



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

February 10, 2015

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 Milne, Raver and Youssef, Mayor Pro Tem Wright and Mayor Krupa

Work Study

Discussion regarding this item, with possible direction to staff

1. Update of Enforcement Activities for Boarded Up Commercial Buildings – Community Development Director Elliano
-

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.

2. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
*Service Employees International Union General Employees
Hemet Fire Fighters Association*
3. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of cases: *Erin Adams, et al v. County of Riverside, et al
USDC Case No. 14-CV-00830 SVW*

4. Conference with Legal Counsel - Anticipated Litigation
One (1) 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 City Council Chambers
450 E. Latham Avenue

Call to Order

Roll Call

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

Invocation

Pledge of Allegiance

City Attorney Closed Session Report

5. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
Service Employees International Union General Employees
Hemet Fire Fighters Association
 6. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of cases: *Erin Adams, et al v. County of Riverside, et al*
USDC Case No. 14-CV-00830 SVW
 7. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)
-

Presentation

8. Presentation in memory of Buddy Riley, Emergency Operations Coordinator
-

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

9. **Approval of Minutes** – January 27, 2015
10. **Receive and File** – Investment Portfolio as of December 2014
11. **Receive and File** – Warrant Register
 - a. Warrant register dated January 22, 2015 in the amount of \$1,837,444.47. Payroll for the period of January 5, 2015 to January 18, 2015 was \$589,413.67.

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.

Public Hearing

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

12. **Zone Change No. 14-001 – A-10 (Heavy Agriculture) to C-1 (Neighborhood Commercial) – 11.5 acre site, southeast corner of Esplanade Avenue and Warren Road** Community Development Director Elliano
 - a. Conduct a public hearing; and
 - b. Introduce, read by title only and waive second reading of an ordinance approving the zone change for APN: 448-060-001; and
 - c. Direct staff to file a Notice of Determination with the County Clerk.**Ordinance Bill No. 15-005**
-

Discussion/Action Item

13. **Recommendation by Economic Development – Real Property Advisory, Marketing and Sales Services**
 - a. City Council authorize the City Manager to execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APN's: 456-050-013, 456-050-044, and 465-140-032; and
 - b. Appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY 14-15 Economic Development Department Account #120-8500-2710 to fund the cost of the real estate advisory services.
 14. **Municipal Code Amendment No. 15-001: Automatic Extension of Time for Development Projects – Community Development Director Elliano**
 - a. Adopt an urgency ordinance extending the life of existing conditional use permits and site development review approvals set to expire between February 1, 2015 and December 31, 2015. **Urgency Ordinance Bill No. 15-006**
 15. **Annexation No. 14-001: Resolution of Intention for annexation of 995.63 acres of property located within the City's sphere of influence in unincorporated Riverside County – Community Development Director Elliano**
 - a. Adopt a resolution requesting that the Riverside Local Agency Formation Commission initiate proceedings for annexation of the 995.63 acres of property, generally situated south of Stetson Avenue, north of Domenigoni Parkway, and west of the city limits to California Avenue **Resolution Bill No. 15-007**; and
 - b. Direct staff to finalize and submit an Annexation Application, Plan of Services, Fiscal Impact Analysis, and other required materials to LAFCO.
 16. **Funding for Police Officer Recruitment Plan – Police Chief Brown**
 - a. Approve a supplemental appropriation from general fund unrestricted fund balance in the amount of \$30,000 to support the Police Officer Recruitment Plan.
-

City Council Reports

17. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Milne

1. Riverside County Habitat Conservation Agency (RCHCA)
2. Riverside Conservation Authority (RCA)
3. Disaster Planning Commission

B. Council Member Raver

1. Planning Commission
2. Traffic and Parking Commission
3. Riverside Transit Agency (RTA)
4. Riverside County Transportation Commission (RCTC)
5. Watermaster Board

C. Council Member Youssef

D. Mayor Pro Tem Wright

1. Park Commission
2. Riverside County Habitat Conservation Agency (RCHCA)
3. Ramona Bowl Association
4. League of California Cities
5. Western Riverside Council of Governments (WRCOG)

E. Mayor Krupa

1. Riverside Conservation Authority (RCA)
2. Ramona Bowl Association
3. Riverside Transit Agency (RTA)
4. Watermaster Board
5. Library Board
6. League of California Cities
7. Riverside County Habitat Conservation Agency (RCHCA)
8. Western Riverside Council of Governments (WRCOG)

F. Ad-Hoc Committee Reports

1. West Hemet MSHCP Ad-Hoc Committee
2. Regent Development Agreement Ad-Hoc Committee
3. Diamond Valley Lake Recreation Ad-Hoc Committee
4. Public Safety Measure 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, February 24, 2015 at 7:00 p.m. for consideration of items placed on that agenda. The next regular meeting will be held March 10, 2015.

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.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.



#9

MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

January 27, 2015

6:00 p.m.

City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org
Please silence all cell phones

Call to Order

Mayor Krupa called the meeting to order at 6:00 p.m.

Roll Call

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

ABSENT: Council Member Youssef

Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to excuse Council Member Youssef. Motion carried 4-0.

Work Study

Discussion regarding this item, with possible direction to staff

1. Federal Legislative Update – David Turch & Associates

Chase Kroll, David Turch and Associates, distributed a written report to the City Council. Mr. Kroll gave a brief overview and background of the firm. Mr. Kroll gave the City Council an overview of Federal Legislation for 2014. Mr. Kroll and the City Council discussed the importance of the JOLT Act for the Canadian visitors to the region and the opposition. There is a concern that this Act loosens immigration. We continue to work with that committee hoping to get it passed this year. They are trying to get co-sponsors and possible include it in a larger package. After introduction it will return to the committee for mark-ups and amendments.

Council Member Youssef arrived at 6:09 p.m.

Mr. Kroll, we will continue to send notices of funding opportunities that we feel meet the City's needs. In 2014, 98 notices were sent to City staff. Unfortunately, most of the grants require a match. City staff has diligently pursued the grants with some wins and some loses. Meetings continued regarding SR79 with efforts to get everyone educated on its importance. Most of the push for federal funding for SR79 is coming from RCTC. There is a lot of talk about ways to fund highways from raising the current gas tax to tax benefits for reinvesting American money that is currently invested out of the country. Mr. Kroll strongly encouraged the Council Members to consider going to DC, that one on one contact gets a lot more attention. Mr. Kroll recommended that the City Council formally prepare a Federal Legislative Agenda. We will continue to work on the previous action items, Jolt Act and SR79. Mr. Kroll explained the schedule of deadlines and events in DC.

Closed Session

Notice of Opportunity for Public Comment

There were no public comments presented.

The City Council recessed to Closed Session at 6:26 p.m.

2. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

Service Employees International Union General Employees

Hemet Fire Fighters Association

3. Conference with Legal Counsel - Existing Litigation

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

Name of cases: *Erin Adams, et al v. County of Riverside, et al*

USDC Case No. 14-CV-00830 SVW

and

Hemet Firefighters Association, et al. v. City of Hemet, et al.

RSC Case No. RIC 1400175

4. Conference with Legal Counsel - Anticipated Litigation

One (1) 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 City Council Chambers

450 E. Latham Avenue

Call to Order

Mayor Krupa called the meeting to order at 7:05 p.m.

Roll Call

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

ABSENT: None

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

Invocation

Invocation was given by Michael Madrigal, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Council Member Milne

City Attorney Closed Session Report

5. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
*Service Employees International Union General Employees
Hemet Fire Fighters Association*

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

6. Conference with Legal Counsel - Existing Litigation
Pursuant to Government Code section 54956.9(d)(1)
Name of cases: *Erin Adams, et al v. County of Riverside, et al*
USDC Case No. 14-CV-00830 SVW
and
Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175

The City Council received briefing from the City Attorney and special Counsel and gave direction regarding Erin Adams, et al v. County of Riverside, et al. There was no additional reportable action.

The discussion regarding Hemet Firefighters Association, et al v. City of Hemet, et al was continued to the end of the Regular Session.

7. Conference with Legal Counsel - Anticipated Litigation
One (1) matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

The City Council received a briefing regarding a potential lawsuit and gave the City Attorney direction to defend the lawsuit. There was no additional reportable action.

City Council Business Consent Calendar

8. **Approval of Minutes** – January 13, 2015
9. **Approval of Minutes** – January 17, 2015
10. **Receive and file** – Investment Portfolio as of November 2014
11. **Receive and file** – Warrant Register
- a. Warrant registers dated January 7, 2015 in the amount of \$1,849,354.39 and January 8, 2015 in the amount of \$1,915,205.37. Payroll for the period of December 22, 2014 to January 4, 2015 was \$662,851.79.

12. **Recommendation by City Manager** – Ratification of Professional Services Contract with Tri Lake Consultants for Interim City Engineer services
 - a. Ratify a professional services contract with Tri Lake Consultants to provide Interim City Engineer services, effective January 15, 2015.
13. **Recommendation by Fire** – Acceptance of the 2014 Riverside County Community Health Agency Grant (CHOG)
 - a. Accept the grant from the Riverside County Community Health Agency in the amount of \$67,000 for the period of October 10, 2014 through February 28, 2016; and
 - b. Amend the budget in the Public Safety Grant Fund #232 to reflect the award amount of \$67,000 to cover the cost of training and the purchase of hazardous materials mitigation equipment.
14. **Recommendation by Police** – Purchase of 4 Vehicles for Police Department
 - a. Approve the purchase of 4 police department replacement vehicles and related emergency and safety equipment as follows:
 - Raceway Ford (4 vehicles): \$105,599.60
 - West Coast Lights & Sirens (vehicle up-fit): \$25,980.92
 - High Desert Communications (interop radios): \$27,749.20
 - Southern Computer Warehouse (mobile data computer): \$3,545.40
 - b. Authorize the City Manager to approve the purchase requisitions.
15. **Recommendation by Police** – Purchase of new Tasers for Police Department
 - a. Approve the grant-funded purchase of (65) X-26P model Tasers from Taser International in order to ensure the deployment of the best Electronic Control Device (ECD) technology to all field personnel; and
 - b. Authorize the City Manager to approve the purchase requisition in excess of \$86,497.79 to Taser International.
16. **Recommendation by Fire** – Professional Services Contract, Emergency Services Consulting International (ESCI)
 - a. Approve a Professional Services Contract not to exceed \$27,000 with a consulting firm of Emergency Services Consulting International (ESCI) to conduct a comprehensive Fire/EMS Services Delivery Analysis; and
 - b. Authorize the City Manager to approve a Professional Services Contract with ESCI to conduct this analysis, direct the Fire Chief to oversee and monitor the performance of the consultant and deliverables as identified in the scope of work plan. Timeline for completion of project is 90-120 days.
17. **Recommendation by Economic Development** – Real Property Advisory, Marketing and Sales Services
 - a. Authorize the City Manager to execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APN's: 456-050-013, 456-050-044, and 465-140-032; and
 - b. Authorize the City Manager to appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY 14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.

18. **Recommendation by Economic Development** – Interim Tourism Services Contract
 - a. Authorize the City Manager to execute a Contract for Professional Services with Leslie McLennan to provide tourism services through July 31, 2015, in support of the Visit San Jacinto Valley tourism program in an amount not to exceed, \$9,000 funded from the FY 14/15 Economic Development Department budget account #120-8500-2710.

19. **Recommendation by Public Works** – Award of Bid for Tank Painting (Project No. 5582) to Paso Robles, Inc. – Supplemental Appropriation
 - a. Award bid to Paso Robles, Inc. of Hemet, California, in the amount of \$274,800.00 to perform Tank Painting of water storage tanks No. 2, No. 3 and No. 4; and
 - b. Authorize the City Manager to execute a contract with Paso Robles to perform the work; and
 - c. Authorize the Deputy City Manager/Administrative Services Director to record a supplemental appropriation in the amount of \$99,800 from Water Reserve Fund No. 571 to cover unbudgeted portion of project; and
 - d. Establish Tank Painting Project Number 571-5582 for tracking of all project related expenses.

20. **Recommendation by Public Works** – Application for funding under the Drinking Water State Revolving Fund
 - a. Adopt a resolution authorizing the submission of an application for funding in the amount of \$150,000 under the Drinking Water State Revolving Fund (DWSFR) for planning and design of a well nitrate removal system project.

Resolution No. 4614

Item Nos. 17 and 20 were removed from the Consent Calendar. **Council Member Youssef moved and Council Member Milne seconded a motion to approve the remaining Consent Calendar items as presented. Motion carried 5-0.**

Item 17

Gene Hikel, Hemet, expressed concern selling City property while the City has a healthy reserve. Mr. Hikel also expressed concern with spending \$100,000 to tell the City how to sell the property. You will have to sell the properties to get your money back, what if you change your mind. Mr. Hikel expressed concern that the money from the sale of the properties will just be put in reserves for an undetermined use.

Mayor Pro Tem Wright, recommended that these properties be placed on the market using the previous appraisals. The analysis will not guarantee a sale and the City should not be doing the analysis for the buyer.

Wally Hill, City Manager, we brought these properties to City Council and presented options for selling the properties. The City Council felt this was the best option for the larger parcels and directed staff to issue an RFP. The advisor would prepare a market assessment and then market the property. The brokers 2.5% commission would be a credit towards market analysis. This was the most economically feasible proposal received. A real estate agent will still get commission however, we will not get a market analysis.

Mayor Krupa, this was the direction the City Council gave to staff regarding these particular properties.

Council Member Raver, concurs with Mr. Hikel. The City should wait until there is a financial need to sell the properties.

Council Member Youssef, confirmed that at the time of the sale there money to prepare the market analysis is credited toward the 2.5% commission. The City Council voted unanimously and gave direction to staff because these properties are high value and we didn't want them piece mealed. We want the best and highest use possible for these properties. Otherwise we would have included these with the other properties to be sold by a broker.

Council Member Milne, asked about an expiration time for the credit in case the entire process takes longer than the 18 month contract.

John Jansons, Community Development Director, the contract with RSG is for an 18 month period. If the property does not sell in that period, the contract would need to be renegotiated.

Eric Vail, City Attorney, the City Council and the community wants more economic development to generate revenue. Selling these properties does more than just put money in reserves. The properties, once sold, would be placed on the property tax rolls for future property tax revenue based on the sales prices. The real interest is to sell the property to someone for future development and future sales tax efforts. The analysis would help determine the type of builder and development would be the most advantageous on these properties. The other RFP's that were received had significantly higher commission percentages.

Mayor Krupa, asked if in light of the current economy is 18 months a realistic time frame to sell even one of these parcels.

Mr. Jansons, most real estate agreements are for a period of 90 days. The time to sell these parcels will depend on the City's direction at the end of the day. The analysis will offer highest and best use for a long term commitment or a price and recommendation for a quick sale. During the marketing of these properties, the City may receive offers that can be considered. Obviously we want to field negotiations in that period of time.

Council Member Raver, feels that is it wiser to first try to sell the property on the open market. The analysis has more to do with land use. The City Council has a right to approve or disapprove a plan on that land. If it doesn't work, we can consider this option at a later time.

The City Council and staff discussed the timelines, what happens if the properties do not sell in the 18 month contract period and renegotiation options.

Council Member Raver moved that staff conduct an RFP for Real Estate Broker to list these properties. Motion failed due to lack of a second.

The City Council tabled this item at this time and gave direction to staff to work with RSG on language regarding terms for renewal and bring back for City Council consideration.

Item No. 20

Mayor Pro Tem Wright, commended staff on looking into this funding. You are applying for \$150,000 in funds to conduct a study through a state revolving fund.

Kris Jensen, Public Works Director, the City took a couple of wells offline and continue to work with the Department of Public Health. We have installed nitrate analyzers that

automatically shut the well off when the nitrate levels get to high. The goal is to move toward a nitrate removal system. This funding will pay for the study to plan the system.

Mayor Pro Tem Wright, expressed concern that alternatives are not being looked into. A nitrate removal system for existing wells might be just a band aid for wells that might have to be re-drilled. These studies allow for a maximum award of \$500,000. Maybe re-drilling a well and requesting a grant for the construction is a better alternative. As a "disadvantaged community" and with the interest on environmental health, this should place the City's application in an "A" ranking with the Department Public Health because of the nitrate issue.

Ms. Jensen, the treatment will help determine the source and hopefully re-gain the use of the offline wells. The City is already looking into new wells in addition to meet the water needs.

Mayor Pro Tem Wright, I know the price of feasibility studies. Mayor Pro Tem Wright recommended that the City request more money, you don't have to use it. Mayor Pro Tem Wright requested that the feasibility study include options and alternatives.

Wally Hill, City Manager, agrees that adding options and alternatives to the study is a great idea. New wells might prove to be more feasible than the nitrate removal system.

Ms. Jensen, the proposed resolution does not indicate a dollar amount.

Mayor Pro Tem Wright moved and Council Member Milne seconded a motion to adopt Resolution No. 4614 and direct staff to increase the application amount to \$500,000. Motion carried 5-0.

Communications from the Public

Lee Swanson, Hemet, expressed concern with citation received for parking a boat on his property. Mr. Swanson feels that this is an esthetic issue as opposed to the numerous health and safety concerns that should be dealt with. Neighbors were also cited for RV parking. These parcels do not have RV parking on the side and we do not have the money to pay for offsite storage.

This item was referred to the Code Compliance Division.

Ann Smith, Hemet, given the budget shortfall, it is likely that there will be discussions regarding a tax. Ms. Smith asked if a tax could be split, a portion from property tax and a portion from sales tax.

Wally Hill, City Manager, there are a number of options for taxes, however, anything that would be from different sources would require separate items on the ballot.

Discussion/Action Item

21. **Consideration of Allocations for 2015-2016 Program Year Community Development Block Grant entitlement and previous unexpended funding –**
CDBG Coordinator Callahan

a. Accept and approve the City Council Ad Hoc Committee recommended allocations of \$737,698 in 2015-2016 Community Development Block Grant (CDBG) funding and previously unexpended funding of \$223,330.80.

Carla Callahan, CDBG Coordinator, the City received 21 applicants. 18 of the applications, for a total request of \$1,699,758, met the HUD established criteria. The Ad-Hoc Committee, Council Member Milne and Mayor Krupa, reviewed the eligible applications and provided the recommendation presented. The Ad-Hoc Committee recommended reprogramming for the unexpended funds that were a result of savings.

Council Member Milne, a bulk of the funding goes to infrastructure for the City.

Jim Lineberger, Community Pantry, thanked the Committee for their continued support and recommendation to fund the Utility Assistance Program. Mr. Lineberger requested that the Ad-Hoc Committee reconsider their recommendations to include the other non-profit agencies that are not being funded.

Mayor Krupa, some of the reprogramming will go to non-profits. It is not an easy decision, we wish we had more money to give.

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

22. **Possible Ballot Measure regarding preventing outsourcing of Public Safety functions without voter approval – City Manager Hill**

- a. Discussion and possible direction to staff regarding a possible ballot measure preventing outsourcing of public safety functions without voter approval.

Wally Hill, City Manager, the City Council received a presentation on January 13th from the City Attorney and requested that this item be brought back for further discussion and possible direction to staff.

Council Member Youssef, expressed opposition. This decision should be left to the governing body and that governing body can be determined by an election.

Council Member Milne, if this is considered than all labor negotiations must be conducted in public. Council Member Milne expressed concern that the public who would make the decision at the ballot box does not have all of the information available, not that the public cannot process the information but that is not available to them because labor negotiations by law must be conducted in closed session. The City Council is elected to govern and not pass the buck.

Mayor Krupa, the voters in this last election decided that they want to retain local control with their public safety. Mayor Krupa expressed mixed emotion on binding future City Council's unfairly. The proposed action and the proposed language need to be considered carefully. The term "outsourcing" might cover aspects of public safety that we currently contract out. We do not want to prohibit Police and Fire from doing their job. You can't just direct staff to write this up and put it on a ballot there are nuances. Mayor Krupa recommended that an Ad-Hoc Committee be established to discuss this proposal.

Mayor Pro Tem Wright, concurs with Mayor Krupa and requested the viewpoint of both the Police Chief and Fire Chief. What would another Public Safety campaign do at this time?

Police Chief Brown, I am concerned about the issue of contracting becoming the headline again. After the last Council Meeting a simply worded tweet created an overwhelming concern from employees and the public. It is not my place to speak in favor or oppose such a measure. The issue of contracting needs to be put to rest so we can continue to recruit highly qualified applicants.

Fire Chief Brown, concurs with Chief Brown's comments. Currently, we have the ability to contract for non-core functions. That flexibility has allowed us to contract out Fire Prevention Inspections, Weed Abatement and EMS Transport. That gives us the ability to concentrate on our core functions which are fire and emergency medical response. Those nuances need to be considered and discussed.

Council Member Youssef, the Police Department also contracted traffic enforcement on Florida Avenue to CHP.

Mayor Pro Tem Wright, concurs with Mayor Krupa's recommendation to establish an Ad-Hoc Committee with input from the community.

Mayor Krupa, recommended at the Ad-Hoc Committee consist of two member from the Council, both Chiefs and members of staff to discuss possible wording, implications and bring a report back to the City Council. At which time a standing committee may be established to include members of the community.

Eric Vail, City Attorney, explained for the public the differences between an Ad-Hoc and a Standing Committee.

Council Member Raver, concurs with the Mayor's recommendation and requested a timeframe in which the Ad-Hoc Committee will report back. Council Member Raver understands the concerns and questions that have been raise. I have good reason to propose this measure and do not want to drag it out. Council Member Raver expressed concern that another election might change the council majority and contracting could become an issue again.

Mayor Krupa, recommended the appointment of Council Member Raver and Mayor Krupa to the Public Safety Measure Ad-Hoc Committee to look into the proposal and bring back recommendations to the City Council.

Council Member Milne, recommended that a member of the City Council with a dissenting point of view be included on the Ad-Hoc Committee.

Mayor Krupa, I have a number of concerns with proposal and am not necessarily in favor of the proposed measure. Mayor Krupa will not serve on the Standing Committee so all points of view are considered. The Ad-Hoc Committee will report back to the City Council within six months.

Mayor Krupa moved and Council Member Raver seconded a motion to establish an Ad-Hoc Committee to report back within six months. Motion carried 5-0.

23. **Activate Phase 2 of the City of Hemet Water Rationing Plan and Appoint the City Council as the Water Conservation Commission** – Public Works Director Jensen

- a. Adopt a resolution to activate Phase 2 of the water rationing plan contained in the City's Water Conservation Plan (Hemet Municipal Code section 82-121 et seq.), which includes a mandatory restriction on watering landscape between the hours of 6:00 a.m. and 6:00 p.m. amount other restrictions, codified in section 82-128(c)(2)(c).
 - Compliance with the water allotments contained in section 82-128(c)(2)(a)-(b) should be voluntary since these allocations are based on 1990/1991 average water use, which would not apply to most current water system customers.
 - Compliance with the water use restrictions contained in section 82-128(c)(2)(c) should be mandatory. **Resolution No. 4615**
- b. Adopt an urgency ordinance to appoint the City Council as the Water Conservation Commission to enable effective enforcement of mandatory water use reductions. **Urgency Ordinance No. 1894**

Kristen Jensen, Public Works Director, the ordinance that was included with the agenda has been amended. The State Water Resources Control Board adopted a resolution placing cities on notice that certain pieces of their water restrictions must be in compliance with the State's. After receipt of the notice, the City encouraged voluntary compliance. Unfortunately, the State does not see voluntary as being in compliance. The City has a Water Conservation Plan that was adopted in 1992. We have a staff member that is working diligently on water conservation. If the City enforced penalties the ordinance allows an appeal process. The

body for the appeal process is described in the ordinance as the Water Conservation Commission which has never been established. In order to meet the State's requirements, the City's must have a Water Conservation Commission. Staff is recommending that the City Council adopt a resolution that activates Phase 2 of the Water Conservation Plan. Staff is also recommending that the City Council adopt an urgency ordinance that appoints the City Council as the Water Conservation Commission, this will make the City Council the appeal board. Staff will be updating the Water Conservation Plan in its entirety, until then this urgency ordinance will meet the State's requirements.

Eric Vail, City Attorney, the 1992 plan requires that members of the commission meet specific categories, much like the MH Rent Review Commission, this is the easiest way to meet the State's requirements.

Council Member Youssef, asked for clarification on enforcement, the compliance still is considered to be voluntary.

Ms. Jensen, enforcement is time consuming. Most consumers are willing to meet our requests, however, in the event that they do not they might be fined.

Mayor Pro Tem Wright, asked about a tiered rate system.

Wally Hill, City Manager, a study is currently being done. One of the options will be a different rate structures.

Mayor Pro Tem Wright, tiered rates will take care of water abusers. We need to consider offering turf removal to encourage drought tolerant and low maintenance plants.

Council Member Raver, recommended that the City reduce their water consumption also. The City Council and staff discussed the recommended water consumption reduction. The recommended 20% water reduction is for outside irrigation. That will not be easy for the City of Hemet to meet with the already lower than average water consumption in its service area. Recommendations for water usage reductions were discussed.

Eric Vail, City Attorney, explained the corrections to the published ordinance. A new recital was added to amend the Water Conservation Plan to include a restriction on watering ornamental landscapes and turf to two days per week. A new Section 2 was added amending Section 82-128(C)(2)(C)(4) of the Hemet Municipal Code with the appropriate language for the new recital. Addition language was added to the new Section 3 to meet the requirements of the new recital.

Ann Smith, Hemet, asked about the effect on the community if the State levies a fine against the City of Hemet and if there is any way to appeal the State's requirements.

Ms. Jensen, the fine can be up to \$500.00 per day back to July 1, 2014. Any fines against the City's Water Department would affect the rate payers.

Mr. Vail, to challenge the State's requirements would ultimately cost the rate payers more money.

Brian Rubin, Hemet, concurred with Mayor Pro Tem Wright that the tiered rate works and will reduce water usage in time. Mr. Rubin also recommended the use of smart controllers.

CW Cecchi, Hemet, recommended that the City amend the General Plan requirements to have grass in front yards. Mr. Cecchi noted that his water bill went down with the installation of low flow toilets.

Joy Ward, Hemet, expressed concern with the aesthetics of Florida Avenue.

Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to adopt Resolution No. 4615 and Urgency Ordinance No. 1894 as amended. Motion carried 5-0.

The Ordinance was read by title only.

