



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

MARCH 25, 2014

6:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org

Please silence all cell phones

**Notice: Members of the Public attending shall comply with the Council's adopted Rules of Decorum in Resolution No. 4545. A copy of the Rules of Decorum are available from the City Clerk.*

Call to Order

Roll Call

ROLL CALL: Council Members Krupa, Wright and Youssef, Mayor Pro Tem Milne and Mayor Smith

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 required to be publicly reported.

1. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
Hemet Non-Sworn Police Employees Association
Hemet Fire Fighters Association
Service Employees International Union (SEIU) General Employees
 2. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of case: Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175
 3. Conference with Legal Counsel - Anticipated Litigation
One matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
-

REGULAR SESSION

7:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

Call to Order

Roll Call

ROLL CALL: Council Members Krupa, Wright and Youssef, Mayor Pro Tem Milne
and Mayor Smith

Invocation

Pledge of Allegiance

City Attorney Closed Session Report

4. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
Hemet Non-Sworn Police Employees Association
Hemet Fire Fighters Association
Service Employees International Union (SEIU) General Employees
 5. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of case: Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175
 6. Conference with Legal Counsel - Anticipated Litigation
One matter of significant exposure to litigation pursuant to Government Code section
54956.9(d)(2) & (3)
-

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 lecture. When the Mayor calls your turn give your last name, and address, then begin speaking. You will have three minutes at that time to address the Council.

Consent Calendar

7. **Recommendation by Council Member Krupa** – Planning Commission Re-Appointment
 - a. Re-appoint Greg Vasquez to Seat 1 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2016.
8. **Recommendation by Council Member Krupa** – Park Commission Re-Appointment
 - a. Re-appoint Chuck Wright to Seat 1 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2016.
9. **Recommendation by Council Member Krupa** – Traffic and Parking Commission Re-Appointment
 - a. Re-appoint Dave Oltman to Seat 1 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2016.
10. **Recommendation by Mayor Pro Tem Milne** – Planning Commission Re-Appointment
 - a. Re-appoint Michael Perciful to Seat 2 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2016.
11. **Recommendation by Mayor Pro Tem Milne** – Park Commission Re-Appointment
 - a. Re-appoint Joe Cagliero to Seat 2 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2016.
12. **Recommendation by Mayor Pro Tem Milne** – Traffic and Parking Commission Re-Appointment
 - a. Re-appoint Charles W. Cecchi to Seat 2 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2016.
13. **Receive and File** – Investment Portfolio as of December 2013
14. **Receive and File** – Warrant Register
 - a. Warrant registers dated March 6, 2014 in the amount of \$1,286,920.34 and March 17, 2014 in the amount of \$2,764,902.04. Payroll for the period of February 17, 2014 to March 2, 2014 was \$609,478.55.
15. **Recommendation by Emergency Services** - Amendment to the Disaster Planning Commission
 - a. Adopt an ordinance amending Section 26.3 [Disaster Planning Commission – Established Membership] of the Hemet Municipal Code.
Ordinance Bill No. 14-007
16. **Recommendation by Engineering** – Installation of Banners across Florida Avenue
 - a. Valley-Wide Recreation - Valley-Wide's Jurassic Classic 5k Mud Run taking place May 17th.
 - b. Ramona Humane Society – Oktoberfest taking place on October 18th.

17. **Recommendation by Police Department** – Award of Public Works Contract – SISK Rebuild Project
 - a. Award the contract to the lowest, responsive, responsible bidder CA Construction for the SISK Re-build project in the amount for \$1,237,000.00, and reject all other bids; and
 - b. Authorize the City Manager to enter into a Public Works Contract for the improvements, and authorize the City Manager to approve change orders up to the contingency reserve amount; and
 - c. Establish budget in the amount of \$1,390,700.00 for the cost of construction, construction equipment management, 10% contingency reserve, and associated costs related to the construction project and temporary relocation of personnel.
18. **Recommendation by Police Department** – FY 2013/14 State COPS Grant Expenditure Plan – AMENDED
 - a. Approve the proposed amended expenditure plan for the \$129,039 in State COPS Grant funding for FY 2013/2014; and
 - b. Authorize the Interim Finance Director to make the appropriate changes to the accounts assigned to this grant award.
19. **Recommendation by Administrative Services** – Declare City Vehicles and Equipment as Surplus
 - a. Declare listed City vehicles and non-functioning equipment as surplus to be sold at auction.

Approval of the Minutes

20. **March 11, 2014**

Discussion/Action Item

21. **Resolution of Necessity for Property Acquisition, 1275 N. Sanderson Avenue (APN: 444-030-007)** – Principal Engineer Monz
 - a. Adopt a resolution authorizing the commencement of eminent domain proceedings so as to acquire 2,640 sf permanent road easement. Property Owner: Robert Campbell and Hsueher Hung. **Resolution Bill No. 14-013**
22. **Business Recognition** – Community Investment Director Jansons
 - a. Establish an approval process for issuance of business recognition instruments.
Option 1: Form a two member Council Ad Hoc Committee to approval all recognitions, or
Option 2: Obtain approval from Mayor or Council designee prior to issuance of recognitions.

23. **Amendment to Chapter 18, Article VI (Motion Picture and Television Production) of the Hemet Municipal Code** – Community Investment Director Jansons
- a. Introduce, read by title only and waive further reading on an ordinance amending Chapter 18, Article VI (Motion Picture and Television Productions) of the Hemet Municipal Code; and
 - b. Selection either Alternative A which includes a reimbursement of Transient Occupancy Tax for film industry personnel or Alternative B which does not.
-

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 our comments.

****Notice: Members of the Public attending shall comply with the adopted Rules of Decorum in Resolution No. 4545. 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.

City Council Reports

24. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Krupa

1. Traffic and Parking Commission
2. Riverside Conservation Authority (RCA)
3. Ramona Bowl Association
4. Indian Gaming Distribution Fund
5. Riverside Transit Agency (RTA)
6. Watermaster Board

B. Council Member Wright

1. Park Commission
2. Planning Commission
3. Indian Gaming Distribution Fund
4. Riverside County Habitat Conservation Agency (RCHCA)
5. Ramona Bowl Association

- C. Council Member Youssef
 - 1. Western Riverside County of Governments (WRCOG)
 - 2. Riverside County Transportation Commission (RCTC)

 - D. Mayor Pro Tem Milne
 - 1. Library Board
 - 2. League of California Cities
 - 3. Riverside County Habitat Conservation Agency (RCHCA)
 - 4. Riverside Transit Agency (RTA)
 - 5. Riverside Conservation Authority (RCA)
 - 6. Disaster Planning Commission

 - E. Mayor Smith
 - 1. League of California Cities
 - 2. Riverside County Transportation Commission (RCTC)
 - 3. Western Riverside County of Governments (WRCOG)
 - 4. Public Safety Update
 - 5. National League of Cities

 - F. Ad-Hoc Committee Reports
 - 1. Crime Stoppers Plus Ad-Hoc Committee
 - 2. West Hemet MSHCP Ad-Hoc Committee
 - 3. Regent Development Agreement Ad-Hoc Committee

 - G. City Manager Hill
 - 1. Manager's Reports
-

Continued Closed Session

City Attorney Continued Closed Session Report

Future Agenda Items

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

Adjournment

Adjourn to Tuesday, April 8, 2014 at 7:00 p.m. for consideration of items placed on that agenda. The next regular meeting will be held April 22, 2014.

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.



Staff Report

To: Honorable Mayor and Members of the City Council
From: Council Member Krupa
Date: March 25, 2014
RE: Planning Commission Re-Appointment

RECOMMENDATION:

Council Member Krupa respectfully recommends that the City Council re-appoint Greg Vasquez to Seat 1 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2016.

BACKGROUND:

Mr. Vasquez has lived in the community for over 15 years. He has a Masters Degree in Public Administration from USC and is a Graduate of the FBI National Academy. His professional experience includes over 30 years in Law Enforcement as well as 15 years has the Owner/Operator of 2 McDonald's Restaurants in Hemet. Mr. Vasquez has been involved with numerous organizations. He has had the honor of being awarded Business of the Year for McDonald's from the Hemet Elks in 2011. He also received the Distinguished Citizenship Award from the Hemet Elks in 2011. As a resident and business owner, it is important to Mr. Vasquez that Hemet follows a path to achieve orderly and compatible development that would create livable neighborhoods, support economic development, and sustain a high quality of life for our community. Mr. Vasquez has been an asset during his two years on the Planning Commission. I highly recommend the re- appointment of Greg Vasquez to the Planning Commission.

Respectfully submitted,

Linda Krupa
Council Member



CITY OF HEMET
Application for Appointment
to Volunteer Commissions/Board/Committee

COMMISSION/BOARD/COMMITTEE that you wish to apply for:

Planning Commission

NAME: Greg Vasquez

ADDRESS: P.O. Box 5524

CITY: Hemet

ZIP: 92544

TELEPHONE: 951-652-5584

Past Experience and/or Education: Current sitting planning commissioner.

Other Boards and/or Commissions on which you have served: _____

Member- oversight board of the Dissolved Hemet Redevelopment Agency.

Organizations you have belonged to _____

Hemet Elks

How long have you lived in the community? 15 years _____ months

On a separate sheet of paper, please describe briefly why you wish to be appointed to this Commission.

Return to:
 City Clerk
 City of Hemet
 445 E. Florida Avenue
 Hemet, CA 92543

Greg Vasquez 3/13/2014
 Signature Date

All applicants must be residents of the City of Hemet or Sphere of Influence when applicable. The Library Board and Planning Commission members are required to file the California Fair Political Practices Commission Statement of Economic Interests as outlined in the City of Hemet's Conflict of Interest Code.



Staff Report

To: Honorable Mayor and Members of the City Council
From: Council Member Krupa
Date: March 25, 2014
RE: Park Commission Re-Appointment

RECOMMENDATION:

Council Member Krupa respectfully recommends that the City Council re-appoint Chuck Wright to Seat 1 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2016.

BACKGROUND:

Mr. Wright has lived in the community for over 15 years. He has been involved in Valley Beautiful and the Seven Hills Property Owners. Currently he is a member of the Green Coalition of the San Jacinto Valley. Chuck has enjoy being on the Park Commission and has been an asset during his three and a half years. I highly recommend the re-appointment of Chuck Wright to the Park Commission.

Respectfully submitted,

Linda Krupa
Council Member



CITY OF HEMET
Application for Appointment
to Volunteer Commissions/Board/Committee

COMMISSION/BOARD/COMMITTEE that you wish to apply for:

PARK COMMISSION

NAME: CHARLES (CHUCK) WRIGHT

ADDRESS: 2598 BEECHTREE ST.

CITY: HEMET ZIP: 92545

TELEPHONE: (951) 925-1424

Past Experience and/or Education: 1 1/2 TERMS ON PARK

COMMISSION

Other Boards and/or Commissions on which you have served: _____

Organizations you have belonged to GREEN COALITION

How long have you lived in the community? 15 years _____ months

On a separate sheet of paper, please describe briefly why you wish to be appointed to this Commission.

Return to:
City Clerk
City of Hemet
445 E. Florida Avenue
Hemet, CA 92543

C. Wright
Signature

3-4-2014
Date

All applicants must be residents of the City of Hemet or Sphere of Influence when applicable. The Library Board and Planning Commission members are required to file the California Fair Political Practices Commission Statement of Economic Interests as outlined in the City of Hemet's Conflict of Interest Code.



Staff Report

To: Honorable Mayor and Members of the City Council
From: Council Member Krupa
Date: March 25, 2014
RE: Traffic and Parking Commission Re-Appointment

RECOMMENDATION:

Council Member Krupa respectfully recommends that the City Council re-appoint Dave Oltman to Seat 1 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2016.

BACKGROUND:

Mr. Oltman has lived in the Community for over 50 years. Dave was appointed to the Commission on April 11, 2006 after retiring as the Public Works Director from the City of Hemet. Dave is currently a member of the Hemet Masonic Lodge and the Hemet Elks Lodge. He has enjoy being on the Traffic and Parking Commission and has been an asset during his eight years. I highly recommend the re-appointment of Dave Oltman to the Traffic and Parking Commission.

Respectfully submitted,


Linda Krupa
Council Member



CITY OF HEMET
Application for Appointment
to Volunteer Commissions/Board/Committee

COMMISSION/BOARD/COMMITTEE that you wish to apply for:

TRAFFIC COMM.

NAME: DAVID R. OLTMAN

ADDRESS: 249 So. FRANKLIN ST.

CITY: HEMET, CA ZIP: 92543

TELEPHONE: 658-3437

Past Experience and/or Education: 38 YEARS AS A HEMET
CITY EMPLOYEE, BACHLORS + MASTERS DEGREE
IN PUBLIC ADMINISTRATION.

Other Boards and/or Commissions on which you have served: WAS STAFF
REP. TO CITY COUNCIL, PLANNING COMM., PARK
COMM. AND TRAFFIC COMM.

Organizations you have belonged to HEMET MASONIC LODGE,
AND HEMET ELKS LODGE

How long have you lived in the community? 50⁺ years _____ months

On a separate sheet of paper, please describe briefly why you wish to be appointed to this Commission.

Return to:
City Clerk
City of Hemet
445 E. Florida Avenue
Hemet, CA 92543

David R. Oltman 3/17/14
Signature Date

All applicants must be residents of the City of Hemet or Sphere of Influence when applicable. The Library Board and Planning Commission members are required to file the California Fair Political Practices Commission Statement of Economic Interests as outlined in the City of Hemet's Conflict of Interest Code.



Staff Report

To: Honorable Mayor and Members of the City Council
From: Mayor Pro Tem Milne
Date: March 25, 2014
RE: Planning Commission Re-Appointment

RECOMMENDATION:

Mayor Pro Tem Milne respectfully recommends that the City Council re-appoint Michael Perciful to Seat 2 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2016.

BACKGROUND:

Michael Perciful has lived in the Community for over 13 years. Mr. Perciful has been a Real Estate Agent/Broker for 12 years. Mr. Perciful is a member of the Southwest Riverside County Association of Realtors. As a retired Reserve Police Officer with the City of Chula Vista, Mr. Perciful was involved in the City's Community Oriented Policing, this program included the planning and design of City projects to assist in reducing crime. As a Real Estate Broker he has assisted many homeowners in avoiding foreclosure to help reduce the negative effect on the community. Michael has been an asset during his two years on the Planning Commission. I highly recommend the re-appointment of Michael Perciful to the Planning Commission.

Respectfully submitted,

Shellie Milne
Mayor Pro Tem



CITY OF HEMET
Application for Appointment **RECEIVED**
to Volunteer Commissions/Board/Committee

MAR 12 2014

City Clerk's Office
City of Hemet

COMMISSION/BOARD/COMMITTEE that you wish to apply for:

PLANNING Commission

NAME: MICHAEL PERCIVAL

ADDRESS: 3150 TURNBROOK CIR.

CITY: HEMET ZIP: 92545

TELEPHONE: 951-294-8908

Past Experience and/or Education: SEE ATTACHED

Other Boards and/or Commissions on which you have served: CURRENTLY SERVING
ON THE PLANNING COMMISSION.

Organizations you have belonged to PAST MEMBER OF HEMET/SAN JACINTO CHAMBER,
MEMBER OF THE SOUTHWEST RIVERSID COUNTY ASSOCIATION OF RETIRED...

How long have you lived in the community? 13 years 6 months

On a separate sheet of paper, please describe briefly why you wish to be appointed to this Commission.

Return to:
City Clerk
City of Hemet
445 E. Florida Avenue
Hemet, CA 92543

[Signature] 3/4/14
Signature Date

All applicants must be residents of the City of Hemet or Sphere of Influence when applicable. The Library Board and Planning Commission members are required to file the California Fair Political Practices Commission Statement of Economic Interests as outlined in the City of Hemet's Conflict of Interest Code.

City of Hemet Planning Commission

For many years I have had an interest in the community. I continue to want to take a proactive role in the community in which I live. The community is only as good as the people in it and the more involved people become the better off the community is as a whole.

In 1997, I began taking an active role in the city of Chula Vista as a volunteer, a reserve police officer. I worked there as a reserve officer for ten years until I retired in 2007. During my time as a reserve officer I not only worked patrol, but I worked on community oriented policing and problem solving within the city. This included working with community members and city staff to address issues to reduce crime. One of the areas was with the planning and design of building projects within the city. This included meeting with property owners to suggest ways to make improvement to properties that were aesthetically pleasing, conforming to the general plan, and to help in reducing crime.

For the past five years I have been a residential real estate broker and business owner in the city of Hemet. With the down-turn in the housing market, I have taken a proactive approach to help minimize the effect on the community. Because bank foreclosures affect everyone in the community I have assisted home owners to avoid foreclosure to help in reducing the negative effect on the community as a whole.

With the training and experience I have gained as a police officer, real estate broker, and planning commissioner I think I will continue be a valuable asset to the community as a member of the city of Hemet Planning Commission.

Thank you for the opportunity to continue to serve.



Michael Perciful



AGENDA # 11

Staff Report

To: Honorable Mayor and Members of the City Council

From: Mayor Pro Tem Milne

Date: March 25, 2014

RE: Park Commission Re-Appointment

RECOMMENDATION:

Mayor Pro Tem Milne respectfully recommends that the City Council re-appoint Joe Cagliero to Seat 2 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2016.

BACKGROUND:

Mr. Cagliero has lived in the community for over 54 years. He has owned Cagliero Ranch Nursery since 2003 and has worked in horticulture businesses for over 34 years. He currently belongs to the California Association of Nurseries and Garden Centers as well as the Master Nursery Association. Joe's extensive background in horticulture and the fact that he was born and raised in the valley has been an asset on the commission for the past two and a half years on the Park Commission. I highly recommend the re-appointment of Joe Cagliero to the Park Commission.

Respectfully submitted,

Shellie Milne
Mayor Pro Tem



CITY OF HEMET
Application for Appointment
to Volunteer Commissions/Board/Committee

COMMISSION/BOARD/COMMITTEE that you wish to apply for:

Park Commission

NAME: Joe Cagliero

ADDRESS: 40121 Newport Rd.

CITY: Hemet ZIP: 92543

TELEPHONE: 951-236-1883

Past Experience and/or Education: Park Commissioner
since September of 2011. Owner of
Cagliero Ranch Nursery - retail nursery - since March 2003.

Other Boards and/or Commissions on which you have served: _____

Organizations you have belonged to _____

How long have you lived in the community? 54 years _____ months

On a separate sheet of paper, please describe briefly why you wish to be appointed to this Commission.

Return to:
City Clerk
City of Hemet
445 E. Florida Avenue
Hemet, CA 92543

Joe Cagliero 3/10/14
Signature Date

All applicants must be residents of the City of Hemet or Sphere of Influence when applicable. The Library Board and Planning Commission members are required to file the California Fair Political Practices Commission Statement of Economic Interests as outlined in the City of Hemet's Conflict of Interest Code.

JOE CAGLIERO

**40121 Newport Rd
Hemet, CA 92543
951-236-1883**

March 13, 2014

City of Hemet

Park Commission Seat

I would like to apply for reappointment to the Park Commission. I have enjoyed my time spent so far on the Commission, and I feel that I have a lot of experience in horticulture and landscaping that is beneficial to the Park Commission. I am looking forward to being a part of helping to make our parks and medians here in the City of Hemet a pleasure to all who live here in the City.

Sincerely,

Joe Cagliero

A handwritten signature in black ink, appearing to read 'Joe Cagliero', with a long horizontal flourish extending to the right.



Staff Report

To: Honorable Mayor and Members of the City Council
From: Mayor Pro Tem Milne
Date: March 25, 2014
RE: Traffic and Parking Commission Re-Appointment

RECOMMENDATION:

Mayor Pro Tem Milne respectfully recommends that the City Council re-appoint Charles W. Cecchi to Seat 2 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2016.

BACKGROUND:

Mr. Cecchi spent 19 years in the USMC as a Traffic Manager and Logistics. He has been involved with the VFW Post 2266, the Hemet Heritage Foundation and the Hemet Taxpayers Association. C.W. has been an asset during his two years on the Traffic and Parking Commission. I highly recommend the re-appointment of C.W. Cecchi to the Traffic and Parking Commission.

Respectfully submitted,

Shellie Milne
Mayor Pro Tem



CITY OF HEMET
Application for Appointment
to Volunteer Commissions/Board/Committee

COMMISSION/BOARD/COMMITTEE that you wish to apply for:

Traffic and Parking Commission

NAME: Charles W. Cecchi

ADDRESS: 2433 Tulip Ct

CITY: Hemet ZIP: 92545-4748

TELEPHONE: 951-850-7056

Past Experience and/or Education: Two Year as a Commission, and
Twenty years in Marine Corps as a Traffic Manager

Other Boards and/or Commissions on which you have served: Hemet Heritage
Foundation

Organizations you have belonged to Hemet Tax Payer

How long have you lived in the community? _____ years _____ months

On a separate sheet of paper, please describe briefly why you wish to be appointed to this Commission.

Return to:
City Clerk
City of Hemet
445 E. Florida Avenue
Hemet, CA 92543

Charles W. Cecchi March 5, 2014
Signature Date

All applicants must be residents of the City of Hemet or Sphere of Influence when applicable. The Library Board and Planning Commission members are required to file the California Fair Political Practices Commission Statement of Economic Interests as outlined in the City of Hemet's Conflict of Interest Code.



Staff Report

TO: Honorable Mayor and members of the City Council
FROM: Judith L. Oltman, City Treasurer
DATE: March 25, 2014
RE: Investment Portfolio as of December 2013

RECOMMENDED ACTION:

Receive and file.

ANALYSIS:

The summary statement of activity and balances of the Treasurer's Investment Portfolio for the month of December 2013 is forwarded herewith for your review. On 12/13/13 we purchased a five year ConnecTone Bank N.J. NCD #3177 for \$247,000 @ 1.85%.

I hereby certify that this report accurately reflects all City of Hemet pooled investments and is in conformity with the investment policy of the City of Hemet and that a copy hereof is on file in the office of the City Clerk. Our third party custodial bank, Bank of New York Mellon, has provided us with the monthly market values.

It is further certified that there is sufficient liquidity to meet the next six months' estimated day-to-day operational expenses.

