holdover tenant, on the terms and conditions set forth in the initial Lease Agreement, as amended. Tenant further acknowledges that Tenant's month-to-month tenancy is being terminated and replaced by the executions and earlier of this Agreement. Notwithstanding the termination of Tenant's month-to-month tenancy (including without limitation, obligations of indemnity and insurance) such obligations survive such termination.

24. **General.**

(a) The acceptance by Landlord of any rental or other payments due hereunder with knowledge of the breach of any of the terms, covenants or provisions of this Agreement by Tenant shall not be construed as a waiver of any such breach. The acceptance at any time or times by Landlord of any sum less than that which is required to be paid by Tenant shall, unless Landlord specifically agrees otherwise in writing, be deemed to have been received only on account of the obligation for which it is paid, and shall not be deemed an accord and satisfaction notwithstanding any provisions to the contrary written on any check or contained in any writing transmitting the same.

(b) The titles to the sections of this Agreement are for convenience of reference only and are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement. Any exhibits attached to this Agreement are, however, a part of this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to any otherwise governing principles of conflicts of law. In construing this Agreement, none of

the parties to it shall have any term or provision construed against it solely by reason of its having drafted the same.

(c) Any provision of this Agreement that is invalid, illegal or unenforceable shall be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating, diminishing or rendering unenforceable the rights and obligations of the parties under the remaining provisions of this Agreement.

(d) No term or provision of this Agreement may be amended, altered, modified or waived orally or by a course of conduct, but only by an instrument in writing signed by a duly authorized officer or representative of the party against which enforcement of such amendment, alteration, modification or waiver is sought. Any amendment, alteration, modification or waiver shall be for such period and subject to such conditions as shall be specified in the written instrument affecting the same. Any waiver shall be effective only in the specific instance and for the specific purpose for which given.

(e) This Agreement and all exhibits attached to it constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements (whether written or oral) with respect to that subject matter.

(f) This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(g) If either party hereto brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in such action, on trial or appeal, shall be entitled to reasonable attorneys' fees to be paid by the losing party as fixed by the court.

The parties have caused this Agreement to be duly executed by their respective duly authorized officers or representatives as of the date first set forth above.

CITY OF HEMET,
a municipal corporation

By: _____
Brian Nakamura
City Manager

ATTEST:

Sarah McComas, City Clerk

APPROVED AS TO FORM:

Eric S. Vail,
City Attorney

AGRI-EMPIRE,
a California corporation

By: _____

President

By: _____

Vice President

APPROVED AS TO FORM:

_____, Esq.

EXHIBIT "A"

- 1) Assessor's Parcel Map of Property
- 2) Assessor's Property Description

A.1

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S OFFICE MAY NOT CORRECTLY SHOW LOCATION OF BUILDINGS, SITE CONDITIONS.

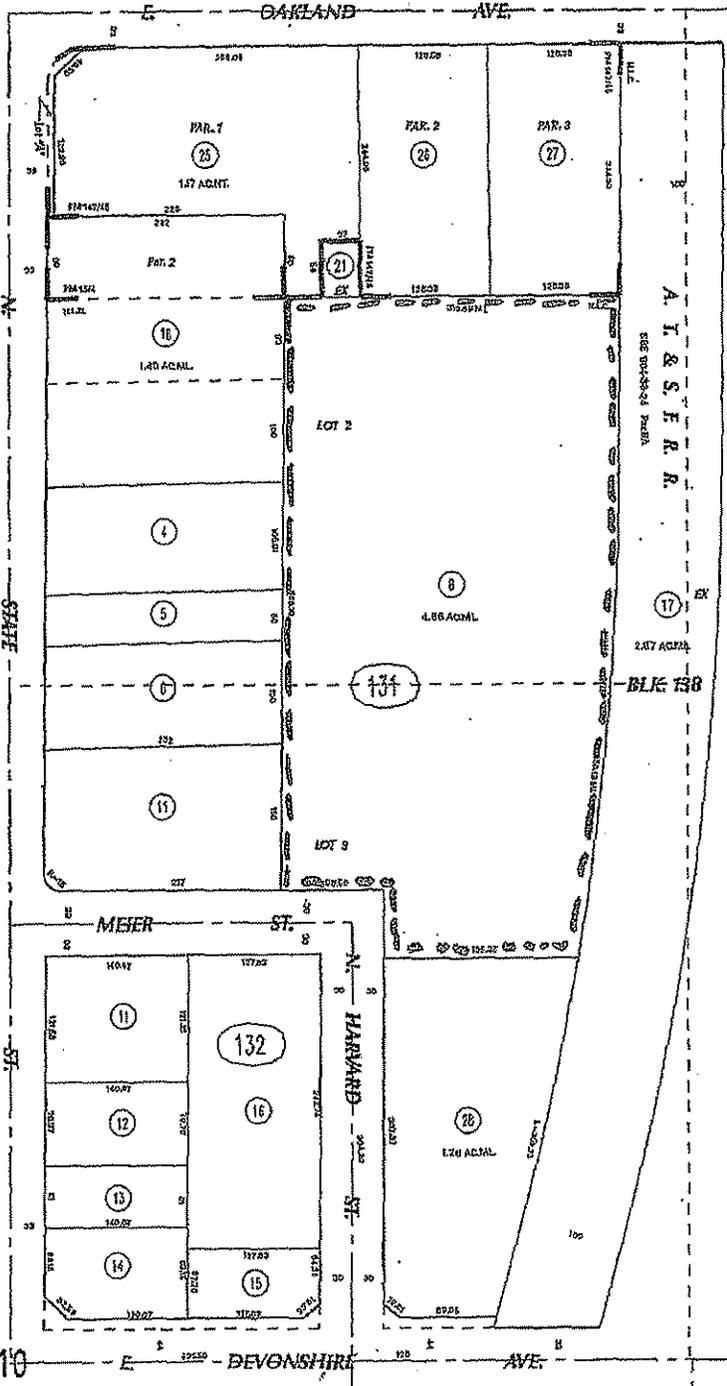
POP. NE. 10 T. 5S., R. 1W.
CITY OF HELETT