City Council Reports

24. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Milne

1. Riverside County Habitat Conservation Agency (RCHCA)
2. Riverside Conservation Authority (RCA)
3. Disaster Planning Commission

B. Council Member Raver

1. Planning Commission
2. Traffic and Parking Commission
3. Riverside Transit Agency (RTA)
4. Riverside County Transportation Commission (RCTC)
5. Watermaster Board

Council Member Raver attended MWD's water tour to their Colorado River facility.

C. Council Member Youssef

D. Mayor Pro Tem Wright

1. Park Commission

Mayor Pro Tem Wright attended the meeting. The Commission discussed the proposed smoke free park ordinance.

2. Riverside County Habitat Conservation Agency (RCHCA)
3. Ramona Bowl Association

Mayor Pro Tem Wright attended the President's Gala.

4. League of California Cities
5. Western Riverside Council of Governments (WRCOG)

Mayor Pro Tem Wright attended the memorial and candlelight vigil for Riverside County's K-9 Deputy Sultun. Glad to see the support, unfortunate circumstance.

E. Mayor Krupa

1. Riverside Conservation Authority (RCA)
2. Ramona Bowl Association
3. Riverside Transit Agency (RTA)

Pavement improvements were approved for RTA's Hemet Facility. RTA agreed to lease a portion of their Wentworth property to Last Chance Performance Marine resulting in the retention of this business in Hemet. Ridership continues to increase. Private usage of RTA's CNG fueling station is increasing.

4. Watermaster Board
5. Library Board
6. League of California Cities
7. Riverside County Habitat Conservation Agency (RCHCA)
8. Western Riverside Council of Governments (WRCOG)

F. Ad-Hoc Committee Reports

1. Crime Stoppers Plus Ad-Hoc Committee

The City Council disbanded the Crime Stoppers Plus Ad-Hoc Committee.

2. West Hemet MSHCP Ad-Hoc Committee

3. Regent Development Agreement Ad-Hoc Committee

Council Members Milne and Youssef were appointed to the Regent Development Agreement Ad-Hoc Committee.

G. City Manager Hill

1. Manager's Reports

The City Council recessed to Closed Session at 9:17 p.m.

Continued Closed Session

2. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

*Service Employees International Union General Employees
Hemet Fire Fighters Association*

3. Conference with Legal Counsel - Existing Litigation

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

Name of cases: *Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175*

Reconvened at 9:45 p.m.

City Attorney Continued Closed Session Report

5. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

*Service Employees International Union General Employees
Hemet Fire Fighters Association*

The City Council received a report regarding SEIU and Fire and gave direction. There was no additional reportable action.

6. Conference with Legal Counsel - Existing Litigation

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

Name of cases: *Hemet Firefighters Association, et al. v. City of Hemet, et al.
RSC Case No. RIC 1400175*

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

Future Agenda Items

Diamond Valley Lake Recreation

The City Council formed and appointed Council Member Youssef and Mayor Krupa to a Diamond Valley Lake Recreation Ad-Hoc Committee.

Allowance for Chickens

Update on West Hemet

Boarded Up Buildings

Adjournment

Adjourned at 9:46 p.m. to Tuesday, February 10, 2015 at 7:00 p.m.



AGENDA

10

Staff Report

TO: Honorable Mayor and members of the City Council
FROM: Judith L. Oltman, City Treasurer
DATE: February, 10 2015
RE: Investment Portfolio as of December 2014

RECOMMENDED ACTION:

Receive and file.

ANALYSIS:

The summary statement of activity and balances of the Treasurer's Investment Portfolio for the month of December 2014 is forwarded herewith for your review.

On 12/1/14 we purchased an 8 year Cerritos Community College General Obligation Bond for the Reserve Fund #5027 for \$1,260,000 with a yield of 2.82%.

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 2014

INVESTMENT CLASSIFICATIONS	MONTHLY ACTIVITY	CONSOLIDATED BALANCE
PORTFOLIO AS OF NOVEMBER	59,087,726.46	
CERTIFICATES OF DEPOSIT		
Placed this month		
Matured this month		
Balance		7,183,000.00
LOCAL AGENCY INVESTMENT FUND: City of Hemet		
Deposits		
Withdrawals	-3,000,000.00	
Balance		20,235,378.87
BANK OF NEW YORK MELLON Custodial Acct.		
Deposits	33,171.55	
Withdrawals	-1,307,318.59	
Balance		329,599.86
MONEY MARKET ACCTS.		
Deposits		
Withdrawals		
Balance		200,000.00
CITIBANK: Money Market Account		
Deposits	33,175.11	
Withdrawals	-600,000.00	
Balance		43,280.79
CITIBANK: Money Market Account 3		
Deposits	5,716,075.71	
Withdrawals	-3,185,005.84	
Balance		4,701,564.88
MUNICIPAL BONDS & NOTES		
Deposits	1,260,000.00	
Withdrawals		
Balance		14,345,000.00
GOVERNMENT AGENCIES		
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
2265 1.55% FHLMC 7/17/18		500,000.00
2274 1.81% FFCB 11/19/18		500,000.00
2276 2.07% FHLB 4/15/19		500,000.00
2277 2.00% FNMA 8/27/19		500,000.00
2278 2.0% FNMA 9/18/19		1,000,000.00
2279 2.0% FHLMC 9/19/19		1,000,000.00
2280 2.15% FHLMC 10/30/19		1,000,000.00
PORTFOLIO BALANCE AS OF DECEMBER 2014	58,037,824.40	58,037,824.40

INTEREST EARNINGS	14-15 FISCAL YEAR-TO-DATE	
EARNINGS BALANCE AS DEC. 1, 2014		101,607.97
CERTIFICATES OF DEPOSIT INT.	7,888.25	
OTHER GOVERNMENT SECURITIES	23,050.00	
CITIBANK MONEY MARKET ACCOUNT	3.56	
CITIBANK MONEY MARKET ACCOUNT 3	412.23	
BANK OF NY MONEY MARKET ACCT.	5.42	
LOCAL AGENCY INVESTMENT FUNDS		
City of Hemet Interest		
Closed Laif Account		
MONTHLY EARNINGS TOTAL	31,359.46	31,359.46
MEMO ONLY:		
MERCHANT BANK CHG.	-3,623.15	
LIBRARY CREDIT CARD FEES	-93.04	
ARMORED CAR	-421.36	
ASSET SEIZURE FUNDS		
Charges as of Dec. 1, 2014	-22,961.63	
	-27,099.18	
14-15 YEAR-TO-DATE INTEREST EARNINGS		132,967.43

**CITY OF HEMET
Portfolio Management
Portfolio Summary
December 31, 2014**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit - Bank	1,731,000.00	1,751,884.57	1,731,000.00	2.98	1,618	569	1.515	1.536
Managed Pool Accounts	20,235,378.87	20,235,378.87	20,235,378.87	34.80	1	1	0.256	0.260
Passbook/Checking Accounts	5,274,445.53	5,274,445.53	5,274,445.53	9.07	1	1	0.409	0.415
Local Government Bonds	9,345,000.00	9,386,479.70	9,425,792.20	16.21	2,043	1,537	3.097	3.140
Medium Term Notes	5,000,000.00	5,023,985.60	5,026,878.62	8.65	1,792	1,507	1.843	1.869
Federal Agency Issues - Coupon	11,000,000.00	10,948,645.00	11,000,000.00	18.92	1,826	1,389	1.477	1.497
Negotiable CDs	5,452,000.00	5,482,822.37	5,452,000.00	9.38	1,735	1,180	1.567	1.588
Investments	58,037,824.40	58,103,641.64	58,145,495.22	100.00%	1,043	770	1.259	1.276

Cash and Accrued Interest

Accrued Interest at Purchase		24,986.69	24,986.69					
Subtotal		24,986.69	24,986.69					
Total Cash and Investments	58,037,824.40	58,128,628.33	58,170,481.91		1,043	770	1.259	1.276

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	61,744.87	310,359.35
Average Daily Balance	57,634,042.13	
Effective Rate of Return	1.26%	

JUDITH L. OLTMAN, TREASURER

Reporting period 12/01/2014-12/31/2014

Run Date: 01/29/2015 - 16:27

Portfolio COFH
AP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.5

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
December 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
02004MB51	3124	Ally Bank		07/30/2010	247,000.00	250,063.20	247,000.00	2.450		2.451	210	07/30/2015
06740KEX1	3146	BARCLAYS BANK DE		12/07/2011	247,000.00	251,845.00	247,000.00	1.900		1.902	706	12/07/2016
SYS3174	3174	BANK OF HEMET		09/06/2013	494,000.00	494,000.00	494,000.00	0.500		0.500	614	09/06/2016
SYS3144	3144	BANK OF THE WEST		10/12/2011	249,000.00	253,177.72	249,000.00	1.750		1.750	650	10/12/2016
SYS3136	3136	CIT BANK		08/24/2011	247,000.00	251,341.86	247,000.00	1.800		1.800	601	08/24/2016
36160WVR7	3132	G.E. Capital Financial, Inc.		08/12/2011	247,000.00	251,456.79	247,000.00	1.850		1.850	589	08/12/2016
Subtotal and Average			1,731,000.00		1,731,000.00	1,751,884.57	1,731,000.00			1.536	569	
Managed Pool Accounts												
SYS1001	1001	LOCAL AGENCY INVESTMENT FUND			20,235,378.87	20,235,378.87	20,235,378.87	0.260		0.260	1	
Subtotal and Average			21,203,120.81		20,235,378.87	20,235,378.87	20,235,378.87			0.260	1	
Passbook/Checking Accounts												
SYS5009	5009	BANK OF NEW YORK			329,599.86	329,599.86	329,599.86			0.000	1	
SYS5001	5001	Citibank			43,280.79	43,280.79	43,280.79	0.450		0.450	1	
SYS5004	5004	CITIBANK3			4,701,564.88	4,701,564.88	4,701,564.88	0.450		0.450	1	
SYS5011	5011	RABOBANK			200,000.00	200,000.00	200,000.00	0.260		0.260	1	
Subtotal and Average			3,794,345.28		5,274,445.53	5,274,445.53	5,274,445.53			0.415	1	
Local Government Bonds												
044555PA2	5025	ASHLAND OREGON		10/23/2014	1,145,000.00	1,116,729.95	1,132,637.22	2.800	AA	2.926	3,500	08/01/2024
048339SE6	5018	ATLANTIC CITY N.J.		06/02/2014	465,000.00	479,861.40	489,515.78	3.953	A	2.075	1,186	04/01/2018
048339SF3	5019	ATLANTIC CITY N.J.		06/02/2014	440,000.00	455,901.60	467,949.99	4.253	A	2.651	1,551	04/01/2019
13124MAH8	5026	CALLEGUAS CA MUNI WATER DIST		10/23/2014	745,000.00	750,758.85	760,348.82	2.601	AAA	2.018	2,008	07/01/2020
156792GW7	5027	CERRITOS COMMUNITY COLLEGE DIS		12/01/2014	1,260,000.00	1,264,321.80	1,272,861.86	2.971	AA	2.821	2,769	08/01/2022
404476HH9	5022	HABERSHAM COUNTY HOSPITAL AUTH		08/13/2014	795,000.00	790,699.05	800,240.03	2.250		2.080	1,492	02/01/2019
423542KL2	5006	HEMET UNIFIED SCHOOL DISTRICT		07/22/2010	2,000,000.00	2,022,340.00	1,997,976.39	5.375		5.609	181	07/01/2015
533020DC4	5012	CITY OF LINCOLN		03/02/2013	995,000.00	1,005,537.05	995,000.00	3.000		3.000	244	09/02/2015
650035J66	5015	NEW YORK STATE REVENUE BONDS		03/25/2014	500,000.00	501,100.00	499,001.94	2.000		2.050	1,534	03/15/2019
13063CKL3	5017	STATE OF CALIFORNIA		05/16/2014	1,000,000.00	999,230.00	1,010,260.17	2.250		2.000	1,581	05/01/2019
Subtotal and Average			9,426,442.49		9,345,000.00	9,386,479.70	9,425,792.20			3.140	1,537	
Medium Term Notes												
037833AQ3	5016	APPLE		05/15/2014	1,000,000.00	1,011,350.00	1,005,767.17	2.100		1.960	1,586	05/06/2019

Portfolio COFH
AP
PM (PRF_PM2) 7.3.0

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
December 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Medium Term Notes												
084670BL1	5023	BERKSHIRE HATHAWAY		08/14/2014	1,000,000.00	1,006,300.00	1,004,369.99	2.100		2.000	1,686	08/14/2019
14912L6B2	5020	CATERPILLAR		06/09/2014	1,000,000.00	1,002,900.00	1,003,364.68	2.100	A	2.020	1,620	06/09/2019
36962G7G3	5014	G.E. CAPITAL CORP.		03/14/2014	500,000.00	507,980.00	508,656.77	2.300		1.932	1,474	01/14/2019
68389XAN5	5010	ORACLE		03/28/2013	500,000.00	498,220.00	500,677.72	1.200		1.150	1,018	10/15/2017
90261XHE5	5024	UBS AG STAMFORD CT		08/18/2014	500,000.00	499,970.00	501,842.63	2.375		2.290	1,686	08/14/2019
94974BFG0	5013	WELLS FARGO		04/26/2013	500,000.00	497,265.60	502,199.66	1.500		1.350	1,111	01/16/2018
Subtotal and Average			5,027,133.56		5,000,000.00	5,023,985.60	5,026,878.62			1.869	1,507	
Federal Agency Issues - Coupon												
3133EDA51	2274	FEDERAL FARM CREDIT BANKS		11/19/2013	500,000.00	500,070.00	500,000.00	1.810		1.810	1,418	11/19/2018
313381MV4	2254	FEDERAL HOME LOAN BANK		01/17/2013	500,000.00	494,705.00	500,000.00	1.050		1.050	1,112	01/17/2018
313383GY1	2261	FEDERAL HOME LOAN BANK		06/13/2013	500,000.00	494,850.00	500,000.00	1.170		1.170	1,259	06/13/2018
313383JZ53	2263	FEDERAL HOME LOAN BANK		06/27/2013	500,000.00	497,505.00	500,000.00	1.450		1.450	1,273	06/27/2018
3130A1GQ5	2276	FEDERAL HOME LOAN BANK		04/15/2014	500,000.00	500,075.00	500,000.00	2.070		2.070	1,565	04/15/2019
3134G37C8	2256	FEDERAL HOME LOAN MTG ASSOC.		04/17/2013	500,000.00	496,990.00	500,000.00	1.100		1.100	1,202	04/17/2018
3134G37H7	2257	FEDERAL HOME LOAN MTG ASSOC.		04/25/2013	500,000.00	495,515.00	500,000.00	1.150		1.150	1,210	04/25/2018
3134G47G7	2262	FEDERAL HOME LOAN MTG ASSOC.		06/26/2013	500,000.00	497,340.00	500,000.00	1.400		1.400	1,272	06/26/2018
3134G4BG2	2265	FEDERAL HOME LOAN MTG ASSOC.		07/17/2013	500,000.00	499,420.00	500,000.00	1.550		1.550	1,293	07/17/2018
3134G5GY5	2279	FEDERAL HOME LOAN MTG ASSOC.		09/19/2014	1,000,000.00	1,002,170.00	1,000,000.00	2.000		2.000	1,722	09/19/2019
3134G5KX2	2280	FEDERAL HOME LOAN MTG ASSOC.		10/30/2014	1,000,000.00	994,790.00	1,000,000.00	2.150		2.150	1,763	10/30/2019
3135G0NF6	2252	FEDERAL NTL MORTGAGE ASSOC.		08/21/2012	500,000.00	497,595.00	500,000.00	1.000		1.000	963	08/21/2017
3136G04U2	2253	FEDERAL NTL MORTGAGE ASSOC.		11/29/2012	500,000.00	495,385.00	500,000.00	1.000		1.000	1,063	11/29/2017
3135G0UN1	2255	FEDERAL NTL MORTGAGE ASSOC.		02/28/2013	500,000.00	497,310.00	500,000.00	1.150		1.146	1,154	02/28/2018
3135G0WN9	2258	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	492,220.00	500,000.00	1.000		1.000	1,215	04/30/2018
3136G1LB3	2259	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	496,400.00	500,000.00	0.750		0.740	1,215	04/30/2018
3135G0XG3	2260	FEDERAL NTL MORTGAGE ASSOC.		05/21/2013	500,000.00	492,730.00	500,000.00	1.000		1.000	1,236	05/21/2018
3136G23T2	2277	FEDERAL NTL MORTGAGE ASSOC.		08/27/2014	500,000.00	501,735.00	500,000.00	2.000		2.000	1,699	08/27/2019
3136G25Q6	2278	FEDERAL NTL MORTGAGE ASSOC.		09/18/2014	1,000,000.00	1,001,840.00	1,000,000.00	2.000		2.000	1,721	09/18/2019
Subtotal and Average			11,000,000.00		11,000,000.00	10,948,645.00	11,000,000.00			1.497	1,389	
Negotiable CDs												
02437PAG8	3173	AMERICAN NATIONAL BANK DALLAS		08/12/2013	248,000.00	248,000.00	248,000.00	1.250		1.251	954	08/12/2017
02587DWK0	3184	AMERICAN EXPRESS CENTURIAN		11/28/2014	247,000.00	247,000.00	247,000.00	2.200		2.012	1,793	11/29/2019
02587CAW0	3180	AMERICAN EXPRESS FSB		08/21/2014	247,000.00	251,344.21	247,000.00	2.100		2.101	1,693	08/21/2019
0606247B3	3176	BANK OF BARODA N.Y.		11/12/2013	248,000.00	248,000.00	248,000.00	2.150		2.151	1,412	11/13/2018

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
December 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Negotiable CDs												
856284-E3-4	3147	BANK OF INDIA NEW YORK		04/27/2012	248,000.00	253,628.36	248,000.00	2.000		2.001	847	04/27/2017
17037TDV6	3169	CHOICE FINANCIAL GROUP		11/20/2012	248,000.00	246,191.58	248,000.00	1.000		1.001	1,054	11/20/2017
20033AAG13	3168	COMENITY CAPITAL BANK		10/25/2012	249,000.00	247,804.50	249,000.00	1.050		1.065	1,028	10/25/2017
20451PEN2	3175	COMPASS BANK		09/25/2013	247,000.00	251,509.63	247,000.00	2.000		2.001	1,363	09/25/2018
20786AAL9	3177	CONNECTONE BANK N.J.		12/13/2013	247,000.00	249,655.97	247,000.00	1.850		1.851	1,442	12/13/2018
2546714X5	3181	DISCOVER BANK		08/27/2014	247,000.00	251,358.73	247,000.00	2.100		2.101	1,699	08/27/2019
29976DNY2	3166	EVERBANK		10/15/2012	248,000.00	248,000.00	248,000.00	1.000		1.001	1,019	10/16/2017
373128DS3	3167	GEORGIA BANK AND TRUST		10/17/2012	249,000.00	247,466.76	249,000.00	1.000		1.014	1,020	10/17/2017
36159CRZ1	3126	GE Money Bank		07/30/2010	247,000.00	251,456.79	247,000.00	2.400		2.400	210	07/30/2015
38148JBU4	3183	GOLDMAN SACHS		11/05/2014	247,000.00	251,513.21	247,000.00	2.150		2.151	1,766	11/02/2019
48124JSB5	3171	JP MORGAN CHASE BANK		01/28/2013	248,000.00	248,000.00	248,000.00	0.850		0.850	1,123	01/28/2018
628779FJ4	3178	NBT BANK		06/06/2014	247,000.00	248,329.11	247,000.00	1.800		1.801	1,617	06/06/2019
700654AV8	3182	PARK NATIONAL BANK		09/26/2014	249,000.00	253,913.17	249,000.00	2.100		2.099	1,545	03/26/2019
74267GUQ8	3179	PRIVATEBANK & TRUST CO.		07/21/2014	247,000.00	247,000.00	247,000.00	2.000		2.001	1,663	07/22/2019
7865803L2	3164	SAFRA NATIONAL BANK		09/27/2012	249,000.00	249,000.00	249,000.00	0.800		0.800	270	09/28/2015
795450NR2	3163	SALLIE MAE		07/25/2012	248,000.00	248,000.00	248,000.00	1.200		1.200	207	07/27/2015
909557CL2	3170	UNITED BANKERS' BANK		11/29/2012	249,000.00	247,650.35	249,000.00	1.100		1.115	1,063	11/29/2017
94986TMF1	3172	WELLS FARGO		03/28/2013	248,000.00	248,000.00	248,000.00	1.000		1.000	1,182	03/28/2018
Subtotal and Average			5,452,000.00		5,452,000.00	5,482,822.37	5,452,000.00			1.588	1,180	
Total and Average			57,634,042.13		58,037,824.40	58,103,641.64	58,145,495.22			1.276	770	

**CITY OF HEMET
Portfolio Management
Portfolio Details - Cash
December 31, 2014**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		24,986.69	24,986.69				0
				Subtotal		24,986.69	24,986.69				
		Total Cash and Investments	57,634,042.13		58,037,824.40	58,128,628.33	58,170,481.91			1.276	770

CITY OF HEMET
Received Interest
Sorted by Issuer
Received December 1, 2014 - December 31, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest				
						Date Due	Date Received	Amount Due	Amount Received	Variance
BARCLAYS BANK DE	06740KEX1	3146	BCD	247,000.00	1.900	12/07/2014	12/09/2014	2,352.93	2,352.93	
								Subtotal	2,352.93	2,352.93
BANK OF HEMET	SYS3174	3174	BCD	494,000.00	0.500	12/06/2014	12/09/2014	203.01	203.01	
								Subtotal	203.01	203.01
BANK OF THE WEST	SYS3144	3144	BCD	249,000.00	1.750	12/12/2014	12/15/2014	358.15	358.15	
								Subtotal	358.15	358.15
CATERPILLAR	14912L6B2	5020	MTN	1,000,000.00	2.100	12/09/2014	12/10/2014	10,500.00	10,500.00	
								Subtotal	10,500.00	10,500.00
COMENITY CAPITAL BANK	20033AAG13	3168	NC2	249,000.00	1.050	12/25/2014	12/29/2014	217.88	214.89	-2.99
								Subtotal	217.88	214.89
CONNECTONE BANK N.J.	20786AAL9	3177	NC2	247,000.00	1.850	12/13/2014	12/16/2014	375.58	375.58	
								Subtotal	375.58	375.58
FEDERAL HOME LOAN BANK	313383GY1 313383JZ53	2261 2263	FAC FAC	500,000.00 500,000.00	1.170 1.450	12/13/2014 12/27/2014	12/16/2014 12/30/2014	2,925.00	2,925.00	
								3,625.00	3,625.00	
								Subtotal	6,550.00	6,550.00
FEDERAL HOME LOAN MTG ASSOC.	3134G47G7	2262	FAC	500,000.00	1.400	12/26/2014	12/29/2014	3,500.00	3,500.00	
								Subtotal	3,500.00	3,500.00
FEDERAL NTL MORTGAGE ASSOC.	3136G04U2	2253	FAC	500,000.00	1.000	11/29/2014	12/02/2014	2,500.00	2,500.00	
								Subtotal	2,500.00	2,500.00
GEORGIA BANK AND TRUST	373128DS3	3167	NC2	249,000.00	1.000	12/17/2014	12/18/2014	207.50	204.66	-2.84
								Subtotal	207.50	204.66

CITY OF HEMET
Received Interest
Received December 1, 2014 - December 31, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Interest				
						Date Due	Date Received	Amount Due	Amount Received	Variance
NBT BANK	628779FJ4	3178	NC2	247,000.00	1.800	12/06/2014	12/09/2014	2,229.09	2,229.09	-
								Subtotal	2,229.09	2,229.09
PARK NATIONAL BANK	700654AV8	3182	NC2	249,000.00	2.100	11/26/2014	12/01/2014	444.11	444.11	-
								700654AV8	3182	NC2
	Subtotal	873.89	873.89							
UNITED BANKERS' BANK	909557CL2	3170	NC2	249,000.00	1.100	11/28/2014	12/02/2014	235.86	232.63	-3.23
								909557CL2	3170	NC2
	Subtotal	464.11	457.75							
WELLS FARGO	94986TMF1	3172	NC2	248,000.00	1.000	12/28/2014	12/30/2014	618.30	618.30	-
								Subtotal	618.30	618.30
Total								30,950.44	30,938.25	
Total Cash Overpayment								0.00		
Total Cash Shortfall								-12.19		

CITY OF HEMET
 Received Interest
 Received December 1, 2014 - December 31, 2014

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Received	Interest
							Amount Received
Cash Accounts							
BANK OF NEW YORK	SYS5009	5009	PA1	329,599.86		12/18/2014	5.42
						Subtotal	5.42
Citibank	SYS5001	5001	PA1	43,277.23	0.450	12/31/2014	3.56
						Subtotal	3.56
CITIBANK3	SYS5004	5004	PA1	4,701,152.65	0.450	12/31/2014	412.23
						Subtotal	412.23
						Total	421.21

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

www.treasurer.ca.gov/pmia-laif/laif.asp

January 05, 2015

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 2014 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
12/12/2014	12/11/2014	RW	1452727	DONNA ROWLEY	-3,000,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	23,235,378.87
Total Withdrawal:	-3,000,000.00	Ending Balance:	20,235,378.87

CITY OF HEMET
Cash W/Fiscal Agent: US BANK
2006 Refunding Bonds Series Heartland Project

Date	Activity		103852000 788-1508 Bond	103852001 788-1508 Prepayment	103852002 Special	103852003 788-1510 Escrow	103852004 788-1502 Cost of	103852005 788-1506 Reserve	TOTAL
	BALANCE	0.00	0.00	3,002,471.66	(0.00)	0.00	0.00	466,136.25	3,468,607.91
7/31/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	0.00	3,002,471.66	(0.00)	0.00	0.00	466,136.25	3,468,607.91
8/31/2014	Interest								0.00
	Transfer funds			259,046.25					259,046.25
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	0.00	3,261,517.91	(0.00)	0.00	0.00	466,136.25	3,727,654.16
9/30/2014	Interest								0.00
	Transfer funds		3,150,741.25	(2,958,746.25)				(191,995.00)	0.00
	City of Hemet								0.00
	Debt Service		(2,958,746.25)						(2,958,746.25)
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
10/31/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
11/30/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
12/31/2014	Interest								0.00
	Transfer funds								0.00
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	191,995.00	302,771.66	(0.00)	0.00	0.00	274,141.25	768,907.91
	First American Treasury Oblig		768,907.91						
	US Treasury Notes, various								not carried on COH books
	Misc Assets		<u>1.00</u>						
			768,908.91						
	Cash held by FA, net of Escrow acct		768,907.91						
									0.00