Respectfully Submitted,

Judith L. Oltman
City Treasurer

attachment

CITY OF HEMET, CALIFORNIA
Monthly Report of Investment Activities

DECEMBER 2013

INVESTMENT CLASSIFICATIONS	MONTHLY ACTIVITY	CONSOLIDATED BALANCE
PORTFOLIO AS OF NOVEMBER	60,318,937.92	
CERTIFICATES OF DEPOSIT		
Placed this month	247,000.00	
Matured this month		
Balance		7,440,000.00
LOCAL AGENCY INVESTMENT FUND: City of Hemet		
Deposits		
Withdrawals		
Balance		33,156,979.76
LOCAL AGENCY INVESTMENT FUND: City of Hemet		
Deposits		
Withdrawals		
Balance		1,877.20
BANK OF NEW YORK MELLON Custodial Acct.		
Deposits	20,265.38	
Withdrawals	-267,260.82	
Balance		565,963.54
RABO BANK: Money Market Account		
Deposits		
Withdrawals		
Balance		200,000.00
CITIBANK: Money Market Account		
Deposits	20,418.33	
Withdrawals		
Balance		1,249,141.12
CITIBANK: Money Market Account 3		
Deposits	1,059,170.15	
Withdrawals	-1,500,000.00	
Balance		1,789,569.34
MUNICIPAL BONDS		
Deposits		
Withdrawals		
Balance		3,995,000.00
GOVERNMENT AGENCIES		
2249 1.20% FNMA 5/16/17		500,000.00
2251 1.05% FNMA 6/27/17		500,000.00
2252 1.0% FNMA 8/21/17		500,000.00
2253 1.0% FNMA 11/29/17		500,000.00
2254 1.05 FHLB 1/17/18		500,000.00
2255 1.15% FNMA 2/28/18		500,000.00
2256 1.10% FHLMC 4/17/18		500,000.00
2257 1.15% FHLMC 4/25/18		500,000.00
2258 1.0% FNMA 4/30/18		500,000.00
2259 .70% FNMA 4/30/18		500,000.00
2260 1.0% FNMA 5/21/18		500,000.00
2261 1.17% FHLB 6/13/18		500,000.00
2262 1.40% FHLMC 6/26/18		500,000.00
2263 1.45% FHLB 6/27/18		500,000.00
2264 2.20% FFCCB 7/2/18		500,000.00
2265 1.55% FHLMC 7/17/18		500,000.00
2266 1.93% FFCCB 7/23/18		500,000.00
2268 2.0% FNMA 8/28/18		500,000.00
2270 2.28% FFCCB 9/11/18		500,000.00
2271 2.05% FNMA 9/12/18		500,000.00
2272 2.15% FNMA 9/18/18		500,000.00
2273 2.20% FNMA 9/27/18		500,000.00
2274 1.81% FFCCB 11/19/18		500,000.00
PORTFOLIO BALANCE A NOVEMBER 2013	59,898,530.96	59,898,530.96

INTEREST EARNINGS	13-14 FISCAL YEAR-TO-DATE	
EARNINGS BALANCE AS Dec. 1, 2013		71,358.21
CERTIFICATES OF DEPOSIT INT.	5,400.24	
OTHER GOVERNMENT SECURITIES	17,619.44	
CITIBANK MONEY MARKET ACCOUNT	157.51	
CITIBANK MONEY MARKET ACCOUNT 3	223.60	
BANK OF NY MONEY MARKET ACCT.	4.56	
LOCAL AGENCY INVESTMENT FUNDS		
City of Hemet Interest		
City of Hemet Interest		
MONTHLY EARNINGS TOTAL	23,405.35	23,405.35
MEMO ONLY:		
MERCHANT BANK CHG.	-3,261.58	
BANK CHG. Wells Fargo Closing fees	-561.48	
LIBRARY CREDIT CARD FEES	-102.06	
ARMORED CAR	-511.08	
ASSET SEIZURE FUNDS		
Charges as of: Dec. 1, 2013	-15,254.07	
YTD CHARGES	-19,690.27	
13-14 YEAR-TO-DATE INTEREST EARNINGS		94,763.56

CITY OF HEMET
Portfolio Management
Portfolio Summary
December 31, 2013

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit - Bank	2,723,000.00	2,762,752.03	2,723,000.00	4.55	1,462	686	1.408	1.428
Managed Pool Accounts	33,158,856.96	33,158,856.96	33,158,856.96	55.36	1	1	0.256	0.260
Passbook/Checking Accounts	3,804,674.00	3,804,674.00	3,804,674.00	6.35	1	1	0.368	0.373
Local Government Bonds	2,995,000.00	3,082,718.70	2,988,929.17	4.99	1,508	567	4.675	4.740
Medium Term Notes	1,000,000.00	988,801.25	1,003,843.56	1.68	1,694	1,430	1.233	1.250
Federal Agency Issues - Coupon	11,500,000.00	11,358,257.50	11,500,000.00	19.20	1,826	1,582	1.440	1.460
Negotiable CDs	4,717,000.00	4,731,292.69	4,717,000.00	7.88	1,672	1,250	1.302	1.320
	59,898,530.96	59,887,353.13	59,896,303.69	100.00%	653	486	0.862	0.874
Investments								
Cash and Accrued Interest								
Accrued Interest at Purchase		11,320.83	11,320.83					
Subtotal		11,320.83	11,320.83					
Total Cash and Investments	59,898,530.96	59,898,673.96	59,907,624.52		653	486	0.862	0.874

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	43,726.39	248,132.24
Average Daily Balance	59,848,794.79	
Effective Rate of Return	0.86%	

JUDITH L. OLTMAN, TREASURER

Reporting period 12/01/2013-12/31/2013

Run Date: 03/10/2014 - 16:30

Portfolio COFH
AP
PM (PRF_PM1) SymRept 6.41.202b
Report Ver. 5.00

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
December 31, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
02004MB51	3124	Ally Bank		07/30/2010	247,000.00	254,821.92	247,000.00	2.450		2.451	575	07/30/2015
02587DCK2	3138	AMERICAN EXPRESS CENTURIAN		08/25/2011	248,000.00	249,347.36	248,000.00	1.150		1.151	236	08/25/2014
06740KEX1	3146	BARCLAYS BANK DE		12/07/2011	247,000.00	254,483.48	247,000.00	1.900		1.902	1,071	12/07/2016
05568PYZ4	3130	BMW BANK OF NORTH AMERICA, UT		10/22/2010	248,000.00	250,391.61	248,000.00	1.550		1.551	294	10/22/2014
SYS3174	3174	BANK OF HEMET		09/06/2013	494,000.00	494,000.00	494,000.00	0.500		0.500	979	09/06/2016
SYS3144	3144	BANK OF THE WEST		10/12/2011	249,000.00	255,570.74	249,000.00	1.750		1.750	1,015	10/12/2016
SYS3136	3136	CIT BANK		08/24/2011	247,000.00	253,949.17	247,000.00	1.800		1.800	966	08/24/2016
SYS3134	3134	DISCOVER BANK		08/24/2011	248,000.00	248,000.00	248,000.00	1.050		1.050	236	08/25/2014
36160WVR7	3132	G.E. Capital Financial, Inc.		08/12/2011	247,000.00	254,187.75	247,000.00	1.850		1.850	954	08/12/2016
SYS3140	3140	GOLDMAN SACHS		08/31/2011	248,000.00	248,000.00	248,000.00	1.200		1.200	244	09/02/2014
Subtotal and Average			2,723,000.00		2,723,000.00	2,762,752.03	2,723,000.00			1.428	686	
Managed Pool Accounts												
SYS1001	1001	LOCAL AGENCY INVESTMENT FUND			33,156,979.76	33,156,979.76	33,156,979.76	0.260		0.260	1	
SYS1002	1002	LOCAL AGENCY INVEST. FUND			1,877.20	1,877.20	1,877.20	0.260		0.260	1	
Subtotal and Average			33,158,856.96		33,158,856.96	33,158,856.96	33,158,856.96			0.260	1	
Passbook/Checking Accounts												
SYS5009	5009	BANK OF NEW YORK			565,963.54	565,963.54	565,963.54			0.000	1	
SYS5001	5001	Citibank			1,249,141.12	1,249,141.12	1,249,141.12	0.450		0.450	1	
SYS5003	5003	CITIBANK			0.00	0.00	0.00	3.050		3.050	1	
SYS5004	5004	CITIBANK3			1,789,569.34	1,789,569.34	1,789,569.34	0.450		0.450	1	
SYS5011	5011	RABOBANK		02/28/2013	200,000.00	200,000.00	200,000.00	0.260		0.260	1	
SYS5002	5002	UNION BANK OF CALIFORNIA		07/01/2013	0.00	0.00	0.00	0.012		0.012	1	
Subtotal and Average			3,852,898.09		3,804,674.00	3,804,674.00	3,804,674.00			0.373	1	
Local Government Bonds												
423542KL2	5006	HEMET UNIFIED SCHOOL DISTRICT		07/22/2010	2,000,000.00	2,063,580.00	1,993,929.17	5.375		5.609	546	07/01/2015
533020DC4	5012	CITY OF LINCOLN		03/02/2013	995,000.00	1,019,138.70	995,000.00	3.000		3.000	609	09/02/2015
Subtotal and Average			2,988,771.42		2,995,000.00	3,082,718.70	2,988,929.17			4.740	567	
Medium Term Notes												
68389XAN5	5010	ORACLE		03/28/2013	500,000.00	492,031.25	500,920.72	1.200		1.150	1,383	10/15/2017
94974BFG0	5013	WELLS FARGO		04/26/2013	500,000.00	496,770.00	502,922.84	1.500		1.350	1,476	01/16/2018
Subtotal and Average			1,003,881.22		1,000,000.00	988,801.25	1,003,843.56			1.250	1,430	

Portfolio COFH

AP

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
December 31, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3133ECLK0	2264	FEDERAL FARM CREDIT BANKS		07/02/2013	500,000.00	500,000.00	500,000.00	2.200		2.200	1,643	07/02/2018
3133ECV43	2266	FEDERAL FARM CREDIT BANKS		07/23/2013	500,000.00	497,995.00	500,000.00	1.930		1.930	1,664	07/23/2018
3133ECZB3	2270	FEDERAL FARM CREDIT BANKS		09/11/2013	500,000.00	497,575.00	500,000.00	2.280		2.280	1,714	09/11/2018
3133EDA51	2274	FEDERAL FARM CREDIT BANKS		11/19/2013	500,000.00	502,225.00	500,000.00	1.810		1.810	1,783	11/19/2018
313381MV4	2254	FEDERAL HOME LOAN BANK		01/17/2013	500,000.00	489,490.00	500,000.00	1.050		1.050	1,477	01/17/2018
313383GY1	2261	FEDERAL HOME LOAN BANK		06/13/2013	500,000.00	487,505.00	500,000.00	1.170		1.170	1,624	06/13/2018
313383JZ53	2263	FEDERAL HOME LOAN BANK		06/27/2013	500,000.00	490,675.00	500,000.00	1.450		1.450	1,638	06/27/2018
3134G37C8	2256	FEDERAL HOME LOAN MTG ASSOC.		04/17/2013	500,000.00	487,180.00	500,000.00	1.100		1.100	1,567	04/17/2018
3134G37H7	2257	FEDERAL HOME LOAN MTG ASSOC.		04/25/2013	500,000.00	487,870.00	500,000.00	1.150		1.150	1,575	04/25/2018
3134G47G7	2262	FEDERAL HOME LOAN MTG ASSOC.		06/26/2013	500,000.00	489,795.00	500,000.00	1.400		1.400	1,637	06/26/2018
3134G4BG2	2265	FEDERAL HOME LOAN MTG ASSOC.		07/17/2013	500,000.00	492,105.00	500,000.00	1.550		1.550	1,658	07/17/2018
3136G0GA3	2249	FEDERAL NTL MORTGAGE ASSOC.		05/16/2012	500,000.00	500,965.00	500,000.00	1.200		1.200	1,231	05/16/2017
3136G0NY3	2251	FEDERAL NTL MORTGAGE ASSOC.		06/27/2012	500,000.00	497,650.00	500,000.00	1.050		1.050	1,273	06/27/2017
3135G0NF6	2252	FEDERAL NTL MORTGAGE ASSOC.		08/21/2012	500,000.00	494,915.00	500,000.00	1.000		1.000	1,328	08/21/2017
3136G04U2	2253	FEDERAL NTL MORTGAGE ASSOC.		11/29/2012	500,000.00	491,345.00	500,000.00	1.000		1.000	1,428	11/29/2017
3135G0UN1	2255	FEDERAL NTL MORTGAGE ASSOC.		02/28/2013	500,000.00	489,665.00	500,000.00	1.150		1.146	1,519	02/28/2018
3135G0WN9	2258	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	485,085.00	500,000.00	1.000		1.000	1,580	04/30/2018
3136G1LB3	2259	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	488,980.00	500,000.00	0.700		0.700	1,580	04/30/2018
3135G0XG3	2260	FEDERAL NTL MORTGAGE ASSOC.		05/21/2013	500,000.00	485,635.00	500,000.00	1.000		1.000	1,601	05/21/2018
3136G1SB6	2268	FEDERAL NTL MORTGAGE ASSOC.		08/28/2013	500,000.00	498,230.00	500,000.00	2.000		1.990	1,700	08/28/2018
3136G1TN9	2271	FEDERAL NTL MORTGAGE ASSOC.		09/12/2013	500,000.00	500,312.50	500,000.00	2.050		2.050	1,715	09/12/2018
3136G1UG4	2272	FEDERAL NTL MORTGAGE ASSOC.		09/18/2013	500,000.00	501,335.00	500,000.00	2.150		2.150	1,721	09/18/2018
3136G1VG1	2273	FEDERAL NTL MORTGAGE ASSOC.		09/27/2013	500,000.00	501,725.00	500,000.00	2.200		2.200	1,730	09/27/2018
Subtotal and Average			11,500,000.00		11,500,000.00	11,358,257.50	11,500,000.00			1.460	1,582	
Negotiable CDs												
02437PAG8	3173	AMERICAN NATIONAL BANK DALLAS		08/12/2013	248,000.00	248,000.00	248,000.00	1.250		1.251	1,319	08/12/2017
0606247B3	3176	BANK OF BARODA N.Y.		11/12/2013	248,000.00	248,000.00	248,000.00	2.150		2.151	1,777	11/13/2018
856284-E3-4	3147	BANK OF INDIA NEW YORK		04/27/2012	248,000.00	256,010.62	248,000.00	2.000		2.001	1,212	04/27/2017
106895AY1	3161	BREMER BANK GRAND FORKS, MN		06/22/2012	249,000.00	249,860.49	249,000.00	1.200		1.217	1,268	06/22/2017
10700QBC7	3160	BREMER BANK OF MOORHEAD ND		06/22/2012	249,000.00	249,860.49	249,000.00	1.200		1.217	1,268	06/22/2017
107003AK1	3162	BREMER BANK NA		06/28/2012	249,000.00	249,864.50	249,000.00	1.200		1.217	1,274	06/28/2017
17037TDV6	3169	CHOICE FINANCIAL GROUP		11/20/2012	248,000.00	245,203.50	248,000.00	1.000		1.001	1,419	11/20/2017
20033AAG13	3168	COMENITY CAPITAL BANK		10/25/2012	249,000.00	247,071.64	249,000.00	1.050		1.065	1,393	10/25/2017
20451PEN2	3175	COMPASS BANK		09/25/2013	247,000.00	250,810.59	247,000.00	2.000		2.001	1,728	09/25/2018
20786AAL9	3177	CONNECTONE BANK N.J.		12/13/2013	247,000.00	247,889.32	247,000.00	1.850		1.851	1,807	12/13/2018

Portfolio COFH

AP

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
December 31, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Negotiable CDs												
29976DNY2	3166	EVERBANK		10/15/2012	248,000.00	248,000.00	248,000.00	1.000		1.001	1,384	10/16/2017
373128DS3	3167	GEORGIA BANK AND TRUST		10/17/2012	249,000.00	246,614.73	249,000.00	1.000		1.014	1,385	10/17/2017
36159CRZ1	3126	GE Money Bank		07/30/2010	247,000.00	254,625.29	247,000.00	2.400		2.400	575	07/30/2015
48124JSB5	3171	JP MORGAN CHASE BANK		01/28/2013	248,000.00	248,000.00	248,000.00	0.850		0.850	1,488	01/28/2018
7865803L2	3164	SAFRA NATIONAL BANK		09/27/2012	249,000.00	249,000.00	249,000.00	0.800		0.800	635	09/28/2015
795450NR2	3163	SALLIE MAE		07/25/2012	248,000.00	248,000.00	248,000.00	1.200		1.200	572	07/27/2015
84603M2W5	3165	SOVEREIGN BANK		10/03/2012	249,000.00	249,723.39	249,000.00	0.750		0.750	275	10/03/2014
909557CL2	3170	United Bankers' Bank		11/29/2012	249,000.00	246,758.13	249,000.00	1.100		1.115	1,428	11/29/2017
94986TMF1	3172	WELLS FARGO		03/28/2013	248,000.00	248,000.00	248,000.00	1.000		1.000	1,547	03/28/2018
Subtotal and Average			4,621,387.10		4,717,000.00	4,731,292.69	4,717,000.00			1.320	1,250	
Total and Average			59,848,794.79		59,898,530.96	59,887,353.13	59,896,303.69			0.874	486	

CITY OF HEMET
Portfolio Management
Portfolio Details - Cash
December 31, 2013

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity
Average Balance			0.00	Accrued Interest at Purchase		11,320.83	11,320.83				0
				Subtotal		11,320.83	11,320.83				
Total Cash and Investments			59,848,794.79		59,898,530.96	59,898,673.96	59,907,624.52			0.874	486

CITY OF HEMET
Received Interest
Sorted by Issuer
Received December 1, 2013 - December 31, 2013

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Due	Date Received	Interest		Variance
								Amount Due	Amount Received	
BARCLAYS BANK DE	06740KEX1	3146	BCD	247,000.00	1.900	12/07/2013	12/10/2013	2,352.93	2,352.93	-
							Subtotal	2,352.93	2,352.93	
BANK OF HEMET	SYS3174	3174	BCD	494,000.00	0.500	12/06/2013	12/10/2013	203.01	203.01	-
							Subtotal	203.01	203.01	
BANK OF THE WEST	SYS3144	3144	BCD	249,000.00	1.750	12/12/2013	12/12/2013	358.15	358.15	-
							Subtotal	358.15	358.15	
BREMER BANK GRAND FORKS, MN	106895AY1	3161	NC2	249,000.00	1.200	12/22/2013	12/24/2013	249.00	245.59	-3.41
							Subtotal	249.00	245.59	
BREMER BANK OF MOORHEAD ND	10700QBC7	3160	NC2	249,000.00	1.200	12/22/2013	12/24/2013	249.00	245.59	-3.41
							Subtotal	249.00	245.59	
BREMER BANK NA	107003AK1	3162	NC2	249,000.00	1.200	11/28/2013	12/02/2013	257.30	253.78	-3.52
		3162	NC2	249,000.00	1.200	12/28/2013	12/31/2013	249.00	245.59	-3.41
	Subtotal						506.30	499.37		
COMENITY CAPITAL BANK	20033AAG13	3168	NC2	249,000.00	1.050	12/25/2013	12/30/2013	217.88	214.89	-2.99
							Subtotal	217.88	214.89	
FEDERAL HOME LOAN BANK	313383GY1	2261	FAC	500,000.00	1.170	12/13/2013	12/13/2013	2,925.00	2,925.00	-
		313383JZ53	2263	FAC	500,000.00	1.450	12/27/2013	12/27/2013	3,625.00	3,625.00
	Subtotal						6,550.00	6,550.00		
FEDERAL HOME LOAN MTG ASSOC.	3134G4EW4	2269	FAC	0.00	2.000	11/27/2013	12/02/2013	2,444.44	2,444.44	-
		3134G47G7	2262	FAC	500,000.00	1.400	12/26/2013	12/26/2013	3,500.00	3,500.00
	Subtotal						5,944.44	5,944.44		
FEDERAL NTL MORTGAGE ASSOC.	3136G04U2	2253	FAC	500,000.00	1.000	11/29/2013	12/02/2013	2,500.00	2,500.00	-
		3136G0NY3	2251	FAC	500,000.00	1.050	12/27/2013	12/27/2013	2,625.00	2,625.00
	Subtotal						5,125.00	5,125.00		

Portfolio COFH

AP

CITY OF HEMET
Received Interest
Received December 1, 2013 - December 31, 2013

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate			Interest		Variance				
						Date Due	Date Received	Amount Due	Amount Received					
GEORGIA BANK AND TRUST	373128DS3	3167	NC2	249,000.00	1.000	12/17/2013	12/24/2013	207.50	204.66	-2.84				
								Subtotal	207.50	204.66				
United Bankers' Bank	909557CL2	3170	NC2	249,000.00	1.100	11/28/2013	12/02/2013	235.86	232.63	-3.23				
								249,000.00	1.100	12/28/2013	12/31/2013	228.25	225.12	-3.13
												Subtotal	464.11	457.75
WELLS FARGO	94986TMF1	3172	NC2	248,000.00	1.000	12/28/2013	12/31/2013	618.30	618.30					
								Subtotal	618.30	618.30				
Total								23,045.62	23,019.68					
Total Cash Overpayment								0.00						
Total Cash Shortfall								-25.94						

CITY OF HEMET
Received Interest
Received December 1, 2013 - December 31, 2013

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate			Interest	
						Date Received	Amount Received		
Cash Accounts									
BANK OF NEW YORK	SYS5009	5009	PA1	565,963.54			12/02/2013	4.56	
								Subtotal	4.56
Citibank	SYS5001	5001	PA1	1,248,983.61	0.450		12/31/2013	157.51	
								Subtotal	157.51
CITIBANK3	SYS5004	5004	PA1	1,588,796.72	0.450		12/31/2013	223.60	
								Subtotal	223.60
Total								385.67	

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia

-laif

January 14, 2014

CITY OF HEMET

CITY TREASURER
445 EAST FLORIDA AVENUE
HEMET, CA 92543-4209

PMIA Average Monthly Yields

Account Number:

98-33-362

Tran Type Definitions

December 2013 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	33,156,979.76
Total Withdrawal:	0.00	Ending Balance:	33,156,979.76

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia

-laif

January 14, 2014

HEMET REDEVELOPMENT AGENCY

TREASURER
445 EAST FLORIDA AVENUE
HEMET, CA 92543-4209

PMIA Average Monthly Yields

Account Number:
65-33-006

Tran Type Definitions

December 2013 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	1,877.20
Total Withdrawal:	0.00	Ending Balance:	1,877.20

HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK and LAIF
1999 TAX ALLOCATION BONDS/RDA

Date	Activity	98510810 496-1502 Interest Fund	98510811 Principal Fund	98510812 Sinking Fund	98510813 496-1503 Reserve Fund	98510814 Redemption Fund	98510815 390-1502 Cost of Issuance	RDA 390-1503 Acquisition Fund	TOTAL All Accounts
7/31/2013	Interest								0.00
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.00	0.00	0.00	605,149.30	0.00	0.00	(0.00)	605,149.30
8/31/2013	Interest								0.00
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.00	0.00	0.00	605,149.30	0.00	0.00	(0.00)	605,149.30
9/30/2013	Interest				0.53				0.53
	Interfund transfer	(2,028.77)			2,028.77				0.00
	Debt Service from City of Hemet	466,505.02							466,505.02
	Debt Service Payment	(464,476.25)							(464,476.25)
	BALANCE	0.00	0.00	0.00	607,178.60	0.00	0.00	(0.00)	607,178.60
10/31/2013	Interest	0.36	0.66		7.99				9.01
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.36	0.66	0.00	607,186.59	0.00	0.00	(0.00)	607,187.61
11/30/2013	Interest				8.26				8.26
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.36	0.66	0.00	607,194.85	0.00	0.00	(0.00)	607,195.87
12/31/2013	Interest				8.00				8.00
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.36	0.66	0.00	607,202.85	0.00	0.00	(0.00)	607,203.87

First American Treas Oblig CL D Corp Tr
Money Market/RDA

607,203.87

607,203.87

0.00



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Thomas M. Kanarr, Interim Director of Finance;
Wally Hill, City Manager *Wally Hill*

DATE: March 25, 2014

RE: Warrant Register

The City of Hemet's warrant registers dated March 6, 2014 in the amount of \$1,286,920.34 and March 17, 2014 in the amount of \$2,764,902.04 are currently posted on the City's website in the Finance Department section, under *Financial Information*. Payroll for the period of February 17, 2014 to March 2, 2014 was \$609,478.55.