T.R.A. 008-155

443-13

11-27

1" = 100'
ANGLE = 90°



DATE: SEP. 24-2012 P.M. 5:30
ASSESSOR'S MAP BEARS NO. 13
Riverside County, Calif. 2012

MB 1/4-16 HELET LAND CO.
PA 15/A PARCEL MAP 0238
PM 14/7/15-48 PARCEL MAP 22872

LOT	ACRES	AREA	PERCENT
4	0.10	0.10	0.20
5	0.10	0.10	0.20
6	0.10	0.10	0.20
7	0.10	0.10	0.20
8	4.86	4.86	10.00
9	0.10	0.10	0.20
10	1.40	1.40	2.80
11	0.10	0.10	0.20
12	0.10	0.10	0.20
13	0.10	0.10	0.20
14	0.10	0.10	0.20
15	0.10	0.10	0.20
16	0.10	0.10	0.20
17	0.10	0.10	0.20
18	0.10	0.10	0.20
19	0.10	0.10	0.20
20	0.10	0.10	0.20
21	0.10	0.10	0.20
22	0.10	0.10	0.20
23	0.10	0.10	0.20
24	0.10	0.10	0.20
25	1.47	1.47	2.94
26	0.10	0.10	0.20
27	0.10	0.10	0.20
131	0.10	0.10	0.20
132	1.70	1.70	3.40
133	0.10	0.10	0.20
TOTAL	10.00	10.00	100.00

PROPERTY INFORMATION

A.2

1) Property: 250 MEIER ST, HEMET CA 92543-2973 C035
 APN: 443-131-008 Card#: Use: COMMERCIAL BUILDING
 County: RIVERSIDE, CA Prop Tax: Total Value:
 MapPg/Grid: 811-A6 Old Map: Tax Year: Delinq: Land Value:
 Census: 434.01 Tract #: Tax Area: 6165 Imprv Value:
 High School: HEMET Elem School: Taxable Val:
 Comm Coll: MT JACINTO Exemptions: Assd Year:
 Subdivision: HEMET LAND CO % Improved:
 Owner: CITY OF HEMET Phone: 951/765-2300
 Owner Vest: / / CO

Mail: 445 E FLORIDA AVE; HEMET CA 92543-4209 C006

Owner Transfer = Rec Dt: 08/10/2006 Price: Doc#: 588848 Type: GRANT DEED
 Sale Dt: 03/31/2006

SALE & FINANCE INFORMATION

IMPROVEMENTS

	LAST SALE	PRIOR SALE
Recording/Sale Date:		
Sale Price/Type:		
Document #:		
Deed Type:		
1st Mtg Amt/Type:		
1st Mtg Rt/Type/Trm:	/	/
1st Mtg Lender:		
2nd Mtg Amt/Type:		
2nd Mtg Rt/Type/Trm:	/	/
Title Company:		
Seller:		
New Construction:		
Other Last Sale Info = # Parcels:	Type 2:	Pend:

Bldg/Liv Area:
 Gross Area:
 Ground FIR:
 Bsmnt Area:
 \$/SqFt:
 Yrbt/Eff:
 # Stories:
 Rooms:
 Bedrooms:
 Full/Half Bath:
 Ttl Baths/Fixt:
 Fireplace:
 Pool:
 Porch Type:
 Patio Type:
 Construct:
 Foundation:
 Ext Wall:
 Roof Shape:
 Roof Type:
 Roof Matl:
 Floor Type:
 Floor Cover:
 Heat Type:
 Heat Fuel:
 Air Cond:
 Quality:
 Condition:
 Style:
 Equipment:
 Other Rms:

SITE INFORMATION

# Res. Units:	County Use: C1	Acres: 4.55
# Comm Units:	Zoning: M2	Lot Area: 198,198
# Buildings:	Flood Panel: 0602530005D	Lot Width:
Bldg Class:	Panel Date: 08/19/1997	Lot Depth:
Parking Sqft:	Flood Zone: X500	Usable Lot:
Park Spaces:	Sewer Type:	
Garage Cap#:	Water Type:	
Park Type:		
Other Impvs:		
Legal Blk/Bldg: 138	Site Influence:	
Legal Lot/Unit: 2	Amenities:	
Legal: 4.55 ACRES M/L IN POR LOTS 2 & 3 BLK 138 MB 001/014 HEMET LAND CO		