CITY OF HEMET SUCCESSOR AGENCY to
former HEMET REDEVELOPMENT AGENCY
Cash W/Fiscal Agent: US BANK
2002 TAX ALLOCATION BONDS/RDA

Date	Activity	98510818 496-1504 Interest Fund	98510819 Principal Fund	98510820 Escrow Fund	Sinking Fund	98510816 496-1506 Reserve Fund	98510815 Redemption Fund	98510817 389-1502 Cost of Issuance	RDA 389-1503 Acquisition Fund	TOTAL All Accounts
	BALANCE	6.76	0.32	0.00	0.00	477,088.16	0.00	(0.00)	0.00	477,095.24
7/31/2014	Interest					6.28				6.28
	Interfund transfer									0.00
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	BALANCE	6.76	0.32	0.00	0.00	477,094.44	0.00	(0.00)	0.00	477,101.52
8/31/2014	Interest					6.49				6.49
	Interfund transfer									0.00
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	BALANCE	6.76	0.32	0.00	0.00	477,100.93	0.00	(0.00)	0.00	477,108.01
9/30/2014	Interest					6.49				6.49
	Interfund transfer	38.52	(150,000.00)			(38.52)				(150,000.00)
	Debt Service from City of Hemet	156,917.23	149,999.68							306,916.91
	Debt Service Pmt	(156,962.51)								(156,962.51)
	BALANCE	0.00	0.00	0.00	0.00	477,068.90	0.00	(0.00)	0.00	477,068.90
10/31/2014	Interest	0.34	0.33			6.28				6.95
	Interfund transfer									0.00
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	BALANCE	0.34	0.33	0.00	0.00	477,075.18	0.00	(0.00)	0.00	477,075.85
11/30/2014	Interest					6.49				6.49
	Interfund transfer									0.00
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	BALANCE	0.34	0.33	0.00	0.00	477,081.67	0.00	(0.00)	0.00	477,082.34
12/31/2014	Interest					6.28				6.28
	Interfund transfer					(477,082.34)				(477,082.34)
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	Escrow Fund									0.00
	BALANCE	0.34	0.33	0.00	0.00	5.61	0.00	(0.00)	0.00	6.28

First American Treas Oblig CL D Corp Tr	6.28
LAIF/RDA	0.00
	<u>6.28</u>
	0.00

CITY OF HEMET SUCCESSOR AGENCY to
former 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 Redemptio Fund	98510815 390-1502 Cost of Issuance	RDA 390-1503 Acquisition Fund	TOTAL All Accounts
	BALANCE	8.36	0.66	0.00	607,194.86	0.00	0.00	(0.00)	607,203.88
6/30/2014	Interest				8.26				8.26
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	8.36	0.66	0.00	607,203.12	0.00	0.00	(0.00)	607,212.14
7/31/2014	Interest				8.00				8.00
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	8.36	0.66	0.00	607,211.12	0.00	0.00	(0.00)	607,220.14
8/31/2014	Interest				8.26				8.26
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	8.36	0.66	0.00	607,219.38	0.00	0.00	(0.00)	607,228.40
9/30/2014	Interest				8.26				8.26
	Interfund transfer	49.04			(49.04)				0.00
	Debt Service from City of Hemet	157,743.85	314,999.34						472,743.19
	Debt Service Payment	(157,801.25)	(315,000.00)						(472,801.25)
	BALANCE	0.00	0.00	0.00	607,178.60	0.00	0.00	(0.00)	607,178.60
10/31/2014	Interest	0.35	0.69		8.00				9.04
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.35	0.69	0.00	607,186.60	0.00	0.00	(0.00)	607,187.64
11/30/2014	Interest				8.26				8.26
	Interfund transfer								0.00
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	BALANCE	0.35	0.69	0.00	607,194.86	0.00	0.00	(0.00)	607,195.90
12/31/2014	Interest				8.00				8.00
	Interfund transfer				(607,195.90)				(607,195.90)
	Debt Service from City of Hemet								0.00
	Debt Service Payment								0.00
	Proceeds of Debt								0.00
	BALANCE	0.35	0.69	0.00	6.96	0.00	0.00	(0.00)	8.00
	First American Treas Oblig CL D Corp Tr				8.00				
	Money Market/RDA				<u>8.00</u>				
					0.00				

HEMET REDEVELOPMENT AGENCY
 Cash W/Fiscal Agent: US BANK .
 2014 Hemet Refunding Project TAB Series A

Date	Activity	98510820		98510821		98510822		SA		TOTAL All Accounts
		Interest Fund	Principal Fund	Escrow Fund	Escrow Fund	Reserve Fund	Redemption Fund	Cost of Issuance	Acquisition Fund	
	BALANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12/31/2014	Interest									0.00
	Interfund transfer			607,195.90	477,082.34					1,084,278.24
	Debt Service from City of Hemet									0.00
	Debt Service Pmt									0.00
	Proceeds of Debt			5,790,768.04	5,677,847.04					11,468,615.08
	BALANCE	0.00	0.00	6,397,963.94	6,154,929.38	0.00	0.00	0.00	0.00	12,552,893.32
	First American Treas Oblig CL D Corp Tr		12,552,893.32							
	RDA		0.00							
			<u>12,552,893.32</u>							
			0.00							



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Jessica A. Hurst, DCM/Administrative Services Director;
Wally Hill, City Manager *Wally Hill*

DATE: February 10, 2015

RE: Warrant Register

The City of Hemet's warrant register dated January 22, 2015 in the amount of \$1,837,444.47 is currently posted on the City's website in the Finance Department section, under *Financial Information*. Payroll for the period of January 5, 2015 to January 18, 2015 was \$589,413.67.

CLAIMS VOUCHER APPROVAL

"I, Jessica A. Hurst, Deputy City Manager/Administrative Services, 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,

Jessica A. Hurst
Deputy City Manager/Administrative Services Director

JAH: mh

CITY OF HEMET
VOUCHER/WARRANT REGISTER
FOR ALL PERIODS

CLAIMS VOUCHER APPROVAL

I, JESSICA A. HURST, 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.

JESSICA A. HURST
DCM/ADMINISTRATIVE SERVICES DIRECTOR



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*
Deanna Elliano, Community Development Director *DE*

DATE: February 10, 2015

RE: **ZONE CHANGE NO. 14-001** - A request regarding a Zone Change from A-10 (Heavy Agricultural) to C-1 (Neighborhood Commercial) on an 11.5 acre site. The subject property is located on the southeast corner of Esplanade Avenue and Warren Road and has an existing General Plan land use designation of Neighborhood Commercial. Also to be considered is a determination that the project is consistent with a previously certified EIR for the Hemet General Plan Update, pursuant to CEQA Guidelines Section 15162.

PROJECT APPLICANT INFORMATION

Owner: Hemet Warren, LLC
Authorized Agent: Patti Nahill - PGN
Project Location: 5671 W. Esplanade Avenue
Site Area: 11.5 Acres

RECOMMENDED ACTION:

That the City Council:

1. **Introduce and read by title only City Council Ordinance Bill No. 15-005** approving ZC 14-001; and,
2. Direct staff to file a Notice of Determination with the County Clerk.

PROJECT DESCRIPTION:

The property owner and applicant, Hemet Warren, LLC, has requested a zone change for their 11.5 acre property, to bring the zoning into conformance with the existing Neighborhood Commercial General Plan Land Use Designation for the site. The property is currently zoned A-10 (Heavy Agriculture) and the owner has requested C-1 (Neighborhood Commercial) zoning. The subject property is located at the southeast corner of Warren Road and Esplanade Avenue, as shown in the attached Zone Change Plat Map (Exhibit 1A), Zoning Map (Attachment 4), and Aerial Photo (Attachment 5). The applicant does not propose any development of the site at this time. If the zone change is approved, any future development proposal for the site would be required to obtain a Site Development Plan approval from the City, in conjunction with additional environmental review of the specific project, as needed.

SURROUNDING LAND USES AND SETTING

The site is bounded by Warren Road on the west and Esplanade Avenue to the north, and is currently vacant. The property was previously use as a horse ranch and contained two (2) single family homes, a carport, corral and hay barn that were demolished in July of 2014. The site has earthen drainage ditches along Esplanade Avenue and Warren Road and no sidewalk, curb, or gutters exist on site. The property is fenced with a variety of fencing materials and contains several mature trees on site. The parcels to the west of Warren Avenue are located in the County of Riverside and include the MWD Aqueduct, as well as large lot residential uses. The parcels to the north are located in the City of San Jacinto and are currently vacant, although planned for Commercial development. The parcels to the east and south are zoned R-1 (Single Family Residential), within the Stoney Mountain residential development. The property directly to the south is vacant land for habitat conservation, and designated under the City’s General Plan as Open Space. The site and surrounding land uses are shown in Attachments No. 5 and 6.

	LAND USE	ZONING	GENERAL PLAN
PROJECT SITE	Vacant	A--10 (Heavy Agricultural)	Neighborhood Commercial (NC)
NORTH	Vacant	City of San Jacinto Public Institutional and Esplanade SP 10-02	City of San Jacinto
EAST	Single Family Residences (Stoney Mountain)	R-1 (Single Family Residential)	Low Density Residential (LDR 2.1-5.0 DU/AC)
SOUTH	Open Space- Habitat	R-1 (Single Family Residential)	Open Space (OS)
WEST	MWD Aqueduct -Vacant	County of Riverside A-2-10 (Heavy Agriculture)	Open Space (OS)

PUBLIC OUTREACH AND REVIEW

A 10-day public notice regarding consideration of Zone Change No. 14-001 was mailed to property owners within a 1,000-foot radius prior to the Planning Commission hearing on January 20, 2015 and the City Council hearing on February 10, 2015. Additionally, a public notice announcing the holding of both public hearings was published in the Press Enterprise newspaper. As of the time of preparation of this staff report, no public comments had been received.

The public hearing was held before the Planning Commission on January 20, 2015. No members of the public spoke regarding the proposed zone change. However, staff did receive 3 phone calls prior to the hearing: two (2) from surrounding property owners that include Linda Pearson on January 8, 2015 and Chris Howerton on January 13, 2015. Ms. Pearson and Mr. Howerton inquired if the project included commercial development. Staff advised the callers that no development is proposed and the

application is to bring the property into conformance with the General Plan. If commercial development were contemplated in the future, it would likely require approval of a Conditional Use Permit by the Planning Commission, and be subject to a public hearing. The third call was from Lilia Martinez from Eastern Municipal Water District regarding the Environmental Impact Report (EIR) and if the District had reviewed the previous EIR. Staff provided Ms. Martinez with the previous EIR information related to the General Plan update.

The Planning Commission unanimously recommended approval of ZC-14-001 at their meeting of January 20, 2015; and adopted Resolution No. 15-001 recommending approval of the project to the City Council (see Attachment No. 2).

Any additional comments received prior to the time of the scheduled City Council meeting will be provided to the Council at the time of the public hearing.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

General Plan Consistency

The General Plan Land Use Map for the subject site and surrounding area is shown in Attachment 3, indicating the site's designation as "Neighborhood Commercial". The Neighborhood Commercial land use designation is intended to provide for "general retail, markets, commercial services, and restaurants designed to primarily serve the needs of the surrounding residential areas".

The project site is located in the Tres Cerritos Land Use District. This area contains the Tres Cerritos Hills, a significant landform in the City. The Tres Cerritos area also includes the Warren Road/Esplanade Avenue gateway which will be adjacent to the future SR79 realignment. Additionally, the westernmost portions of the district contain some vernal pools and endemic plant species that are protected under the Multiple Species Habitat Conservation Plan (MSHCP). The General Plan land use districts are shown in Figure 2.3, (see Attachment No. 7).

The property is currently zoned A-10 (Heavy Agriculture) and the property owner is proposing changing the zone to C-1 (Neighborhood Commercial). The current Land Use Designation for the property is Neighborhood Commercial (NC) which is consistent with the proposed C-1 zoning designation as indicated in Table 2.2 of the General Plan (See Attachment No. 8). Table 2.2 indicates the relationship between Hemet's zone districts and the General Plan Land Use designations.

Multiple Species Habitat Conservation Plan

The property is located with Cell 3291 of the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP). The MSHCP indicates that the property is required to provide habitat assessments for the following species:

- | | |
|-------------------------------|----------------------|
| Burrowing Owl | Smooth Tarplant |
| San Jacinto Valley Crownscale | Round-leaved filaree |
| Parish's brittlescale | Coulter's Goldfields |
| Davidson's saltscale | Little Mouseltail |
| Thread-leaved brodiaea | Mud Nama |

Munz's Onion
San Diego ambrosia
Many-stemmed dudleya

Spreading navarretia
California Orcutt grass
Wright's trichoncoronis

A general biological assessment was prepared by Natural Resources Assessment, Inc. on August 18, 2014. The assessment observed the Smooth Tarplant and suitable habitat for the Burrowing Owl. However, the Zone Change does not propose any development and therefore will have no direct impacts to the resources on site.

Any future development applications will require a Habitat Assessment and Negotiation Strategy (HANS) to determine whether the entire site or portions of the property are needed for inclusion in the MSHCP Conservation Area, in addition to any necessary studies or habitat assessments that may be required.

Circulation Plan

The State Route (SR) 79 Realignment project is proposed to realign SR-79 between Domenigoni Parkway and Gilman Springs Road. The City of Hemet identified and adopted a Locally Preferred Alternative alignment in 2008, which has been incorporated into the City's General Plan Circulation Element. However, Cal Trans and RCTC are the lead agencies for the SR-79 project, and are in the process of selecting a final alignment and preparing the Final EIR. The current preferred alignment impacts the project property (see Attachment No. 3 and 9). The proposed alignment shows a graded separated intersection at Esplanade Avenue and Warren Road that will bisect the subject property, and greatly constrain the useable area of the site. Until such time that the final alignment is selected, site planning for commercial uses on the property is difficult. The applicant's intention is to have the proper zoning in place in anticipation of moving forward with development activities once the useable area is better defined.

ENVIRONMENTAL DETERMINATION:

The proposed Zone Change application is considered a project under the California Environmental Quality Act (CEQA) Guidelines. However, an EIR was prepared for the Comprehensive General Plan Update which was adopted by the Hemet City Council on January 24, 2012. Based on the Initial Study prepared for the zone change, staff concluded that the proposed project is consistent with the existing Commercial Land Use analyzed in the adopted EIR for the General Plan and no further review is required at this time pursuant to Section 15162 of the CEQA Guidelines. Future development of the project will require additional environmental review based on the merits of the project proposal.

ANALYSIS

Changing the zone from A-10 (Heavy Agriculture) to C-1 (Neighborhood Commercial) is consistent with the current General Plan Land Use Element. The current General Plan land use designation for the subject property is Neighborhood Commercial. The proposed Zone Change to C-1 (Neighborhood Commercial) is also compatible with the surrounding R-1 (Single Family Residential) zoning. The project does not propose development at this time. Future development of the site will be dependent upon the useable area of the property in light of the constraints from

the SR-79 project alignment and the MSHCP Consistency Analysis. At such time, a Site Development Plan would be required as well as additional environmental review. For these reasons, the Planning Commission recommended approval of the proposed Zone Change to bring the existing zoning of the site into conformity with the General Plan land use designation.

FISCAL IMPACT:

There is no direct fiscal effect on the City as a result of the proposed Zone Change changing the zoning of the parcel from an A-10 (Heavy Agricultural) to C-1 (Neighborhood Commercial).

Respectfully submitted,



Deanna Elliano
Community Development Director

Attachment(s):

1. City Council Ordinance Bill No. 15-005 adopting Zone Change No. 14-001
Exhibit 1A – Plat Map for ZC 14-001
Exhibit 1B – Legal Description for ZC 14-001
2. Planning Commission Resolution No. 15-001 recommending approval of Zone Change No. 14-001 to City Council
3. General Plan Land Use Designation Map
4. Adjacent Zoning Map
5. Aerial View
6. Photographs of Site
7. Land Use Districts Figure 2.3
8. General Plan Table 2.2
9. Roadway Circulation Master Plan

Attachment No. 1

City Council
Ordinance Bill No.
15-005

Meeting of
February 10, 2015



CITY OF HEMET
Hemet, California

CITY COUNCIL
ORDINANCE BILL NO. 15-005

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA APPROVING ZONE CHANGE NO. 14-001 TO CHANGE THE ZONING CLASSIFICATION FROM A-10 (HEAVY AGRICULTURAL) TO C-1 (NEIGHBORHOOD COMMERCIAL) LOCATED ON THE SOUTHEAST CORNER OF WARREN AND ESPLANADE AVENUES (APN: 448-060-001).

WHEREAS, on September 18, 2014 an application for Zone Change No. 14-001 has been duly filed by:

Owner: Hemet Warren, LLC
Authorized Agent: Patti Nahill - PGN
Project Location: 5671 W. Esplanade Avenue
Lot Area: 11.5; and

WHEREAS, on January 8, 2015, the City gave public notice by advertising in the Press Enterprise and by mailing to property owners within 1,000 feet, of the holding of a public hearing at which the project would be considered by the Planning Commission; and

WHEREAS, on January 20, 2015, the Planning Commission held the noticed public hearing at which time interested persons had an opportunity to testify in support of, or opposition to, the proposed Zone Change and at which time the Planning Commission considered all written and oral reports of staff and public testimony on the matter, and adopted Resolution No. 15-001 recommending approval of Zone Change No. 14-001 to the City Council, and

WHEREAS, on January 29, 2015, the City gave public notice by advertising in the Press Enterprise and by mailing to property owners within 1,000 feet, of the holding of a public hearing at which the project would be considered by the City Council; and

WHEREAS, the City Council has the authority per section 90-41 *et seq.* of the Hemet Municipal Code to review and approve proposed Zone Change 14-001 to allow

1 the zone change from A-10 (Heavy Agricultural) to C-1 (Neighborhood Commercial);
2 and
3

4 **WHEREAS**, on February 20, 2015, the City Council held a duly noticed public
5 hearing at which interested persons had an opportunity to testify in support of, or in
6 opposition to the proposed Zone Change No. 14-001 and, at which the City Council
7 considered all written and oral reports of staff and public testimony on the matter, and
8 such other matters as are reflected in the record; and
9

10 **WHEREAS**, at this public hearing on February 20, 2015, the City Council
11 determined that the proposed project is consistent with the Environmental Impact
12 Report for the Comprehensive General Plan Update adopted by the City Council on
13 January 24, 2012 and is, therefore, exempt from further review under California
14 Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15162
15 (Subsequent EIR's and Negative Declarations) and that the exceptions to the
16 categorical exemptions contained in the CEQA Guidelines Section 15300.2 are not
17 applicable to the project.
18

19 **NOW, THEREFORE**, the City Council of the City of Hemet does Resolve,
20 Determine, Find and Order as follows:
21
22

23 **SECTION 1: ENVIRONMENTAL FINDINGS**

24

25 The City Council, in light of the whole record before it, including but not limited to, the
26 City's Local CEQA Guidelines and Thresholds of Significance, the recommendation of
27 the Planning Commission as provided in the Staff Report dated February 10, 2015 and
28 documents incorporated therein by reference, and any other evidence (within the
29 meaning of Public Resources Code §21080(e) and §21082.2) within the record or
30 provided at the public hearing of this matter, hereby finds and determines as follows:
31

- 32 1. **CEQA.** The City Council approved a resolution certifying the Final Program EIR
33 for the Comprehensive General Plan 2030 update by Resolution No. 4474 on
34 January 24, 2012, and a Notice of Determination was filed in accordance with
35 CEQA requirements on January 26, 2012, that the proposed zone change is
36 consistent with the previously adopted Comprehensive General Plan Update and
37 Environmental Impact Report and, pursuant to Section 15162 of the CEQA
38 Guidelines, no further review is required.
39
- 40 2. **Multi-Species Habitat Conservation Plan (MSHCP).** The project is found to be
41 consistent with the MSHCP. The property is located with Cell 3291 of the
42 Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP).
43

1 A general biological assessment was prepared by Natural Resources
2 Assessment, Inc. on August 18, 2014. The assessment observed the Smooth
3 Tarplant and suitable habitat for the Burrowing Owl. However, the Zone Change
4 does not propose any development and therefore will have no direct impacts to
5 the resources on site.

6 7 **SECTION 2: REQUIRED ZONE CHANGE FINDINGS**

8
9 Pursuant to Hemet Municipal Code Section 90-41.5 (b) and in light of the record before
10 it including the staff report dated February 10, 2015, and all evidence and testimony
11 heard at the public hearing of this item, the City Council hereby finds as follows:

- 12
13 **1. That the proposed change of zone is in conformance with the latest**
14 **adopted general plan for the city.**

15
16 Changing the zone from A-10 (Heavy Agriculture) to C-1 (Neighborhood
17 Commercial) is consistent with the current General Plan Land Use. Table 2.2 City
18 of Hemet General Plan 2030 identifies the relationship between Hemet's Zone
19 Districts and the General Plan Land Use Designations. The current land use
20 designation for the subject property is Neighborhood Commercial.

- 21
22 **2. That the streets in the area are adequate to handle potential traffic**
23 **generated by the change of zone; and**

24
25 The project does not propose development and is not anticipated to cause an
26 increase in traffic in relation to the existing traffic load and capacity of the existing
27 street system. The proposed project is not anticipated to result in exceeding, either
28 cumulatively or individually, a level of service standard established by the County
29 congestion management agency for designated roads or highways.

- 30
31 **3. That the proposed change of zone is compatible with adjacent zoning.**

32
33 The proposed Zone Change to C-1 (Neighborhood Commercial) is compatible
34 with the R-1 (Single Family Residential) zoning to the south and east. The
35 proposed zone change can provide neighborhood commercial opportunities to
36 support the existing residential in the area.

37 38 **SECTION 3: CITY COUNCIL ACTIONS**

39 The City Council hereby takes the following action:

- 40
41 **1. Adopt the proposed City Council Ordinance** approving Zone Change No.
42 4-001, as shown in Exhibit 1A and described in Exhibit 1B which are attached
43 hereto and incorporated herein by reference, changing the zoning from A-10 to

1 C-1 on 11.5 acres of property located on the southeast corner of Esplanade and
2 Warren Avenues (APN: 448-060-001).

3
4 2. Direct staff to file a Notice of Determination with the Riverside County Clerk
5 and Recorder.
6
7

8 **SECTION 4:** The City Clerk is authorized and directed to cause this Ordinance to be
9 published within fifteen (15) days after its passage in a newspaper of general circulation
10 and circulated within the City in accordance with Government Code Section 36933(a)
11 or, to cause this Ordinance to be published in the manner required by law using the
12 alternative summary and pasting procedure authorized under Government Code
13 Section 39633(c).
14

15
16 **PASSED, APPROVED, AND ADOPTED** this 10th day of February, 2015.
17

18
19
20
21 _____
22 Linda Krupa, Mayor
23

24
25 ATTEST:

26 APPROVED AS TO FORM:
27

28 _____
29 Sarah McComas, City Clerk
30

31 _____
Eric S. Vail, City Attorney

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

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 10th day of February, 2015 by the following vote:

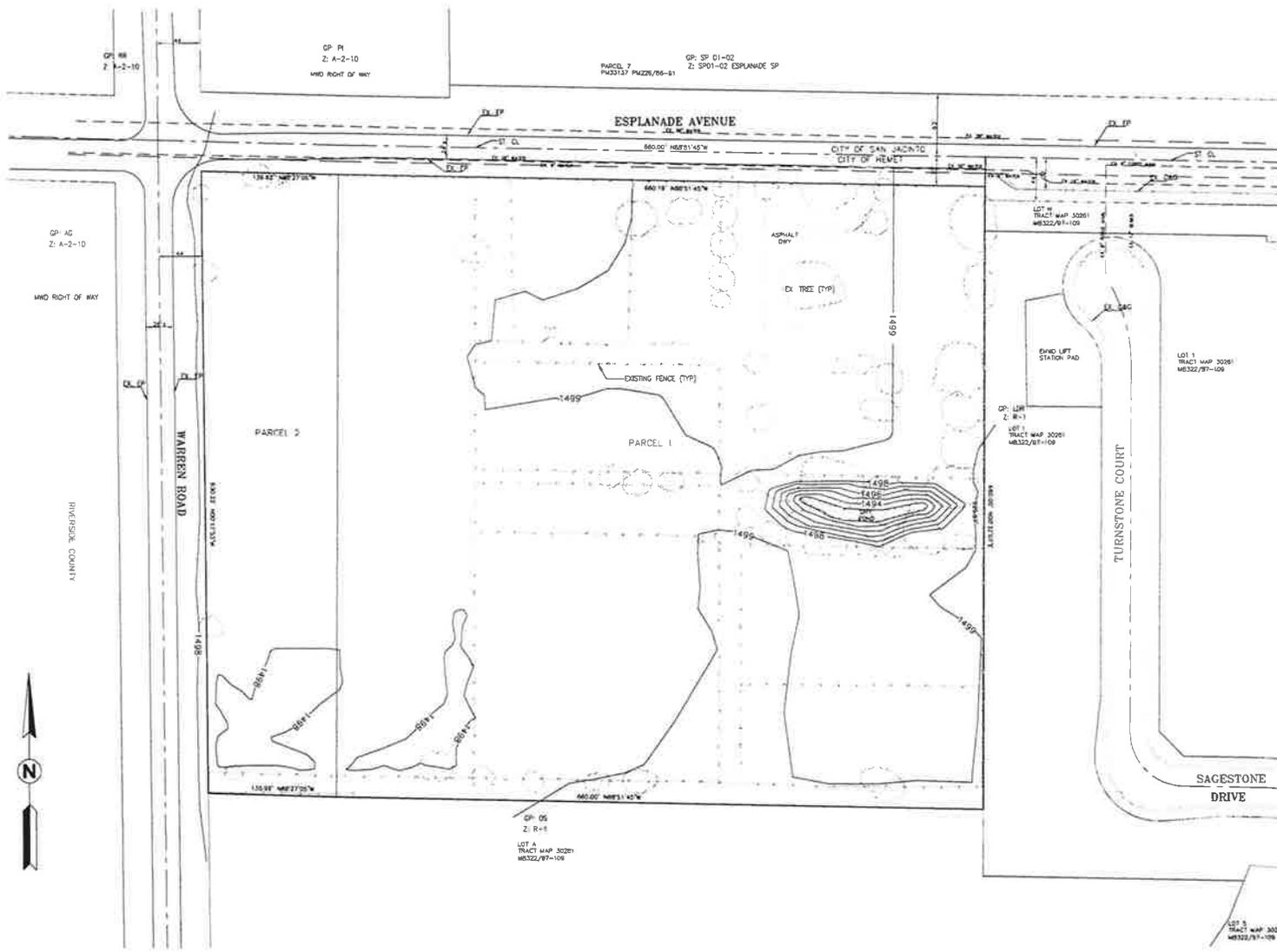
AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk

Exhibit No. 1A

Zone Change
Plat Map

CHANGE OF ZONE



LEGAL DESCRIPTION

PARCEL 1:
 THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL RECORD THEREOF DESCRIBED AS FOLLOWS COMMENCING AT THE NORTHWEST CORNER OF SECTION 6; THENCE SOUTH ALONG THE WEST LINE OF SAID SECTION, 10 CHAINS; THENCE SOUTH 88°56' EAST TO CHAINS; THENCE NORTH PARALLEL WITH THE WEST BOUNDARY LINE THEREOF THENCE NORTH 88°56' WEST 10 CHAINS TO BEGINNING.