CLAIMS VOUCHER APPROVAL

"I, Thomas M. Kanarr, Interim Director of Finance, do hereby certify that to the best of my knowledge and ability, that the warrant register posted on the city's website is a true and correct list of warrants for bills submitted to the City of Hemet, and the payroll register through the dates listed above, and that there will be sufficient monies in the respective funds for their payment."

Respectfully submitted,

Thomas M. Kanarr
Interim Director of Finance

TMK: mh

CITY OF HEMET
VOUCHER/WARRANT REGISTER
FOR ALL PERIODS

CLAIMS VOUCHER APPROVAL

I, THOMAS M. KANARR, DO HEREBY CERTIFY THAT TO THE BEST OF MY KNOWLEDGE AND ABILITY, THAT THE WR POSTED ON THE CITY WEBSITE IS A TRUE AND CORRECT LIST OF WARRANTS FOR BILLS SUBMITTED TO THE CITY OF HEMET THROUGH THE DATES LISTED ABOVE, AND THAT THERE WILL BE SUFFICIENT MONIES IN THE RESPECTIVE FUNDS FOR THEIR PAYMENT.

THOMAS M. KANARR
INTERIM DIRECTOR OF FINANCE



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Primo Reynoso, Acting Fire Chief

DATE: March 25, 2014

RE: Amendment to the Disaster Planning Commission

RECOMMENDATION: Per request of City Council on March 11, 2014 is attached updated ordinance entitled: An Ordinance of the City Council of the City of Hemet, California amending Section 26.3 [Disaster Planning Commission – Established Membership] of the Hemet Municipal Code.

BACKGROUND: At the request of City Council on the March 11, 2014 City Council Meeting Section 26.3 of the Hemet Municipal Code has been updated to include additional Commissioners appointed to the Disaster Planning Commission.

ANALYSIS: The attached amendment would allow the Commission to better recognize and assist with the community preparation and recovery before, during and after an incident.

FISCAL IMPACT: The approval of this amendment has no foreseeable fiscal impact.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "P. Reynoso", is written over a light blue horizontal line.

Primo Reynoso
Acting Fire Chief



CITY OF HEMET
Hemet, California
ORDINANCE BILL NO. 14-007

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, AMENDING SECTION 26-3 [DISASTER PLANNING COMMISSION – ESTABLISHED; MEMBERSHIP] OF THE HEMET MUNICIPAL CODE.

WHEREAS, Section 26-3 of the Hemet Municipal Code establishes the City's Disaster Planning Commission and prescribes the membership of the Commission; and,

WHEREAS, Section 26-3 calls for twelve citizens to be appointed to the Commission representing various emergency service sectors; and,

WHEREAS, the City Council desires to expand the number of citizens on the Commission to twenty-five and to specify the emergency service sectors to be represented on the Commission.

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

SECTION 1: AMENDMENT OF SECTION 26-3.

Section 26-3 of the Hemet Municipal Code is amended to read as follows:

"Sec. 26-3. Disaster planning commission—Established; membership.

The city disaster planning commission, referred to in this chapter as the commission, is hereby created, and shall consist of the following:

- (1) The mayor, who shall be chairman.
- (2) One additional member of the city council selected by the mayor.
- (3) The director of emergency services, who shall be vice-chairman.
- (4) The assistant director of emergency services.
- (5) The deputy director of emergency services.

(6) Twenty-five members of the public, of which twenty-one shall have experience in one of the following emergency planning elements and four shall be at-large. Each representative will be appointed by the city council, and shall serve at the

1 city council's pleasure. Representatives are not required to be residents of the City of
2 Hemet. There shall be one representative appointed for each of the below emergency
planning elements unless otherwise noted.

- 3 a. Police
- 4 b. Fire
- 5 c. Military
- 6 d. Construction – earth moving and demolition
- 7 e. Construction – building construction
- 8 f. Public utilities – electricity
- 9 g. Public utilities – natural gas
- 10 h. Special needs community (2 representatives)
- 11 i. Farming/agriculture
- 12 j. Water
- 13 k. Transportation
- 14 l. Faith-based community (2 representatives)
- 15 m. Housing
- 16 n. Communications
- 17 o. Horse/livestock
- 18 p. Information technology
- 19 q. Medical
- 20 r. Homeowners' associations
- 21 s. Food storage

(7) The city clerk, who shall be secretary, but without vote.”

15 **SECTION 2: SEVERABILITY.**

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

24 **SECTION 3: EFFECTIVE DATE.**

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

27 **SECTION 4: PUBLICATION.**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The City Clerk is authorized and directed to cause this Ordinance to be published within fifteen (15) days after its passage in a newspaper of general circulation and circulated within the City in accordance with Government Code Section 36933(a) or, to cause this Ordinance to be published in the manner required by law using the alternative summary and pasting procedure authorized under Government Code Section 39633(c).

INTRODUCED at the regular meeting of Hemet City Council on March 11, 2014.

APPROVED AND ADOPTED this 25th day of March, 2014.

Larry Smith, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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

4 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
5 foregoing Ordinance was introduced and first read on the 11th day of March, 2014, and
6 had its second reading at the regular meeting of the Hemet City Council on the 25th day
7 of March, 2014, and was passed by the following vote:

8 **AYES:**

9 **NOES:**

10 **ABSTAIN:**

11 **ABSENT:**

12
13 _____
14 Sarah McComas, City Clerk

15
16
17
18
19
20
21
22
23
24
25
26
27
28



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council
FROM: Jorge Biagioni, Engineering Director/City Engineer; J
Wally Hill, City Manager Wally Hill
DATE: March 25, 2014
RE: Installation of Banners across Florida Avenue

RECOMMENDED ACTION:

That the City Council approves the installation of the following listed banners.

BACKGROUND:

Ordinance No. 1598, adopted on March 23, 1998, amending Article XXXVII, Sections 90-1311 through 90-1317 inclusive of the Hemet Municipal Code relating to the Banner for Events within the City of Hemet and the San Jacinto Valley.

- A. Valley-Wide Recreation – Mud Run. The banner will go up at Florida and Kirby on May 5, 2014, and down on May 18, 2014, to make the public aware of Valley-Wide’s Jurassic Classic 5k Mud Run taking place May 17th. The application and banner legend are attached.
- B. Ramona Humane Society – Oktoberfest. The banner will go up at Florida and Kirby on October 5, 2014 and down on October 19, 2014 to make the public aware of their annual Oktoberfest taking place on October 18th. The application and banner legend are attached.

ANALYSIS:

Ordinance No. 1598 states that “certain eligible events and festivals that are deemed to be of community-wide benefit may place banners, flags, or similar devices over public streets”.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

This action is in compliance with Ordinance No. 1598, adopted on March 23, 1998.

FISCAL IMPACT:

No impact to the General Fund.

Respectfully submitted,

DeAnna Robertson
Engineering Department

Attachment(s): Application and banner legend

SPECIAL EVENT BANNER PERMIT APPLICATION

ISSUANCE OF THIS PERMIT IS SUBJECT TO ALL CONDITIONS IMPOSED IN ARTICLE XXXVII, SECTIONS 90-1311 THROUGH 90-1317 INCLUSIVE, OF THE HEMET MUNICIPAL CODE.

PERMISSION IS REQUESTED TO PLACE A BANNER, FLAG, EMBLEM, BUNTING OR SIMILAR DEVICE UPON OR OVER A PUBLIC, STREET, SIDEWALK OR OTHER PUBLIC PLACE IN THE CITY AS FOLLOWS:

ORGANIZATION OR APPLICANT NAME: Valley-Wide Recreation and Park District

CONTACT PERSON: Jan Bissell PHONE NO. 951-926-5917

ADDRESS: 32665 Haddock St.

CITY, STATE, ZIP CODE: Winchester, CA 92596

EVENT: "Mud Run"

EVENT DATE: May 17th 2014

BANNER LOCATION: Florida Ave. at Harvard Ave. or (Florida Ave. at Kirby St.)

DESIRED START DATE: May 5^m 2014 REMOVAL DATE: May 18^m 2014

BANNER SIZE: 3' X 30'

DESCRIPTION OF BANNER DESIGN AND WORDING: PLEASE ATTACH PICTURE OR DRAWING

SIGNATURE Jan B. Bissell TITLE: Facility Coordinator

PRINTED NAME: Jan B. Bissell DATE: 6-11-2014

THE FOLLOWING MUST BE ATTACHED:
DRAWING SHOWING BANNER SIZE, DESIGN, WORDING AND COLORS TO BE USED.

SUBMIT COMPLETED FORM AND REQUIRED ATTACHMENTS TO:

Becky Rivera - Public Works Department
510 E. Florida Ave.
Hemet CA 92543
(951) 765-2455 Fax (951) 765-3878

Jurassic Classic

Saturday, May 17th

**RUN-CRAWL-SLIDE
THROUGH 5K OF
AWESOMENESS!**

MUD RUN



Diamond Valley Lake Community Park

951-654-1505

City of Hemet
SPECIAL EVENT BANNER PERMIT APPLICATION

ISSUANCE OF THIS PERMIT IS SUBJECT TO ALL CONDITIONS IMPOSED IN ARTICLE XXXVII, SECTIONS 90-1311 THROUGH 90-1317 INCLUSIVE, OF THE HEMET MUNICIPAL CODE.

PERMISSION IS REQUESTED TO PLACE A BANNER, FLAG, EMBLEM, BUNTING OR SIMILAR DEVICE UPON OR OVER A PUBLIC, STREET, SIDEWALK OR OTHER PUBLIC PLACE IN THE CITY AS FOLLOWS:

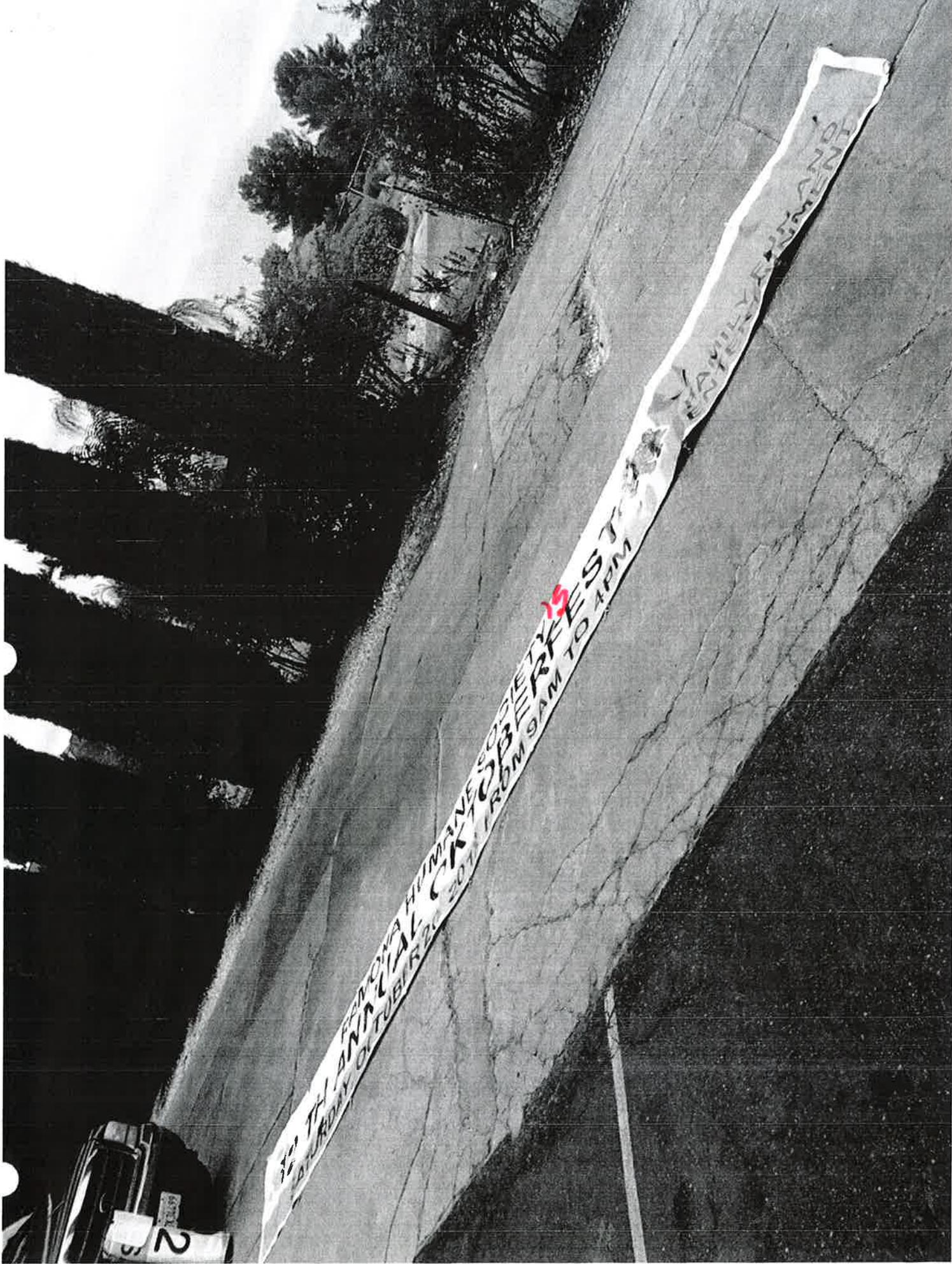
ORGANIZATION OR APPLICANT NAME: Ramona Humane Society
CONTACT PERSON: Daryl Hitchcock PHONE NO. 951-487-6565
ADDRESS: 690 Humane Way
CITY, STATE, ZIP CODE: San Jacinto, CA 92583
EVENT: Oktoberfest
EVENT DATE: 10-18-2014
BANNER LOCATION: Florida Ave. at Harvard Ave. or Florida Ave. at Kirby St.
DESIRED START DATE: 10/5/14 REMOVAL DATE: 10/19/14
BANNER SIZE: 36" High x 30' Long

DESCRIPTION OF BANNER DESIGN AND WORDING: **PLEASE ATTACH PICTURE OR DRAWING**

SIGNATURE [Signature] TITLE: Director of Animal Control
PRINTED NAME: Daryl Hitchcock DATE: 9-12-13

THE FOLLOWING MUST BE ATTACHED:
DRAWING SHOWING BANNER SIZE, DESIGN, WORDING AND COLORS TO BE USED.

SUBMIT COMPLETED FORM AND REQUIRED ATTACHMENTS TO:
Becky Rivera - Public Works Department
510 E. Florida Ave.
Hemet CA 92543
(951) 765-2455 Fax (951) 765-3878



2

RAMONA HUMANE SOCIETY
12 TH ANNUAL OKTOBI
SATURDAY, OCTOBER 20, 2012 FRÓM

WAVE SOCIETY'S

TOBERFEST



FROM 9AM TO 4PM

FAMILY FUN AND
ENTERTAINMENT

*Staff Report*

TO: Honorable Mayor and Members of the City Council

FROM: David M. Brown, Chief of Police; Wally Hill, City Manager

DATE: March 25, 2014

RE: **Award of Public Works Contract – SISK Rebuild Project**

RECOMMENDED ACTIONS:

1. That the City Council award the contract to the lowest, responsive, responsible bidder CA Construction for the SISK Re-build project in the amount of \$1,237,000.00, and reject all other bids;
2. Authorize the City Manager to enter into a Public Works Contract for the improvements, and authorize City Manager to approve change orders up to the contingency reserve amount;
3. Establish budget in the amount of \$ 1,390,700.00 for the cost of construction, construction management, 10% contingency reserve, and associated costs related to the construction project and temporary relocation of personnel.

BACKGROUND:

On June 28, 2010, an arson fire destroyed the Hemet Police Department's "Property and Evidence" building located at 410 E. Devonshire Ave., Hemet. This building is commonly referred to as the "Sisk Building" because it was the site of Sisk Auto Parts prior to being purchased by the city.

After the fire, all salvageable property and evidence were relocated and the property and evidence operations were moved to temporary space within the main police building and an off-site storage facility. The "Sisk Building" was later determined to be not suitable for refurbishing and use as a police property and evidence facility. Negotiations with the city's insurer began and an agreement was reached to allow for the rebuilding of the facility on the main police campus located at 450 E. Latham Ave., Hemet.

In September 2012 the city manager authorized the police chief to hire a construction manager and to work with the procurement administrator to solicit competitive bids for the design of a replacement structure for the "Sisk Building".

The proposed replacement building is a multi-use facility, approximately 4,200 sqft, built in the center of the existing police department campus. The building will house the police property and evidence section, detectives bureau and the communications center (dispatch) and will accommodate future growth in all three functional areas.

The police chief convened a collaborative workgroup that included representatives from police, fire, finance, building and planning departments as well as the city attorney, to study the feasibility of a building project that would address more than simply replacing the property and evidence building. The workgroup studied the current and future needs of the department in all three functional areas-Property/Evidence, Detectives and Communications. The workgroup determined that the best option for the rebuild would be to remove the existing 25-year-old "temporary" modular located north of the police facility and build a permanent, secure multi-use facility on that site. The area is located north of the main police lobby and is protected by existing structures on three sides and a security fence on the fourth side. This is an ideal location for a police property / evidence, detective and communications facility.

The proposed property/evidence section will include state-of-the-art evidence processing and storage facilities including high capacity modular, temperature-controlled systems designed to accommodate current and future evidence processing and storage needs. This centrally-located facility will provide increased security and ensure chain-of-custody and confidentiality protocols are strictly adhered to.

Building the replacement structure in this central location also provides the opportunity to relocate the communications center in a new, slightly larger, secure facility. The current communications center is renovated office space that was adequate in the year 2000 when the dispatch function moved to that location. The city's population has increased nearly 40% in that time period which has resulted in growth and development related increases in police and fire calls for service of about the same percentage.

The 25-year-old modular that currently houses the detective bureau has deteriorated well beyond its useful life. The detective bureau has been housed in the existing modular for over 20 years. The population and related workload discussed above has also impacted the detective function requires more functional use of space and technology. The proposed facility will provide for future expansion required by past and future growth and development.

ANALYSIS:

On December 19, 2013, the Purchasing office received 13 responsive bids, with the three lowest shown below; (See attached Exhibit "B" Bid Results).

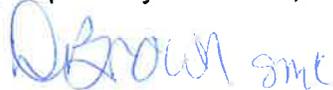
CA Construction of Riverside, CA	\$1,237,000.00
Spec Construction of Hesperia, CA	\$1,288,000.00
Kinsman Construction of Corona, CA	\$1,355,000.00

CA Construction meets all of the City's requirements and is available to begin within 30 days.

FISCAL IMPACT:

Exhibit "A" outlines total project cost and recommended funding sources for the project. The fire and law enforcement facilities DIF allocations were approved by city council for use on this project in the FY 2012/13 city budget.

Respectfully submitted,



David M. Brown
Chief of Police

Fiscal Review,



Thomas M. Kanarr
Interim Finance Director

ATTACHMENTS: Exhibit "A" Funding Source
 Exhibit "B" Bid Results

Exhibit "A"

SISK Rebuild Project-Funding Resources	
LE Facilities DIF (allocated in FY 12/13)	405,700
LE Facilities DIF (additional)	40,000
Fire Facilities DIF (allocated in FY 12/13)	408,900
General Facilities DIF (public customer lobby)	42,707
McLarens Young International, Inc. (Insurance)	62,506
Fac. Maint Reserve (staff recommended upgrades)	200,000
Unreserved GF Fund Balance	230,887
Total Resources	1,390,700
Project Costs	
Construction Bid Amount	(1,237,000)
Construction Management (Hamel)	(30,000)
Contingency Reserve (10%)	(123,700)
Total Project Costs	(1,390,700)

Exhibit "B"

Contractor	Bid Form	Addendum 1 & 2 noted	Bid Bond	Total Bid
CA Construction	Yes	Yes	Yes	\$ 1,237,000.00
Spec Construction	Yes	Yes	Yes	\$ 1,288,000.00
Kinsman Construction	Yes	Yes	Yes	\$ 1,355,000.00
Monet Construction, Inc.	Yes	Yes	Yes	\$ 1,435,000.00
DLE Construction Inc.	Yes	Yes	Yes	\$ 1,430,388.00
Oakview Construction	Yes	Yes	Yes	\$ 1,460,200.00
Parkwest Construction	Yes	Yes	Yes	\$ 1,495,000.00
Diamond Construction, Inc.	Yes	Yes	Yes	\$ 1,500,000.00
Inland Building Construction	Yes	Yes	Yes	\$ 1,535,000.00
JRH Construction	Yes	Yes	Yes	\$ 1,556,090.00
Dalke & Sons Construction	Yes	Yes	Yes	\$ 1,578,000.00
Woodcliff Corporation	Yes	Yes	Yes	\$ 1,758,000.00
Jergensen Construction	Yes	Yes	Yes	\$ 1,645,625.00



Staff Report

TO: Honorable Mayor and Members of the City Council
FROM: David M. Brown, Chief of Police; Wally Hill, City Manager *Wally Hill*
DATE: March 25, 2014
RE: **FY 2013/14 State COPS Grant Expenditure Plan – AMENDED**

RECOMMENDED ACTION:

1. Approve the proposed amended expenditure plan for the \$129,039 in State COPS Grant funding for FY 2013/2014.
2. Authorize the Interim Finance Director to make the appropriate changes to the accounts assigned to this grant award.

BACKGROUND:

California Assembly Bill 3229, provides funding for the Supplemental Law Enforcement Services Fund (SLESF). This grant program is also known as the Citizen's Option for Public Safety (COPS). The grantor requires each agency to submit a proposed general expenditure plan that must be approved by the governing body (city council).

ANALYSIS:

On January 14, 2014 the Hemet City Council approved the recommended expenditure plan for the 2014 Supplemental Law Enforcement Services Fund (SLESF) grant. After further analysis, the police department has determined that the best use of the grant funds are as outlined below.

Technology/Patrol Office Upgrades	\$ 36,000
Inv/Admin Pool Vehicle Replacement	\$ 39,000
Special Projects/ROCS Overtime	\$ 14,039
Specialized Training/Strategic Planning	\$ 40,000
Total Grant Funding:	\$129,039

FISCAL IMPACT:

None. This amendment does not change the grant award amount.

Respectfully submitted,

David M. Brown
Chief of Police

Fiscal Review,

Thomas M. Kanarr
Interim Finance Director



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Thomas M. Kanarr, Interim Director of Finance *TK*
Wally Hill, City Manager *Wally Hill*

DATE: March 25, 2014

RE: Declare City Vehicles and Equipment as Surplus

RECOMMENDED ACTION:

It is respectfully recommended that Council declare the attached list of City vehicles and non-functioning equipment as surplus to be sold at auction, per the attached list attached as Exhibit "A".

BACKGROUND:

Sec. 2-328 (10) of the Hemet Municipal Code establishes that the City Manager, through delegation to the Purchasing Agent, shall recommend to the City Council that unused and surplus equipment be declared surplus, and prescribe a method for its disposition and sale. The purchasing agent shall from time to time dispose of surplus items with an estimated value of less than \$50.00 by informal sale.

PROJECT DESCRIPTION:

The attached list of vehicles and equipment has been sidelined and are no longer a part of the City's daily operations. The City has had positive experiences with U.S. Auctions and was also able to secure a 2% buyers fee which will be returned to the City. U.S. Auctions is responsible for transporting the items to the auction site in Pomona where bi-monthly auctions are conducted.

Staff is also recommending use of PublicSurplus, an on-line auction system. PublicSurplus will assist with ad placement and take video and photos of the equipment. Internet auctions increase public participation because the interested buyer does not need to physically be at the auction site. With this method, the items remain with the City until they are purchased and the buyer is responsible for transporting their purchase.

Depending upon the nature of the item and recommendations from both services, staff will determine which method to use for each type of item.

FISCAL IMPACT

There is minimal fiscal impact from this action. These items have exceeded their useful life and have been fully depreciated. Any proceeds from the sale of surplus items will be returned to the appropriate department account in the Equipment Replacement Fund.

Respectfully submitted,



Elizabeth Grace
Procurement Administrator

Fiscal Review:



Thomas M. Kanarr
Interim Director of Finance

Attachment(s): Exhibit "A"

Exhibit A
SURPLUS VEHICLES

Unit #	Description	Last 4 of Vin #	Comments
3024	2007 Crown Vic patrol	8505	wrecked
3169	2006 Crown Vic patrol	3829	wrecked
3037	2007 Ford 500	2808	wrecked
8210	2000 John Deere mower	319	
8217	2006 John Deere mower	169	
8247	Asplundh chipper	192	
4231	1992 Ford super duty stencil truck	6238	
4281	1990 Griier Schmidt comp	14065-j	sell outside ca.
3180	2003 Crown Vic K-9	8264	
3155	2001 Crown Vic patrol	9841	
	Skyline HMS, Bay Springs, Mobile Home, Model BSP9102	313501	

Exhibit A
SURPLUS EQUIPMENT

Description	Department
weedeaters saws pruners and misc. parts	Parks
park bbq's flail mower, sm gannon	Parks
10 chlorine tablet electric injector units	Water
8 well pump motors	Water
4 blend pump motors	Water
1 electric injection pump	Water
2 gas powered air compressors	Water
1 gas chain saw	Water
1 gas pressure washer	Water
1 electric low pressure injection pump	Water
1 3 gal plastic water tank	Water
1gas motor	Water
3 gas trash pumps	Water
1 electric jack hammer	Water
2 air jack hammer	Water
1 air powder puff	Water
compactor	Water
tripod equipt lift	Water
gas portable sewer jetter	Water
gas valve turining machine	Water
asstd flo-loc seismic controllers	Water
electric air compressor	Water
asstd suction hoses	Water
chlorinator	Water
1 Cues Portable Main Line System camera (trade-in to vendor for updated camera at no cost)	Water
1-lot limestone blocks and brick	Corp Yard

1-lot concrete street light poles and globes	Corp Yard
1-lot traffic light poles, arms and heads	Corp Yard
1-lot black painted street light poles, lights and brackets	Corp Yard
misc; iron tree rings, metal brackets, re-bar and clay roof tiles	Corp Yard

SURPLUS FURNISHINGS	
Description	Department
13 metal filing cabinets (6 drawer - 27" wide, 52" high, 28" deep), 4 Steelmaster and 9 Tennsco	Building
non-functioning office equipment: typewriters, calculators, cameras, scanner, etc.	multiple departments
Phillips computer monitor	Library
View Sonic computer monitor	Library
Xerox Machine	Library
Pitney Bowes postage machine	Library
Fax/Copier	Library
Book cart	Library
Coin changer	Library
Whiteboards	Library
Printers	Library
Receipt printer	Library
Book Magnifier	Library



20

MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

March 11, 2014

6:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue
and

Mayor Smith via Conference Call
Best Western Plus Sutter House
Conference Room No. 250
1100 H. Street, Sacramento, CA 95814

www.cityofhemet.org
Please silence all cell phones

Call to Order

Mayor Pro Tem Milne called the meeting to order at 6:00 p.m.

Roll Call

PRESENT: Council Members Krupa, Wright and Youssef, Mayor Pro Tem Milne
and Mayor Smith, via conference call

ABSENT: None

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 6:02 p.m.

1. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
Hemet Non-Sworn Police Employees Association
Hemet Fire Fighters Association
Service Employees International Union (SEIU) General Employees
 2. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of case: *Randy Cordero v. Hemet Police Department et al.*
USDC Case No. EDCV 10-01935-JAK-PJW
-

REGULAR SESSION

7:00 p.m.

City of Hemet City Council Chambers
450 E. Latham Avenue

Call to Order

Mayor Pro Tem Milne called the meeting to order at 7:11 pm.

Roll Call

PRESENT: Council Members Krupa, Wright, Youssef and Mayor Pro Tem Milne

ABENT: Mayor Smith

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

OTHERS PRESENT: City Manager Hill, City Attorney Vail and City Clerk McComas

Invocation

Invocation was given by Rob Lindquist, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Council Member Youssef

City Attorney Closed Session Report

3. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

Hemet Non-Sworn Police Employees Association

Hemet Fire Fighters Association

Service Employees International Union (SEIU) General Employees

The City Attorney reported that the City Council completed the discussion regarding the listed bargaining units. There was no additional reportable action.

4. Conference with Legal Counsel - Existing Litigation

Pursuant to Government Code section 54956.9(d)(1)

Names of case: *Randy Cordero v. Hemet Police Department et al.*

USDC Case No. EDCV 10-01935-JAK-PJW

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

City Council Business Consent Calendar

5. **Receive and File** – Warrant Register

- a. Warrant register dated February 20, 2014. Payroll for the period of February 3, 2014 to February 16, 2014 was \$632,376.03.

6. **Recommendation by City Manager** – Ratification of Appointment of Interim Finance Director
 - a. Ratify the City Manager’s appointment of Tom Kanarr as Interim Finance Director, effective March 4, 2014.

7. **Recommendation by City Manager** – Confidential Employee Resolution
 - a. Adopt the resolution relating to all Confidential Personnel salary ranges, benefits, and establishing policy with respect to the requirements, responsibilities, designation, and condition of their employment. **Resolution No. 4563**

8. **Recommendation by Engineering** – Installation of Banners across Florida Avenue
 - a. C.A.S.A. – April is Sexual Assault Awareness Month
 - b. Salvation Army – Salvation Army Week, May 12 through May 28, 2014

9. **Recommendation by Public Works** – Professional Services Agreement for Environmental and Regulatory Services related to update of the City-Wide Long-Term Routine Maintenance Permitting Program and Supplemental Appropriation
 - a. Approve a professional services agreement with RBF Consulting for environmental and regulatory services to update the City of Hemet Long-Term Routine Maintenance Permitting Program at a cost not to exceed \$66,300; and
 - b. Authorize the Finance Director to record a supplemental appropriation of \$66,300 in Storm Drain Fund 254-4650-2710; and
 - c. Authorize the City Manager to execute the agreement with RFB Consulting; and
 - d. Authorize the city Manager to approve additional compensation of up to ten-percent of the original contract amount, provided that adequate budget is available.

10. **Recommendation by City Clerk** – Adopting and Promulgating the City’s Conflict of Interest Code
 - a. Adopt a resolution adopting and promulgating the Conflict of Interest Code and Designated Officials and Employees of the City of Hemet required to file a Statement of Economic Interest. This resolution will rescind Resolution No. 4341. **Resolution No. 4564**

Council Member Youssef moved and Council Member Wright seconded a motion to approve the Consent Calendar as presented. Motion carried 4-0.

Approval of Minutes

11. **February 25, 2014**

Council Member Wright moved and Council Member Youssef seconded a motion to approve the minutes as presented. Motion carried 4-0.

Discussion/Action Item

12. **Amendment to the Disaster Planning Commission** – City Manager Hill
- a. Introduce, read by title only and waive further reading on an ordinance amending Section 26.3 [Disaster Planning Commission – Established Membership] of the Hemet Municipal Code. **Ordinance Bill No. 14-007**

Wally Hill, City Manager, currently the City has a Disaster Planning Commission set up by ordinance that is largely inactive and has the wrong make up of commissioners for its mission. The proposed ordinance will amend the membership by increasing its size from 12 to 20, and specify the types of expertise and representation needed. The proposed ordinance also waives the requirement to be a Hemet resident.

Joy Ward, Hemet, expressed concern that members that are not residents of the City will not have the best interest of the City in mind.

Mr. Hill, it is the option of the City Council to determine the residency. The idea was to keep the door open so that the membership criteria can be met.

Council Member Krupa, appreciates the recommendation to increase the membership. Council Member Krupa recommended that the membership include a representative from both Edison and the Gas Company, both agencies will be vital in the event of a natural disaster.

Mayor Pro Tem Milne, the membership must still be a resident of the City's Sphere of Influence. There is room for a representative from both agencies, as well as all water agencies. Mayor Pro Tem Milne thanked staff for preparing the amendments.

Mr. Hill, the representation from both agencies will require an increase to the number of members.

Council Member Krupa, recommended that the membership number increase to 21 or a range up to 25.

Mr. Hill, confirmed that the ordinance will be amended to increase the membership no more than 25, with 21 to have specific requirements.

Council Member Youssef moved and Council Member Krupa seconded a motion to introduce, read by title only and waive further reading of Ordinance Bill No 14-007. Motion carried 4-0.

The Ordinance was read by title only.

13. **CHP Cooperative Agreement - Project H.O.P.E.** – Chief Brown
- a. Authorize the City Manager to enter into a Reimbursable Services Agreement with the California Highway Patrol (CHP) to provide supplemental traffic enforcement on State Route 74 (Florida Avenue) within the City limits from March 1, 2014 through August 31, 2014; and
 - b. Authorize the Finance Director to approve a supplemental appropriation in the amount of \$149,840 from unreserved fund balance to fund the temporary program.

Dave Brown, Police Chief, recommend a six month Cooperative Agreement with the California Highway Patrol to provided increased traffic enforcement and police visibility on Florida Avenue in support of Project Hope and previous initiative Florida First. This has been a very successful partnership with the CHP on all accounts. The Department received one complaint during the first six month period from a motorist and numerous complaints afterwards requesting the CHP presence back on Florida Avenue. In response to that and the success of the first six months, we are recommending another six months. There are some

changes to the agreement. The number of days has been reduced from 5 to 4. They will help us target certain areas where we have had increases in collisions or speeding. In terms of productivity there was a 5% increase in police officer activity off Florida Avenue and a 14% increase in arrest activity. Staff is recommending a supplemental appropriation in the amount of \$149,840 for an additional 6 month period which is less than the first six months.

Council Member Youssef, the analysis is telling results of the first 6 months. However, the true consequence of this partnership is that it gives your officers time to do other things. This was an out of box way to increase the City's public safety service without a huge increase to the budget given the financial situation. In a way Chief Brown, you contracted out part of your departments duties.

Chief Brown, the other agencies did not think that a partnership of this type would be agreed upon by the unions. Both Hemet Police Officers Association (HPOA) and Hemet Police Management Association (HPMA) signed side letters in support of the agreement.

Council Member Krupa, great job. Glad that it is being continued. The speed on Florida Avenue is increasing and the jay walkers are back. Council Member Krupa recommended that the effective date in the agreement be corrected to read March 1, 2014 to August 31, 2014.

Council Member Wright, great job. To not approve this agreement would be a travesty.

Council Member Krupa moved and Council Member Wright seconded a motion to approve this agreement as amended. Motion carried 4-0.

Communications from the Public

Jan Jones, Hemet, six weeks ago I was here complaining about the homeless at Weston Park. At that time, I had to keep the elevator and doors locked to my office because the homeless were using my bathroom and using poor language around my clients. Two weeks ago the City started closing the park weekly. The number of homeless in the area has greatly reduced. Ms. Jones expressed appreciation from her patrons as well as the employees and patrons of Union Bank.

C.W. Cecchi, Hemet Taxpayers Association, expressed concern with rumors he has heard stating that if the City contracts with CalFire the nearest Fire Station will be in Anza and that the ladder truck, paid for the residents, will not be available for use in Hemet.

Wally Hill, City Manager, under the proposals that are being considered from both agencies all four current fire stations will remain operational. The ladder truck will still be available to the community. The location the truck is housed might be different.

Bill Alden, Shooters, over two years ago, I came to the City Council requesting approval to open my business in Hemet. I couldn't have picked a better place to open a business thanks to all of the help from the City Council and City staff.

Mary Rowe, Hemet, expressed concern with the consideration to outsource Hemet Fire Department given the strong resident opposition. It seems that all the Council majority has left to do is sign the contract. It is Ms. Rowe's opinion that a contract will never be approved with Hemet Fire Department and this decision, any negotiations and the signing of the contract will be continued until just before the March 26th court date. Ms. Rowe read a poem she wrote titled "An Ode to the Fire Department".

Tracy Guzman, Hemet, expressed concern with the actions on Florida Avenue and releases under AB109. Ms. Guzman talked about a petition titled "Pull city business licenses of motels continually supporting prostitution and clean up our town! Stop ignoring the citizens of Hemet!". Ms. Guzman expressed concern with the increased prostitution and traffic on Florida Avenue the only major road in Hemet. Diamond Inn knowingly allows the activities. The

residents are tired of being ignored by the City Council and would like to know what the plan is to deal with the prostitution.

Dave Brown, Police Chief, the City Council is very concerned with the prostitution on Florida Avenue. The City's part-time retired task force is working on the homeless issue in the parks and will continue with other aspects of Project HOPE such as the prostitution. We are aware of the concerns at Diamond Inn. We are going to use the resources that we have been provided to tackle these issues. The members of my department are frustrated and are taking on this issue as aggressively as possible with available resources.

Michael Hale, expressed concern in the matter which officers are targeting the homeless issue at Weston Park. Mr. Hale's concern is that the homeless are just being dispersed to other areas.

Gary Cutler, Followers of Christ, we have been taking a meal to the park every Sunday for 6 months. Mr. Cutler expressed concern with the weekly closure of the park and the displacement of the homeless. Mr. Cutler recommended that the Police Officers walk through the park daily and get to know the people there.

City Council Reports

14. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Krupa

1. Traffic and Parking Commission
2. Riverside Conservation Authority (RCA)
3. Ramona Bowl Association
4. Indian Gaming Distribution Fund
5. Riverside Transit Agency (RTA)

Council Member Krupa, ridership is up and RTA is operating under budget. This is the most efficient organization in Riverside County.

6. Watermaster Board

Council Member Krupa, attended the California League of Cities meeting in Riverside last week. The topic was concern over the proposed mandatory election districts, as well as, the League's position on upcoming legislation.

B. Council Member Wright

1. Park Commission
2. Planning Commission
3. Indian Gaming Distribution Fund
4. Riverside County Habitat Conservation Agency (RCHCA)
5. Ramona Bowl Association

C. Council Member Youssef

1. Western Riverside County of Governments (WRCOG)

Council Member Youssef, attended the meeting for Mayor Smith. The Board appointed Rick Bishop as the Executive Director for another term. Mr. Bishop has done a great job especially given the thin budget. The expansion of Sanderson and the upcoming expansion of the Ramona Expressway are TUMF projects by WRGOC and Mr. Bishop. Project Hero is another successful WRCOG Program. It's a great way for people to get solar paid back

through their property taxes. Other counties are seeking advice and tips from WRCOG on this program.

2. Riverside County Transportation Commission (RCTC)

D. Mayor Pro Tem Milne

1. Library Board
2. League of California Cities
3. Riverside County Habitat Conservation Agency (RCHCA)
4. Riverside Transit Agency (RTA)
5. Riverside Conservation Authority (RCA)
6. Disaster Planning Commission

E. Mayor Smith

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

F. Ad-Hoc Committee Reports

1. Crime Stoppers Plus Ad-Hoc Committee
2. West Hemet MSHCP Ad-Hoc Committee
3. Regent Development Agreement Ad-Hoc Committee

G. City Manager Hill

1. Manager's Reports

Wally Hill, City Manager, introduced Tom Kanarr, Interim Finance Director. Mr. Kanarr is back for the third time, the City is fortunate to have him.

Mayor Pro Tem Milne, welcome Mr. Kanarr, you come highly recommended.

Wally Hill, both State and Federal Legislatures are in session. I have given some positions to our legislative representatives based on input from Council Members:

Support AB 1839 - greater film incentives in California

Support the series of Bills requiring greater standards for metal recyclers

Oppose AB 2715 – requiring cities with 100,000 or more residents to have district based Council Members.

Support House Resolution No. 1354 – increasing the stay for snowbirds from 6 to 8 months.

The City Council recessed to Hemet Housing Authority meeting at 8:01 p.m.

Reconvened at 8:02 p.m.

There were no public comments presented at this time.

The City Council recessed to Closed Session at 8:03 p.m.

Continued Closed Session

2. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Names of case: *Randy Cordero v. Hemet Police Department et al.*
USDC Case No. EDCV 10-01935-JAK-PJW
-

Reconvened at 8:31 p.m.

City Attorney Continued Closed Session Report

4. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Names of case: *Randy Cordero v. Hemet Police Department et al.*
USDC Case No. EDCV 10-01935-JAK-PJW
-

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 8:32 p.m. to Tuesday, March 25, 2014 at 7:00 p.m.



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Eric Vail, City Attorney
Wally Hill, City Manager *Wally Hill*

DATE: March 25, 2014

RE: Resolution of Necessity for Property Acquisition
Property Owner: Robert Campbell and Hsueher Hung
1275 N. Sanderson Avenue (APN 444-030-007)

RECOMMENDATION:

Staff recommends that City:

1. Conduct a hearing on Resolution 14-013 finding and determining that the public interest, convenience and necessity require the acquisition of certain property for public purposes; and
2. Review the evidence presented, including this staff report and public comments and close the hearing; and
3. Adopt the attached Resolution 14-013 authorizing the commencement of eminent domain proceedings so as to acquire 2,640 sf permanent road easement described therein (Note: This requires an affirmative TWO-THIRDS (2/3) vote of the City Council).

BACKGROUND:

The Sanderson Avenue Improvement project will include widening from 2 lanes, just north of the intersection of Commonwealth Avenue, to a fully improved 5 lane roadway, north to Esplanade Avenue, new curb and gutter will be installed along Sanderson from Commonwealth Avenue to Esplanade Avenue, the traffic signal at the northeast and southeast corners of Sanderson Avenue and Esplanade

Avenue will be modified to accommodate the new roadway. The project also includes a 2 - 24 inch diameter storm drain pipe along Sanderson and through the intersection of Esplanade Avenue to control the east to west flows, catch basins will be constructed on Commonwealth Avenue and on Sanderson Avenue. The final segment to fully improve is the parcel owned by the Mr. and Mrs. Campbell, and the street widening project CIP 5449-2 had commenced with the construction of sub-standard lane and medians widths to improve the street without the right of way dedication from Mr. Campbell. Previous negotiations with Mr. Campbell proved successful and have reached an impasse. (See plan view attached as Exhibit 1)

The entire segment of Sanderson Avenue is CIP 5449 as determined in the TUMF agreement with WRCOG dated September 11, 2006. The project included the segment of Sanderson Avenue from Menlo Avenue to Esplanade Avenue and was evaluated by the City Planning Department and determined a "Categorical Exemption" under CEQA Section 15301 (c), minor widening to existing streets. The project was divided into 2 phases for constructability and right of way acquisition at the time and currently sub-divided into a phase 3, entitled "Sanderson Avenue Widening at 1275 N. Sanderson Avenue".

In order to accommodate the Project, the City requires the acquisition of a 2,640 sf permanent road easement in the property described in Resolution No. 14-013 ("Property Interests") from the property located at 1275 N. Sanderson Avenue in the City of Hemet and identified by APN 444-030-007 ("Subject Property").

The Subject Property is owned by Robert Campbell and Hsueher Hung, husband and wife, as joint tenants and is approximately 1.82 acres (79,279 sf) of land zoned A-1-C-5 (Light Industrial) with a General Plan Land Use of LDR (Low Density Residential). The Subject Property is improved with a 1,085 square foot single family residence, pool, large industrial garage and 2nd residence. City has attempted in earnest to contact owners to negotiate a settlement agreement and on March 10, 2012 tendered an offer to purchase the Property Interests. However, to date the City has received no response.

Pursuant to Section 19, Article I of the California Constitution, Section 37350.5 and 40401 et seq. and 40404 of the California Government Code, Section 1230.010 et seq., of the California Code of Civil Procedure, and other applicable law, the City is authorized to acquire property for the Project by eminent domain, provided certain procedural steps are followed.

First, the City must make an offer to purchase to the property owner, which offer must be transmitted in writing, based upon an appraisal. The City tendered a statutory offer to purchase to the Property Interests to the owners as required by law based upon an approved appraisal (Exhibit 2). To date, the offer has not been accepted.

It is now necessary that an action in eminent domain be commenced to acquire the property interest referenced herein. Prior to the filing of the action, the City must hold a hearing on the proposed Resolution of Necessity, (Exhibit 3) and provide the owners of the affected property an opportunity to be heard, provided that the owner has filed a request to be heard in writing with the City prior to the hearing.

In addition, the hearing must be duly noticed. Attached is a copy of the Notice of Hearing which was delivered in accordance with the applicable statutes (Exhibit 4).

After conducting the public hearing, if the City finds that the public necessity so requires, the City should adopt the attached Resolution of Necessity 14-013, authorizing condemnation proceedings for the purpose of acquiring the Property Interests.

The findings to be made are set forth in the Resolution of Necessity. Specifically, the City must find:

1. That the public interest, convenience and necessity require the acquisition of the proposed Project. As proposed, the Project will serve public purposes, by completing a fully improved street segment with two full southbound lanes, a 12 foot median and a bike lane. Sanderson Avenue is a major thoroughfare serving the City of Hemet, as well a regional route for entire San Jacinto Valley.
2. That the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury. Sanderson Avenue is an existing street, a re-alignment of which would result in impacts to its adjacent properties and at a significant cost to the public fisc. Staff reviewed the option of completing the full improvements, however that option is precluded by the inability to acquire the right of way from Mr. Campbell. The option of leaving the street as it exists today would leave it as a sub-standard segment which impacts the health, welfare and safety of the motoring public by having to negotiate the narrow lanes, and the City would have to wait until the area develops and condition the developer to dedicate the right of way and construct the improvements. Moreover, the TUMF funding would be lost and would terminate pursuant the agreement with WRCOG.
3. That the Property Interests sought to be acquired are necessary for the Project. The Property Interests are needed to complete the segment per the General Plan, Regional thoroughfare needs and to comply with CALTRANS standards. Without the acquisition of the Property Interests, the proposed Project cannot be completed.
4. That the offer to purchase required by California Government Code Section 7267.2 has been made to the owners of the Property Interests. As set forth above, The City tendered a statutory offer to purchase to the Property

Interests to the owners as required by law based upon an approved appraisal (Exhibit 1).

5. That the City has complied with CEQA. This has occurred, as shown in the City Council minutes of June 23, 2009, specific to the Phase 2 segment, Commonwealth to Esplanade and in the original CEQA determination of February 14, 2008.

Questions relating to value are not relevant to this proceeding. However, that does not mean that negotiations for the acquisition of the property interests are at an end. If the City adopts the Resolution of Necessity, after the hearing, negotiations for the acquisition of the property interests may continue.