PARCEL 2:
 THAT PORTION OF THE NORTH 850.00 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LYING EASTERLY OF A LINE WHICH IS PARALLEL WITH AND 44.00 FEET EASTERLY MEASURED AT RIGHT ANGLES, FROM THE FOLLOWING DESCRIBED LINE BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF SECTION 1, SAID POINT BEING DISTANT SOUTH 80°45'56" WEST 164.81 FEET FROM THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THENCE NORTH 0°35' WEST ALONG A LINE WHICH IS PARALLEL WITH AND 218.00 FEET EASTERLY MEASURED AT RIGHT ANGLES, FROM THAT CERTAIN TRAVERS LINE DESCRIBED IN DEED RECORDED IN BOOK 2338, PAGE 388 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 1354.27 FEET TO THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 4 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, SAID SOUTHEAST CORNER BEING DISTANT NORTH 88°45'25" WEST 184.68 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID LAND BUT WITHOUT THE RIGHT OF SURFACE ENTRY AS RESERVED OR GRANTED IN DOCUMENTS OF RECORD.

- UTILITIES**
- WATER: EXHD
 - SEWER: EXHD
 - GAS: SOUTHERN CALIFORNIA GAS
 - TELEPHONE: NORTON
 - ELECTRIC: SOUTHERN CALIFORNIA EDISON

GENERAL PLAN DESIGNATION
 EXISTING: NEIGHBORHOOD COMMERCIAL
 PROPOSED: NEIGHBORHOOD COMMERCIAL

ZONE DESIGNATION
 EXISTING ZONE: A-10 HEAVY AGRICULTURAL
 PROPOSED: C-1 NEIGHBORHOOD COMMERCIAL

SITE ADDRESS
 5671 WEST ESPLANADE AVE HEMET, CA 92343

ASSESSOR'S PARCEL NUMBERS
 448-080-001

PARCEL SIZE
 11.5 AC

OWNER/APPLICANT
 HEMET WARREN, LLC, A DELAWARE LIMITED LIABILITY COMPANY
 6363 MELBURE BLVD, SUITE 920
 BEVERLY HILLS, CA 90211
 PHONE: (323)677-0250 EXT. 112

HLC Civil Engineering
 30281 VA CAJON
 MURRISITA, CA 92563
 (951) 640-0957

DATE	BY	REVISIONS

CITY OF HEMET
CHANGE OF ZONE
APN 448-080-001

PREPARED DATED: AUGUST 16, 2014

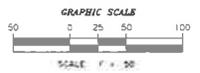


Exhibit No. 1B

Legal Description

LEGAL DESCRIPTION

HEMET WARREN, LLC
ASSESSORS PARCEL NUMBER 448-060-001

PARCEL 1:

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL RECORD THEREOF DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SECTION 6; THENCE SOUTH ALONG THE WEST LINE OF SAID SECTION, 10 CHAINS; THENCE SOUTH 88°56' EAST 10 CHAINS; THENCE NORTH PARALLEL WITH THE WEST BOUNDARY LINES OF SAID SECTION, 10 CHAINS TO THE NORTH BOUNDARY LINE THEREOF; THENCE NORTH 88°56' WEST 10 CHAINS TO BEGINNING.

PARCEL 2:

THAT PORTION OF THE NORTH 660.00 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LYING EASTERLY OF A LINE WHICH IS PARALLEL WITH AND 44.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, SAID POINT BEING DISTANT SOUTH 80 ° 45'56" WEST 164.81 FEET FROM THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER;

THENCE NORTH 0°35' WEST ALONG A LINE WHICH IS PARALLEL WITH AND 219.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THAT CERTAIN TRAVERS LINE DESCRIBED IN DEED RECORDED IN BOOK 2339, PAGE 356 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 1364.27 FEET TO THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 4 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, SAID SOUTHEAST CORNER BEING DISTANT NORTH 88°45'25" WEST 184.68 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN.


Hector L. Correa
R.C.E 36306
Expires 6/30/16

1/28/15
Date



Attachment No. 2

Planning Commission
Resolution No. 15-001

Planning Commission
Meeting of
February 10, 2015



CITY OF HEMET
Hemet, California

PLANNING COMMISSION
RESOLUTION NO. 15-001

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HEMET, CALIFORNIA, RECOMMENDING THE CITY COUNCIL APPROVE ZONE CHANGE NO. 14-001 TO CHANGE THE ZONING FROM A-10 (HEAVY AGRICULTURE) TO C-1 (NEIGHBORHOOD COMMERCIAL) LOCATED ON THE SOUTHEAST CORNER OF WARREN AND ESPLANADE AVENUES (APN: 448-060-001).

WHEREAS, on September 18, 2014 an application for Zone Change No. 14-001 has been duly filed by:

Owner: Hemet Warren LLC
Agent: Patti Nahill - PGN
Project Location: 5671 W. Esplanade Avenue
Lot Area: 11.5 Acres; and

WHEREAS, the Planning Commission has the authority per section 90-41 *et seq.* of the Hemet Municipal Code to review and make a recommendation to the City Council regarding proposed Zone Change 14-001 to allow the zone change from A-10 (Heavy Agriculture) to C-1 (Neighborhood Commercial); and

WHEREAS, on January 8, 2015, the City gave public notice by advertising in the Press Enterprise and by mailing to property owners within 1,000 feet, of the holding of a public hearing at which the project would be considered by the Planning Commission; and

WHEREAS, on January 20, 2015, the Planning Commission held the noticed public hearing at which interested persons had an opportunity to testify in support of, or opposition to, the proposed Zone Change and at which time the Planning Commission considered the Zone Change, and

WHEREAS, staff has determined that the project is consistent with the EIR adopted for the Comprehensive General Plan Update adopted by the City Council on January 24, 2012 and is, therefore, exempt from further review under the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15162

Planning Commission Resolution No. 15-001
ZONE CHANGE NO. 14-001 – HEMET WARREN LLC

Page 1 of 4

1 (Subsequent EIR's and Negative Declarations), and that the exceptions to the
2 categorical exemptions contained in CEQA Guidelines Section 15300.2 are not
3 applicable to the project.
4

5 **NOW, THEREFORE**, the Planning Commission of the City of Hemet does
6 Resolve, Determine, Find and Order as follows:
7

8 **SECTION 1: ENVIRONMENTAL FINDINGS**

9

10 The Planning Commission, in light of the whole record before it, including but not limited
11 to, the City's Local CEQA Guidelines and Thresholds of Significance, the
12 recommendation of the Community Development Director as provided in the Staff
13 Report dated January 20, 2015 and documents incorporated therein by reference, and
14 any other evidence (within the meaning of Public Resources Code §21080(e) and
15 §21082.2) within the record or provided at the public hearing of this matter, hereby finds
16 and determines as follows:
17

18 1. **CEQA.** The City Council approved a resolution certifying the Final Program EIR
19 for the Comprehensive General Plan 2030 update by Resolution No. 4474 on
20 January 24, 2012, and a Notice of Determination was filed in accordance with
21 CEQA requirements on January 26, 2012. The Planning staff believes that the
22 proposed zone change is consistent with the previously adopted Comprehensive
23 General Plan Update and Environmental Impact Report and, pursuant to Section
24 15162 of the CEQA Guidelines, no further review is required.
25

26 2. **Multi-Species Habitat Conservation Plan (MSHCP).** The project is found to be
27 consistent with the MSHCP. The property is located with Cell 3291 of the
28 Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP).
29

30 A general biological assessment was prepared by Natural Resources
31 Assessment, Inc. on August 18, 2014. The assessment observed the Smooth
32 Tarplant and suitable habitat for the Burrowing Owl. However, the Zone Change
33 does not propose any development and therefore will have no direct impacts to
34 the resources on site.
35
36

37 **SECTION 2: REQUIRED ZONE CHANGE FINDINGS**

38

39 Pursuant to Hemet Municipal Code Section 90-41.5 (b) and in light of the record before
40 it including the staff report dated January 20, 2015, and all evidence and testimony
41 heard at the public hearing of this item, the Planning Commission hereby finds as
42 follows:
43

- 44 1. **That the proposed change of zone is in conformance with the latest**
45 **adopted general plan for the city;**
46

1 Changing the zone from A-10 (Heavy Agriculture) to C-1 (Neighborhood
2 Commercial) is consistent with the current General Plan Land Use. Table 2.2 City
3 of Hemet General Plan 2030 identifies the relationship between Hemet's Zone
4 Districts and the General Plan Land Use Designations. The current land use
5 designation for the subject property is Neighborhood Commercial.

- 6
7 **2. That the streets in the area are adequate to handle potential traffic**
8 **generated by the change of zone; and**
9

10 *The project does not propose development and is not anticipated to cause an*
11 *increase in traffic in relation to the existing traffic load and capacity of the existing*
12 *street system. The proposed project is not anticipated to result in exceeding, either*
13 *cumulatively or individually, a level of service standard established by the County*
14 *congestion management agency for designated roads or highways.*

- 15
16 **3. That the proposed change of zone is compatible with adjacent zoning.**
17

18 *The proposed Zone Change to C-1 (Neighborhood Commercial) is compatible*
19 *with the R-1 (Single Family Residential) zoning to the south and east. The*
20 *proposed zone change can provide neighborhood commercial opportunities to*
21 *support the existing residential in the area.*
22

23 **SECTION 3: Planning Commission Action**
24

25 The Planning Commission hereby takes the following action:
26

- 27 1. Recommend to the City Council approval of Zone Change No. 14-001, a request
28 to change the zone from A-10 (Heavy Agriculture) to C-1 (Neighborhood
29 Commercial), as shown in Exhibit A and described in Exhibit B which are
30 attached hereto and incorporated by reference.
31
32
33
34

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

PASSED, APPROVED AND ADOPTED this January 20, 2015, by the following vote:

AYES: Chairman John Gifford, Vice Chair Greg Vasquez, Commissioners Michael Perciful, Vince Overmyer and Rick Crimeni

NOES:

ABSTAIN:

ABSENT:



John Gifford, Chairman
Hemet Planning Commission

ATTEST:

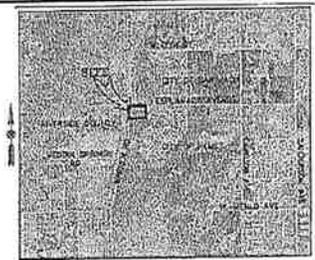
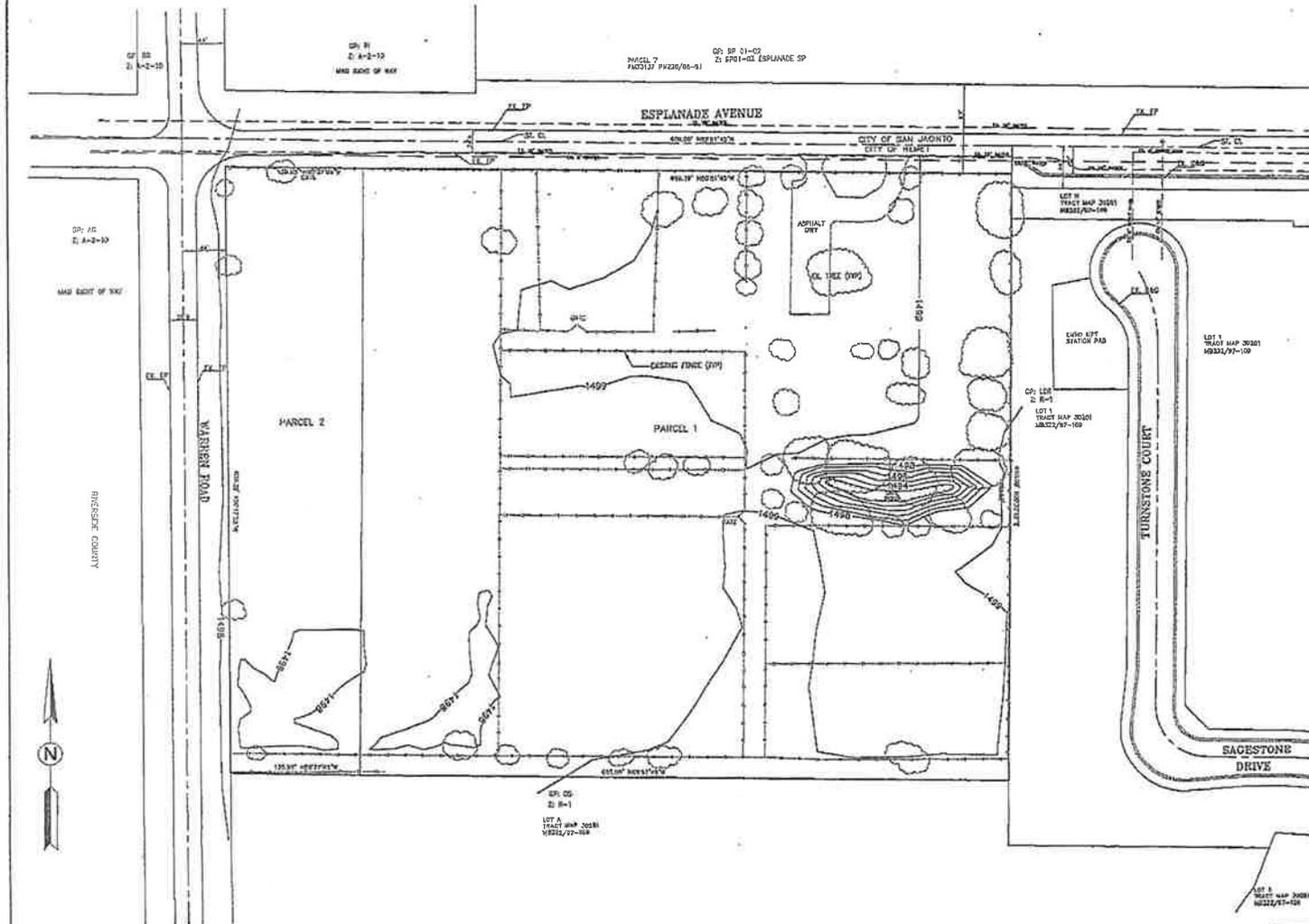


Melissa Couden, Records Secretary
Hemet Planning Commission

Exhibit A

Zone Change Plat Map

CHANGE OF ZONE



LEGAL DESCRIPTION

PARCEL 1:
 THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL RECORD THEREOF, BEGINNING AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SECTION 2; THENCE SOUTH ALONG THE WEST LINE OF SAID SECTION, 10 CHAINS; THENCE SOUTH 00°27' EAST TO CHANGE THENCE NORTH PARALLEL WITH THE WEST BOUNDARY LINE OF SAID SECTION, 10 CHAINS TO THE NORTH BOUNDARY LINE THEREOF; THENCE NORTH 88°26' WEST TO CHAINS TO BEGINNING.

PARCEL 2:
 THAT PORTION OF THE NORTH 566.00 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LYING EASTWARD OF A LINE BEING 25 PARALLEL WITH AND ALSO FEET CASUALLY MEASURED AT RIGHT ANGLES FROM THE FOLLOWING DESCRIBED LINE:
 BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, SAID POINT BEING DISTANT SOUTH 85°25' WEST 124.11 FEET FROM THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER; THENCE NORTH 03°27' WEST ALONG A LINE WHICH IS PARALLEL WITH AND 215.00 FEET EASTWARD, MEASURED AT RIGHT ANGLES FROM THAT CERTAIN TRAVELER LINE DESCRIBED AS DEED RECORDED IN BOOK 2376, PAGE 248 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 1304.27 FEET TO THE SOUTHWEST CORNER OF SECTION 10, TOWNSHIP 4 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN; SAID SOUTHWEST CORNER BEING DISTANT NORTH 85°25' WEST 124.11 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN;
 EXCEPT THEREFROM ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID LAND BUT WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED OR GRANTED IN DOCUMENTS OF RECORD.

- UTILITIES**
- WATER: DUND
 - SEWER: DUND
 - GAS: SOUTHERN CALIFORNIA GAS
 - TELEPHONE: VERIZON
 - ELECTRIC: SOUTHERN CALIFORNIA EDISON

GENERAL PLAN DESIGNATION
 EXISTING: 1 NEIGHBORHOOD COMMERCIAL
 PROPOSED: NEIGHBORHOOD COMMERCIAL

ZONE DESIGNATION
 EXISTING ZONE: A-10 HEAVY AGRICULTURAL
 PROPOSED: C-1 NEIGHBORHOOD COMMERCIAL

SITE ADDRESS
 5671 WEST ESPLANADE AVENUE, HEMET, CA 92345

ASSESSOR'S PARCEL NUMBERS
 448-080-001

PARCEL SIZE
 1.5 AC

OWNER/APPLICANT
 WHEAT WARRIOR, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY
 6243 WINDHOLE ROAD, SUITE 200
 ROCKY HILLS, CA 92771
 PHONE: (925) 777-0550 FAX: 112

HIC Civil Engineering
 2001 VA DRIVE
 SUITE 100
 (925) 949-6657

DATE	BY	REVISIONS

CITY OF HEMET
CHANGE OF ZONE
APN 448-080-001
 PREPARED DATE: AUGUST 14, 2014

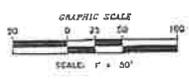


Exhibit B

Legal Descriptoin

LEGAL DESCRIPTION

HEMET WARREN, LLC
ASSESSORS PARCEL NUMBER 448-060-001

PARCEL 1:

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 6, TOWNSHIP 5 SOUTH, RANGE 1 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL RECORD THEREOF DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SECTION 6; THENCE SOUTH ALONG THE WEST LINE OF SAID SECTION, 10,CHAINS; THENCE SOUTH 88°56' EAST 10 CHAINS; THENCE NORTH PARALLEL WITH THE WEST BOUNDARY LINES OF SAID SECTION, 10 CHAINS TO THE NORTH BOUNDARY LINE THEREOF; THENCE NORTH 88°56' WEST 10 CHAINS TO BEGINNING.

PARCEL 2:

THAT PORTION OF THE NORTH 660.00 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LYING EASTERLY OF A LINE WHICH IS PARALLEL WITH AND 44.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 1, SAID POINT BEING DISTANT SOUTH 80 ° 45'56" WEST 164.81 FEET FROM THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER;

THENCE NORTH 0°35' WEST ALONG A LINE WHICH IS PARALLEL WITH AND 219.00 FEET EASTERLY, MEASURED AT RIGHT ANGLES, FROM THAT CERTAIN TRAVERS LINE DESCRIBED IN DEED RECORDED IN BOOK 2339, PAGE 356 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, A DISTANCE OF 1364.27 FEET TO THE SOUTHEAST CORNER OF SECTION 36, TOWNSHIP 4 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN, SAID SOUTHEAST CORNER BEING DISTANT NORTH 88°45'25" WEST 184.68 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 1, TOWNSHIP 5 SOUTH, RANGE 2 WEST, SAN BERNARDINO BASE AND MERIDIAN.



Hector L. Correa

R.C.E 36306
Expires 6/30/16

1/29/15
Date

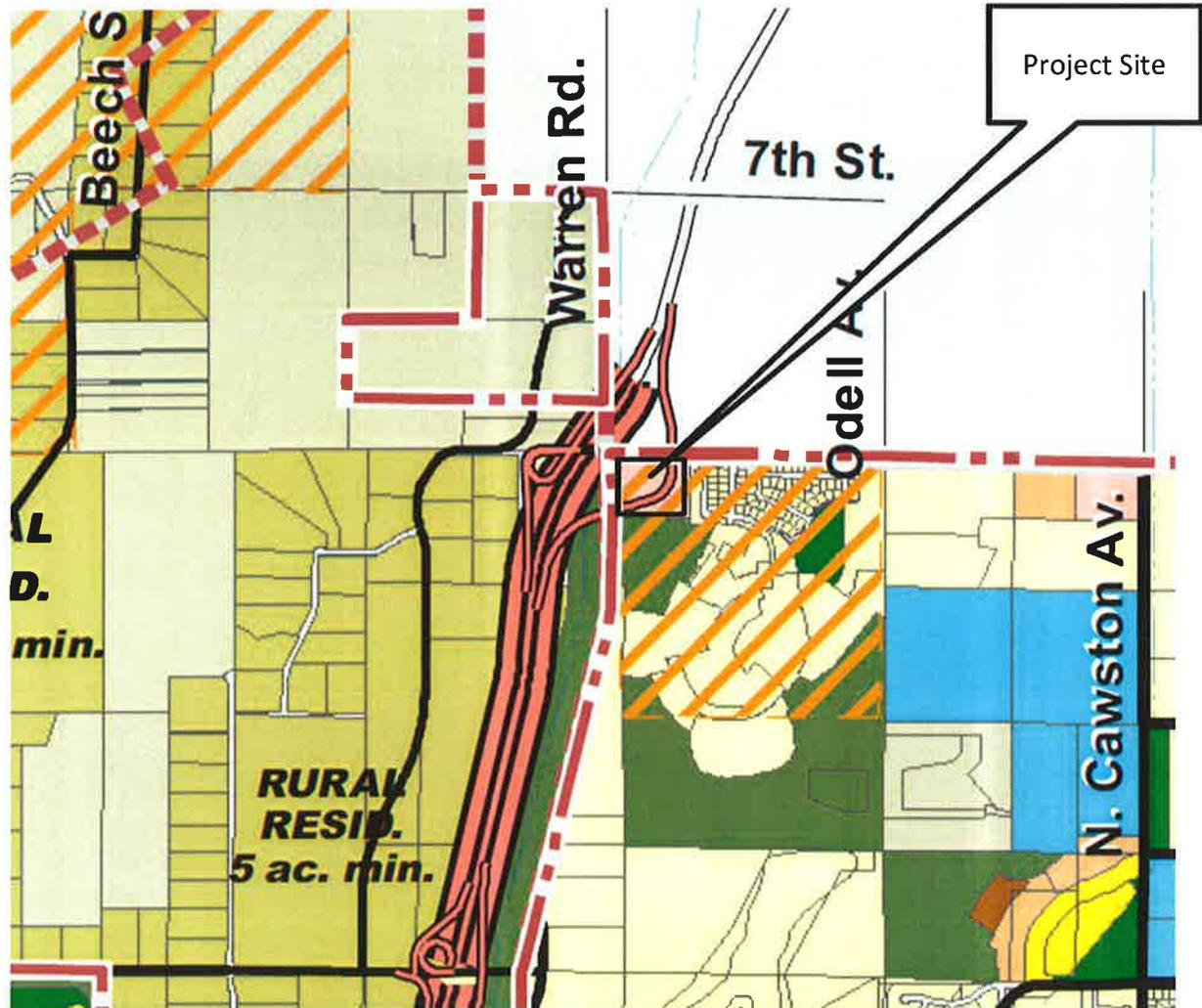


Attachment No. 3

General Plan Land Use Designation Map

Planning Commission
Meeting of
February 10, 2015

ZONE CHANGE NO. 14-001 GENERAL PLAN LAND USE MAP



Land Use Designations

RR	Rural Residential (0.0 - 2.0 du/ac)
HR	Hillside Residential (0.0 - 0.5 du/ac)
LDR	Low Density Residential (2.1 - 5.0 du/ac)
LMDR	Low Medium Density Residential (5.1 - 8.0 du/ac)
MDR	Medium Density Residential (8.1 - 18.0 du/ac)
HDR	High Density Residential (18.1 - 30.0 du/ac)
VHDR	Very High Density Residential (30.1 - 45.0 du/ac)

NC	Neighborhood Commercial (FAR 0.35)
CC	Community Commercial (FAR 0.40)
RC	Regional Commercial (FAR 0.50)
MU	Mixed Use (Varies)

ARPT	Airport
OP	Office Professional (FAR 2.0)
BP	Business Park (FAR 0.60)
I	Industrial (FAR 0.45)

QP/C	Quasi-Public/Cultural
PF	Public Facilities
SCH	School
P	Park/Recreation
OS	Open Space
A	Agriculture