FISCAL IMPACT:

No General Fund Impact. Funding for the project will be paid for by measure "A" funds then reimbursed through the TUMF program agreement with WRCOG.



Eric Vail, City Attorney

Certified as to Funds Availability



Tom M. Kanarr, Interim Finance Director



Victor Monz, PE, Principal Engineer

Exhibit 1 -- plan view

Exhibit 2 -- offer to purchase and accompanying executive summary, eminent domain informational pamphlet and summary statement

Exhibit 3 -- proposed resolution of necessity

Exhibit 4 -- notice of hearing

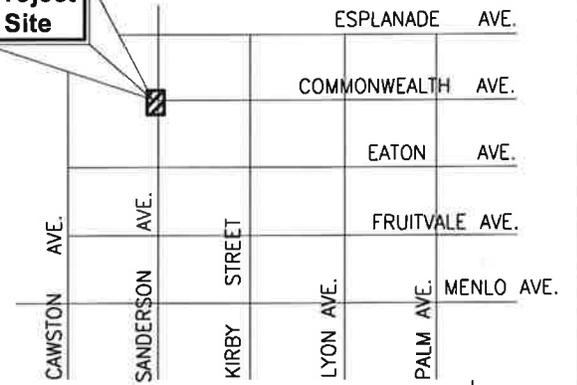
Exhibit "1"

SANDERSON AVE. WIDENING

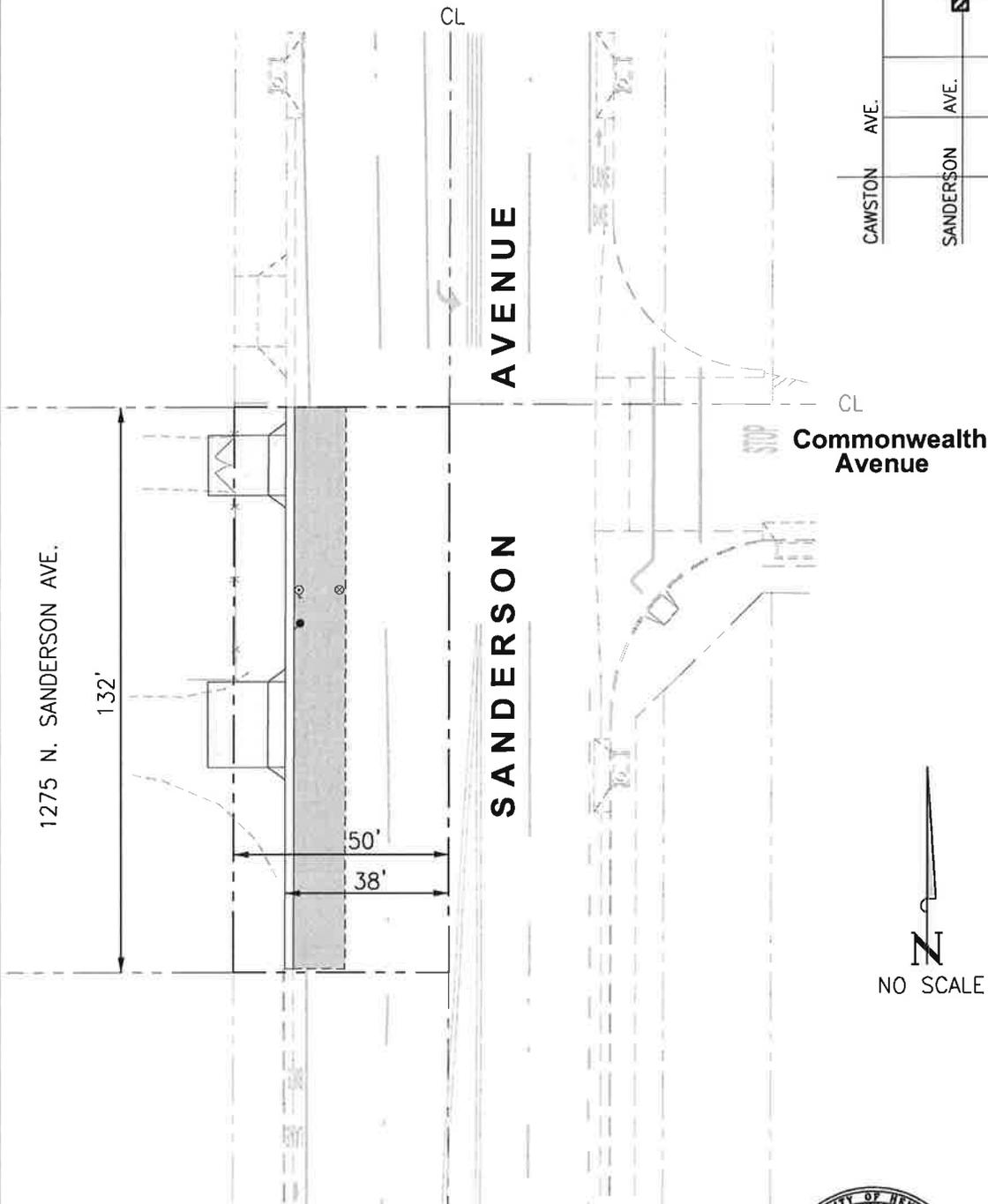
1275 N. Sanderson Ave

APN: 444-030-007

Project Site



Location Map
NO SCALE



NO SCALE



City of Hemet

ENGINEERING DEPARTMENT

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

Exhibit 2

offer to purchase
and
accompanying executive summary,
eminent domain informational pamphlet
and summary statement



444 South Flower Street - Suite 2400
Los Angeles, California 90071-2953
voice 213.236.0600 - fax 213.236.2700
www.bwslaw.com

Direct No.: 213.236.2819
asozio@bwslaw.com

March 10, 2014

Robert A. Campbell
Hsueher Hung Campbell
1275 N. Sanderson Ave.
Hemet, CA 92545-1252

Robert A. Campbell
Hsueher Hung Campbell
49800 State Highway 74
Hemet, CA 92544-9601

Subject: Offer to Purchase Portion of 1275 N. Sanderson Ave., Hemet, CA
[APN 444-030-007]

Dear Mr. & Ms. Campbell:

This office represents the City of Hemet ("City") in regard to the above-referenced matter. The City is proposing to widen portions of Sanderson Avenue (the "Project"). The Project requires a 2,640 sf permanent road easement, which is legally described and depicted in the Executive Summary enclosed herewith (the "Property Interests").

The City has obtained a preliminary title report that shows Robert A. Campbell and Hsueher Hung Campbell, husband and wife as joint tenants, to be the vested owner of the Property Interests. If you are not the owner of the Property Interests, please contact us immediately.

The City has obtained an appraisal of the fair-market value of the just compensation the Property Interests. Using a date of valuation of January 8, 2013, the City's independent, professional appraiser determined the total just compensation for the taking of the Property Interests to be \$10,000.

The basis for the computation of the \$10,000 amount is explained in the attached Appraisal Summary. This Appraisal Summary is presented in compliance with state laws, and has been derived from a formal appraisal prepared by the City's independent appraiser.

LA #4830-3285-4809 v1



March 10, 2014

Page 2

Based on the foregoing, the City hereby offers you \$10,000 for its purchase of the Property Interests, which is the full amount believed by City to be just compensation for the property taken and is not less than the approved appraisal of the fair market value of the Property Interests. This amount disregards any decrease or increase in the fair market value of the real property to be acquired prior to the date of valuation caused by the public improvement for which the Property Interests are to be acquired for such public improvement.

In acquiring the Property Interests, the City would pay all usual fees, charges, and costs that arise out of this transaction. If this offer is acceptable to you, please so indicate to the undersigned in writing. Upon your acceptance, the City will prepare and forward to you the appropriate documents to complete the transaction. This offer is subject to the ratification of an agreement for purchase and sale by the City, the City's adoption of a resolution of necessity, or both.

Please be advised that you are entitled to a reasonable amount, not to exceed five thousand dollars (\$5,000.00), for an appraisal prepared by an independent appraiser licensed by the Office of Real Estate Appraisers.

This offer is subject to your ability to convey clear title to the Property Interests (*i.e.* property free of encumbrances or liens, other than liens for taxes and any utility encumbrances acceptable to the City). Similarly, it is your obligation to pay current and past due property taxes. However, you will not be required to pay recording fees, transfer taxes, or the pro rata portion of real property taxes that are allocable to any period after the passage of title or possession to the City.

Please be advised that the offer stated above also presumes the property is free of hazardous substances (as that term is defined under California Health and Safety Code Section 33459(b)) and all other subsurface soil contamination. In the event that any facts or circumstances arise which indicate the presence of such subsurface contamination, the City reserves the right to rescind or modify the offer stated above at any time prior to its written acceptance, to reflect the estimated or actual costs to remediate the property to the satisfaction and approval of all applicable regulatory agencies.

If for any reason you are not satisfied with this offer of just compensation and have relevant information regarding the value of the property that you would like the City to consider, we will be happy to do so.



BURKE, WILLIAMS & SORENSEN, LLP

March 10, 2014

Page 3

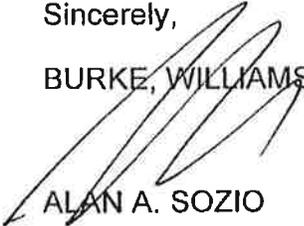
If for any reason you do not accept the City's offer, please be advised that the matters included within this letter, as well as the attached summary statement, fall within the provisions of, *inter alia*, Section 1152 and 1154 of the California Evidence Code, Section 1255.060 of the Code of Civil Procedure, and Sections 7267.1 and 7267.2 of the Government Code, and are not admissible in evidence in any eminent domain proceeding which may be subsequently instituted for the acquisition of the present Property Interests, or in any other action.

If the property is acquired as anticipated, it is scheduled to be used within two years of acquisition and is therefore not available to be leased back under the provisions of California Code of Civil Procedure 1263.615.

If you have any questions regarding this offer or have information regarding the value of your property, please contact me at the phone number above.

Sincerely,

BURKE, WILLIAMS & SORENSEN, LLP



ALAN A. SOZIO

AAS:amc
Enclosures

EXECUTIVE SUMMARY

Subject Property No. 2

Ownership	Robert Campbell & Hung Hsueher
Location	1275 N. Sanderson Avenue City of Hemet, Riverside County, California
Assessor's Parcel No.	444-030-070
Parcel Size Larger Parcel	1.82 acres (79,279 square feet)
Area To Be Acquired Road Right-of-Way	2,640 square feet (0.06 acres)
Zoning	A-1-C-5
General Plan	Low Density Residential (LDR) 2.1-5 du/acre
Improvements	1,085 square foot single family residence, pool, large garage/barn and 2 nd residence.
Highest and Best Use	Single family residential development.
Purpose of Appraisal	To develop an opinion of the fair market value of the public road right-of-way acquisition area from the Larger Parcel for the Sanderson Avenue Road Widening Project, and provide an opinion of severance damages and benefits to the remainder parcels as a result of the construction in the manner proposed.
Function/Intended User	To be used as the basis of an offer of Just Compensation to be made to the owner of the property for the proposed acquisitions for the Sanderson Avenue Road Widening Project. The intended users of the report are representatives with the City of Hemet.
Type of Appraisal Report	Appraisal Report
Estate Appraised Larger Parcel	Permanent road easement
Acquisition	Public road right-of-way.
Date of Value	January 8, 2014

Value Conclusions

Permanent Property Rights

Value of the Property as a Whole (Land Only)	\$300,000
Value of the Part to be Acquired	
Permanent Road Easement	<u>\$10,000</u>
Value of the Remainder (Land Only) as Part of the Whole <i>Before</i> the Acquisition	<u>\$290,000</u>
Value of the Remainder (Land Only) <i>After</i> Acquisition	\$290,000
Severance Damages	\$0
Benefits	<u>\$0</u>
Net Severance Damages	<u>\$0</u>
Total Fair Market Value for Permanent Property Rights Acquired	\$10,000

DEFINITIONS

FAIR MARKET VALUE

Fair Market value is defined as follows:

The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

The fair market value of property for which there is no relevant comparable market is its value on the date of valuation as determined by any method that is just and equitable.¹

EASEMENT

Easement is defined as follows:

The right to use another's land for a stated purpose.²

BENEFIT TO THE REMAINDER

Benefit to the remainder is defined as follows:

Benefit to the remainder is the benefit, if any, caused by the construction and use of the project for which the property is taken in the manner proposed whether or not the benefit is caused by a portion of the project located on the part taken.³

DAMAGE TO THE REMAINDER

Damage to the remainder is defined as follows:

Damage to the remainder is the damage, if any, caused to the remainder by either or both the following:

- a) The severance of the remainder from the part taken.
- b) The construction and use of the project for which the property is taken in the manner proposed whether or not the damage is caused by a portion of the project located on the part taken.⁴

FEE SIMPLE ESTATE

Fee simple estate is defined as follows:

Absolute ownership unencumbered by any other interest or estate; subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.⁵

¹ Source: Code of Civil Procedures, § 1263.320.

² Source: *The Dictionary of Real Estate Appraisal*, Fifth Edition, page 63.

³ Source: Code of Civil Procedures, § 1263.430.

⁴ Source: Code of Civil Procedures, § 1263.420.

⁵ Source: *The Dictionary of Real Estate Appraisal*, Fifth Edition, page 78.

HIGHEST AND BEST USE

Highest and Best Use is defined as follows:

The reasonably probable and legal use of vacant land or an improved property, that is physically possible, appropriately supported, and financially feasible and that results in the highest value. The four criteria the highest and best use must meet are legally permissible, physical possible, financial feasible and maximally productive.⁶

LARGER PARCEL

Larger Parcel is defined as follows:

In governmental land acquisitions, the tract or tracts of land that are under the beneficial control of a single individual or entity and have the same, or an integrated, highest and best use. Elements for consideration by the appraiser in making a determination in this regard are contiguity, or proximity, as it bears on the highest and best use of the property, unity of ownership, and unity of highest and best use.⁷

PARTIAL TAKING

Partial taking is defined as follows:

The taking of part of any real property interest for public use under the power of eminent domain; requires the payment of compensation.⁸

REMAINDER

Remainder is defined as follows:

In eminent domain condemnation, that portion of a larger parcel remaining in the ownership of the property owner after a partial taking.⁹

⁶ Source: *The Appraisal of Real Estate*, Thirteenth Edition, Appraisal Institute, pp 277-279.

⁷ Source: *The Dictionary of Real Estate Appraisal*, Fifth Edition, page 110.

⁸ Source: *The Dictionary of Real Estate Appraisal*, Fifth Edition, page 143.

⁹ Source: *The Dictionary of Real Estate Appraisal*, Fifth Edition, page 166.

VALUATION METHODOLOGY

In order to estimate the fair market value of the property being acquired, it is first necessary to estimate the fair market value of the Larger Parcels. After estimating the fair market value of the Larger Parcels, the contributory value of the acquisition area as a part of the Larger Parcels is analyzed. Lastly, the Remainder Parcels are analyzed in the "before" and "after" condition in order to determine if severance damages and benefits are applicable.

The three conventional methods of valuation include the Cost Approach, Direct Sales Comparison Approach, and Income Approach. Each of these techniques, when applicable, tends to indicate market value by comparison.

Cost Approach

The Cost Approach reflects the principle of substitution which holds that a prudent buyer will pay no more for a property than the cost of acquiring a similar site and constructing similar improvements with equal desirability and utility, assuming no undue delay. This valuation technique requires 1) an estimate of market value for the subject land as though vacant and available for development, 2) an estimate of the replacement cost for the existing improvements, and 3) an estimate of accrued depreciation resulting from all causes. This technique works best when valuing properties with newer structural improvements or special use properties. This approach is not applicable for the subject vacant land.

Sales Comparison Approach

The Sales Comparison Approach also incorporates the principle of substitution. This valuation technique requires the discovery, investigation, and analysis of recent sales transactions involving property similar to the one appraised. Adjustments are made to the indicated selling price of each comparable to reflect significant differences between the sale property and the subject. When sufficient sales data is available, these adjustments are best determined by the actions of typical buyers and sellers in the subject's market area. This value range, indicated by the adjusted comparable properties, is then reconciled into an indication of fair market value for the subject property.

Income Approach

The Income Approach to value is the method by which an income stream is capitalized by an overall market-derived rate to yield an estimate of market value for a given property. The appraiser is primarily concerned with future benefits resulting from net operating income. This technique is most useful when a property is developed to its highest and best use and when the primary purchase motivation is for a net income stream. This approach is not applicable for the subject vacant land.

Conclusion

The Subject Property valuation of the land included the use of the Sales Comparison Approach. The Cost and Income Approaches are not applicable to the valuation of vacant land.

There are six meaningful valuation approaches used for vacant land. The most common is the Sales Comparison Approach. Alternative valuation methods include:

Allocation Method - is used when a neighborhood is fully built-out and there are no land comparables.

Land Residual Analysis (static model) - is used to estimate land value when sales data of similar parcels of vacant land are not available.

Subdivision Modeling (discounted cash flow analysis) - attempts to accurately reflect time and cost constraints.

Extraction - is a variation of the allocation method and is used when there are no directly comparable land sales. This technique is mainly concerned with a residual valuation by using a direct income capitalization approach.

Ground Rent Capitalization - relates more to retail pads in existing centers

The Sales Comparison Approach is the preferred method when sufficient data are available. Based on our research, it became evident that there is an adequate number of comparable sales available for the Sales Comparison analysis.

HIGHEST AND BEST USE
Subject Property No. 2

As Though Vacant

Legally Permissible: The subject is zoned A-2-C-10 (Light Agricultural) with a General Plan Land Use of LDR (Low Density Residential). Legal uses for this type of property include a single family residence on the current property or subdivision for residential development, after a zone change.

Physically Possible: The subject property consists of one legal parcel. The property is rectangular in shape and is mostly flat. The size of the parcel is appropriate for an agricultural and rural residential uses.

Financially Feasible: Any proposed use which supports a positive land value is considered financially feasible. Financial feasibility for development exists when the anticipated use provides a net return to the property that is equal to or greater than the land value. The property is located in an area with significant infrastructure improvements close by. At present, most residential projects are not financially feasible.

Maximally Productive: Maximum productivity is the last test. When considering vacant land, the question of maximum productivity addresses market demand factors which determine whether or not the property should be developed with a particular use. The subject consists of one legal parcel. Ultimately, an agricultural or rural residential use offers the maximum productivity of the site.

Highest and Best Use Conclusion - As Though Vacant

The site consists of one assessor parcel with a total land area of 1.82 acres of agricultural/rural residentially zoned property. The site has mostly flat topography. The property is rectangular in shape. The highest and best use of the subject property, as vacant, would be to hold for later subdivision and residential development, upon better market conditions.

Highest and Best Use Conclusion - As Improved

The subject site has been improved with a 1,085 square foot single family residence, pool large industrial garage and 2nd residence. The improvements conform to the underlying zoning, but not the general plan. The location is appropriate for an agricultural/rural residence.

The subject is at present being used for the purpose for which it was intended and the site accomplishes that purposes. Therefore, the present use of the site as a residence (and possibly the industrial garage) is legally permissible and physically possible. It is also financially feasible and maximally productive because the site is at present being used as a rural residence, for which it was designed.

The highest and best use of the subject property, as improved, is for its continued use as a residential property.

SALES COMPARISON APPROACH
Subject Property No. 2

The subject Larger Parcel is zoned A-2-C-5 with a General Plan Land Use of LDR (Low Density Residential). The market data chosen for the subject consists of residential land sales from 2 to 20 acres within the Southwest Riverside County area over the past three years. Comparable sales were narrowed to those which exhibit the greatest similarity to the subject.

Residential Market Data Valuation Summary

In comparing the residential market data to the subject property, adjustments are first considered for property rights, financial terms, conditions of sale, and market conditions. Also considered are characteristics such as location, size, access/exposure, site condition including development costs (drainage, topography/offsites) and zoning/highest and best use.

Six residential land sales in the subject market were reviewed and analyzed. These raw to rough graded sites range from 2.00 to 2.60 acres. The sales prices range from \$50,000 to \$339,000 overall.

The subject is located within a rural residential neighborhood and near residential subdivisions. Although Southern California is participating in a mini-boom, rural land sales and values are lagging the market. It is, however, reasonably well located with infrastructure close by.

Market Data Sale 1, is slightly superior for its location, but similar for its zoning and size. Market Data Sale 2 is slightly inferior overall. Market Data Sales 3 and 4 are inferior for their location and zoning. Market Data Sale 5 is inferior for its foreclosure status and zoning. Market Data 6 is inferior for its location and zoning.

Conclusion. Following adjustments for differences, the adjusted value range for the subject is \$200,000 to \$300,000 overall. Due to the eminent domain nature of this valuation, we have reconciled at the high end of the range, **\$300,000 overall** for the fair market value of the Larger Parcel.

\$300,000	divided by	1.82 acres (or 79,279.20 sf)	=	\$3.78 per square foot
-----------	------------	------------------------------	---	-------------------------------

The comparable data are summarized in a Sales Grid and Location Map located on the following pages. Market Data photographs are included in the **Addenda** of this report.

MARKET DATA SUMMARY GRID
Residential Land Sales

Market Data No.	Location / APN	Buyer/Seller	Zoning / Land Use	Site Area Acres/SE	Sale Date Doc. No.	Total Sales Price	Comments
Subject	1275 N. Sanderson Ave, Hemet, Riverside County 444-030-007		A-1-C-5 / LDR	1.82 / 79,279	-	-	Rural residential property with 2 residences
1	31890 Ruft Road Winchester, Riverside Cnty 480-030-040	Saint Thomas The Hermit Coptic Orthodox Church / French Valley I LLC	RR/LDR	2.10 91,476	1/6/2009 #3962	\$339,000	Near agricultural land, rural residences and just north of residential subdivisions.
2	994 E Shaver St San Jacinto, Riverside Cnty 437-300-005	Christian Investments LLC / Jorge Herrera	RL/LDR	2.40 104,544	3/20/2009 #136702	\$275,000	Near rural residential homes and residential subdivisions. Suitable for fill-in development. Close to elementary school and church. Other "pockets" of land available nearby for fill-in development.
3	24232 Theda Street Perris, Riverside Cnty 342-020-031	Jose Gallegos et al. / David Galbreath	RR/MLDR	2.00 87,120	6/4/2013 #266225	\$100,000	Corner location. Includes sale of mobile home. Value in land. Surrounded by some custom homes and mobile homes.
4	22667 Mountain Avenue Perris, Riverside Cnty 342-140-013	Rosa Hernandez / Sierras Family Trust	RR/MLDR	2.16 94,090	6/15/2012 #277961	\$87,000	Fairly flat rural land. Access from Highway 74 and Mountain Ave.
5	24657 Highway 74 Perris, Riverside Cnty 342-130-014	Joad Cap LLC / Sandibel Morales-Reyes	RR/MLDR	2.60 113,256	3/6/2013 #111765	\$79,000	Deed in lieu of foreclosure. Access from both Highway 74 and Marie Street.
6	22350 River Road Perris, Riverside Cnty 349-440-027	Abigail Gillespie et al. / Queen Spicer	RR/MLDR	2.50 108,900	7/6/2011 #297089	\$50,000	Easement access to property. Rural vacant land surrounded by older homes, modular homes and mobile homes.

ACQUISITION ANALYSIS
Subject Property No. 2

Description of the Part to be Acquired

The acquisition description and analysis for the subject property relies upon the map and legal descriptions in the **Addenda** prepared by the City of Hemet.

Permanent Road Easement

The permanent road easement required on the subject property is 20 feet deep and located at the eastern edge of the property and will be 2,640 square feet (0.061 acres). **The Permanent Road Easement Area is 3.33 percent of the total parcel size (.0333).**

Improvements

No improvements, landscape or hardscape will be damaged as part of the project. The city will relocate the utilities and create a new concrete driveway for the property owner, at the City's expense. The intent is construct a 14 ft. wide drive approach for the residence on the north side of the property and a 24 ft. wide drive for the industrial portion on the south side of the property. Both drives will be within the new right of way,

Currently there is space for parking along the front of the property, outside the fence, in an area covered in decomposed granite. This area is in the proposed right-of-way; however there is space along the south side of the residence for additional parking.

Valuation of the Part to be Acquired

Permanent Road Easement

The area to be acquired as permanent road easement is necessary to accommodate the Sanderson Avenue Sidewalk Project. Although the property is to be acquired as an easement, there is no remaining utility to the owner and is therefore valued as if a full physical acquisition with no remaining utility. The value was previously estimated at \$300,000 over all or \$3.78 per square foot. The road easement area is calculated as follows:

$$\begin{array}{r} \$3.78 \quad \text{per sf} \quad \times \quad 2,640 \text{ sf} \quad = \quad \$9,979 \\ \text{Rounded to:} \quad \$10,000 \end{array}$$

No stakes were placed to approximate the easement area. Therefore, we relied on the most current acquisition maps and our estimate of location. The following pages show the Right-of-Way acquisition maps and the photographs of the acquisition area.

EXHIBIT "A"
LEGAL DESCRIPTION

BEING A PORTION OF THE SOUTH HALF OF FARM LOT 164 OF THE LANDS OF THE SAN JACINTO LAND ASSOCIATION, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY A MAP ON FILE IN BOOK 8, PAGE 357 OF MAPS, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA, IN SECTION 5, TOWNSHIP 5 SOUTH, RANGE 1 WEST, S.B.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 164, SAID POINT BEING THE CENTERLINE INTERSECTION OF ESPLANADE AVENUE AND SANDERSON AVENUE AS SHOWN ON TRACT NO. 30689-1 FILED IN BOOK 334 PAGES 97 THROUGH 101 OF MAPS, RECORDS OF SAID RIVERSIDE COUNTY;

THENCE SOUTH 00°08'52" WEST ALONG EAST LINE OF SAID FARM LOT 164 AND CENTERLINE OF SAID SANDERSON AVENUE TO THE NORTHEAST CORNER OF A PARCEL OF LAND DESCRIBED IN INSTRUMENT NO. 144095, RECORDED APRIL 26, 1989 IN, OFFICIAL RECORDS OF RIVERSIDE COUNTY;

THENCE NORTH 89°55'11" WEST ALONG THE NORTH LINE OF SAID PARCEL, A DISTANCE OF 30.00 FEET TO A POINT ON A LINE THAT IS PARALLEL TO AND 30.00 FEET WESTERLY OF SAID CENTERLINE OF SANDERSON AVENUE, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE SOUTH 00°06'52" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 132.00 FEET TO A POINT ON THE SOUTH LINE OF SAID PARCEL;

THENCE NORTH 89°55'11" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 20.00 FEET TO A POINT ON A LINE THAT IS PARALLEL TO AND 50.00 FEET WESTERLY OF SAID CENTERLINE OF SANDERSON AVENUE;

THENCE NORTH 00°06'52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 132.00 FEET TO A POINT ON THE NORTH LINE OF SAID INSTRUMENT NO. 144095;

THENCE SOUTH 89°55'11" EAST ALONG SAID NORTH LINE, A DISTANCE OF 20.00 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 2,640 SQUARE FEET OR 0.06 ACRES, MORE OR LESS.

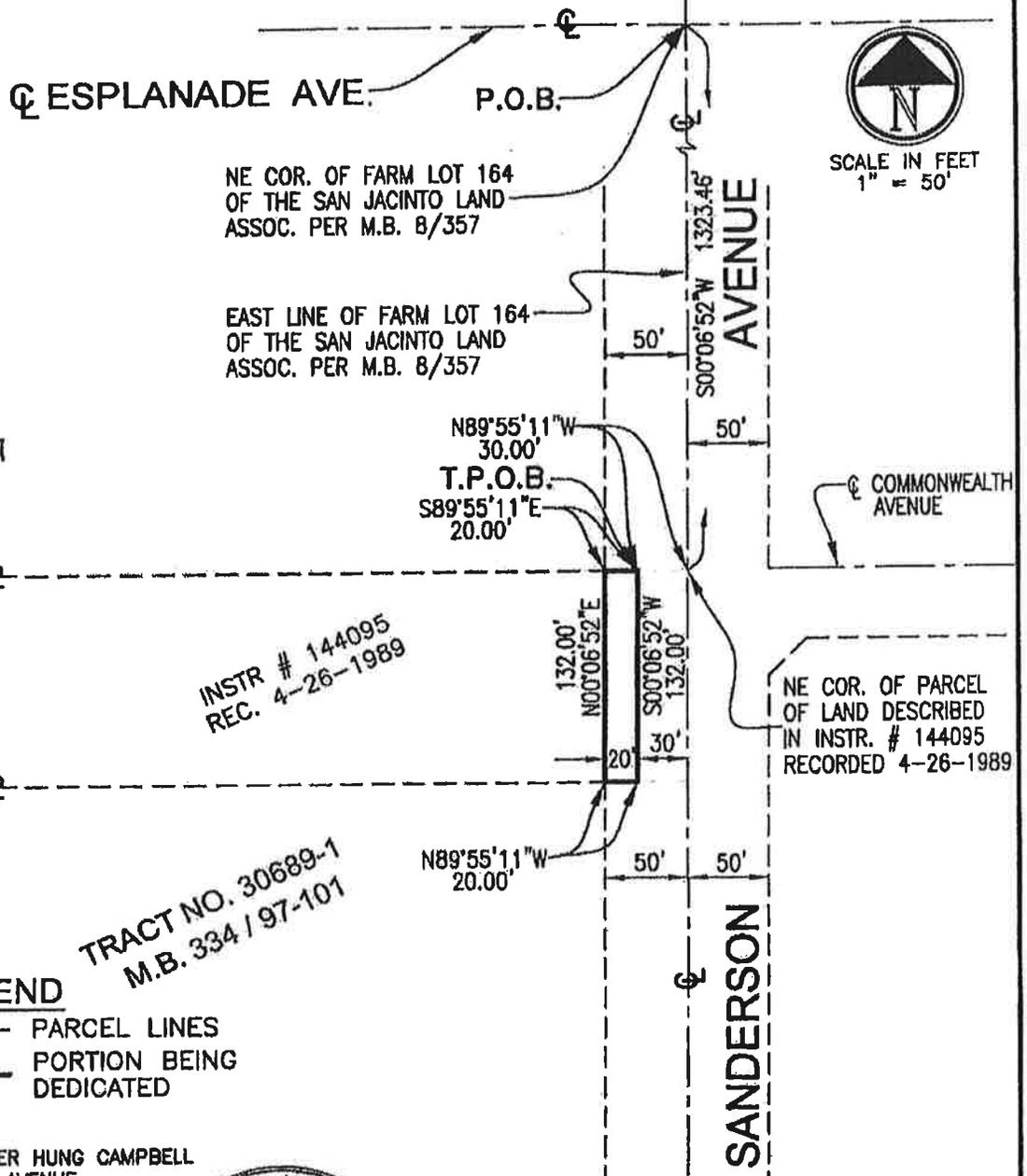
**THIS DESCRIPTION IS ALSO SHOWN ON THE ATTACHED EXHIBIT "B" AND
THEREBY BEING MADE PART HEREOF.**

PREPARED UNDER MY SUPERVISION

**BRIAN D. FOX
PROFESSIONAL LAND SURVEYOR NO. 7171
REGISTRATION EXPIRE: 12-31-13**

LEGAL DESCRIPTION EXHIBIT "B"

T.5S, R.1W, SEC. 5, S.B.M.



SCALE IN FEET
1" = 50'

LOT 164
S.J.L.A.
M.B. 8/357

INSTR # 144095
REC. 4-26-1989

TRACT NO. 30689-1
M.B. 334 / 97-101

LEGEND

- PARCEL LINES
- PORTION BEING DEDICATED

PROPERTY OWNER:
ROBERT A. & HSUEHER HUNG CAMPBELL
1275 N. SANDERSON AVENUE
HEMET, CA 92545
APN 444-030-007

PREPARED FOR:
CITY OF HEMET
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION
510 E. FLORIDA AVENUE
HEMET, CA 92543
(951) 765-2380



PREPARED BY:



CIVIL / STRUCTURAL ENGINEERS
MUNICIPAL CONSULTANTS / PLANNERS
SURVEYORS / GPS
151 South Girard Street
Hemet, Ca 92544
TEL. (951) 652-4454
FAX (951) 766-8942

FILE: F:\1201119\dwg\ACACIA_SANDERSON.dwg
SHEET 1 OF 1 SHEETS

Description of the Remainder

The Remainder Parcel will remain equal to the size of the Larger Parcel at 1.82 acres, however, it will be encumbered with a 2,640 square foot permanent road easement. Shape, zoning, general plan and highest and best use will all remain the same. The Remainder Parcel will not be impacted by a change in grade of the roadway or drainage patterns.

Valuation of the Remainder

Valuation of the remainder before the acquisition is the difference between the value of the Larger Parcel and the value estimate for the acquisition. We have relied upon the value of the Larger Parcel as concluded in the body of the report. In addition, we have reviewed sales in the After Condition which support our acquisition analysis conclusion. The value of the Remainder Parcel in the Before Condition (before consideration of Severance Damages and Benefits), is calculated as follows.

Value of Larger Parcel	\$300,000
Value of the Part to be Acquired	\$10,000
Value of Remainder as Part of Larger Parcel before Consideration of Severance Damages and Benefits	\$290,000

Severance Damages

In the partial acquisition of real estate, the most reliable measurement of severance damages is the diminution of market value to the Remainder property which results from the acquisition or construction of improvements as planned. Issues considered in this analysis include the project's impact, if any, on the Remainder Parcel's highest and best use, site utility, development potential, drainage, landscaping, hardscape, proximity to existing improvements, access, parking and security.

The Remainder Parcel, in the After Condition, will have similar highest and best use in comparison with the Before Condition. The Sanderson Avenue Sidewalk Project will not impact the existing or future development/redevelopment of the subject property. The house has sufficient parking in the Before Condition. Currently, there is space for parking along the front of the property, outside the fence, in an area covered in decomposed granite. This area is in the proposed right-of-way; however, there is space along the south side of the residence for continued parking in the After Condition. The industrial portion of the property has sufficient parking in both the Before and After Conditions; however, the industrial use may not be a legal use depending on if the buildings have been vacant for over 6 months.

Based on the foregoing, access will remain the same in the Before and After Conditions; therefore, severance damages are not applicable.

SUMMARY AND CONCLUSIONS OF VALUE Subject Property No. 2		
Permanent Property Rights		
Value of the Property as a Whole		\$300,000
Value of the Part to be Acquired		
Permanent Road Easement	\$10,000	<u>\$10,000</u>
Value of the Remainder as Part of the Whole <i>Before</i> the Acquisition		\$290,000
Value of the Remainder <i>After</i> Acquisition and Construction of Improvements		\$290,000
Severance Damage	\$0	
Benefits	<u>\$0</u>	
Net Severance Damages		<u>\$0</u>
Total Fair Market Value for Permanent Property Rights Acquired		\$10,000

EMINENT DOMAIN INFORMATIONAL PAMPHLET

Introduction

California Government Code Section 7267.2 requires that a public entity provide property owners with an informational pamphlet describing the eminent domain process and the property owners' rights under the Eminent Domain Law at the time the public entity offers to purchase the owners' property or portions of their property. This informational pamphlet provides a general overview of the eminent domain process and answers questions commonly asked by property owners regarding their rights. This is an informational pamphlet only and is not intended to give a complete statement of all state or federal laws and regulations regarding eminent domain or to provide property owners with any form of legal advice.

Overview of The Eminent Domain Process

What is eminent domain?

Eminent domain is the acquisition of private property by a public entity for a public use. Public entities, such as the state and the federal government, counties, cities, redevelopment agencies, and school districts, may acquire real property for a public use if they meet all legal requirements, including the payment of just compensation to the property owners or into the court for the benefit of the owners. (CALIFORNIA CONSTITUTION, art. I, sec. 19). Public uses include, but are not limited to roads, sewer lines, parks, public facilities, police stations, fire stations, libraries, and schools. The acquisition of real property to remedy blight consistent with the Redevelopment Law is also a public use (Health and Safety Code Section 33000 *et seq.*).

A public entity may acquire any interest in real property such as a fee interest, permanent easement, slope easement, or temporary construction easement. A public entity may acquire only the real property interests that are needed for the public use. If a public entity acquires a portion of a parcel and this results in damage to the remainder parcel, the owner is entitled to be compensated for the loss of value, if any, to the remainder parcel. This is called severance damages. If the appraiser determines that the remainder parcel will be left in a size, shape or condition to be of little or no value to the owner, the public entity will offer to purchase the entire parcel. The property owners can decide whether they want the public entity to acquire such uneconomic remnants.

The law requires a public entity to make every reasonable effort to acquire property expeditiously by negotiated purchase. As discussed more fully below, there are several steps that a public entity must take prior to acquiring property by eminent domain. These legal prerequisites are meant to protect property owners and to ensure that they have an opportunity to participate in the acquisition process. These preacquisition steps include the appraisal process, offers and negotiations.

Appraisal Process

The public entity is required to obtain a fair market value appraisal of the real property before it can acquire it by eminent domain.

Notice Informing Owners of Public Entity's Decision to Appraise Their Property

When a public entity identifies a real property or real property interest ("subject property") that it may need for a proposed project, it sends to the property owners a notice informing the owners that it intends to appraise the subject property. This notice informs the owners that the public entity has decided to appraise the subject property and notifies them that an appraiser will be contacting them. An appraiser licensed by the Office of Real Estate Appraisers will contact the owners and request permission to inspect the subject property. The appraiser will also invite the property owners to accompany the appraiser on the inspection of the subject property and to provide to the appraiser any information that the owners consider relevant to the value of the property. Permitting the inspection and accompanying the appraiser on the site inspection will allow the appraiser to fully assess the value of the subject property. If the owners do not allow the appraiser to inspect the subject property, the appraiser will inspect it from the public right of way.

Appraisal

After the appraiser inspects the property, the appraiser prepares an appraisal of the fair market value of the property.

What is fair market value?

The Eminent Domain Law defines fair market value as the highest price on the date of value that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for selling the property, and a buyer, ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available. (Code of Civil Procedure Section 1263.320). The appraisal will take into consideration the highest and best use of the property. It can take several weeks or months for an appraisal to be completed, depending on the appraiser's workload.

After the appraisal is completed, staff will review the appraisal to see if it complies with the requirements of the Eminent Domain Law. Staff will then recommend that the governing body of the public entity approve the appraisal and set just compensation. Just compensation must be at least the fair market value of the property as set forth in the appraisal.

Offer

When will the property owners receive an offer to purchase the property?

The public entity will provide the owner with a written offer to purchase the property after it sets just compensation. The public entity generally sends the written offer within thirty (30) days from the date on which the public entity sets just compensation. The public entity cannot offer to purchase the property for less than the fair market value of the property as determined by the appraisal. (Government Code Section 7267.2).

What must the public entity include in the written offer to purchase the property?

Government Code Section 7267.2 requires that the offer include a written statement of, and summary of the basis for, the amount the public entity established as just compensation. The offer must also include the following:

- The date of value, highest and best use, and applicable zoning of property;
- The principal transactions, reproduction or replacement cost analysis, or capitalization analysis, supporting the determination of value; and
- Where appropriate, a separate statement of the just compensation for the real property acquired and for damages to the remainder, including the calculations and narrative explanation supporting the compensation and any offsetting benefits.

If the property is owner-occupied residential property and contains no more than four residential units, the owners are entitled to review a copy of the appraisal.

Negotiations

The public entity will negotiate with the property owners for the sale of the property after it sends the offer letter

Do the property owners have the right to obtain their own appraisal of the property?

Yes. Property owners have always had the right to obtain their own appraisal of their real property. As of January 1, 2007, however, the public entity must offer to pay the property owners' reasonable costs, up to \$5,000.00, for an independent appraisal of their property. The law requires that an appraiser licensed by the Office of Real Estate Appraisers prepare the independent appraisal. The public entity will inform the owners

of their rights to be reimbursed for these appraisal costs at the time it sends the offer letter.

Are the property owners required to accept the public entity's offer to purchase the property?

No. The property owners are encouraged to contact the public entity to negotiate the sale of the property. The owners can negotiate the amount they believe to be the fair market value of the property and the terms and conditions of the offer.

Are there any advantages to selling the property to a public entity?

Yes. The property owner will receive at least the fair market value of the property and will not be responsible for real estate commissions, title fees, title insurance, escrow fees, closing costs, and other fees and costs. Some acquisitions by public entities in lieu of condemnation may result in tax benefits to the property owners. The Internal Revenue Service will look at specific criteria to determine whether the acquisition by the public entity qualifies for tax benefits. Accordingly, property owners are encouraged to discuss any such tax benefits with their tax advisors.

Negotiated Acquisition

If a negotiated agreement for the sale of the property is reached, the public entity will prepare a purchase and sale agreement. In such cases, the conveyance of the property is handled through an escrow.

Resolution of Necessity

If the public entity and the property owners do not reach an agreement for the sale of the property, the public entity can hold a hearing to determine whether it will acquire the real property by eminent domain.

Notice of Hearing on Resolution of Necessity

If the public entity has determined that it is necessary to consider the acquisition of the real property by eminent domain, it will send a written notice to the property owners informing them of the date, time and location of the public entity's hearing at which it will consider the adoption of a resolution of necessity. (Code of Civil Procedure Section 1245.235). The notice informs the property owners of their right to be heard at this hearing and of their right to present evidence and to preserve their objections to the public entity's right to take the property.

The Eminent Domain Law requires that a public entity make all of the following findings pursuant to Code of Civil Procedure Section 1245.230 to adopt a resolution of necessity authorizing the public entity to acquire the property by eminent domain:

- That the public interest and necessity require the project;
- That the project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;
- That the subject property is necessary for the project; and
- That either the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or the offer has not been made because the owner cannot be located with reasonable diligence.

A public entity may adopt a resolution of necessity only after the governing body has given each person whose property is to be acquired by eminent domain and whose name and address appears on the last equalized assessment roll notice and a reasonable opportunity to appear and be heard on the above matters.

The governing body of the public entity will consider all written and oral evidence before it at the hearing, including any objections to the adoption of the resolution of necessity. The public entity can adopt a resolution of necessity authorizing the acquisition of property by eminent domain if at least two-thirds of the all of the members of the governing body vote to adopt the resolution. If the governing body consists of five members, the adoption of a resolution of necessity requires at least four out of five affirmative votes.

Eminent Domain Proceeding

The resolution of necessity is the document that authorizes the public entity's attorneys to commence an eminent domain proceeding. Accordingly, if the governing body of the public entity adopts a resolution of necessity, its attorneys will prepare a complaint in eminent domain and related pleadings to acquire the property by eminent domain. Generally, the complaint in eminent domain will name as defendants any parties that have a recorded interest in the parcel, including the record owners, tenants, easement holders whose interests may be impacted by the acquisition of the property or beneficiaries under deeds of trust. The public entity will serve the property owners and other named defendants with a copy of the summons, complaint and related documents filed with the court. The defendants served with the summons and complaint have thirty (30) days from the date that they are served with the summons and complaint to file an answer or responsive pleading with the court. (Code of Civil Procedure Section 412.20). Property owners should consider retaining an attorney with experience in eminent domain proceedings to represent them in such proceedings. The parties can continue to negotiate after the eminent domain proceeding is filed.

Orders for Prejudgment Possession and Deposit of Probable Compensation

Can the public entity take possession of the property before trial?

A public entity may request an order from the court for early possession of the property. This is called an order for prejudgment possession.

Deposit of Probable Compensation

To obtain an order for prejudgment possession, the public entity must show that it is entitled to acquire the property by eminent domain and that it has deposited with the court for deposit into the county treasury or directly with the State Treasury the amount of probable compensation for the real property. The public entity must submit a summary of the basis for the appraisal when it applies to deposit the amount of probable compensation with the court. The date on which the public entity deposits the probable amount of compensation is generally the date of value in the proceeding. This means that the appraisers for the public entity and property owners will determine the fair market value of the real property in the eminent domain proceeding as of the date of value.

Objection to Motion for an Order for Possession

Property owners have the right to oppose a public entity's motion for an order for prejudgment possession. The public entity's motion for an order for prejudgment possession notifies property owners that they have the right to oppose the motion and that they must serve the public entity and file with the court the opposition to the motion within thirty (30) days from the date on which the property owner was served with the motion. If the property owners' opposition asserts a hardship, it has to be supported by a declaration signed under penalty of perjury stating facts supporting the hardship. The public entity can file a reply to the opposition not less than fifteen (15) days before the hearing. At the hearing, if the motion is opposed, the court may enter an order for possession of the property after considering the relevant facts and any opposition if it finds each of the following:

- The public entity is entitled to take the property by eminent domain;
- The public entity has deposited the amount of probable compensation pursuant to Code of Civil Procedure Section 1255.010 *et seq.*;
- There is an overriding need for the public entity to possess the property prior to the issuance of final judgment in the case and the public entity will suffer a substantial hardship if the application for possession is denied or limited; and
- The hardship that the public entity will suffer if possession is denied or limited outweighs any hardship on the defendant or occupant that would be caused by the granting of the order for possession. (Code of Civil Procedure Section 1255.410).

Withdrawal of Deposit of Probable Compensation

Property owners can apply to withdraw the funds on deposit with the court. Property owners must serve a copy of their application to withdraw the funds on the public entity. The court cannot order the disbursement of the funds on deposit until twenty (20) days after the date on which the application for withdrawal was served on the public entity. The public entity may file an objection to the withdrawal if, for example, other parties to the proceeding are known or believed to have an interest in the just compensation. Property owners waive any challenges to the public entity's right to take if they withdraw the funds on deposit with the court. Property owners do not, however, waive their claims for greater compensation for the property if they withdraw the funds on deposit.

Exchange of Valuation Data

The parties can agree to exchange statements of valuation data containing the information required by Code of Civil Procedure Section 1258.260 or appraisal reports containing that information on a mutually-agreed to date. If the parties do not mutually agree to exchange valuation data on a specific date, the date of exchange is ninety (90) days before the commencement of trial on the issue of just compensation. This gives the parties the opportunity to analyze the fair market value opinions of the other party's expert and sales data or appraisal methodology relied on by the other party's expert. The parties will generally take the depositions of the other party's appraiser. After the parties exchange valuation data, the parties often negotiate a settlement at a mediation, during informal settlement negotiations, or during a mandatory settlement conference.