Environmental Management Area

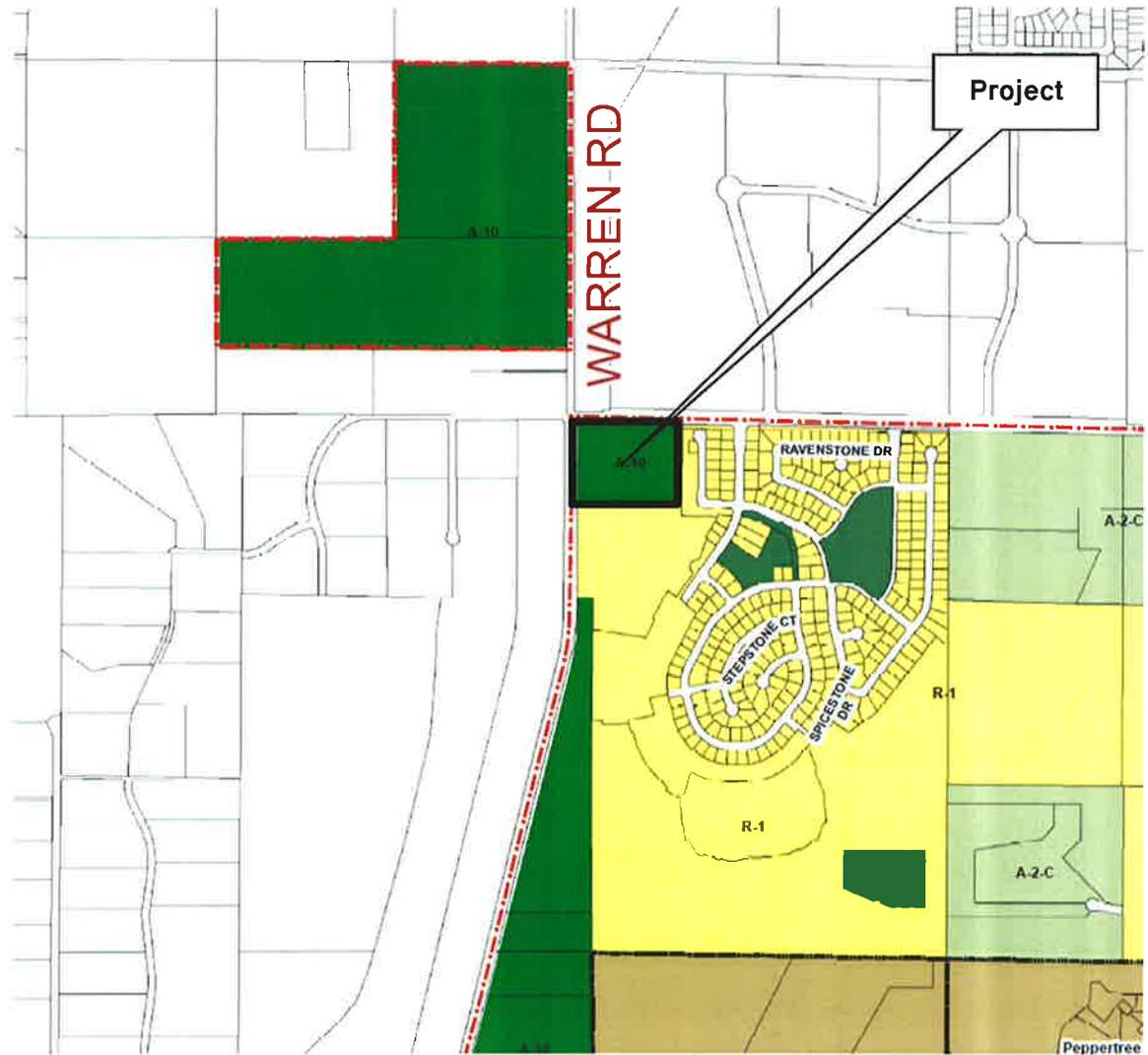
	Areas subject to MSHCP criteria
	Inter Airport Overlay Zone

Attachment No. 4

Adjacent Zoning Map

Planning Commission
Meeting of
February 10, 2015

ZONE CHANGE NO. 14-001 EXISTING ZONING MAP



Attachment No. 5

Aerial View

Planning Commission
Meeting of
February 10, 2015

ZONE CHANGE NO. 14-001 AERIAL PHOTOGRAPH



Attachment No. 6

Photographs of Site

Planning Commission
Meeting of
February 10, 2015

Zone Change No. 14-001 Site Photographs



Looking west along Esplanade Avenue



Looking southwest from Esplanade Avenue



Looking west along Esplanade Avenue



Looking northwest from the project site along Esplanade Avenue



Looking west along Esplanade Avenue



Looking southwest across the subject property from
Esplanade Avenue



Looking south at the corner of Esplanade and Warren



Looking east along Esplanade Avenue



Looking southeast along Warren Road



Looking east towards the subject property from Warren Road



Looking east towards the subject property from Warren Road

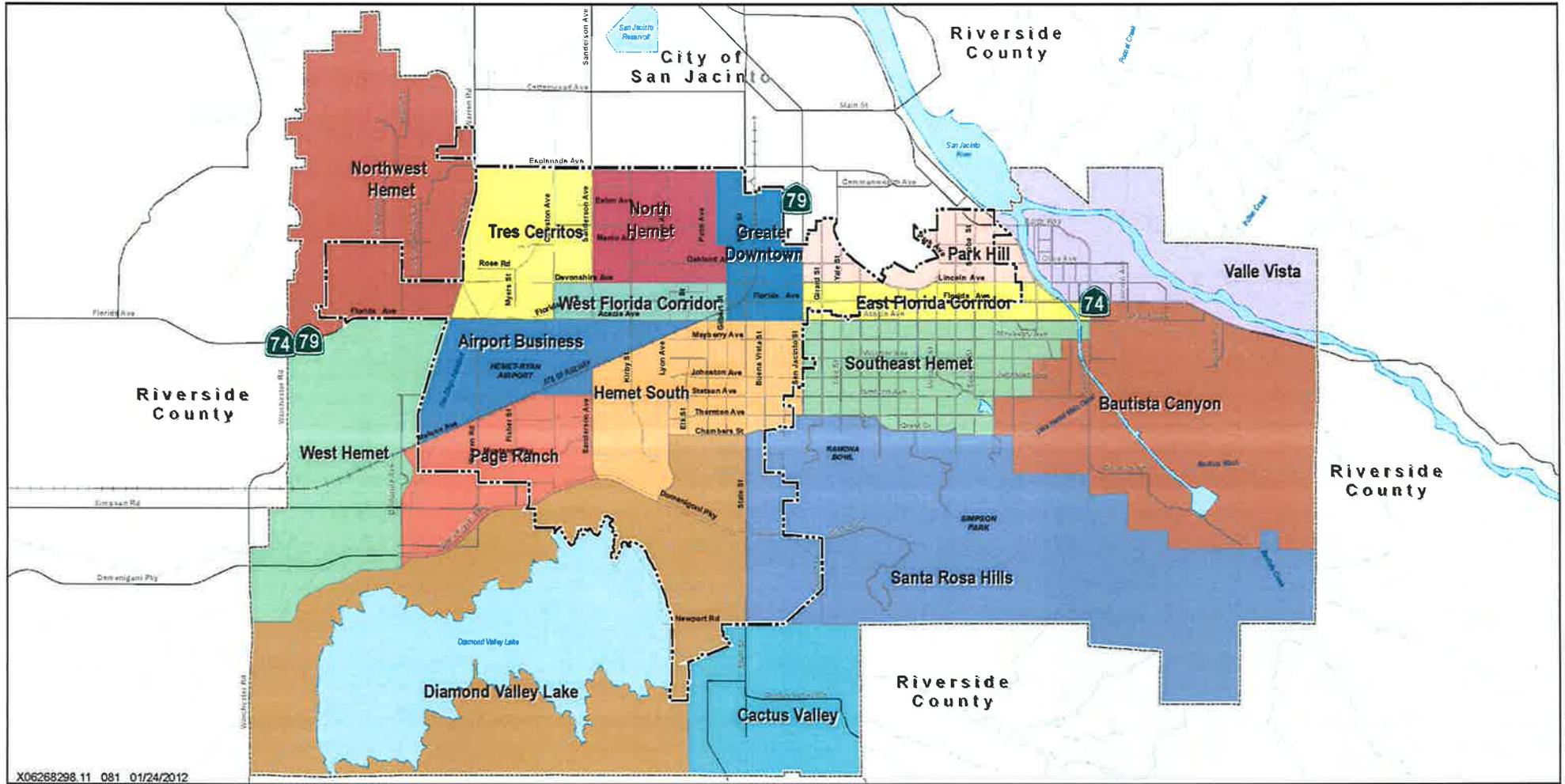


Looking northeast towards the subject property from Warren Road

Attachment No. 7

Land Use Districts
Figure 2.3

Planning Commission
Meeting of
February 10, 2015



X06268298.11 081 01/24/2012



Sources:
Census Tiger Line Data 2005
ESRI 2010



LEGEND

- | | | | |
|-----------------------|------------------|-----------------------|---------------------|
| Airport Business | Hemet South | Southeast Hemet | Hemet City Boundary |
| Bautista Canyon | North Hemet | Tres Cerritos | Planning Area |
| Cactus Valley | Northwest Hemet | Valle Vista | Street |
| Diamond Valley Lake | Page Ranch | West Florida Corridor | Railroad |
| East Florida Corridor | Park Hill | West Hemet | Creek/Canal |
| Greater Downtown | Santa Rosa Hills | | River/Lake |

Figure 2.3
LAND USE DISTRICTS
Hemet General Plan

Attachment No. 8

General Plan Zoning Consistency Table 2.4

Planning Commission
Meeting of
February 10, 2015



LAND USE

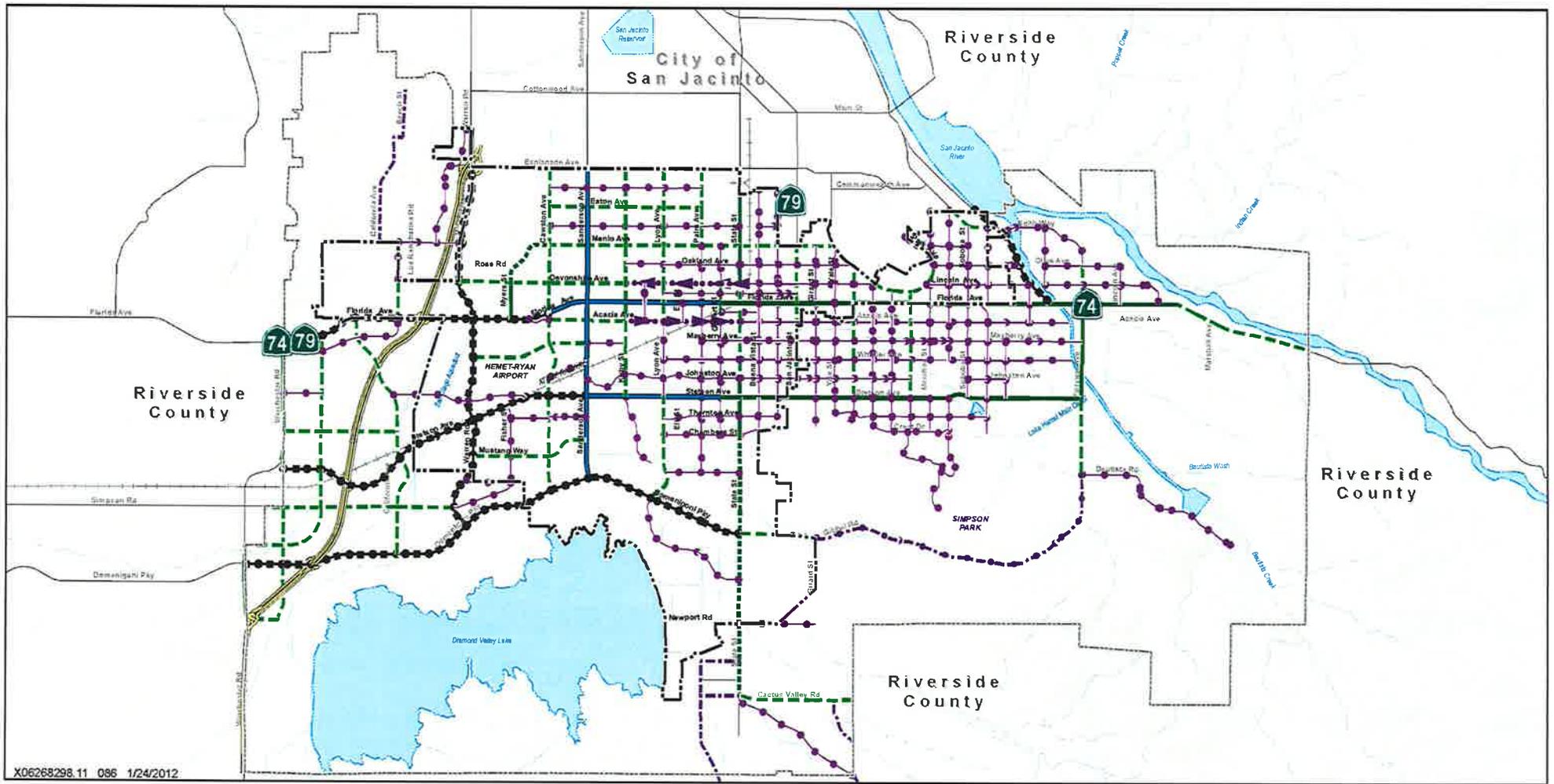
**Table 2.2
Relationship Between Hemet's Zone Districts and the General Plan Land Use Designations**

Zoning Codes		General Plan Land Use Designations																				
		Residential							Commercial					Industrial			Public and Open Space					
		RR	HR	LDR	LMDR	MDR	HDR	VHDR	NC	CC	RC	OP	MU	ARPT	BP	I	PF	P	OS	A	SCH	QP
A	Agriculture	X											X			X	X	X	X	X	X	
A-1-C	Light Agriculture	X											X			X	X	X	X	X	X	
A-2-C	Heavy Agriculture	X											X		X	X	X	X	X	X	X	
R-A	Residential Agriculture	X														X	X	X	X	X	X	
R-1-D	Single Family Downtown			X	X							X									X	
R-1-H	Single Family Hillside	X	X														X	X	X	X	X	
R-1-6	Single Family Lot 6,000 sf+			X	X							X									X	
R-1-7.2	Single Family – Lot 7,200 sf+			X																	X	
R-1-10	Single Family – Lot 10,000 sf+		X	X																	X	
R-1-20	Single Family – Lot 20,000 sf+	X	X	X															X	X	X	
R-1-40	Single Family – Lot 40,000 sf+	X	X																X	X	X	
R-2	Two Family				X	X						X									X	
R-3	Multiple Family				X	X	X	X				X									X	
SLR	Small Lot Residential			X		X						X									X	
PCD	Planned Community Development	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X			X	X
MHP	Mobile Home Park				X	X	X															
TR-20	Independent Mobile Home Subdivision				X	X	X															
R-P	Residential Professional			X	X	X			X		X	X									X	
OP	Office Professional									X	X	X	X		X		X				X	
C-1	Neighborhood Commercial								X			X	X								X	
C-2	General Commercial									X	X	X	X		X		X					
C-M	Heavy Commercial/Limited Industrial									X	X		X		X	X	X					
D-1	Downtown 1												X	X								
D-2	Downtown 2												X	X			X					
M-1	Light Manufacturing													X	X	X	X				X	
M-2	General Manufacturing													X	X	X	X					
OS	Open Space	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
I	Institutional									X	X	X	X		X	X	X				X	X
SP	Specific Plan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
S-1	Church			X	X	X	X	X	X	X	X	X	X		X		X				X	X

Attachment No. 9

Roadway Circulation Master Plan

Planning Commission
Meeting of
February 10, 2015



X06268298.11 096 1/24/2012



Sources:
 Census Tiger Line Data 2005
 Urban Crossroads 2011
 ESRI 2010



LEGEND

Circulation System

- Expressway 6D
- Arterial 6D
- Major 4D-6D
- Divided Secondary-A 4D
- Divided Secondary-B 4D
- Secondary 4U
- Express Collector 3U
- Collector 2U
- Rural-A 2U
- Rural-B 2U
- Ramp

- Hemet City Boundary
- Planning Area
- River/Lake
- Creek/Canal
- Street
- Railroad

Note: The ultimate design and alignment of the proposed Hwy 79 has not yet been adopted and will be determined upon approval of the project by Caltrans and the Riverside County Transportation Commission. The adopted design alternative may result in changes to the circulation network shown on this Figure, including existing and proposed roadway connections in the vicinity of the proposed Hwy 79, and may or may not include the Tres Centos Avenue offramp.

Figure 4.1
ROADWAY CIRCULATION
MASTER PLAN
 Hemet General Plan



Staff Report

TO: Honorable Mayor Krupa and City Council

FROM: John Jansons, Community Investment Director
Economic Development Department

DATE: February 10, 2015

SUBJECT: Real Property Advisory, Marketing and Sales Services

RECOMMENDATION:

That the City Council authorize the City Manager to:

1. Execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APNs: 456-050-013, 456-050-044, and 465-140-032, and
2. Appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.

BACKGROUND

On January 13, 2015, the Council directed staff to list and market several city-owned properties for sale. The Council further directed staff to revise its January 13, 2015 recommendation to reduce the number of properties to be included in the analysis, evaluation and brokerage assignment from three properties to two.

On January 27, 2015, the Council deliberated on this matter and directed staff to extend the length of time for brokerage services following negotiations with the service provider and return to the next Council meeting, February 10, 2015 with this recommendation to contract.

DISCUSSION:

As a result of the January 27, 2015 direction by Council, staff has revised the proposed contract with RSG Inc., (Attachment 1) to perform professional real estate advisory and brokerage services for City-owned properties (all or part) of the Sanderson / Stetson property (APN#s: 456-050-013 and 456-050-044), and the Dominegoni / Simpson property (APN # 465-140-032).

The substantive change requested by the Council extends the time of performance, from 18 months to 24 months and includes an option for the City to invoke two one-year extensions to allow for the ultimate sale of both properties.

ALTERNATIVES:

None proposed – the recommendation fulfills the Council's previous direction of January 13, 2015, August 12, 2014 and July 8, 2014.

FISCAL IMPACT:

The fiscal impacts are yet to be specifically determined. But, in order to proceed with Council's direction, a budget allocation to fund the real estate advisory work needs to occur. Eventual sales proceeds from the properties will repay the cost of advisory services and commissions to the City General Fund. Under this proposal, the cost of advisory services will be deducted from future commission payments when the properties are sold by RSG Inc. Assuming a market rate sale of any property and costs associated with those sales, the sale of city-owned property will return significant revenue to the City near the estimated or appraised values. As previously discussed above, any transaction or advisory costs would be paid or reimbursed from sales proceeds.

COORDINATION AND REVIEW:

The recommended action(s) has been coordinated with the City Council, City Manager, City Attorney and the Deputy City Manager - Department of Administrative Services.

CONCLUSION:

That the City Council authorize the City Manager to:

1. Execute a Contract for Professional Services with RSG, Inc. to provide real property advisory and sales services to the City for certain City-owned real property, including APNs: 456-050-013, 456-050-044, and 465-140-032, and
2. Appropriate \$101,155.00 from the General Fund uncommitted fund balance to FY14-15 Economic Development Department Account, #120-8500-2710 to fund the cost of the real estate advisory services.

ATTACHMENTS:

- 1) Draft Professional Services Agreement w/ RSG Inc.

Approved By:



 Wally Hill, City Manager

Reviewed By:



 Jessica Hurst, Deputy City Manager

Prepared By:



 John Jansons,
 Director of Community Investment
 Economic Development Department

**AGREEMENT FOR REAL ESTATE ADVISORY AND BROKER
SERVICES**

By and Between

**THE CITY OF HEMET,
a municipal corporation**

and

**ROSENOW SPEVACEK GROUP, INC.
a California corporation**

**AGREEMENT FOR REAL ESTATE ADVISORY AND BROKER SERVICES
BETWEEN
THE CITY OF HEMET, CALIFORNIA
AND
ROSENOW SPEVACEK GROUP, INC.**

This Agreement for Real Estate Advisory and Broker Services (“Agreement”) is entered into as of this 11th day of February, 2015 by and between the City of Hemet, a municipal corporation (“City”) and Rosenow Spevacek Group, Inc., a corporation in the State of California (CalBRE #01930929) (“Service Provider/Broker”) and has been executed to facilitate the sale of certain real property of the City, and provide other related real estate advisory services.

City and Service Provider/Broker are sometimes hereinafter individually referred to as “Party” and hereinafter collectively referred to as the “Parties.”

RECITALS

A. City has sought, by request for proposals, the performance of the services defined and described particularly in Section 2 of this Agreement.

B. Service Provider/Broker, following submission of a proposal, for the performance of the services defined and described particularly in Section 2 of this Agreement, was selected by the City to perform those services.

C. Pursuant to the City of Hemet’s Municipal Code, City has authority to enter into this Services Agreement and the City Manager has authority to execute this Agreement.

D. The Parties desire to formalize the selection of Service Provider/Broker for performance of those services defined and described particularly in Section 2 of this Agreement and desire that the terms of that performance be as particularly defined and described herein.

OPERATIVE PROVISIONS

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

SECTION 1. TERM OF AGREEMENT.

Subject to the provisions of Section 20 "Termination of Agreement" of this Agreement, the initial Term of this Agreement is for twenty-four (24) months (the Parties estimate six months for analysis and advisory services and up to eighteen months (18) for initial brokerage service period) commencing on the date first ascribed above. It is agreed by the Parties that City, at its option upon thirty (30) days prior written notice to Service Provider/Broker, may extend the Term of this Agreement for two (2) twelve (12) month periods to allow for the continuation of brokerage services and sale(s) of the properties by Service Provider/Broker.

SECTION 2. SCOPE OF SERVICES & SCHEDULE OF PERFORMANCE.

(a) Scope of Services. Service Provider/Broker agrees to perform the services set forth in Exhibit “A” “Scope of Services” (hereinafter, the “Services”) and made a part of this Agreement by this reference.

(b) Schedule of Performance. The Services shall be completed pursuant to the schedule specified in Exhibit “A.” Should the Services not be completed pursuant to that schedule, the Service Provider/Broker shall be deemed to be in Default of this Agreement. The City, in its sole discretion, may choose not to enforce the Default provisions of this Agreement and may instead allow Service Provider/Broker to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Service Provider/Broker shall not be compensated for any work rendered in connection with its performance of this Agreement that are in addition to or outside of the Services unless such additional services are authorized in advance and in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement. If and when such additional work is authorized, such additional work shall be deemed to be part of the Services.

SECTION 4. EXCLUSIVE AGENT.

City authorizes Service Provider/Broker to act as the exclusive agent for the City in the sale of real estate comprised of land and/or improved real property located in the City identified as APN Nos. 456-050-013, 456-050-044, and 465-140-032 (the “Properties”), as may be approved by the City. During the Term of this Agreement, City will not engage other brokers, representatives or agents of buyers for the sale of the Properties without prior written authorization from Service Provider/Broker. City shall remain liable to pay Service Provider/Broker the full commission authorized and payable under Section 5 herein on any sale of one or more of the Properties procured by Service Provider/Broker during the Term of this Agreement, notwithstanding closing of the sale of such property(ies) after expiration or early termination of the Term.. Service Provider/Broker will represent only the City and shall not engage in representing any other party to a prospective sale of the properties identified herein. City is not required to sell all properties within any specified time.

SECTION 5. COMPENSATION AND METHOD OF PAYMENT.

(a) City agrees to pay Service Provider/Broker total compensation in an amount not to exceed ninety-nine thousand nine hundred and fifty five dollars (\$101,155) for the Services provided under this Agreement, excluding real estate broker fees/commissions paid to Service Provider/Broker out of escrow from the sale of one or more of the Properties, as follows:

(i) For the work outlined in the Scope of Work (Tasks 1, 2, 3 and 6) (“Advisory Services”) the total compensation shall not exceed seventy-one thousand one hundred and thirty five dollars (\$71,135), unless additional compensation is approved in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement.).

(ii) For the work outlined in the Scope of Work (Tasks 4 and 5) (“Transactional Work”) the total compensation shall not to exceed twenty-eight thousand eight hundred twenty dollars (\$28,820), unless additional compensation is approved in writing in accordance with Section 26 “Administration and Implementation” or Section 28 “Amendment” of this Agreement.

(iii) For Reimbursable Expenses, defined below, incurred by Service Provider/Broker, in an amount not to exceed one thousand two hundred dollars (\$1, 200). For the purpose of this Agreement “Reimbursable Expenses” are those costs actually and reasonably incurred by Service Provider in the performance of the Advisory Services and Transactional Services.

(iv) For real estate broker fees/commissions, Service Provider/Broker shall be entitled to a real estate broker fee/commission equal to 2.5% of the Gross Purchase Price (“Commission”) of any one or more of the Properties for which Service Provider procures a buyer during the Term of the Agreement, after the prior deduction from the Commission, and reimbursement to the City, of the total compensation paid to Service Provider/Broker by City for Advisory Services (not to exceed \$71,135) and Transactional Services (not to exceed \$28,820).

(1) For example, the Parties estimate that total Commissions from the sale of all of the Properties would be approximately \$194,000, from which the City would be reimbursed first up to \$101,155 and Service Provider/Broker would receive a total of approximately \$92,845.. This example is not a representation by or to either Party concerning the actual value, sales price or Commission related to any particular property or sale.

(2) The Commission shall be due and payable to Service Provider/Broker through escrow on the date such grant deed is recorded in the Official Records. Service Provider/Broker expressly acknowledges and agrees that such Commission shall not be earned, due, or payable UNLESS AND UNTIL the grant deed or other property conveyance agreement for the Property is recorded in the Official Records in favor of the Buyer (the “Sale Date”).

(3) No Party represents to the other what the actual value or sales price of the Properties will be provided. City does not represent that Service Provider/Broker will in fact earn any Commission and Service Provider/Broker does not represent to City that the sale of the Properties will generate sufficient Commission to reimburse the City for compensation paid to Service Provider/Broker. Should the Commission for the sale of such of the Properties that are sold pursuant to this Agreement be insufficient to offset the amounts paid by City to Service Provider/Broker for services rendered under this Agreement, then Service Provider/Broker shall not receive any Commission or further compensation for its brokerage services..

(4) The City acknowledges and agrees that the time period identified in Section 1 shall be extended for any option to purchase or lease option time period agreed by and between the City and the buyer of one or more Properties.

(b) Each month Service Provider/Broker shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and sub-Service Provider/Broker contracts. Sub-Service Provider/Broker

charges shall be detailed by the following categories: labor, travel, materials, equipment and supplies. If the compensation set forth in subsection (a) and Exhibit "B" include payment of labor on an hourly basis (as opposed to labor and materials being paid as a lump sum), the labor category in each invoice shall include detailed descriptions of task performed and the amount of time incurred for or allocated to that task. City shall independently review each invoice submitted by the Service Provider/Broker to determine whether the work performed and expenses incurred are in compliance with the provisions of this Agreement. In the event that no charges or expenses are disputed, the invoice shall be approved and paid according to the terms set forth in subsection (c). In the event any charges or expenses are disputed by City, the original invoice shall be returned by City to Service Provider/Broker for correction and resubmission.

(c) Except as to any charges for work performed or expenses incurred by Service Provider/Broker which are disputed by City, City will use its best efforts to cause Service Provider/Broker to be paid within forty-five (45) days of receipt of Service Provider/Broker's correct and undisputed invoice.

(d) Payment to Service Provider/Broker for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Service Provider/Broker.

SECTION 6. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Service Provider/Broker's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider/Broker's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Service Provider/Broker's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects, fraud and such gross mistakes as amount to fraud. Acceptance of any of Service Provider/Broker's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, Section 16 "Indemnification" and Section 17 "Insurance."

SECTION 7. OWNERSHIP OF DOCUMENTS.

All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Service Provider/Broker in the course of providing the Services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Service Provider/Broker. Upon completion, expiration or termination of this Agreement, Service Provider/Broker shall turn over to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

If and to the extent that City utilizes for any purpose not related to this Agreement any maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents prepared, developed or discovered by Service Provider/Broker in the course of providing the Services pursuant to this Agreement, Service Provider/Broker's guarantees and warranties in Section 9 "Standard of Performance" of this Agreement shall not

extend to such use of the maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files or other documents.

SECTION 8. SERVICE PROVIDER/BROKER'S BOOKS AND RECORDS.

(a) Service Provider/Broker shall maintain any and all documents and records demonstrating or relating to Service Provider/Broker's performance of the Services. Service Provider/Broker shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, or other documents or records evidencing or relating to work, services, expenditures and disbursements charged to City pursuant to this Agreement. Any and all such documents or records shall be maintained in accordance with generally accepted accounting principles and shall be sufficiently complete and detailed so as to permit an accurate evaluation of the services provided by Service Provider/Broker pursuant to this Agreement. Any and all such documents or records shall be maintained for three (3) years from the date of execution of this Agreement and to the extent required by laws relating to audits of public agencies and their expenditures.

(b) Any and all records or documents required to be maintained pursuant to this section shall be made available for inspection, audit and copying, at any time during regular business hours, upon request by City or its designated representative. Copies of such documents or records shall be provided directly to the City for inspection, audit and copying when it is practical to do so; otherwise, unless an alternative is mutually agreed upon, such documents and records shall be made available at Service Provider/Broker's address indicated for receipt of notices in this Agreement.

(c) Where City has reason to believe that any of the documents or records required to be maintained pursuant to this section may be lost or discarded due to dissolution or termination of Service Provider/Broker's business, City may, by written request, require that custody of such documents or records be given to the City. Access to such documents and records shall be granted to City, as well as to its successors-in-interest and authorized representatives.

SECTION 9. INDEPENDENT CONTRACTOR.

(a) Service Provider/Broker is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider/Broker shall have no authority to bind City in any manner, nor to incur any obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

(b) The personnel performing the Services under this Agreement on behalf of Service Provider/Broker shall at all times be under Service Provider/Broker's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Service Provider/Broker or any of Service Provider/Broker's officers, employees, or agents except as set forth in this Agreement. Service Provider/Broker shall not at any time or in any manner represent that Service Provider/Broker or any of Service Provider/Broker's

officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Service Provider/Broker, nor any of Service Provider/Broker's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Service Provider/Broker expressly waives any claim Service Provider/Broker may have to any such rights.

SECTION 10. STANDARD OF PERFORMANCE.

Service Provider/Broker represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the Services required under this Agreement in a thorough, competent and professional manner. Service Provider/Broker shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all Services. In meeting its obligations under this Agreement, Service Provider/Broker shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to the Services required of Service Provider/Broker under this Agreement. In addition to the general standards of performance set forth this section, additional specific standards of performance and performance criteria may be set forth in Exhibit "A" "Scope of Work" that shall also be applicable to Service Provider/Broker's work under this Agreement. Where there is a conflict between a general and a specific standard of performance or performance criteria, the specific standard or criteria shall prevail over the general.

SECTION 11. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Service Provider/Broker shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Service Provider/Broker shall obtain any and all licenses, permits and authorizations necessary to perform the Services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Service Provider/Broker to comply with this section.

SECTION 12. PREVAILING WAGE LAWS

It is the understanding of City and Service Provider/Broker that California prevailing wage laws do not apply to this Agreement because the Agreement does not involve any of the following services subject to prevailing wage rates pursuant to the California Labor Code or regulations promulgated thereunder: Construction, alteration, demolition, installation, or repair work performed on public buildings, facilities, streets or sewers done under contract and paid for in whole or in part out of public funds. In this context, "construction" includes work performed during the design and preconstruction phases of construction including, but not limited to, inspection and land surveying work.

SECTION 13. NONDISCRIMINATION.

Service Provider/Broker shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age, physical handicap,

medical condition or marital status in connection with or related to the performance of this Agreement.

SECTION 14. UNAUTHORIZED ALIENS.

Service Provider/Broker hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act, 8 U.S.C.A. §§ 1101, et seq., as amended, and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Service Provider/Broker so employ such unauthorized aliens for the performance of the Services, and should the any liability or sanctions be imposed against City for such use of unauthorized aliens, Service Provider/Broker hereby agrees to and shall reimburse City for the cost of all such liabilities or sanctions imposed, together with any and all costs, including attorneys' fees, incurred by City.

SECTION 15. CONFLICTS OF INTEREST.

(a) Service Provider/Broker covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Service Provider/Broker's performance of the Services. Service Provider/Broker further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Service Provider/Broker agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City in the performance of this Agreement.

(b) City understands and acknowledges that Service Provider/Broker is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Service Provider/Broker is unaware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

(c) City understands and acknowledges that Service Provider/Broker will perform non-related services for other governmental agencies and private Parties following the completion of the Services under this Agreement. Any such future service shall not be considered a conflict of interest for purposes of this section.

SECTION 16. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Service Provider/Broker in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider/Broker. Service Provider/Broker shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

(b) Service Provider/Broker, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested

by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered "voluntary" provided Service Provider/Broker gives City notice of such court order or subpoena.

(c) If Service Provider/Broker, or any officer, employee, agent or subcontractor of Service Provider/Broker, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Service Provider/Broker for any damages, costs and fees, including attorneys fees, caused by or incurred as a result of Service Provider/Broker's conduct.

(d) Service Provider/Broker shall promptly notify City should Service Provider/Broker, its officers, employees, agents or subcontractors, be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Service Provider/Broker or be present at any deposition, hearing or similar proceeding. Service Provider/Broker agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider/Broker. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

SECTION 17. INDEMNIFICATION.

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Service Provider/Broker's services, to the fullest extent permitted by law, Service Provider/Broker shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees) arise out of, are a consequence of, or are in any way attributable to, in whole or in part, any negligent or wrongful act, error or omission of Service Provider/Broker, or by any individual or entity for which Service Provider/Broker is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider/Broker, in the performance of professional services under this Agreement.

(b) Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Service Provider/Broker shall indemnify, protect, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Service Provider/Broker, or by any individual or entity for

which Service Provider/Broker is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider/Broker.

(c) Indemnification from Sub-Service Provider/Brokers. Service Provider/Broker agrees to obtain executed indemnity agreements with provisions identical to those set forth in this section from each and every sub-Service Provider/Broker or any other person or entity involved by, for, with or on behalf of Service Provider/Broker in the performance of this Agreement naming the Indemnified Parties as additional indemnities. In the event Service Provider/Broker fails to obtain such indemnity obligations from others as required herein, Service Provider/Broker agrees to be fully responsible according to the terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Service Provider/Broker and shall survive the termination of this Agreement or this section.

(d) Limitation of Indemnification. Notwithstanding any provision of this section to the contrary, design professionals are required to defend and indemnify the City only to the extent permitted by Civil Code Section 2782.8, which limits the liability of a design professional to claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the design professional. The term “design professional,” as defined in Section 2782.8, is limited to licensed architects, licensed landscape architects, registered professional engineers, professional land surveyors, and the business entities that offer such services in accordance with the applicable provisions of the California Business and Professions Code.

(e) City’s Negligence. The provisions of this section do not apply to claims occurring as a result of City’s sole negligence. The provisions of this section shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officials, employees and agents.

SECTION 18. INSURANCE.

Service Provider/Broker agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit “D” “Insurance” and made a part of this Agreement. All insurance policies shall be subject to approval by City as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the City Manager. Service Provider/Broker agrees to provide City with copies of required policies upon request.

SECTION 19. ASSIGNMENT.

The expertise and experience of Service Provider/Broker are material considerations for this Agreement. City has an interest in the qualifications and capability of the persons and entities who will fulfill the duties and obligations imposed upon Service Provider/Broker under this Agreement. In recognition of that interest, Service Provider/Broker shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider/Broker’s duties or obligations under this Agreement without the prior written consent of

the City. Any attempted assignment shall be ineffective, null and void, and shall constitute a material breach of this Agreement entitling City to any and all remedies at law or in equity, including termination of this Agreement pursuant to Section 20 "Termination of Agreement." City acknowledges, however, that Service Provider/Broker, in the performance of its duties pursuant to this Agreement, may utilize sub-contractors.

SECTION 20. CONTINUITY OF PERSONNEL.

Service Provider/Broker shall make every reasonable effort to maintain the stability and continuity of Service Provider/Broker's staff and sub-contractors, if any, assigned to perform the Services. Service Provider/Broker shall notify City of any changes in Service Provider/Broker's staff and sub-contractors, if any, assigned to perform the Services prior to and during any such performance.

SECTION 21. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to Service Provider/Broker. In the event such notice is given, Service Provider/Broker shall cease immediately all work in progress.

(b) Service Provider/Broker may terminate this Agreement for cause at any time upon thirty (30) days written notice of termination to City.

(c) If either Service Provider/Broker or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Service Provider/Broker, or City may terminate this Agreement immediately upon written notice.

(d) Upon termination of this Agreement by either Service Provider/Broker or City, all property belonging exclusively to City which is in Service Provider/Broker's possession shall be returned to City. Service Provider/Broker shall furnish to City a final invoice for work performed and expenses incurred by Service Provider/Broker, prepared as set forth in Section 4 "Compensation and Method of Payment" of this Agreement. This final invoice shall be reviewed and paid in the same manner as set forth in Section 4 "Compensation and Method of Payment" of this Agreement.

SECTION 22. DEFAULT.

In the event that Service Provider/Broker is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Service Provider/Broker for any work performed after the date of default. Instead, the City may give notice to Service Provider/Broker of the default and the reasons for the default. The notice shall include the timeframe in which Service Provider/Broker may cure the default. This timeframe is presumptively thirty (30) days, but may be extended, though not reduced, if circumstances warrant. During the period of time that Service Provider/Broker is in default, the City shall hold all invoices and shall, when the default is cured, proceed with payment on the invoices. In the alternative, the City may, in its sole discretion, elect to pay some or all of the outstanding invoices during the period of default. If Service Provider/Broker does not cure the default, the City may take necessary steps to terminate this Agreement under Section 20 "Termination of

Agreement.” Any failure on the part of the City to give notice of the Service Provider/Broker’s default shall not be deemed to result in a waiver of the City’s legal rights or any rights arising out of any provision of this Agreement.

SECTION 23. EXCUSABLE DELAYS.

Service Provider/Broker shall not be liable for damages, including liquidated damages, if any, caused by delay in performance or failure to perform due to causes beyond the control of Service Provider/Broker. Such causes include, but are not limited to, acts of God, acts of the public enemy, acts of federal, state or local governments, acts of City, court orders, fires, floods, epidemics, strikes, embargoes, and unusually severe weather. The term and price of this Agreement shall be equitably adjusted for any delays due to such causes.

SECTION 24. COOPERATION BY CITY.

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the Services shall be furnished to Service Provider/Broker in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 25. NOTICES.

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by telecopier or certified mail, postage prepaid and return receipt requested, addressed as follows:

To City: City of Hemet
Attn: City Manager
445 E. Florida Avenue
Hemet, CA 92543

To Service Provider/Broker: RSG, Inc.
309 West 4th Street
Santa Ana, CA 92701

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of the same in the custody of the United States Postal Service.

SECTION 26. AUTHORITY TO EXECUTE.

The person or persons executing this Agreement on behalf of Service Provider/Broker represents and warrants that he/she/they has/have the authority to so execute this Agreement and to bind Service Provider/Broker to the performance of its obligations hereunder.

SECTION 27. ADMINISTRATION AND IMPLEMENTATION.

This Agreement shall be administered and executed by the City Manager or his or her designated representative. The City Manager shall have the authority to issue interpretations and to make amendments to this Agreement, including amendments that commit additional funds, consistent with Section 28 "Amendment" and the City Manager's contracting authority under the Hemet Municipal Code.

SECTION 28. BINDING EFFECT.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Parties.

SECTION 29. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Service Provider/Broker and by the City. The City Manager shall have the authority to approve any amendment to this Agreement if the total compensation under this Agreement, as amended, would not exceed the City Manager's contracting authority under the Hemet Municipal Code. All other amendments shall be approved by the City Council. The Parties agree that the requirement for written modifications cannot be waived and that any attempted waiver shall be void.

SECTION 30. WAIVER.

Waiver by any Party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any Party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Service Provider/Broker shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 31. LAW TO GOVERN; VENUE.

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the Parties, venue in state trial courts shall lie exclusively in the County of Riverside, California. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in Riverside.

SECTION 32. ATTORNEYS FEES, COSTS AND EXPENSES.

In the event litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing Party in such litigation or other proceeding shall be entitled to an award of reasonable attorney's fees, costs and expenses, in addition to any other relief to which it may be entitled.

SECTION 33. ENTIRE AGREEMENT.

This Agreement, including the attached Exhibits "A" through "C", is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Service Provider/Broker and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid and binding.

SECTION 34. SEVERABILITY.

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 35. CONFLICTING TERMS.

Except as otherwise stated herein, if the terms of this Agreement conflict with the terms of any Exhibit hereto, or with the terms of any document incorporated by reference into this Agreement, the terms of this Agreement shall control.

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

CITY OF HEMET

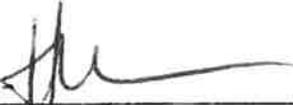
Wally Hill
City Manager

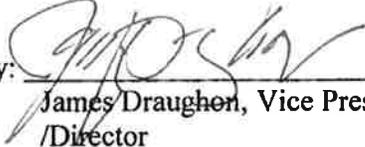
ATTEST:

Sarah McComas
City Clerk

APPROVED AS TO FORM

Eric S. Vail
City Attorney

By: 
Hitta Mosesman, Principal
Its: RSG

By: 
James Draughen, Vice President
/Director
Its: RSG

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

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

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

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

WITNESS my hand and official seal.

Signature: _____

OPTIONAL

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

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

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

SIGNER(S) OTHER THAN NAMED ABOVE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF _____

On _____, _____ before me, _____, personally appeared _____,

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

WITNESS my hand and official seal.

(SIGNATURE OF NOTARY)

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

DESCRIPTION OF ATTACHED DOCUMENT

INDIVIDUAL
 CORPORATE OFFICER

TITLE(S)

TITLE OR TYPE OF DOCUMENT

PARTNER(S) LIMITED
 GENERAL

NUMBER OF PAGES

ATTORNEY-IN-FACT
 TRUSTEE(S)
 GUARDIAN/CONSERVATOR
 OTHER _____

DATE OF DOCUMENT

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

SIGNER(S) OTHER THAN NAMED ABOVE

EXHIBIT "A"
SCOPE OF SERVICES

I. Service Provider/Broker will perform the following Services:

- **Task 1: Feasibility for Highest and best use options**

Task 1a. Property Data Analysis

Meet with the Director of Community Investment and other City staff to review and discuss the specifics of each disposition or a Broker Property Offering Memorandum, the most beneficial disposition process, any previous development proposals or plans for the property, and the current City economic development goals, objectives and priorities.

Collect any relevant City documents and information that would assist with determining potential highest-and-best use development options, such as City entitlement and existing market data. This information will also be incorporated as an attachment to the property marketing material.

Task 1b. Competitive Market and Valuation Analyses

Gather and analyze real estate and property information to understand the market demand for commercial retail uses, business parks, and other potential uses for the properties. This research would include the review and analysis of the following:

- Property research and comparable sales data
- Vacancy rates
- Rents
- Recent new construction projects
- Pipeline projects (approved)
- Potential for site consolidation with adjacent properties
- Demographic statistics (U.S. Census, Bureau of Labor Statistics, ESRI, and SCAG)

Evaluate highest-and-best use to establish the individual properties' value based on the respective market demand. As part of this valuation analysis, a formal Broker Opinion of Value may be prepared by RSG or an independent third-party property appraisal may be utilized for the properties, as coordinated by RSG and City staff.

- **Task 2: Feasibility Analysis**

RSG staff will perform financial pro forma analyses to determine reasonable and financially feasible development options for the individual properties. These pro formas will be prepared utilizing the competitive market analyses from Task 1b above, development cost

data identified in Marshal and Swift Valuation Services (a national industry construction costs data source), and RSG's independent construction cost experience.

Further, RSG will identify those uses that can be brought to market quickly and efficiently given current supply and demand conditions.

- **Task 3: Identify Prospective Buyers/Market Outreach**

In a real estate advisory and broker capacity, RSG will prepare a property disposition strategy and marketing materials for the properties, consisting of:

- Background
- Market analysis
- Development feasibility and recommendations
- Marketing opportunities
- Disposition terms and conditions that would satisfy the City's goals and objectives.

RSG would proceed with the marketing the sale of the property, which would include either soliciting developer interest through a broker Property Offering Memorandum or an RFP/Q process through to the development community.

It is important to note that there would be substantial similarities between the content and materials that would be provided in either an Offering Memorandum or an RFQ/P. However, we believe that the Memorandum provides for a far more streamlined process in effecting a timely Purchase and Sale Agreement, which can result in achieving the same City economic development goals and objectives.

The marketing materials would be submitted to staff for review, and upon completion of edits, RSG would finalize and post the property offerings on appropriate real estate marketing sites including, but not limited to, LoopNet.com, Real Capital Markets (www.RCM1.com) and other related industry and broker property listing sites.

RSG would maintain a complete broker contact list of developers and investors expressing property interest and a record of all market discussions, which would be shared at least weekly with City staff. RSG staff would network with other brokers, developers and investors and respond to property interest inquiries as well as host site visits. RSG staff would also be available for status update meetings with City staff as needed.

- **Task 4: Negotiate and Prepare Transaction Documents**

RSG would represent the City exclusively under a Real Estate Broker Agreement (see Exhibit C to this Agreement) in all property offering discussions and transaction negotiations with prospective developers and investors. In coordination with City staff and the City's attorney, RSG would:

- Evaluate and negotiate purchase offer terms, including attendance by RSG's Principal-in-Charge and Vice President/Director for meetings with the City staff, City Attorney, City Manager and City Council to review all negotiations with prospective buyers of the properties
- Prepare all transaction documents (including purchase and sale agreements, Disposition and Development Agreement or other property disposition agreements)

- **Task 5: Transaction Management**

RSG would oversee the entire transaction process to ensure that sales close in a timely manner. More specifically, RSG will manage and coordinate the following:

- Transaction due-diligence activities
- Opening escrow and funding
- Preliminary title reports
- Phase 1 Environmental investigations (if applicable)
- Property condition assessments
- Soils and geologic investigations (if applicable)
- Planning, zoning and building entitlements
- Other conditions precedent to closing
- Escrow closing and recording

- **Task 6: Attendance at up to nine (9) City Coordination Meetings, Public Hearings, and City Council Meetings as Needed (per hourly fee schedule)**

This Scope of Services and Cost Estimate include the attendance of RSG's Principal-in-Charge and Vice President/Director at a total of up to six (6) meetings with the City staff, City Additional meetings would be billed in accordance with the hourly fee schedule in Exhibit "B").

II. As part of the Services, Service Provider/Broker will prepare and deliver the following tangible work products to the City:

- A. Summary Memorandum of Project Work Scope & Data Needs
- B. Market Comparable Summaries and Properties Data Sheets (2)

- C. Competitive Market and Valuation Analysis (2)
- D. Broker Opinion of Valuation Reports for Each Property (2)
- E. Highest & Best Use Analyses for Each Property (2)
- F. Financial Pro Forma Feasibility Analyses (2)
- G. Market Study (2)
- H. Summary Property Disposition Strategy Memorandum
- I. Broker Offering Memorandum [Alt. RFP] (2)
- J. Draft Purchase and Sale Agreements (2)
- K. Final Purchase and Sale Agreements (2)
- L. City Council Property Disposition Reports (2)

Work product items B through G and I through L will include one per property, for total of two each.

III. During performance of the Services, Service Provider/Broker will keep the City apprised of the status of performance by delivering the following status reports:

- A. RSG will provide monthly status reports via email to John Jansons and other designated City staff as directed by City.

IV. The tangible work products and status reports will be delivered to the City pursuant to the following schedule:

- A. Tasks 1 through 3 – 8 to 10 weeks
- B. Tasks 4 and 5 – Timing will be dependent on responses and offers.

V. Service Provider/Broker will utilize the following personnel to accomplish the Services:

- A. Hitta Mosesman, Principal
- B. Jim Draughon, Director/Real Estate Broker
- C. Andrew Gee, Senior Associate/Real Estate Broker
- D. Dmitry Galkin, Analyst
- E. Michael Dietz, Research Assistant

VI. Service Provider/Broker will utilize the following subcontractors to accomplish the Services:

- A. N/A

Page Left Intentionally Blank

EXHIBIT "B"
COMPENSATION

I. Service Provider/Broker shall use the following rates of pay in the performance of the Services:

Principal / Director	\$ 210
Senior Associate	\$ 165
Associate	\$ 150
Senior Analyst	\$ 125
Analyst	\$ 115
Research Assistant	\$ 100
Technician	\$ 75
Clerical	\$ 60
Reimbursable Expenses	NTE \$1,200

II. Service Provider/Broker may not utilize sub-contractors as indicated in this Agreement without prior written consent of City.

The hourly rate for any subcontractor is not to exceed \$ N/A per hour without written authorization from the City Manager or his designee.

IV. The total compensation for the Services shall not exceed \$101,155 inclusive of expenses as provided in Section 5 "Compensation and Method of Payment" of this Agreement.

Should Service Provider/Broker consummate sales of one or more of the Properties, then Service Provider/Broker (under CA DRE Brokers License #01930929) will be entitled to Commission net of reimburse to City of compensation paid by City to Service Provider/Broker as provided in Section 5 of the Agreement. .

EXHIBIT "D"
INSURANCE

A. Insurance Requirements. Service Provider/Broker shall provide and maintain insurance, acceptable to the City, in full force and effect throughout the term of this Agreement, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Services by Service Provider/Broker, its agents, representatives or employees. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Service Provider/Broker shall provide the following scope and limits of insurance:

1. Minimum Scope of Insurance. Coverage shall be at least as broad as:

(1) Commercial General Liability. Insurance Services Office form Commercial General Liability coverage (Occurrence Form CG 0001).

(2) Automobile. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, including code 1 "any auto" and endorsement CA 0025, or equivalent forms subject to the written approval of the City.

(3) Workers' Compensation. Workers' Compensation insurance as required by the Labor Code of State of California covering all persons providing Services on behalf of the Service Provider/Broker and all risks to such persons under this Agreement.

(4) Professional Liability. Professional liability insurance appropriate to the Service Provider/Broker's profession. This coverage may be written on a "claims made" basis, and must include coverage for contractual liability. The professional liability insurance required by this Agreement must be endorsed to be applicable to claims based upon, arising out of or related to Services performed under this Agreement. The insurance must be maintained for at least three (3) consecutive years following the completion of Service Provider/Broker's services or the termination of this Agreement. During this additional three (3) year period, Service Provider/Broker shall annually and upon request of the City submit written evidence of this continuous coverage.

2. Minimum Limits of Insurance. Service Provider/Broker shall maintain limits of insurance no less than:

(1) Commercial General Liability. \$1,000,000 general aggregate for bodily injury, personal injury and property damage.

(2) Automobile. \$1,000,000 per accident for bodily injury and property damage. A combined single limit policy with aggregate limits in an amount of not less

than \$2,000,000 shall be considered equivalent to the said required minimum limits set forth above.

(3) Workers' Compensation. Workers' Compensation as required by the Labor Code of the State of California of not less than \$1,000,000 per occurrence.

(4) Professional Liability. \$1,000,000 per occurrence.

B. Other Provisions. Insurance policies required by this Agreement shall contain the following provisions:

1. All Policies. Each insurance policy required by this Agreement shall be endorsed and state the coverage shall not be suspended, voided, cancelled by the insurer or either Party to this Agreement, reduced in coverage or in limits except after 30 days' prior written notice by certified mail, return receipt requested, has been given to City.

2. Commercial General Liability and Automobile Liability Coverages.

(1) City, and its respective elected and appointed officers, officials, and employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities Service Provider/Broker performs; products and completed operations of Service Provider/Broker; premises owned, occupied or used by Service Provider/Broker; or automobiles owned, leased, hired or borrowed by Service Provider/Broker. The coverage shall contain no special limitations on the scope of protection afforded to City, and their respective elected and appointed officers, officials, or employees.

(2) Service Provider/Broker's insurance coverage shall be primary insurance with respect to City, and its respective elected and appointed, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by City, and its respective elected and appointed officers, officials, employees or volunteers, shall apply in excess of, and not contribute with, Service Provider/Broker's insurance.

(3) Service Provider/Broker's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(4) Any failure to comply with the reporting or other provisions of the insurance policies, including breaches of warranties, shall not affect coverage provided to City, and its respective elected and appointed officers, officials, employees or volunteers.

3. Workers' Compensation Coverage. Unless the City Manager otherwise agrees in writing, the insurer shall agree to waive all rights of subrogation against City, and its respective elected and appointed officers, officials, employees and agents for losses arising from work performed by Service Provider/Broker.

C. Other Requirements. Service Provider/Broker agrees to deposit with City, at or before the effective date of this Agreement, certificates of insurance necessary to satisfy City that the insurance provisions of this contract have been complied with. The City may require that Service Provider/Broker furnish City with copies of original endorsements effecting coverage required by this Exhibit "C". The certificates and endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. City reserves the right to inspect complete, certified copies of all required insurance policies, at any time.

1. Service Provider/Broker shall furnish certificates and endorsements from each sub-contractor identical to those Service Provider/Broker provides.

2. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective elected or appointed officers, officials, employees and volunteers, or the Service Provider/Broker shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

3. The procuring of such required policy or policies of insurance shall not be construed to limit Service Provider/Broker's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

#14



Staff Report

TO: Honorable Mayor and Members of the City Council

FROM: Wally Hill, City Manager *Wally Hill*
Deanna Elliano, Community Development Director *DE*

DATE: February 10, 2015

RE: **MUNICIPAL CODE AMENDMENT NO. 15-001: AUTOMATIC EXTENSIONS OF TIME FOR DEVELOPMENT PROJECTS** – A request for City Council adoption of an Urgency Ordinance to extend the life of certain land use approvals set to expire.

RECOMMENDED ACTION:

*That the City Council, by a required 4/5ths vote, ADOPT the proposed **Urgency Ordinance Bill No. 15-006**, regarding the automatic extension of Conditional Use Permits and Site Development Reviews set to expire between February 1, 2015 and December 31, 2015 to be extended an additional two years.*

BACKGROUND

The proposed ordinance was initiated at the request of several property owners and developers who have project approvals (i.e. Conditional Use Permits and Site Development Reviews), that are due to expire before the end of this year. Typically, these land use approvals expire two years after the original approval date, unless construction has commenced on the site, or an Extension of Time has been granted by the Planning Commission. The city's code allows for a maximum extension of up to three years. In some cases, these projects have exhausted all of the time extensions allowed under the zoning code, and would essentially have to re-apply with a new project application and fees, submit new plans and materials, and complete the public hearing process before the Planning Commission. In addition to the costs to the applicant for processing a re-submittal or time extension application, there is considerable staff time involved in preparing the projects and staff reports for the public hearing and Planning Commission review.

Due to the slow economy, a similar ordinance granting a 2-year automatic extension of time was approved by the City Council in 2009 (Ordinance 1815), and another one in 2013 (Ordinance 1860). Although the retail and housing markets are finally starting to improve, the applicants have indicated to staff that they need additional time to market the properties and/or set up their financing for construction. Staff has identified at least 10 commercial and residential projects that have received prior approvals and would otherwise expire in the next few months without the extensions granted under this ordinance, as shown in Attachment 3. The proposed ordinance and automatic extension of time will allow them to continue to market an already entitled property as the economy improves. Some of the property owners or project representatives have submitted letters in support of the ordinance, included as Attachment No. 2 to this report.

PROPOSED ORDINANCE

The proposed Ordinance Bill No. 15-006 (Attachment 1) would automatically grant an extension of time for a two year period for all of the approved CUPs and SDRs that would expire between February 1 and

Automatic Extensions of Time

December 31, 2015. The Ordinance has been proposed as an urgency ordinance, and will therefore take effect immediately. Because it is an urgency ordinance, state law requires that it be adopted by a 4/5th vote of the Council, instead of the normally required 3/5ths vote. In the event the ordinance is not adopted, individual applications for Extensions of Time would be required to be filed and processed in the standard manner. However, there would also be several of the applications that would no longer be eligible to apply for any extension, as noted previously, and would have to start the entitlement process over again.

In reviewing the project approvals that would be subject to the ordinance, the approvals are for commercial, office, senior housing or infill residential projects and are consistent with the new 2030 General Plan, and all existing City zoning and development standards. Any new state legislation or city ordinances regarding Building, Fire, or Health and Safety Codes would still apply to the developments at the time of plan check and building permit, per the provisions of the proposed ordinance.

Staff recommends approval of the proposed ordinance as a reasonable and appropriate response to the economic conditions affecting the current viability of already approved projects in the City of Hemet. The proposed automatic extension of two years will allow applicants the opportunity to address the current financial challenges, without having to expend additional time and money on filing applications for individual extensions or resubmitted applications.

ENVIRONMENTAL DETERMINATION

The City has analyzed this proposed project and has determined that it is exempt from the California Environmental Quality Act ("CEQA") under Section 15061(b)(3) of the CEQA Guidelines which provides that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where, as here, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This Ordinance is enacted for the immediate preservation of the public peace, health and safety by extending the life of certain project approvals that have already undergone CEQA review. There have been no changes in the development standards or environmental conditions since these projects were approved that would warrant reconsideration of the environmental effects of the proposed projects. Therefore, it can be seen with certainty that there is no possibility that this Ordinance may have a significant adverse effect on the environment, and therefore the adoption of this Ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines.

FISCAL IMPACT

Adoption of either the proposed ordinance will have no direct fiscal effect. The indirect fiscal benefit of the ordinance will be to enable these projects to be in a position to move forward more quickly to pull permits, once the market conditions improve.

Respectfully submitted,



Deanna Elliano
Community Development Director

ATTACHMENTS

- 1) Proposed Ordinance Bill No. 15-006
- 2) Letter Requests from Project Applicants in support of the Ordinance
- 3) Table of approved projects currently set to expire in 2015

Attachment No. 1



**CITY OF HEMET
Hemet, California**

ORDINANCE BILL NO. 15-006

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA, EXTENDING THE LIFE OF EXISTING CONDITIONAL USE PERMITS AND SITE DEVELOPMENT REVIEW APPROVALS SET TO EXPIRE BETWEEN FEBRUARY 1, 2015 AND DECEMBER 31, 2015.

WHEREAS, the severe decline in the housing, real estate and development markets, has resulted in a high volume of requests for extensions and unfavorable conditions for the commencement of approved projects; and,

WHEREAS, if extensions are not granted to developers whose project approvals are set to expire, those developers will be forced to start the process over once the market recovers, which will result in the unnecessary consumption of even further staff time and resources; and,

WHEREAS, the City Council approved Ordinance No. 1815, which extended the life of all Conditional Use Permits and Site Development Review approvals, Zoning Adjustments and Planning Director Review approvals issued by the City that were set to expire between April 1, 2009 and December 31, 2009, for a period of twenty-four months from their then-current expiration date; and,

WHEREAS, the City Council approved Ordinance No. 1860, which was an urgency ordinance extending the life of all Conditional Use Permits and Site Development Review approvals that were set to expire between April 15, 2013 and

**CITY OF HEMET ORDINANCE NO. ____
AUTOMATIC EXTENSIONS OF TIME FOR LAND USE APPROVALS**

1 December 31, 2013, for a period of twenty-four months from their then current
2 expiration date; and,

3 **WHEREAS**, Government Code section 36937 authorizes ordinances to take
4 effect immediately if they are for the immediate preservation of the public peace, health
5 or safety, contain a declaration of the facts constituting the urgency, and are passed by
6 a four-fifths vote of the city council.

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

9 **SECTION 1: EXTENSION OF CERTAIN LAND USE APPROVALS.** All Conditional
10 Use Permits (HMC 90-42 et seq. and HMC 90-1531 et seq.) and Site Development
11 Review approvals (HMC 90-1451) issued by the City of Hemet that are set to expire
12 between February 1, 2015 and December 31, 2015 are hereby extended for a period of
13 twenty four (24) months from their current expiration dates. The granting of this
14 automatic extension does not exempt any project from having to comply with state and
15 city building, fire, engineering, and health and safety codes or fee schedules in effect at
16 the time of the building permit issuance.

17
18 **SECTION 2: DECLARATION OF FACTS CONSTITUTING URGENCY.** The City has
19 received and processed numerous applications for extensions of land use approvals
20 since the economic downturn in 2008. Due to the length of the recession, some
21 developers have had to request more than one extension for individual projects, and in
22 some cases are not be eligible for any further extensions of time under the City's current
23 ordinances. While development has started to pick up in the region, Hemet is
24 experiencing a slower recovery. It is anticipated that the City will continue to receive
25 applications for extensions until the economy fully recovers. Reviewing and processing
26 these requests for time extensions consumes valuable staff time that could be used for
27 more pressing matters. Additionally, some of the projects expiring this year have
28

1 exhausted all of the extensions authorized by the Municipal Code. By adopting this
2 urgency ordinance, the City will free up valuable staff time and ensure that developers
3 whose project approvals are set to expire between February 1, 2015 and December 31,
4 2015 will not have to start the process all over again by applying for a new project
5 approval once the market recovers. The process of applying for a new land use
6 approval can be costly and time consuming, and places further burdens on staff time
7 and resources. Therefore, the City Council finds that this ordinance is necessary for the
8 immediate preservation of the public peace, health, and safety, and declares that it shall
9 take effect immediately upon its adoption as an urgency ordinance.

10 **SECTION 3: CEQA.** The City has analyzed this proposed project and has determined
11 that it is exempt from the California Environmental Quality Act ("CEQA") under Section
12 15061(b)(3) of the CEQA Guidelines which provides that CEQA only applies to projects
13 that have the potential for causing a significant effect on the environment. Where, as
14 here, it can be seen with certainty that there is no possibility that the activity in question
15 may have a significant effect on the environment, the activity is not subject to CEQA.
16 This ordinance is enacted for the immediate preservation of the public peace, health
17 and safety by extending the life of certain project approvals that have already
18 undergone CEQA review. There have been no changes to development standards or
19 environmental conditions since these projects were approved that would warrant
20 reconsideration of the environmental effects of the proposed projects. The City has
21 adopted a new General Plan since the projects affected by this Ordinance were
22 approved; however, the projects are all consistent with the new General Plan and
23 remain consistent with the applicable zoning. Therefore, it can be seen with certainty
24 that there is no possibility that this ordinance may have a significant adverse effect on
25 the environment, and therefore the adoption of this ordinance is exempt from CEQA
26 pursuant to Section 15061(b)(3) of the CEQA Guidelines.
27
28

1 **SECTION 4: SEVERABILITY.**

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

10 **SECTION 5: EFFECTIVE DATE.**

11 This Ordinance shall take effect immediately after its passage by the City Council
12 of the City of Hemet.

13 **SECTION 6: PUBLICATION.**

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

20 **PASSED, APPROVED AND ADOPTED** this ___ day of _____, 2015.

21
22
23
24
25
26
27
28

Linda Krupa, 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 Urgency Ordinance was passed, approved and adopted on the __ day of
6 _____, 2015, by the following vote:

7 **AYES:**

8 **NOES:**

9 **ABSTAIN:**

10 **ABSENT:**

11
12 _____
13 Sarah McComas, City Clerk

14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Attachment No. 2

January 27, 2015

City of Hemet
City Council
445 E. Florida Avenue
Hemet, CA 92543

Re: Hemet Auto Mall Property
Subject: Automatic 2 Year Extension of Time for Conditional Use Permits

City Council Members:

We had obtained a grading permit for our Hemet Auto Mall property in October 2005. During that same period we started on the design of our Auto Mall development. The project was scrutinized at over half a dozen public meetings.

We were very pleased to receive City Council approval of the project. We have spent close to \$500,000 on consultants, civil engineers, soils engineers, architects, grading of the site, permits and fees. Unfortunately, we have spent all this time and effort to take part in one of the great economy down turns in our memory. Timing is everything and we believe the economy is starting to recover. We are asking for the Hemet City Council to support the automatic two year extension that is before you. We feel that a two year extension will provide us with adequate time to complete our project. Thank you for your consideration.

Yours truly,

A handwritten signature in cursive script that reads "Donald L. McCoy".

Donald L. McCoy

Carole Kendrick

From: Steve Riboli <steve.riboli@sanantoniowinery.com>
Sent: Tuesday, January 27, 2015 9:27 AM
To: Carole Kendrick
Subject: Letter in support of a one year extension for project life CUP 07-026

Carole, Kindly forward to the City Manager.

Dear Sir,

We are the owners of a 110,000 sq ft commercially zoned parcel that has been thru planning an approval to construct approximately 25,000 sq ft of retail. Our CUP Permit No is 07-026.

We are in complete support of an extension. The market conditions are much better than the in the past , however National tenants are still apprehensive about moving forward on lease commitments.

If possible we are in favor of a 2 year extension of project life. The CUP process was extremely expensive and time consuming and we feel it was be burdensome to reapply.

Kindly phone me to discuss.

Many thanks.

Steve Riboli

SR Partners

San Antonio Winery

323-330-8724



January 15, 2015

HONORABLE MAYOR & CITY COUNCILMEMBERS

CITY OF HEMET
445 E. Florida Avenue
Hemet, CA 92544

Attn: Wally Hill, City Manager (whill@cityofhemet.org), Linda Krupa, Mayor (lkrupa@cityofhemet.org)
Bonnie Wright – Mayor Pro Tem (bwright@cityofhemet.org), Robert Youssef – Council Member (ryoussef@cityofhemet.org), Shellie Milne – Council Member (smilne@cityofhemet.org)
Paul Raver – Council Member (praver@cityofhemet.org), Deanna Elliano, Community Development Director (delliano@cityofhemet.org), Carole L. Kendrick, Associate Planner (ckendrick@cityofhemet.org)

RE: APPROVAL OF ORDINANCE/BILL EXTENDING CUP/SDR'S

Dear Mayor, Councilmembers, & City Staff:

This letter asks for your support and approval of the recently proposed ordinance/bill granting a 1 year automatic extension of unexpired CUP/SDRs in the City of Hemet at your upcoming meeting.

Our company is the owner of the vacant 2.15 acres site which has been planned and approved for the development of 50 new townhome units on the south side of Acacia Avenue about 300' east of Kirby Street and adjacent east of the existing 50 units known as Acacia Gardens Condominiums. Our project comprises the 2nd and final phase of Final Subdivision Tract 13982. Its CUP (No. 06-005) was approved on September 16, 2008.

Our company began planning this project in April 2004 but did not receive its CUP approval until September 2008. By that time, the housing market in Hemet and Southern California had declined so much that it was impossible to obtain equity and debt financing to build it. Although market conditions are gradually improving, it is still impossible to obtain financing for this project.

By approving this automatic 1 year extension of CUP/SDRs, builders will not have to bear the additional and significant consultant and staff costs and time delays, which would result from having to submit the project to the Planning Commission again. It would also create more processing costs, time delays, and simply make it harder for projects like this to "pencil." In addition, considerable City staff time and expenses will be incurred reprocessing projects that have already been closely scrutinized by staff and prior Planning Commissions.

By approving this automatic extension, the Mayor and City Council can help promote the creation of many good construction and permanent support services jobs by allowing these already-approved projects to be started quickly once market conditions permit. The Mayor and Council will also be sending a clear message to the building industry and other industries that Hemet is a "business-friendly" community in which new investments are welcomed.

Sincerely,

J. Stephen Quinn, President
APE HOLDINGS, LLC (Owner)

**Eric Day
1702 Shaw Circle
Placentia, CA 92870**

January 12, 2015

**City of Hemet
Attention: Community Investment Director:
John Jansons
445 E Florida Ave
Hemet, CA 92543**

**Re: Los Olivos Project
Subject: Blanket 2 Year Extension of Time for Tentative Tract Map and SDR**

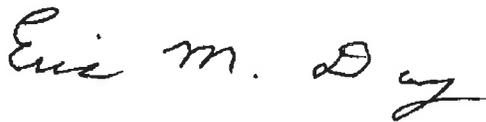
Dear Mr. Hill,

I am the owner of the property on Cawston Ave (APN #460-242-037). I would like to request the City Council consider another blanket extension of time to extend the life of my project, Los Olivos, which is a 40 unit condominium/apartment project located on Cawston Avenue in Hemet. On April 15, 2013, the City of Hemet extended for two years my tentative tract map (TTM) 34712 and Site Development Review (SDR) 06-017, which was due to expire November 7, 2013. Please see attached letter explaining original approval date and subsequent extensions. I am very grateful for all the extensions received to date.

To give you a brief history of my ownership of the project. My parents, who have since passed, lived in the Hemet area for 20 years and now my brother has lived in the Hemet area for approximately 30 years. Therefore, I have spent a lot of time in the Hemet area. I originally bought the property along with my real estate partner Art Crigler back in 2006. We basically put most of our money into getting the property approved through the city of Hemet in 2006. We are not large property owners and other than our houses, this is the only property we own. Therefore, when we bought the property I was really excited about owning property in a place where I had spent a good portion of my teenage and adult life. I also felt like I was helping future development to occur that would benefit the City and community. Unfortunately, we purchased the property and received approvals just prior to the start of the worst recession since the depression in the 1920's. Even though the recession has been the longest in modern history, the market finally appears to be approving in the last couple years. Property values have risen in Los Angeles and Orange Counties, however, Riverside County and Hemet especially have lagged behind. We have extensively marketed the property on numerous real estate websites, newspapers, and thru contacts we have built up thru the years and met with many real estate brokers. In the past year we have received more inquiries from builders with an interest in the project. However, all of them feel the market in Hemet is still 2 years away. Therefore, we need more time for the market to improve and for us to find a builder willing to partner with us to bring the project to market.

We believe it is a good project and will be a positive for the City. We do not have the means necessary to start over and go thru the approval process again. Therefore, it would severely impact our property's value and our ability to provide a good project for the City if our approvals were to expire. The project is in a great location close to an elementary school, the new West Valley High School, the Super Walmart Shopping Center (Page Plaza), Hemet Center for Medical Excellence, and next to existing apartments (Riverdale Apartments) in the west end of Hemet. It will not negatively impact traffic, schools, or the environment. Therefore, we respectively request a much needed 2 year extension of our tentative tract map (TTM) 34712 and Site Development Review (SDR) 06-017.

Sincerely,



Eric Day, Owner
(714) 308-6969, Fax (714) 996-5250
info@cprealtyweb.com

cc: Carole Kendrick

Attachment No. 3

Inactive-Approved Entitlements

PROJECT	PROJECT NAME	LOCATION	PROJECT DESCRIPTION	APPROVED DATE	EXPIRATION DATE
CUP12-009	BJ's Rentals	450 N. State	Equipment rental yard	2/19/2013	2/19/2015
CUP13-003	Menlo Recycling	275 E. Menlo	Recycle collection center	6/18/2013	6/18/2015
SDR06-017	Los Olivos	Cawston, south of Stetson	40 residential condos	11/7/2006	11/7/2015
CUP07-026	Cawston Plaza	SWC Florida and Cawston	21,013 sq. ft. shopping center	11/25/2008	11/25/2015
CUP05-001	Saint Demiana	NEC Florida and Soboba	34,700 sq. ft. shopping center	7/1/2008	7/1/2015
CUP06-005	Acacia Gardens	SEC Acacia and Kirby	50 residential condos (Phase 2)	9/16/2008	9/16/2015
CUP07-021	Hemet Auto Mall	Warren between Auto Mall Dr and Blvd	107,978 sq. ft. shopping center	11/25/2008	11/25/2015
CUP08-014	NWC Yale and Florida	NWC Yale and Florida	5,218 sq. ft. shopping center	9/23/2008	9/23/2015
CUP05-002	Tierra West	NWC Sanderson and Devonshire	127 unit senior apartments	5/2/2006	5/2/2015
SDR11-001	NWC Florida and Carmalita	NWC Florida and Carmalita	Replacement construction	6/14/2011	6/14/2015



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*
Deanna Elliano, Community Development Director *DE*

DATE: February 10, 2015

RE: **ANNEXATION NO. 14-001**: Adoption of a Resolution of Application requesting that the Riverside Local Agency Formation Commission initiate proceedings for annexation to the City of Hemet regarding 995.63 acres of property located within the city's Sphere of Influence in unincorporated Riverside County, generally situated south of Stetson Avenue, north of Dominigoni Parkway, and west of the City limits to California Avenue.

RECOMMENDED ACTION:

That the City Council:

1. **Adopt Resolution Bill No. 15-007** requesting that the Riverside Local Agency Formation Commission (LAFCO) initiate proceedings for annexation of 995.63 acres of property to the City of Hemet; and
2. Direct staff to finalize and submit an Annexation Application, Plan of Services, Fiscal Impact Analysis, and other required materials to LAFCO.

BACKGROUND:

As a component of the comprehensive update to the Hemet 2030 General Plan, which was adopted by the City Council in January 2012, land use designations and development goals were established for territory within the City's adopted Sphere of Influence. The proposed annexation area in West Hemet was identified as a place to increase employment opportunities for residents, encourage light industrial and commercial growth, expand residential opportunities, ensure the preservation of sensitive environments, provide public open space trails, paseos, and parkland, to promote fiscally balanced land uses, and enable the continued growth of the City.

On July 8, 2014, the City Council directed staff to initiate the annexation process for the 995.63 acres of property generally situated south of Stetson Avenue, north of Domenigoni Parkway, and west of the City limits to California Avenue, pursuant to requests from the landowners within the annexation area. The proposed annexation area is located in unincorporated Riverside County within Hemet's Sphere of Influence, which is defined under state law as "*the probable physical boundaries and service area of a local government agency.*" A map of the project boundaries in relation to the existing city limits and the city's adopted Sphere of Influence (SOI) is provided as Attachment 2, and an aerial photo of the project site is provided as Attachment 3 to this staff report.

Pre-zoning of the proposed annexation territory was adopted by the City Council on January 28, 2014, and established zoning designations for the property that are consistent with the City's General Plan Land Use Map, and will take effect upon annexation to the City. The Pre-zoning designations are shown in Attachment 4 and the City's General Plan land use designations are shown in Attachment 6. The establishment of General Plan and pre-zoning designations on the proposed annexation area is a prerequisite for the filing of an application with the Riverside County Local Agency Formation Commission (LAFCO), which is the entity authorized by the State of California to approve annexations, incorporations, and other boundary adjustments for local municipalities and special districts. The Commission is a seven-member body comprised of Riverside County Supervisors, City Councilmembers, and Special District Board Members.

In July, 2014 when the Council authorized staff to commence work on the annexation application and allocated up-front funding, it was on the condition that a minimum of 50 percent of the estimated costs were deposited by annexation area property owners. This condition has been met, and the property owners continue to support the annexation effort. Five of the seven property owners with developable land have contributed their fair-share allocation resulting in deposited funds of approximately 78 percent of the total estimated cost of the annexation. The remaining 22 percent will be collected through reimbursement fees at the time of future entitlements or development. The overall estimated cost of the approximately 995 acre annexation is \$106,265.00, which includes the preparation of Fiscal Impact Report, a boundary survey, LAFCO processing costs, and staff time to prepare the required Plan of Services, reports, and application materials. The preparation of these application materials is now complete or in the final review process and the conclusions are summarized in this staff report.

Upon adoption of the Resolution of Application by City Council (Attachment 1), staff will finalize the annexation application and submit to the Riverside Local Agency Formation Commission (LAFCO) for processing. Riverside LAFCO will review the application and then hold a separate, noticed, public hearing and will make the final determination on the annexation proposal.

SITE DESCRIPTION:

The project area is currently undeveloped with some parcels being used for agricultural or recreational uses, as shown in the aerial view of the area (Attachment 3). The north and west side of the project area is bounded by the City of Hemet, thereby providing a logical connectivity to the annexation area. The southern boundary of the project area is Domenigoni Parkway with the Salt Creek channel bordering the roadway's northern edge. MWD's San Diego Aqueduct facility runs north-south through the project area and the BNSF railway cuts through a narrow portion of the project area running east-west. The project area is currently accessed via California Avenue, Warren Road, Stetson Avenue, Simpson Road, Olive Avenue, and Poplar Street. Future development in the northern portion of the area is constrained by the Multiple-Species Habitat Conservation Plan (MSHCP) and the Hemet-Ryan Airport Land Use Plan (ALUP).

The existing County zoning is Agricultural, with a minimum lot size of 10 acres. The City of Hemet pre-zoned the area in January, 2014 to conform to the city's General Plan land use designations. The adopted city pre-zone designations for the property are illustrated in Attachment 4, and include the zone categories of Business Park, Light Manufacturing, Mixed Use, Specific Plan, and Low Density Residential. The existing General Plan Land Use designations for the site are shown in Attachment 6.

Land Ownership & Participation

The cooperation and participation of annexation area property owners has been an important component of the annexation proposal process. There are eleven property owners in the project area, as shown in Attachment 5. Of these, five are governmental agencies: MWD, Riverside County Flood Control, EMWD, RCTC, and the City of Hemet, which owns a 20.88 acre property adjacent to Salt Creek Channel/Domenigoni Parkway. Staff has worked directly with the property owners in the project area to ensure their understanding of the General Plan vision, the adopted pre-zoning, and the potential annexation process. Seven property owners, including the City of Hemet, own developable land within the annexation area. These seven owners were asked to participate in the funding of the annexation process. The cost was distributed on a per acre basis. Owners who chose to not contribute upfront were apprised that they would be assessed a reimbursement fee at the time of future site entitlement or development, whichever occurs first. All but two owners have already paid their “fair-share” allocations covering 78 percent of the total cost of annexation. All of the property owners are either in support of the annexation or have taken a neutral position. One of the property owners, Benchmark Pacific, is actively planning a future development project on their property.

ANNEXATION PROCESS:

Annexations are regulated by State law under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 that authorized Local Agency Formation Commissions (LAFCOs) to approve changes in the boundaries of local agency jurisdictions. The Riverside LAFCO is responsible for processing annexation requests within Riverside County and has established a detailed application process with specific requirements, fees, and technical documents to support the annexation request including a Boundary Description, a Fiscal Analysis, and a Plan of Services.

Annexation to a city can either be initiated by a petition of the landowners, or a Resolution of Application by the local agency – in this case the City of Hemet. Because there are no existing residents in the annexation area, the subject annexation is considered “uninhabited” and follows the process for uninhabited annexation with a Resolution of Application from the City Council. Attachment 7 provides an overview of the LAFCO process after submittal of the application.

Boundary Description

The Boundary Description (Exhibit A to Attachment 1) is the legal description and associated map of the boundaries of proposed annexation area. The boundaries include all territory out to the street centerlines and are prepared to the standards of the State Board of Equalization. The official boundary description as shown in Exhibit A revises the previous annexation area acreage from an estimated 940.63 to 995.63, primarily due to the inclusion of Domenigoni Parkway from centerline north, as requested by LAFCO staff and the County Surveyor’s office..

Riverside LAFCO will forward Exhibit A to the Riverside County Surveyor Division and other county departments for review and comment. Final determination of the annexation boundary line for submittal to the LAFCO Board will be made after consultation between the City and the County.

Fiscal Impact Report

A Fiscal Impact Report is required by LAFCO for any annexation over 100 acres in size. The City contracted with David Taussig & Associates to prepare the required report which analyzed the financial impact of the proposed annexation under the three scenarios listed below. LAFCO's primary interest in requiring the Fiscal Report is to determine the financial impact to the County if the property is annexed, as compared to being developed within the County under the County General Plan land uses. However, the City also wanted to ensure that the annexation of the territory would have a positive fiscal impact for the City and requested that the study include that scenario as well.