Trial

In eminent domain proceedings, the judge decides legal issues, such as the right to take, the issue of what constitutes a larger parcel, and the issue of entitlement to certain damages. Property owners are entitled to have the jury determine the amount of just compensation. The parties resolve the majority of eminent domain proceedings prior to trial.

Vacating the Property

When will property owners and tenants be required to move from the property?

If the public entity and property owners reach a negotiated settlement, the public entity will attempt to determine a mutually agreeable date for owners to move. If the property is condemned, the public entity cannot require the owners to move without a court order. If the subject property is lawfully occupied, the public entity must serve the property owners with a motion for an order for prejudgment possession ninety (90) days before the court hearing. Orders for prejudgment possession are discussed more fully

above. If the order for prejudgment possession is granted, the public entity must serve the property owners with the order thirty (30) days before it intends to take possession of the subject property. If the subject property is unoccupied, the public entity must serve the property owners with a motion for an order for possession sixty (60) days before the court hearing. If the order for prejudgment possession is granted, the public entity must serve the property owners with the order for prejudgment possession ten days before it intends to take possession of the subject property.

Relocation Assistance

Property owners and occupants of property (tenants) that are displaced as the result of a public project, may be entitled to relocation assistance and benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*), if applicable, or under Title 1, Division 7, Chapter 1 of the Government Code of the State of California (Section 7260 *et seq.*) and the Relocation Assistance and Real Property Acquisition Guidelines (Chapter 6 of Title 25 of the California Code of Regulations). Benefits may include moving expenses, re-establishment costs, rent differential payments, or interest differential payments. A relocation consultant, hired by the public entity, will meet with the property owners and or tenants to determine their eligibility and potential benefits.

Loss of Business Goodwill

Goodwill is the benefit that accrues to a business as a result of its location, reputation, skill and other factors that contribute to a business maintaining and acquiring patrons. Public entities are required to compensate owners of a business conducted on the property, or on the remainder parcel, if the business owners prove all of the following:

- The loss is caused by the taking of the property or the injury to the remainder;
- The loss cannot reasonably be prevented by taking steps and adopting procedures that a reasonably prudent person would take and adopt in preserving the goodwill;
- Compensation for the loss will not be included in payments under Section 7262 of the Government Code.
- Compensation for the loss will not duplicated in the compensation otherwise awarded to the owner.

Business owners must raise their claim for loss of business goodwill in their answer to the public entity's complaint. The public entity will engage a business valuation expert to determine the value of the goodwill of the business in the eminent

domain proceeding. Business owners also generally engage a business valuation expert in the eminent domain proceeding.

**SUMMARY STATEMENT
RELATING TO PURCHASE OF REAL PROPERTY
OR AN INTEREST THEREIN**

CITY OF HEMET

The City of Hemet (City) is proposing to acquire a perpetual easement in connection with the Wilfred Avenue Improvement Project.

The property you own and/or occupy is located within the project area and is identified as County Assessor Parcel Number 444-030-007.

Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and the California Relocation Assistance and Real Property Acquisition Guidelines require that each owner from whom the City purchases real property or an interest therein or each tenant owning improvements on said property be provided with a summary of the appraisal of the real property or interest therein, as well as the following information:

1. You are entitled to receive full payment of the real property proposed to be purchased unless you have heretofore waived such entitlement. You are not required to pay recording fees, transfer taxes, or the pro rata portion of real property taxes which are allocable to any period subsequent to the passage of title or possession.
2. The interest proposed to be acquired is a 2,640 sf permanent road easement, as described in Exhibits A and B accompanying the Appraisal Summary Statement delivered contemporaneously with these documents.
3. The market value of the property rights proposed to be purchased is based upon a market value appraisal, which is summarized on the enclosed Appraisal Summary Statement, and such amount:
 - a. Represents the full amount of the appraisal of just compensation for the interest proposed to be purchased;
 - b. Is not less than the approved appraisal for the interest;
 - c. Disregards any decrease or increase in the fair market value of the real property proposed to be acquired prior to the date of valuation caused by the public improvement for which the property proposed is to be acquired or by the likelihood that the interest would be acquired for such public improvement, other than that due to physical deterioration within the reasonable control of the owner or occupant; and
 - d. Does not reflect any consideration of or allowance for any relocation assistance and payments or other benefits, which the owner is entitled to receive under an agreement with the City.
4. If you ultimately elect to reject the City's offer for your interest, you are entitled to have the amount of compensation determined by a court of law in accordance with the laws of the State of California.
5. The owner of a business conducted on a property proposed to be acquired, or conducted on the remaining property which will be affected by the purchase of the required interest, may be entitled to compensation for the loss of goodwill. Entitlement is contingent upon the owners' ability to prove the existence of goodwill as well as such loss in accordance with the provisions of Section 1263.510 and 1263.520 of the Code of Civil Procedure.
6. Pursuant to Code of Civil Procedure Section 1263.025 should you elect to obtain an independent appraisal, City will pay for the actual reasonable costs up to \$5,000 subject to the following conditions:
 - a. You, not City, must order the appraisal. Should you enter into a contract with the selected appraiser, City will not be a party to the contract.

- b. The selected appraiser must be licensed with the Office of Real Estate Appraisers (OREA).
 - c. Appraisal cost reimbursement requests must be made in writing, and submitted to the City of Hemet at 445 E. Florida Ave., Hemet, CA 92543, Attn: Victor Monz, within 90 days following completion of the appraisal. Copies of the contract (if a contract was made), appraisal report or summary statement of valuation data, and invoice for completed work by the appraiser must be provided to City concurrent with submission of the appraisal cost reimbursement request. The costs must be reasonable and justifiable.
7. Because the City's schedule anticipates use of the property within two (2) years of its acquisition, the City does not offer to lease this property back to you after acquiring it.

Exhibit 3

Proposed resolution of necessity



**CITY OF HEMET
Hemet, California
RESOLUTION NO. 14-013**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, FINDING AND DETERMINING THAT THE PUBLIC INTEREST, CONVENIENCE AND NECESSITY REQUIRE THE ACQUISITION OF CERTAIN PROPERTY INTERESTS FOR PUBLIC PURPOSES.

THE CITY COUNCIL OF THE CITY OF HEMET DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1.

The City Council of the City of Hemet (hereafter "City"), after consideration of the staff report, staff presentation, discussion, oral testimony and evidence presented at the March 25, 2014 meeting of the City Council hereby finds, determines and declares as follows:

- (a) The public interest, convenience and necessity require the proposed project; to wit, the Sanderson Avenue widening project and all uses appurtenant thereto ("Project"); and
- (b) The interests in real property to be acquired are a 2,640 sf permanent road easement described on Exhibit A and depicted on Exhibit B, which are attached hereto and incorporated herein by this reference ("Property Interests"). The Property Interests are located within the City of Hemet, County of Riverside, State of California.
- (c) The Project is planned and located in a manner that will be most compatible with the greatest public good and least private injury; and
- (d) The taking of the Property Interests is necessary for the proposed Project and such taking is authorized by Section 19, Article I of the California Constitution, Section 37350.5 and 40401 *et seq.* and 40404 of the California Government Code, Section 1230.010 *et seq.*, of the California Code of Civil Procedure, and other applicable law; and
- (e) The offer to purchase required by California Government Code Section 7267.2 has been made to the owners of the Property Interests.
- (f) The necessary notice of hearing on this Resolution has been given, as required by Code of Civil Procedure section 1245.235.
- (g) The City has complied with all conditions and statutory requirements necessary to exercise the power of eminent domain (the "right to take") to acquire the Property Interests described herein.

SECTION 2.

The City Council hereby declares that it is its intention to acquire the Property Interests in the City's name in accordance with the provision of the laws of the State of California governing condemnation procedures.

SECTION 3.

The City Council further finds that if any portion of the area of the Property Interests has been appropriated to some public use, the public uses to which it is to be applied by the City, as described above, are more necessary and paramount public uses, pursuant to Code of Civil Procedure section 1240.610 or, alternatively, will not unreasonably interfere with or impair the continuance of the public use as it then exists or may reasonably be expected to exist in the future, pursuant to Code of Civil Procedure section 1240.510.

SECTION 4.

The firm of Burke, Williams & Sorensen, under the direction of the City Attorney, is authorized and directed to prepare, institute and prosecute in the name of the City such proceedings in the proper Court having jurisdiction thereof as may be necessary for the acquisition of said Property, including the filing of an application for an Order for Possession prior to judgment.

SECTION 5.

This Resolution shall be effective immediately upon its adoption.

SECTION 6.

The City Clerk shall certify the adoption of this Resolution and certify this record to be a full true, correct copy of the action taken.

PASSED, APPROVED, AND ADOPTED this 25th day of March, 2014

Larry Smith, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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 25th day of March, 2014 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

EXHIBIT "A"
LEGAL DESCRIPTION

BEING A PORTION OF THE SOUTH HALF OF FARM LOT 164 OF THE LANDS OF THE SAN JACINTO LAND ASSOCIATION, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY A MAP ON FILE IN BOOK 8, PAGE 357 OF MAPS, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA, IN SECTION 5, TOWNSHIP 5 SOUTH, RANGE 1 WEST, S.B.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 164, SAID POINT BEING THE CENTERLINE INTERSECTION OF ESPLANADE AVENUE AND SANDERSON AVENUE AS SHOWN ON TRACT NO. 30689-1 FILED IN BOOK 334 PAGES 97 THROUGH 101 OF MAPS, RECORDS OF SAID RIVERSIDE COUNTY;

THENCE SOUTH 00°06'52" WEST ALONG EAST LINE OF SAID FARM LOT 164 AND CENTERLINE OF SAID SANDERSON AVENUE TO THE NORTHEAST CORNER OF A PARCEL OF LAND DESCRIBED IN INSTRUMENT NO. 144095, RECORDED APRIL 26, 1989 IN, OFFICIAL RECORDS OF RIVERSIDE COUNTY;

THENCE NORTH 89°55'11" WEST ALONG THE NORTH LINE OF SAID PARCEL, A DISTANCE OF 30.00 FEET TO A POINT ON A LINE THAT IS PARALLEL TO AND 30.00 FEET WESTERLY OF SAID CENTERLINE OF SANDERSON AVENUE, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING;

THENCE SOUTH 00°06'52" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 132.00 FEET TO A POINT ON THE SOUTH LINE OF SAID PARCEL;

THENCE NORTH 89°55'11" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 20.00 FEET TO A POINT ON A LINE THAT IS PARALLEL TO AND 50.00 FEET WESTERLY OF SAID CENTERLINE OF SANDERSON AVENUE;

THENCE NORTH 00°06'52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 132.00 FEET TO A POINT ON THE NORTH LINE OF SAID INSTRUMENT NO. 144095;

THENCE SOUTH 89°55'11" EAST ALONG SAID NORTH LINE, A DISTANCE OF 20.00 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 2,640 SQUARE FEET OR 0.06 ACRES, MORE OR LESS.

THIS DESCRIPTION IS ALSO SHOWN ON THE ATTACHED EXHIBIT "B" AND
THEREBY BEING MADE PART HEREOF.

PREPARED UNDER MY SUPERVISION

BRIAN D. FOX
PROFESSIONAL LAND SURVEYOR NO. 7171
REGISTRATION EXPIRE: 12-31-13

LEGAL DESCRIPTION EXHIBIT "B"

T.58, R.1W, SEC. 5, S.B.M.

☉ ESPLANADE AVE.

P.O.B.



SCALE IN FEET
1" = 50'

NE COR. OF FARM LOT 164
OF THE SAN JACINTO LAND
ASSOC. PER M.B. 8/357

EAST LINE OF FARM LOT 164
OF THE SAN JACINTO LAND
ASSOC. PER M.B. 8/357

LOT 164
S.J.L.A.
M.B. 8/357

N89°55'11"W
30.00'
T.P.O.B.
S89°55'11"E
20.00'

AVENUE

☉ COMMONWEALTH AVENUE

INSTR # 144095
REC. 4-26-1989

NE COR. OF PARCEL
OF LAND DESCRIBED
IN INSTR. # 144095
RECORDED 4-26-1989

TRACT NO. 30689-1
M.B. 334 / 97-101

LEGEND

- PARCEL LINES
- PORTION BEING DEDICATED

PROPERTY OWNER:
ROBERT A. & HSUEHER HUNG CAMPBELL
1275 N. SANDERSON AVENUE
HEMET, CA 92545
APN 444-030-007

PREPARED FOR:
CITY OF HEMET
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION
510 E. FLORIDA AVENUE
HEMET, CA 92543
(951) 765-2360



PREPARED BY:



CIVIL / STRUCTURAL ENGINEERS
MUNICIPAL CONSULTANTS / PLANNERS
SURVEYORS / GPS
151 South Girard Street
Hemet, Ca 92544
TEL. (951) 652-4454
FAX (951) 766-8942

FILE: F:\1201119\dwg\ACACIA_SANDERSON.dwg

SHEET 1 OF 1 SHEETS

Exhibit 4

Notice of hearing



BURKE, WILLIAMS & SORENSEN, LLP

444 South Flower Street - Suite 2400
Los Angeles, California 90071-2953
voice 213.236.0600 - fax 213.236.2700
www.bwslaw.com

Direct No.: 213.236.2819
Our File No.: 00070-0001
asozio@bwslaw.com

March 10, 2014

Robert A. Campbell
Hsueher Hung Campbell
1275 N. Sanderson Ave.
Hemet, CA 92545-1252

Robert A. Campbell
Hsueher Hung Campbell
49800 State Highway 74
Hemet, CA 92544-9601

Re: NOTICE OF HEARING REGARDING INTENT OF THE CITY
COUNCIL FOR THE CITY OF HEMET TO CONSIDER THE
ADOPTION OF A RESOLUTION OF NECESSITY TO ACQUIRE
PROPERTY BY EMINENT DOMAIN

Dear Mr. & Ms. Campbell:

YOU ARE HEREBY NOTIFIED, pursuant to Code of Civil Procedure Section 1230.010 *et seq.*, that the City Council for the City of Hemet intends to consider the adoption of a Resolution of Necessity for acquisition by eminent domain of the following property interests: a 2,640 sf permanent road easement (the "Property Interests"). A description and depiction of the Property Interests is attached hereto as Exhibits A and B, respectively.

The City's investigation shows Robert A. Campbell and Hsueher Hung Campbell, husband and wife as joint tenants, to be the vested owner of the Property Interests.

The hearing will be held on March 25, 2014 at 6:00 p.m., or as soon thereafter as the City can hear said matter, at the Council Chambers, located at 450 E. Latham Avenue, Hemet, California. If the resolution is adopted at this meeting, it will authorize the City to acquire the Property Interests for construction of public improvements on as part of the Sanderson Avenue Widening Project (hereinafter, the "Project").

As the representatives of a person claiming or having an interest in and to the Property Interests, you are hereby notified that you have a right to appear and be heard at said hearing on the following matters and issues, and to have the City give judicious

LA #4826-6133-0713 v1

consideration to your testimony prior to deciding whether or not to adopt the proposed Resolution of Necessity:

a. Whether the public interest, convenience and necessity require the proposed Project;

b. Whether the proposed Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;

c. Whether the Property Interests are necessary for the proposed Project;

d. Whether the offer required by Government Code Section 7267.2(a), together with the accompanying statement and summary of the basis for the amount established as just compensation, was actually made to you and whether said offer and statement/summary were in a form and contained all of the factual information required by Government Code Section 7267.2(a);

e. Whether the City has complied with all conditions and statutory requirements necessary to exercise the power of eminent domain (the "right to take") to acquire the property interests described herein, as well as any other matter regarding the right to take said property interests by eminent domain;

f. Whether the City has statutory authority to acquire the property interests by eminent domain; and

g. Whether the necessary notification of the Notice of Hearing, as required by the California Code of Civil Procedure, Sec. 1245.235, was given in regard to the Property Interests.

The issue of compensation relative to the acquisition is not a matter being heard by the City at this time. Your nonappearance at this noticed hearing will not prevent you from claiming greater compensation as may be determined by a court of law in accordance with the laws of the State of California. This Notice of Hearing is not intended to foreclose future negotiations between you and the representatives of the City on the amount of compensation to be paid for your property interests.

If you desire to be heard, you **MUST FILE A WRITTEN REQUEST** as soon as possible following receipt of this notice by filing or delivering a written request indicating your intent to appear and be heard to the Sarah McComas, Clerk to the City of Hemet, 445 E. Florida Ave., Hemet, California 92543. You may use the enclosure for the purpose of notifying the City of Camarillo of your intent and desire to be heard. Your failure to file a written request to appear and be heard may result in a waiver of your right to be heard. If you elect not to appear and not to be heard, you will only be



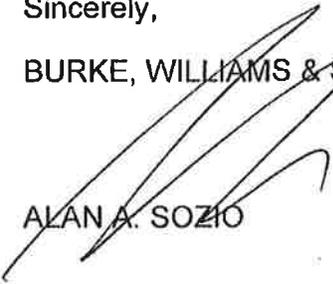
BURKE, WILLIAMS & SORENSEN, LLP

foreclosed from raising in a court of law the issues that are the subject of this noticed hearing and that are concerned with the right to take the Property Interests by eminent domain.

If you have any questions regarding this hearing, the offer, or have additional information regarding the value of your Property Interests, you may contact me at the number above.

Sincerely,

BURKE, WILLIAMS & SORENSEN, LLP


ALAN A. SOZIO

AAS:amc

EXHIBIT "A"
LEGAL DESCRIPTION

BEING A PORTION OF THE SOUTH HALF OF FARM LOT 164 OF THE LANDS OF THE SAN JACINTO LAND ASSOCIATION, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY A MAP ON FILE IN BOOK 8, PAGE 357 OF MAPS, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA, IN SECTION 5, TOWNSHIP 5 SOUTH, RANGE 1 WEST, S.B.M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 164, SAID POINT BEING THE CENTERLINE INTERSECTION OF ESPLANADE AVENUE AND SANDERSON AVENUE AS SHOWN ON TRACT NO. 30689-1 FILED IN BOOK 334 PAGES 97 THROUGH 101 OF MAPS, RECORDS OF SAID RIVERSIDE COUNTY;

THENCE SOUTH 00°06'52" WEST ALONG EAST LINE OF SAID FARM LOT 164 AND CENTERLINE OF SAID SANDERSON AVENUE TO THE NORTHEAST CORNER OF A PARCEL OF LAND DESCRIBED IN INSTRUMENT NO. 144095, RECORDED APRIL 26, 1989 IN, OFFICIAL RECORDS OF RIVERSIDE COUNTY;

THENCE NORTH 89°55'11" WEST ALONG THE NORTH LINE OF SAID PARCEL, A DISTANCE OF 30.00 FEET TO A POINT ON A LINE THAT IS PARALLEL TO AND 30.00 FEET WESTERLY OF SAID CENTERLINE OF SANDERSON AVENUE, SAID POINT ALSO BEING THE **TRUE POINT OF BEGINNING**;

THENCE SOUTH 00°06'52" WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 132.00 FEET TO A POINT ON THE SOUTH LINE OF SAID PARCEL;

THENCE NORTH 89°55'11" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 20.00 FEET TO A POINT ON A LINE THAT IS PARALLEL TO AND 50.00 FEET WESTERLY OF SAID CENTERLINE OF SANDERSON AVENUE;

THENCE NORTH 00°06'52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 132.00 FEET TO A POINT ON THE NORTH LINE OF SAID INSTRUMENT NO. 144095;

THENCE SOUTH 89°55'11" EAST ALONG SAID NORTH LINE, A DISTANCE OF 20.00 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 2,640 SQUARE FEET OR 0.06 ACRES, MORE OR LESS.

THIS DESCRIPTION IS ALSO SHOWN ON THE ATTACHED EXHIBIT "B" AND
THEREBY BEING MADE PART HEREOF.

PREPARED UNDER MY SUPERVISION

BRIAN D. FOX
PROFESSIONAL LAND SURVEYOR NO. 7171
REGISTRATION EXPIRE: 12-31-13

LEGAL DESCRIPTION EXHIBIT "B"

T.58, R.1W, SEC. 5, S.B.M.

☉ ESPLANADE AVE.

P.O.B.



SCALE IN FEET
1" = 50'

NE COR. OF FARM LOT 164
OF THE SAN JACINTO LAND
ASSOC. PER M.B. 8/357

EAST LINE OF FARM LOT 164
OF THE SAN JACINTO LAND
ASSOC. PER M.B. 8/357

LOT 164
S.J.L.A.
M.B. 8/357

N89°55'11"W
30.00'
T.P.O.B.
S89°55'11"E
20.00'

1323.46'
S00°06'52"W
AVENUE

☉ COMMONWEALTH AVENUE

INSTR # 144095
REC. 4-26-1989

NE COR. OF PARCEL
OF LAND DESCRIBED
IN INSTR. # 144095
RECORDED 4-26-1989

TRACT NO. 30689-1
M.B. 334 / 97-101

LEGEND

- PARCEL LINES
- PORTION BEING DEDICATED

PROPERTY OWNER:

ROBERT A. & HSUEHER HUNG CAMPBELL
1275 N. SANDERSON AVENUE
HEMET, CA 92545
APN 444-030-007

PREPARED FOR:

CITY OF HEMET
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION
510 E. FLORIDA AVENUE
HEMET, CA 92543
(951) 785-2360



PREPARED BY:



CIVIL / STRUCTURAL ENGINEERS
MUNICIPAL CONSULTANTS / PLANNERS
SURVEYORS / GPS
151 South Girard Street
Hemet, Ca 92544
TEL. (951) 652-4454
FAX (951) 766-8942

FILE: F:\1201119\dwg\ACACIA_SANDERSON.dwg

SHEET 1 OF 1 SHEETS

SANDERSON



Staff Report

TO: Honorable Mayor and City Council
FROM: John Jansons, Community Investment Director
THROUGH: Wally Hill, City Manager *Wally Hill*
DATE: March 25, 2014
SUBJECT: Business Recognition

RECOMMENDATION:

That the Council provide direction to staff by selecting Option 1 or 2 on establishing an approval process for issuance of business recognition instruments.

BACKGROUND:

On January 14, 2014, the City Council directed staff to prepare and provide certificates to businesses at Chamber of Commerce events.

The Department of Community Investment will implement the presentation of certificates to businesses at Chamber-sponsored events to fulfill the Council's direction as part of its Business Recognition and Appreciation Program.

DISCUSSION / ANALYSIS:

The existing Business Recognition and Appreciation Program ("BR&A"), as an element of the *HEMET'S BEST: (Building Economic Success Together)* campaign, is used to augment existing business retention and expansion activities within the Economic Vitality Program of the Department of Community Investment.

To avoid any misalignment with the Council, staff seeks Council's approval of one of the approval procedures listed below to ensure Council consent for business recognition.

Option 1:

Form a two member Council Ad Hoc Committee to approve all recognitions, or

Option 2:

Obtain approval from Mayor or Council designee prior to issuance of recognitions.

COORDINATION AND REVIEW:

This recommendation was prepared and coordinated with the office of the City Manager and Department of Community Investment

FISCAL IMPACT:

There is minimal fiscal impact to prepare and present certificates of recognition.

ALTERNATIVE(S):

None proposed.

CONCLUSION:

That the Council provide direction to staff by selecting Option 1 or 2 on establishing an approval process for issuance of business recognition instruments.

ATTACHMENT(S):

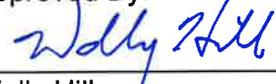
None

Recommended by:



John Jansons
Community Investment Director

Approved By:



Wally Hill
City Manager



Staff Report

TO: Honorable Mayor and City Council

FROM: John Jansons, Community Investment Director

THROUGH: Wally Hill, City Manager *Wally Hill*

DATE: March 25, 2014

SUBJECT: Ordinance Bill No. 14-006 approving amendment of Chapter 18, Article VI (Motion Picture and Television Production) of the Hemet Municipal Code.

RECOMMENDATION:

That the City Council:

- 1) Introduce by title only, and waive further reading of Ordinance Bill No. 14-006 approving amendment of Chapter 18, Article VI (Motion Picture and Television Production) of the Hemet Municipal Code, and
- 2) Select either Alternative A which includes a reimbursement of Transient Occupancy Tax for film industry personnel or Alternative B which does not.

BACKGROUND:

On July 10, 1990, the City Council adopted Resolution No. 2843 establishing regulations, permits and fees for motion picture and television productions as outlined in City Council Resolution No. 2843 and pursuant to Ordinance No. 1393 as referred in Hemet Municipal Code Article VI, Section 18-181 as adopted on July 24, 1990.

On September 24, 2013, the Riverside County Board of Supervisors adopted Ordinance No. 634.2 establishing new policies for film production incentives. At the City Council meeting that evening on September 24, 2013, at the request of then Mayor Pro-Tem Larry Smith, the City Council directed staff to prepare information for the City Council to consider adopting incentives similar to Riverside County for film production in Hemet.

To that end, on October 22, 2013, the City Council considered, approved and directed staff to prepare necessary amendments/revisions to the Hemet Municipal Code to effect the desired changes.

DISCUSSION / ANALYSIS:

For the purpose of the forgoing discussion, the term "film" shall also incorporate in its definition, but not limited to: motion pictures, video production, digital media productions, music video productions, television and satellite broadcast productions and other media productions for broadcast or display to public audiences.

As previously directed by Council, the incentives proposed in this report and in draft Ordinance 14-006 (Attachment 1) substantially mirror the incentives adopted by the County and in short include:

- waiving City film permit fees,
- permitting filming on City-owned property at no charge,
- reimbursement of Transient Occupancy Tax (bed tax) for room nights stayed in the City during film production,
- utilize a “one stop” film permit processing center,
- eliminate requirement to hold City business license, and
- develop program policies and materials to recruit and support film industry.

In order to promote Hemet as a film-friendly City, the proposed ordinance (Attachment 1 – “Alternative A”) goes further to provide for permit processing within three business days. As proposed, if the City has not acted upon a complete permit application within three business days, it will be deemed to have been approved.

An alternative version of the ordinance (Attachment 2 – “Alternative B”) is also provided for Council consideration. It is identical to the first in all respects, except that it does not provide for a reimbursement of the Transient Occupancy Tax for room nights stayed in the City during film production. That version is offered, as consultations with the California Film Commission and former executive director of the San Diego Film Commission advised that the reimbursement is not likely to induce more filming, but it will reduce the City’s Transient Occupancy Tax revenues.

As drafted, the designated city officer (City Manager or his / her designee) is authorized and directed to promulgate rules and regulations governing the form, time and location of any film activity set forth within the city. He / she shall also provide for the issuance of permits. The rules and regulations shall be based upon the following criteria:

- The health and safety of all persons.
- Avoidance of undue disruption of all persons within the affected area.
- The safety of property within the city.
- Traffic congestion at particular locations within the city.

The new film incentive program will also include updated permits forms, a potential electronic permit submission process, an inventory of sites with visual supporting materials and promotional collateral materials designed to advertise production opportunities in Hemet, and a linkage from the California Film Commission website

The relationship with the Inland Empire film Commission for liaison services and support approved by the Council on October 22, 2013 continues to lead to a number of inquiries and site visits by media production personnel to view prospective locations and present Hemet locations to decision makers for further “short-list” consideration.

The proposed Hemet Film Ordinance was developed to conform to the State of California “Model Film Ordinance” and with input from representatives of the CA Film Commission, the Inland Empire Film Commission and best practices in use throughout the State.

By adopting draft Ordinance 14-006 the City Manager will have the authority to create and policies procedures and practices to implement the Ordinance and the incentives desired by the Council.

COORDINATION AND REVIEW:

This recommendation was prepared and coordinated with the City Attorney's Office, the City Manager, Department of Community Investment, CA Film Commission, and the Inland Empire Film Commission.

INTEGRATION OF COUNCIL GOALS / STRATEGIC PLAN:

The recommendation supports the goals of increasing economic vitality and City image enhancement.

FISCAL IMPACT:

The proposed recommendation will have a minimal fiscal impact to the City by waiving former fees of a nominal amount, but has the potential to create significant positive fiscal impact for the City should filming, and its accompanying local spending, increase as a result of the incentive program.

ALTERNATIVE(S):

None proposed.

CONCLUSION:

That the City Council:

- 1) Introduce by title only, and waive further reading of Ordinance Bill No. 14-006 approving amendment of Chapter 18, Article VI (Motion Picture and Television Production) of the Hemet Municipal Code, and
- 2) Select either Alternative A which includes a reimbursement / waiver of Transient Occupancy Tax for film industry personnel or Alternative B which does not.

ATTACHMENT(S): Ordinance Bill Number 14-006 Including "Alternatives A and B".

Recommended by:



John Jansons
Community Investment Director

Approved By:



Wally Hill
City Manager



**CITY OF HEMET
Hemet, California**

ORDINANCE BILL NO. 14-006

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, AMENDING CHAPTER 18, ARTICLE VI (MOTION PICTURE AND TELEVISION PRODUCTIONS) OF THE HEMET MUNICIPAL CODE.

WHEREAS, the City of Hemet has a history of being used as a location for the filming of motion pictures and television productions; and

WHEREAS, filming provides an economic benefit to the City as those involved in the filming make purchases within the City, including renting hotel rooms, and purchasing meals and gasoline, that would otherwise be made elsewhere; and,

WHEREAS, the City Council desires to attract more filming activity to the City; and,

WHEREAS, to facilitate attracting more filming, the City Council desires to amend Chapter 18, Article VI of the Hemet Municipal Code, pertaining to motion picture and television production permits, to streamline and incentive filming within the City.

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

SECTION 1: AMENDMENT OF CHAPTER 18, ARTICLE VI. Chapter 18, Article VI of the Hemet Municipal Code is amended to read as shown in Exhibit "A" hereto.

SECTION 2: SEVERABILITY.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of

1 any court of competent jurisdiction, such decision shall not affect the validity of the
2 remaining portions of this Ordinance. The City Council hereby declares that it would
3 have adopted this Ordinance, and each section, subsection, subdivision, sentence,
4 clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,
5 subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared
6 invalid or unconstitutional.

7 **SECTION 3: EFFECTIVE DATE.**

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

10 **SECTION 4: PUBLICATION.**

11 The City Clerk is authorized and directed to cause this Ordinance to be published
12 within fifteen (15) days after its passage in a newspaper of general circulation and
13 circulated within the City in accordance with Government Code Section 36933(a) or, to
14 cause this Ordinance to be published in the manner required by law using the
15 alternative summary and pasting procedure authorized under Government Code
16 Section 39633(c).

17
18 **INTRODUCED** at the regular meeting of Hemet City Council on _____ 2014.

19 **APPROVED AND ADOPTED** this ___ day of _____ 2014.

20
21
22 _____
Larry Smith, Mayor

23 **ATTEST:**

APPROVED AS TO FORM:

24
25 _____
Sarah McComas, City Clerk

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

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

4 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
5 foregoing Ordinance was introduced and first read on the 25th day of March 2014, and
6 had its second reading at the regular meeting of the Hemet City Council on the ___ day
7 of _____, 2014, and was passed by the following vote:

8 **AYES:**

9 **NOES:**

10 **ABSTAIN:**

11 **ABSENT:**

12
13 _____
14 Sarah McComas, City Clerk

15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT "A"

ARTICLE VI. COMMERCIAL FILMING

- Sec. 18-181 – Definitions
- Sec. 18-182 – Permit required; exemptions
- Sec. 18-183 – Authority to change date of permit; establishment of additional regulations.
- Sec. 18-184 – Application for permit; fees
- Sec. 18-185 – Insurance; bond; hold harmless agreement
- Sec. 18-186 – Violation of article; penalty
- Sec. 18-187 – Use of City Facilities
- Sec. 18-188 – 18-210 – Reserved

Sec. 18-181. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Motion picture, television and still photography shall mean and include all activity attendant to staging or shooting commercial motion pictures, television shows or programs, commercials, still photography, web- and mobile-based programming and student films produced to satisfy a post-secondary school course requirement at an educational institution in any medium including film, tape or digital format.

News media shall mean the photographing, filming or videotaping for the purpose of spontaneous, unplanned television news broadcast or reporting for print media by reporters, photographers or camerapersons.

Studio shall mean a fixed place of business where filming or photography activities are regularly conducted upon the premises.

Sec. 18-182. Permit required; exemptions.

(a) *Permit required.* No person shall use any public or private property, facility or residence for the purpose of taking motion pictures, television, or commercial still photography without first applying for and receiving a permit from the officer designated by the city.

(b) *Exemptions.* The provisions of this article shall not apply to or affect the following:

(1) *Breaking News.* Reporters, photographers or camerapersons in the employ of a newspaper, news service or similar entity engaged in on-the-spot print media, publishing, or broadcasting of news events concerning those persons, scenes or occurrences which are in the news and of general public interest.

(2) *Personal/Family Video.* The recording of visual images (motion or still photography) solely for private personal use and not for commercial use.

(3) *Studio Filming.* Filming activities (motion or still photography) conducted at a studio.

(4) Filming or still photography activities conducted for use in a criminal investigation or criminal court proceeding.

(5) Filming activities conducted by or on behalf of the City of Hemet.

Sec. 18-183. Authority to change date of permit; establishment of additional regulations.

(a) Upon the request of the applicant for a permit under this article, the city's designated officer shall have the power, upon a showing of good cause, to change the date for which the permit has been issued, provided established limitations are complied within respect to time and location.

(b) The designated city officer is hereby authorized and directed to promulgate rules and regulations, subject to approval by resolution of the council, governing the form, time and location of any film activity set forth within the city. He shall also provide for the issuance of permits. The rules and regulations shall be based upon the following criteria:

- (1) The health and safety of all persons.
- (2) Mitigation of disruption to all persons within the affected area.
- (3) The safety of property within the city.
- (4) Traffic congestion at particular locations within the city.

Sec. 18-184. Application for permit; fees.

(a) *Designated city officer.* The city's designated officer under this article shall be the City Manager or his / her designee or other assigned city representative.

(b) *Application for permit.* The following information shall be included in the application:

- (1) The name of the owner and the address, email address, and telephone number of the place at which the activity is to be conducted;
- (2) The specific location at such address of place;
- (3) The inclusive hours and dates such activity will occur;
- (4) A general statement of the character or nature of the proposed filming activity;
- (5) The name, address, email address, and telephone number of the person in charge of such filming activity;
- (6) The exact number of personnel to be involved;

(7) Activity which may cause public alarm such as the use of any animals, gunfire or pyrotechnics, and low flying helicopters; and

(8) The exact amount and type of vehicles and equipment to be involved, along with a parking plan.

(9) The exact location of the production's base camp (if not at the actual shooting location.)

(c) *Fees.* No fee shall be charged for the issuance of a filming permit.

(d) *Permit Processing:* The City intends to process complete permit applications promptly, in order to encourage filming in Hemet. The City will acknowledge receipt of a permit application within one business day, and will advise of any missing information needed for it to be regarded as a complete application. If the City has not issued or declined to issue a permit within three full business days of having received a complete permit application, the permit will be considered to have been approved.

(e) *Reimbursement for costs of use of city personnel.* The permittee shall reimburse the city for any actual costs of any city personnel provided to the permittee (e.g., police, fire or traffic personnel) for the purpose of assisting the filming activities.

(f) *Business License.* Due to the temporary nature of filming activities subject to this article, an applicant for a permit under this article is not required to obtain a City business license.

(g) *Transient Occupancy Taxes.* Transient occupancy taxes (TOT) may be reimbursable to individuals and firms holding a valid "Film Permit" issue by the City at the City's sole discretion. Permittees conducting motion picture, television or still photography activities within the City under a permit issued within forty- eight (48) months of the date of the adoption of this article in the interest of job creation are eligible to apply for TOT reimbursement. The City Manager shall adopt policies and procedures implementing this transient occupancy tax reimbursement incentive.

Sec. 18-185. Insurance; hold harmless agreement.

(a) *Liability insurance.* Before a permit is issued under this article, a certificate of insurance will be required in an amount not exceeding \$1,000,000 which names the city as a co-insured for protection against claims of third persons for personal injuries, wrongful deaths and property damage. The city officers and employees shall be named as additional insureds. The certificate shall not be subject to cancellation or modification until after 30 days' written notice to the city. A copy of the certificate will remain on file in the city clerk's office.

(b) *Workers' compensation insurance.* An applicant shall conform to all applicable federal and state requirements for workers' compensation insurance for all persons operating under a permit.

(c) *Hold harmless agreement.* An applicant shall execute a hold harmless agreement as provided by the city prior to the issuance of a permit under this article.

(d) *Security Deposit.* To ensure cleanup and restoration of the site, an applicant may be required to submit a refundable deposit, in an amount to be determined by the city, at the time the application is submitted. Upon completion of filming and inspection of the site by the city, if no verifiable damage has occurred, the deposit will be returned to the applicant.

Sec. 18-186. Violation of article; penalty.

If an applicant violates any provision of this article or a permit issued pursuant thereto, the city may provide the applicant with verbal or written notice of such violation. If the applicant fails to correct the violation, the city may revoke the permit and all activity must cease. Violation of the terms and conditions of the film permit is considered a misdemeanor punishable in accordance with section 1-8.

Sec. 18-187. Use of City Facilities

The City Manager may approve temporary free usage of property owned by or held under the control of the City, by issuance of a filming permit, provided:

1. Such issuance will not result in a frequency of usage likely to create incompatibility between such temporary use and the surrounding area.
2. Such issuance does not interfere with performance of the intended governmental function of the site in question.
3. Filming does not exceed ten (10) consecutive days per production at any one location. Computation of such time period shall not include strike and preparation time. Extensions may be granted by the City Manager at his/her discretion.
4. City may provide, at its discretion, and as may be available, vacant office and/or parking lot space for use by an applicant.

Secs. 18-188—18-210. Reserved.



**CITY OF HEMET
Hemet, California**

ORDINANCE BILL NO. 14-006

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, AMENDING CHAPTER 18, ARTICLE VI (MOTION PICTURE AND TELEVISION PRODUCTIONS) OF THE HEMET MUNICIPAL CODE.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

WHEREAS, the City of Hemet has a history of being used as a location for the filming of motion pictures and television productions; and

WHEREAS, filming provides an economic benefit to the City as those involved in the filming make purchases within the City, including renting hotel rooms, and purchasing meals and gasoline, that would otherwise be made elsewhere; and,

WHEREAS, the City Council desires to attract more filming activity to the City; and,

WHEREAS, to facilitate attracting more filming, the City Council desires to amend Chapter 18, Article VI of the Hemet Municipal Code, pertaining to motion picture and television production permits, to streamline and incentive filming within the City.

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

SECTION 1: AMENDMENT OF CHAPTER 18, ARTICLE VI. Chapter 18, Article VI of the Hemet Municipal Code is amended to read as shown in Exhibit "A" hereto.

SECTION 2: SEVERABILITY.

If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of

1 any court of competent jurisdiction, such decision shall not affect the validity of the
2 remaining portions of this Ordinance. The City Council hereby declares that it would
3 have adopted this Ordinance, and each section, subsection, subdivision, sentence,
4 clause, phrase, or portion thereof, irrespective of the fact that any one or more sections,
5 subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared
6 invalid or unconstitutional.

7 **SECTION 3: EFFECTIVE DATE.**

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

10 **SECTION 4: PUBLICATION.**

11 The City Clerk is authorized and directed to cause this Ordinance to be published
12 within fifteen (15) days after its passage in a newspaper of general circulation and
13 circulated within the City in accordance with Government Code Section 36933(a) or, to
14 cause this Ordinance to be published in the manner required by law using the
15 alternative summary and pasting procedure authorized under Government Code
16 Section 39633(c).

17
18 **INTRODUCED** at the regular meeting of Hemet City Council on _____ 2014.

19 **APPROVED AND ADOPTED** this ___ day of _____ 2014.

20
21 _____
22 **Larry Smith, Mayor**

23 **ATTEST:**

APPROVED AS TO FORM:

24
25 _____
26 **Sarah McComas, City Clerk**

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

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

4 I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the
5 foregoing Ordinance was introduced and first read on the 25th day of March 2014, and
6 had its second reading at the regular meeting of the Hemet City Council on the ___ day
7 of _____, 2014, and was passed by the following vote:

8 **AYES:**

9 **NOES:**

10 **ABSTAIN:**

11 **ABSENT:**

12
13 _____
14 Sarah McComas, City Clerk

15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT "A"

ARTICLE VI. COMMERCIAL FILMING

- Sec. 18-181 – Definitions
- Sec. 18-182 – Permit required; exemptions
- Sec. 18-183 – Authority to change date of permit; establishment of additional regulations.
- Sec. 18-184 – Application for permit; fees
- Sec. 18-185 – Insurance; bond; hold harmless agreement
- Sec. 18-186 – Violation of article; penalty
- Sec. 18-187 – Use of City Facilities
- Sec. 18-188 – 18-210 – Reserved

Sec. 18-181. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Motion picture, television and still photography shall mean and include all activity attendant to staging or shooting commercial motion pictures, television shows or programs, commercials, still photography, web- and mobile-based programming and student films produced to satisfy a post-secondary school course requirement at an educational institution in any medium including film, tape or digital format.

News media shall mean the photographing, filming or videotaping for the purpose of spontaneous, unplanned television news broadcast or reporting for print media by reporters, photographers or camerapersons.

Studio shall mean a fixed place of business where filming or photography activities are regularly conducted upon the premises.

Sec. 18-182. Permit required; exemptions.

(a) *Permit required.* No person shall use any public or private property, facility or residence for the purpose of taking motion pictures, television, or commercial still photography without first applying for and receiving a permit from the officer designated by the city.

(b) *Exemptions.* The provisions of this article shall not apply to or affect the following:

(1) *Breaking News.* Reporters, photographers or camerapersons in the employ of a newspaper, news service or similar entity engaged in on-the-spot print media, publishing, or broadcasting of news events concerning those persons, scenes or occurrences which are in the news and of general public interest.

(2) *Personal/Family Video.* The recording of visual images (motion or still photography) solely for private personal use and not for commercial use.

(3) *Studio Filming.* Filming activities (motion or still photography) conducted at a studio.

(4) Filming or still photography activities conducted for use in a criminal investigation or criminal court proceeding.

(5) Filming activities conducted by or on behalf of the City of Hemet.

Sec. 18-183. Authority to change date of permit; establishment of additional regulations.

(a) Upon the request of the applicant for a permit under this article, the city's designated officer shall have the power, upon a showing of good cause, to change the date for which the permit has been issued, provided established limitations are complied within respect to time and location.

(b) The designated city officer is hereby authorized and directed to promulgate rules and regulations, subject to approval by resolution of the council, governing the form, time and location of any film activity set forth within the city. He shall also provide for the issuance of permits. The rules and regulations shall be based upon the following criteria:

(1) The health and safety of all persons.

(2) Mitigation of disruption to all persons within the affected area.

(3) The safety of property within the city.

(4) Traffic congestion at particular locations within the city.

Sec. 18-184. Application for permit; fees.

(a) *Designated city officer.* The city's designated officer under this article shall be the City Manager or his / her designee or other assigned city representative.

(b) *Application for permit.* The following information shall be included in the application:

(1) The name of the owner and the address, email address, and telephone number of the place at which the activity is to be conducted;

(2) The specific location at such address of place;

(3) The inclusive hours and dates such activity will occur;

(4) A general statement of the character or nature of the proposed filming activity;

(5) The name, address, email address, and telephone number of the person in charge of such filming activity;

(6) The exact number of personnel to be involved;

(7) Activity which may cause public alarm such as the use of any animals, gunfire or pyrotechnics, and low flying helicopters; and

(8) The exact amount and type of vehicles and equipment to be involved, along with a parking plan.

(9) The exact location of the production's base camp (if not at the actual shooting location.)

(c) *Fees.* No fee shall be charged for the issuance of a filming permit.

(d) *Permit Processing:* The City intends to process complete permit applications promptly, in order to encourage filming in Hemet. The City will acknowledge receipt of a permit application within one business day, and will advise of any missing information needed for it to be regarded as a complete application. If the City has not issued or declined to issue a permit within three full business days of having received a complete permit application, the permit will be considered to have been approved.

(e) *Reimbursement for costs of use of city personnel.* The permittee shall reimburse the city for any actual costs of any city personnel provided to the permittee (e.g., police, fire or traffic personnel) for the purpose of assisting the filming activities.

(f) *Business License.* Due to the temporary nature of filming activities subject to this article, an applicant for a permit under this article is not required to obtain a City business license.

Sec. 18-185. Insurance; hold harmless agreement.

(a) *Liability insurance.* Before a permit is issued under this article, a certificate of insurance will be required in an amount not exceeding \$1,000,000 which names the city as a co-insured for protection against claims of third persons for personal injuries, wrongful deaths and property damage. The city officers and employees shall be named as additional insureds. The certificate shall not be subject to cancellation or modification until after 30 days' written notice to the city. A copy of the certificate will remain on file in the city clerk's office.

(b) *Workers' compensation insurance.* An applicant shall conform to all applicable federal and state requirements for workers' compensation insurance for all persons operating under a permit.

(c) *Hold harmless agreement.* An applicant shall execute a hold harmless agreement as provided by the city prior to the issuance of a permit under this article.

(d) *Security Deposit.* To ensure cleanup and restoration of the site, an applicant may be required to submit a refundable deposit, in an amount to be determined by the city, at the time the application is submitted. Upon completion of filming and inspection of the site by the city, if no verifiable damage has occurred, the deposit will be returned to the applicant.

Sec. 18-186. Violation of article; penalty.

If an applicant violates any provision of this article or a permit issued pursuant thereto, the city may provide the applicant with verbal or written notice of such violation. If the applicant fails to correct the violation, the city may revoke the permit and all activity must cease. Violation of the terms and conditions of the film permit is considered a misdemeanor punishable in accordance with section 1-8.

Sec. 18-187. Use of City Facilities

The City Manager may approve temporary free usage of property owned by or held under the control of the City, by issuance of a filming permit, provided:

1. Such issuance will not result in a frequency of usage likely to create incompatibility between such temporary use and the surrounding area.
2. Such issuance does not interfere with performance of the intended governmental function of the site in question.
3. Filming does not exceed ten (10) consecutive days per production at any one location. Computation of such time period shall not include strike and preparation time. Extensions may be granted by the City Manager at his/her discretion.
4. City may provide, at its discretion, and as may be available, vacant office and/or parking lot space for use by an applicant.

Secs. 18-188—18-210. Reserved.