The fiscal impact model assumes that under the pre-zoning adopted by the City Council for the proposed annexation area. The analysis identifies recurring municipal revenues and costs that result from these land uses. Recurring revenues are generated from sources such as property taxes, sales taxes, fees, and fines. Recurring costs are associated with services such as police protection, fire protection, public works maintenance, and general governmental services. The three scenarios included in the study and the results are as follows:

1. ***The impact of the annexation on the City of Hemet.*** This scenario documents the net cost of all services to be provided by the City at buildout subsequent to annexation of the project area to the City. Buildout is assumed under the land uses allowed by City rezoning as described above.
 - The report concludes that annual revenues generated by the proposed annexation under City rezoning are expected to equal 1.50 times the City General Fund costs, a very positive fiscal benefit for the City.
 - i. *Total Recurring Revenues: \$ 5,398,231*
 - ii. *Total Recurring Costs: (3,607,084)*
 - iii. *Annual Surplus/(Deficit): 1,791,147 (Cost ratio of 1.50)*

2. ***The impact to the County of Riverside subsequent to annexation to the City.*** This scenario documents the net cost to the County of Riverside if the annexation occurs and the project area develops under the land uses allowed by the rezoning adopted by the City of Hemet.
 - The report concludes that annual revenues generated by the proposed annexation under City pre-zoning to the County of Riverside General Fund are expected to equal 1.76 times the County General Fund costs.
 - i. *Total Recurring Revenues: \$ 2,214,061*
 - ii. *Total Recurring Costs: (1,1254,824)*
 - iii. *Annual Surplus/(Deficit): 959,237 (Cost ratio of 1.76)*

3. ***The impact to the County of Riverside without annexation to the City of Hemet.*** This scenario documents the net cost to the County of Riverside if the annexation does not occur and the project area develops under the existing County zoning.
 - The report concludes that annual costs to the County General Fund would be expected to exceed annual revenues with a revenue/cost ratio of 0.64 under the existing County zoning. Therefore, annexation to the City is a positive impact for both the City and the County.

Plan of Services

The purpose of the Plan of Services is to describe the existing level of service currently provided by the County and the service demand generated under the adopted pre-zoning, and to demonstrate how this demand will be met by the annexing jurisdiction. It assumes the same buildout development of land uses as the Fiscal Analysis. The Plan analyzes current (County) and future (City) provision of the following services: police protection, fire protection, water supply, wastewater, electricity, park and recreation, library, solid waste collection, street maintenance, stormwater management, animal shelter and control, and taxes and assessments. A summary of the existing service providers, and those providing service after annexation to the City is outlined in the table below.

Plan of Services Summary Table		
Service	Existing	Upon Annexation
Police Protection	Riverside County Sheriff	Hemet Police Department
Fire Protection	Riverside County Fire/Cal-Fire	Hemet Fire Department
Water	Eastern Municipal Water District (EMWD)	EMWD
Wastewater	EMWD	EMWD
Electricity	Southern California Edison (SCE)	SCE
Natural Gas	Southern California Gas (SCG)	SCG
Park & Recreation	Valley-Wide Recreation and Park District	City of Hemet/Valley-Wide
Library	Riverside County Library District	City of Hemet
Solid Waste	Waste Management	CR&R
Street Maintenance and Street Lights	Riverside County Transportation Department	City of Hemet, Public Works Department
Stormwater Management	Riverside County Flood Control District (RCFCD)	City of Hemet/RCFCD
Animal Shelter/Control	Riverside County Department of Animal Services	Ramona Humane Society

The Plan of Services is currently in draft form as staff awaits final comments from Eastern Municipal Water District and other agencies. However, thus far it demonstrates that the City of Hemet has the mechanisms in place to ensure service provision at a level that meets or exceeds that provided in the County for the proposed annexation area through buildout. The annexation area is currently undeveloped and while there are no development proposals submitted at this time, near-term development interest has been expressed by area property owners. All new development proposals will be required to demonstrate adequate and appropriate service provision as a condition of approval. Similar to new development within the County, the City anticipates the formation of new maintenance districts as needed, such as public safety facilities districts, landscape maintenance districts, streetlight maintenance districts, and flood control/storm-water districts. New residential developments will also be required to annex into the Valley-Wide Recreation and Parks District, unless new parks are maintained by the City or a Homeowners Association.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

General Plan: The proposed annexation facilitates implementation of the General Plan vision for West Hemet. General Plan goals and policies that support the annexation proposal include:

- *General Plan Goal LU-9: Establish a unique sense of place for West Hemet and enhance its role in the region.*
- *General Plan Policy LU-9.12: Work cooperatively with landowners, stakeholders and residents in West Hemet to promote annexation of the unincorporated land area to enhance the City's edge, entrance, public service delivery, and job base.*
- *General Plan Goal LU-14.7: Promote annexations that increase the City's industrial base and employment opportunities.*
- *General Plan Policy LU-14.8: Annexations shall provide an overall benefit to the City and its residents and fulfill a demonstrated need for additional housing, industrial, commercial, or open spaces uses.*

PUBLIC REVIEW AND COORDINATION:

Planning staff has had several meetings with the landowners within the annexation area, and met with representatives of a numbers of city departments and public agencies regarding the proposed annexation.

LAFCO is responsible for holding the required public hearing on the proposed annexation and completing the annexation review process (Attachment 7). However, in the interest of transparency, City staff sent notices of the proposed action to adopt a Resolution of Application to all property owners within 500 feet of the project area and to any person or agency who has expressed interest in the project including the Third District Office of the Riverside County Supervisors, the Winchester Municipal Advisory Council, the Soboba Band of Luiseno Indians, the Hemet Unified School District, and all affected agencies.

CEQA REVIEW AND COMPLIANCE:

The City has analyzed the proposed annexation and has determined that it is exempt from the California Environmental Quality Act ("CEQA") because it has been deemed to be consistent with the previously adopted Comprehensive General Plan Update Environmental Impact Report adopted by Resolution No. 4474 on January 24, 2012 and a Notice of Determination was filed in accordance with CEQA requirements on January 26, 2012. The pre-zoning established for the annexation area is consistent with the previously adopted Comprehensive General Plan Update and Environmental Impact Report and pursuant to Section 15162 of the CEQA Guidelines; and no new or additional environmental effects have been identified. Therefore, no further CEQA action is required.

ANALYSIS:

The annexation proposal is a key component of the City's economic development and balanced land use strategy. The proposed annexation implements the vision outlined in the City's General Plan for the project area. The proposed annexation area is within a General Plan focus area, Warren Avenue Mixed Use Area #4 (MU-4), that is designed to create employment opportunities

and amenities for local residents by facilitating retail, commercial, and industrial development as well as well-designed residential uses, public open space trails, paseos, and parkland. This vision was developed with significant community input and the analysis and guidance of the General Plan Advisory Committee, the Planning Commission, and the City Council. It is intended to increase employment opportunities, encourage light industrial and commercial growth, and expand residential options in the annexation area while enabling the managed growth of the City.

The Fiscal Impact Report and the Plan of Services demonstrate that proposed annexation provides an overall benefit to the City and its residents and fulfills a demonstrated need for additional housing and employment opportunities.

FISCAL IMPACT:

The cost of annexation application to LAFCO will be covered by project area property owners. In the long term, the City will benefit fiscally by the development of vacant property within the annexation area into business, commercial, and residential uses as envisioned in the General Plan, and through the associated expansion of the city's property tax base, sales tax generation, and employment base.

Reviewed By:

Prepared By:



Deanna Elliano
Community Development Director



Nancy Gutierrez
Project Planner

Attachments:

1. Resolution Bill No. 15-007 (Resolution of Application)
 - a. Boundary Plat & Legal Description
2. Locational map
3. Aerial Photo map
4. Adopted City of Hemet Pre-zoning map
5. Ownership map
6. General Plan Land Uses
7. LAFCO procedures

Attachment 1

Resolution Bill No. 15-007



CITY OF HEMET
Hemet, California

RESOLUTION BILL NO. 15-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HEMET, CALIFORNIA REQUESTING THAT THE RIVERSIDE LOCAL AGENCY FORMATION COMMISSION INITIATE PROCEEDINGS FOR ANNEXATION OF 995.63 ACRES OF PROPERTY LOCATED WITHIN THE CITY'S SPHERE OF INFLUENCE IN UNINCORPORATED RIVERSIDE COUNTY, GENERALLY SITUATED SOUTH OF STETSON AVENUE, NORTH OF DOMENIGONI PARKWAY, AND WEST OF THE CITY LIMITS TO CALIFORNIA AVENUE (ANNEXATION NO. 14-001).

WHEREAS, the City of Hemet desires to initiate an annexation proposal pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government for the annexation of 995.63 acres of property located within the City's Sphere of Influence in unincorporated Riverside County, generally situated south of Stetson Avenue, north of Domenigoni Parkway, and west of the City limits to California Avenue; and

WHEREAS, on January 28, 2014, the City Council adopted Ordinance No. 1877 approving Zone Change No. 13-003 amending the official zoning map to prezone the annexation area consistent with the City's General Plan; and

WHEREAS, on July 8, 2014, the Hemet City Council directed staff to initiate the application process for property located southwest of the city limits in the adopted City of Hemet sphere of influence area on which pre-zoning has been established, provided that a minimum of 50 percent of the estimated costs are deposited by the landowners located within the proposed annexation area; and

WHEREAS, staff initiated Annexation No. 14-001 (Southwest Hemet Area Annexation) and collected over 50 percent of the estimated costs from the landowners with developable land; and

WHEREAS, all eleven of the annexation area landowners have either expressed support or neutrality toward the annexation effort; and

1 **WHEREAS**, notice of intent to adopt this Resolution of Application has been
2 given to interested agencies and property owners within 500 feet of the annexation area
3 at least 10 days prior to the adoption of this resolution; and
4

5 **WHEREAS**, the proposed annexation territory is uninhabited, and a description
6 of the boundaries of the territory is set forth in Exhibit A attached hereto and by this
7 reference incorporated herein; and
8

9 **WHEREAS**, the proposed annexation territory is consistent with the adopted City
10 of Hemet Sphere of Influence; and
11

12 **WHEREAS**, the purpose of the annexation is to implement the vision outlined in
13 the City's General Plan for future development within the annexation area, which was
14 developed with significant community input and the analysis and guidance of the
15 General Plan Advisory Committee; and
16

17 **WHEREAS**, on February 10, 2015, the Hemet City Council held the noticed
18 meeting at which interested persons had an opportunity to testify in support of, or
19 opposition to, Annexation No. 14-001, and at which time the Hemet City Council
20 considered Annexation No. 14-001.
21

22 **NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of
23 Hemet Does Resolve, Determine, Find and Order as follows:
24

25 **SECTION 1. FINDINGS.**

- 26 1. Statement of Project Benefits: the proposed annexation is a key component of
27 the City's land use and economic development strategy. It implements the vision
28 outlined in the Hemet General Plan to increase employment opportunities for
29 residents, encourage light industrial and commercial growth, expand residential
30 opportunities, ensure the preservation of sensitive environments, provide public
31 open space trails, paseos, and parkland, and enable the managed growth of the
32 City within its adopted Sphere of Influence.
- 33 2. The proposed annexation is consistent with the adopted City of Hemet Sphere of
34 Influence and implements the goals and policies for the project area as outlined
35 in the General Plan. The rezoning designations correspond directly to the to the
36 land use designations of the General Plan for the project area.
- 37 3. The proposed annexation is physically contiguous with existing City boundaries,
38 represents a logical extension for the City, creates an easily identifiable and
39 appropriate boundary for service delivery, and does not create an island of
40 unincorporated County territory.
- 41 4. The proposed annexation is exempt from the California Environmental Quality
42 Act ("CEQA") under CEQA Guideline 15061(b)(3) because it has been deemed
43 to be consistent with the previously adopted Comprehensive General Plan

1 Update Environmental Impact Report adopted by Resolution No. 4474 on
2 January 24, 2012 and a Notice of Determination was filed in accordance with
3 CEQA requirements on January 26, 2012. No new or additional environmental
4 effects will occur as a result of the annexation of the proposed territory.
5 Therefore, pursuant to Section 15162 of the CEQA Guidelines, no further CEQA
6 action is required.
7

8 **SECTION 2. CITY COUNCIL ACTIONS.**
9

10 Based on the foregoing findings, and on substantial evidence in the whole of the record,
11 the City Council hereby takes the following actions:
12

13 The City Council hereby approves this Resolution of Application, and hereby
14 requests that the Local Agency Formation Commission of Riverside initiate
15 proceedings for the 995.63 acres of territory as described in Exhibit A, pursuant
16 to the Cortese-Knox –Hertzberg Local Government Reorganization Act of 2000.
17

18
19 **PASSED, APPROVED, AND ADOPTED** this 10th day of February, 2015.
20
21
22

23 _____
24 Linda Krupa, Mayor
25

26
27
28 ATTEST:

29 APPROVED AS TO FORM:
30

31 _____
32 Sarah McComas, City Clerk
33
34

31 _____
32 Eric S. Vail, City Attorney
33
34

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19

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 10th day of February, 2015 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

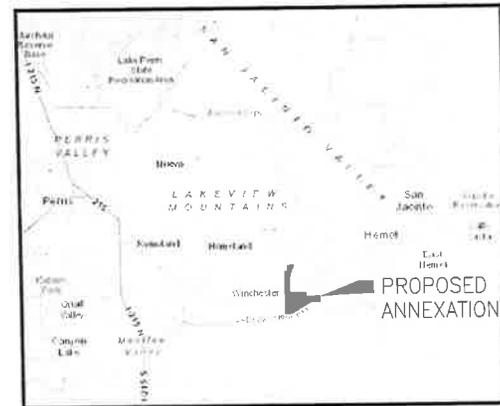
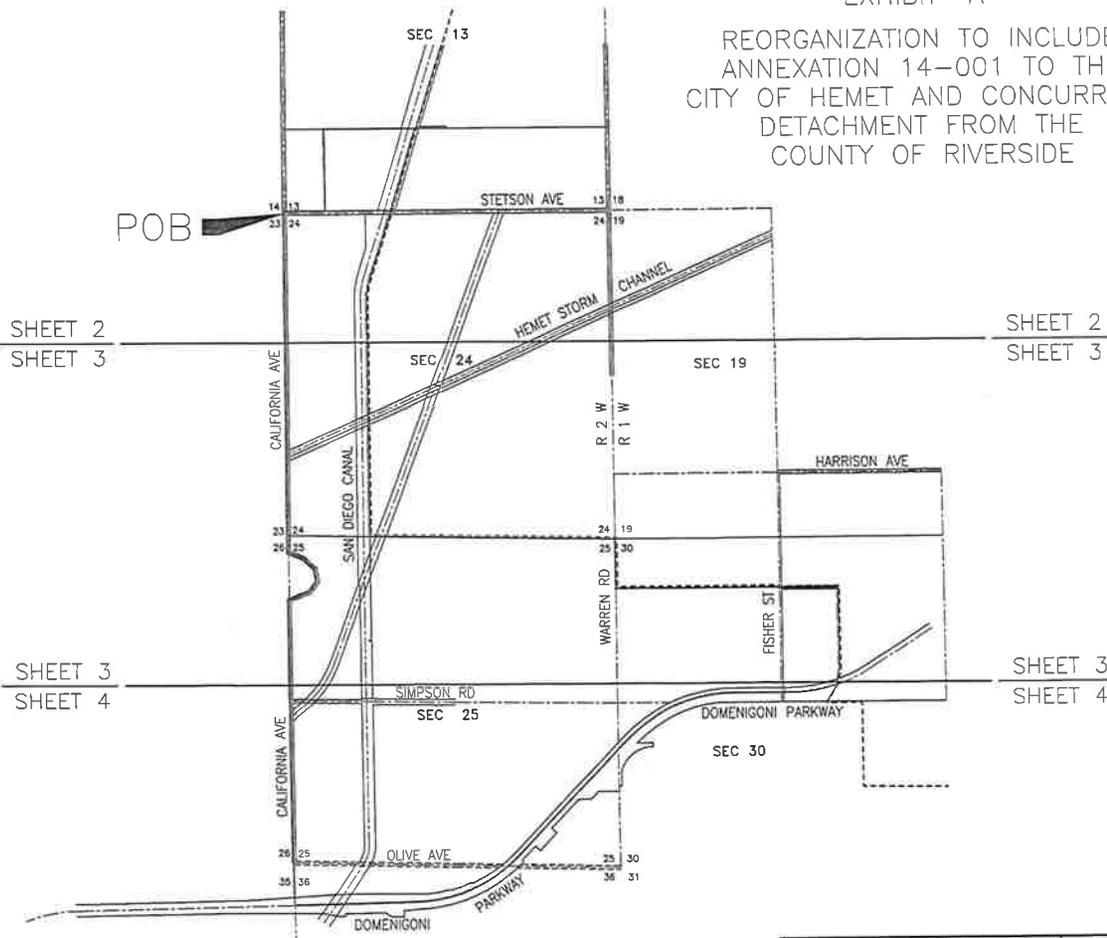
Sarah McComas, City Clerk

Exhibit A

Annexation 14-001
Boundary Plat and
Legal Description

EXHIBIT "A"

REORGANIZATION TO INCLUDE
ANNEXATION 14-001 TO THE
CITY OF HEMET AND CONCURRENT
DETACHMENT FROM THE
COUNTY OF RIVERSIDE



VICINITY MAP
NOT TO SCALE

DESCRIPTION

THAT PORTION OF SECTIONS 13, 24, 25 AND 36, TOWNSHIP 5 SOUTH, RANGE 2 WEST, S.B.M., AND THAT PORTION OF SECTION 30, TOWNSHIP 5 SOUTH, RANGE 1 WEST, S.B.M., IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

AREA: 995.6±

LEGEND

- PROPOSED ANNEXATION BOUNDARY
- - - EXISTING CITY OF HEMET BOUNDARY



SCALE: 1"=2400'

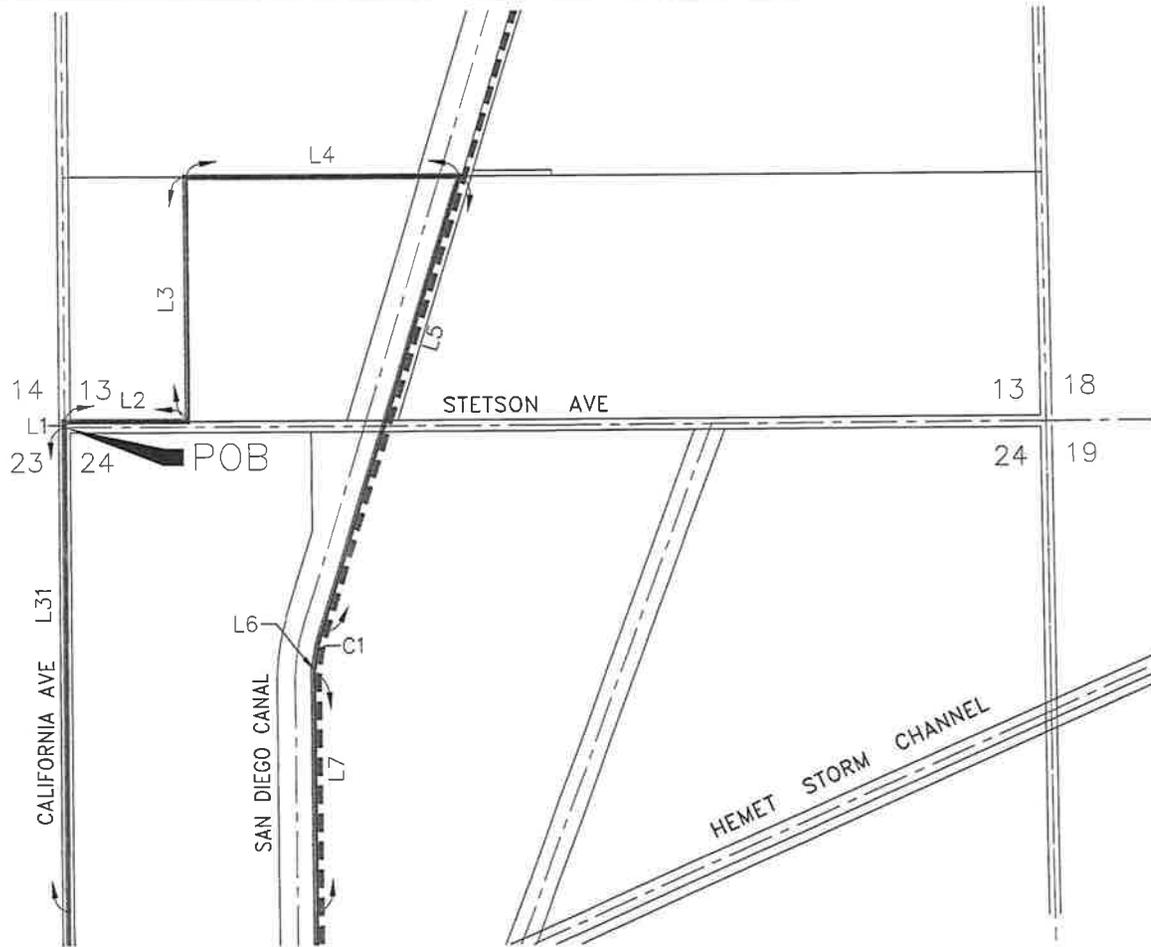
SHEET INDEX MAP

ANNEXATION No.
14-001
TO THE CITY OF HEMET

PREPARED BY:
COZAD & FOX, INC. 2015-XX-3

L.A.F.C.O. No.

CO. SURVEYOR'S
APPROVAL



ANNEX BOUNDARY LINE AND CURVE TABLE

LINE #/CURVE #	LENGTH	BEARING/DELTA	RADIUS
L1	30.00	N00°21'13"E	
L2	663.35	N89°55'35"E	
L3	1308.33	N00°18'56"E	
L4	1483.61	N89°59'17"E	
L5	2561.18	S17°55'26"W	
C1	209.92	13°21'50"	900.00
L6	2.60	N89°48'36"W	
L7	1304.52	S00°10'53"W	
L31	2596.85	N00°14'48"E	



SCALE: 1"=800'

LEGEND

- PROPOSED ANNEXATION BOUNDARY
- EXISTING CITY OF HEMET BOUNDARY

SEE SHEET 3

ANNEXATION No.
14-001
TO THE CITY OF HEMET

PREPARED BY:
COZAD & FOX, INC.

L.A.F.C.O. No.
2015-XX-3

CO. SURVEYOR'S
APPROVAL

ANNEX BOUNDARY LINE AND CURVE TABLE

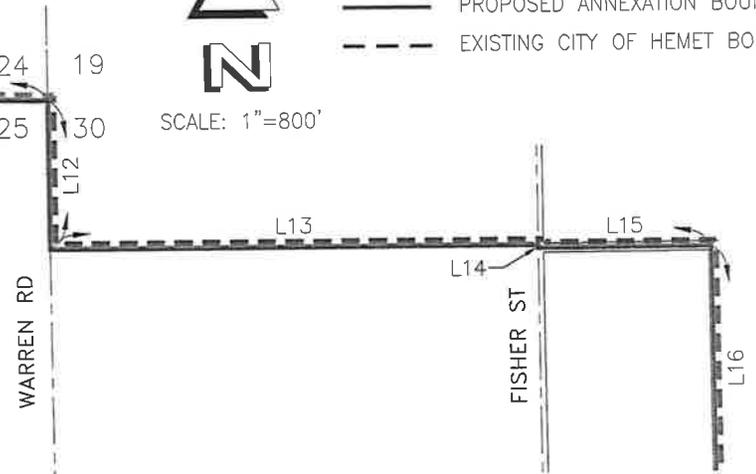
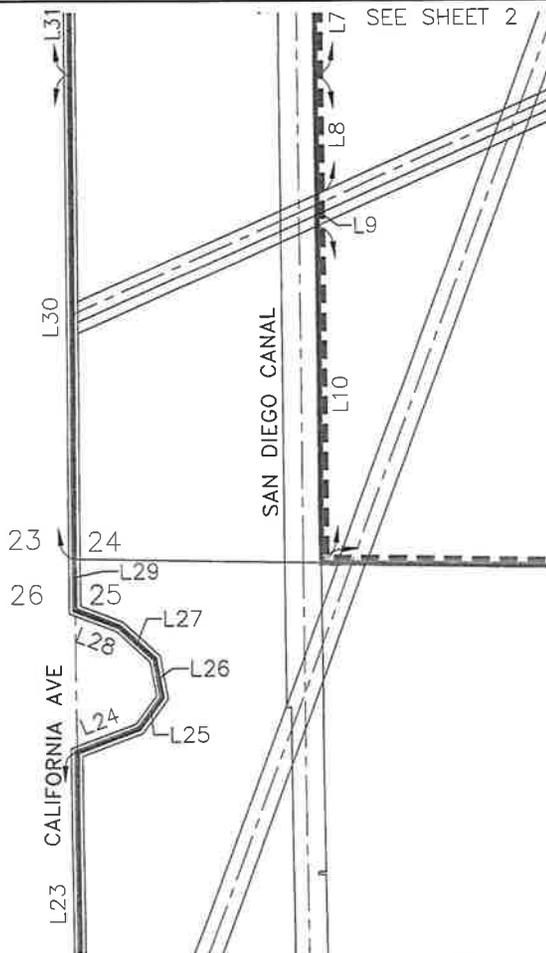
LINE #/CURVE #	LENGTH	BEARING/Delta	RADIUS	LINE #/CURVE #	LENGTH	BEARING/Delta	RADIUS
L8	633.31	S00°10'03"W		L23	1620.79	N00°05'09"W	
L9	169.36	S00°10'32"W		L24	358.17	N69°27'13"E	
L10	1806.49	S00°10'32"W		L25	211.80	N36°54'13"E	
L11	3997.34	S89°00'49"E		L26	209.00	N10°05'47"W	
L12	795.27	S00°00'11"E		L27	255.00	N48°05'47"W	
L13	2641.39	N89°54'52"E		L28	254.00	N69°05'47"W	
L14	16.30	S00°00'36"E		L29	272.00	N00°05'09"W	
L15	930.75	N89°52'02"E		L30	2596.85	N00°14'44"E	
L16	1319.80	S00°09'36"E					



SCALE: 1"=800'

LEGEND

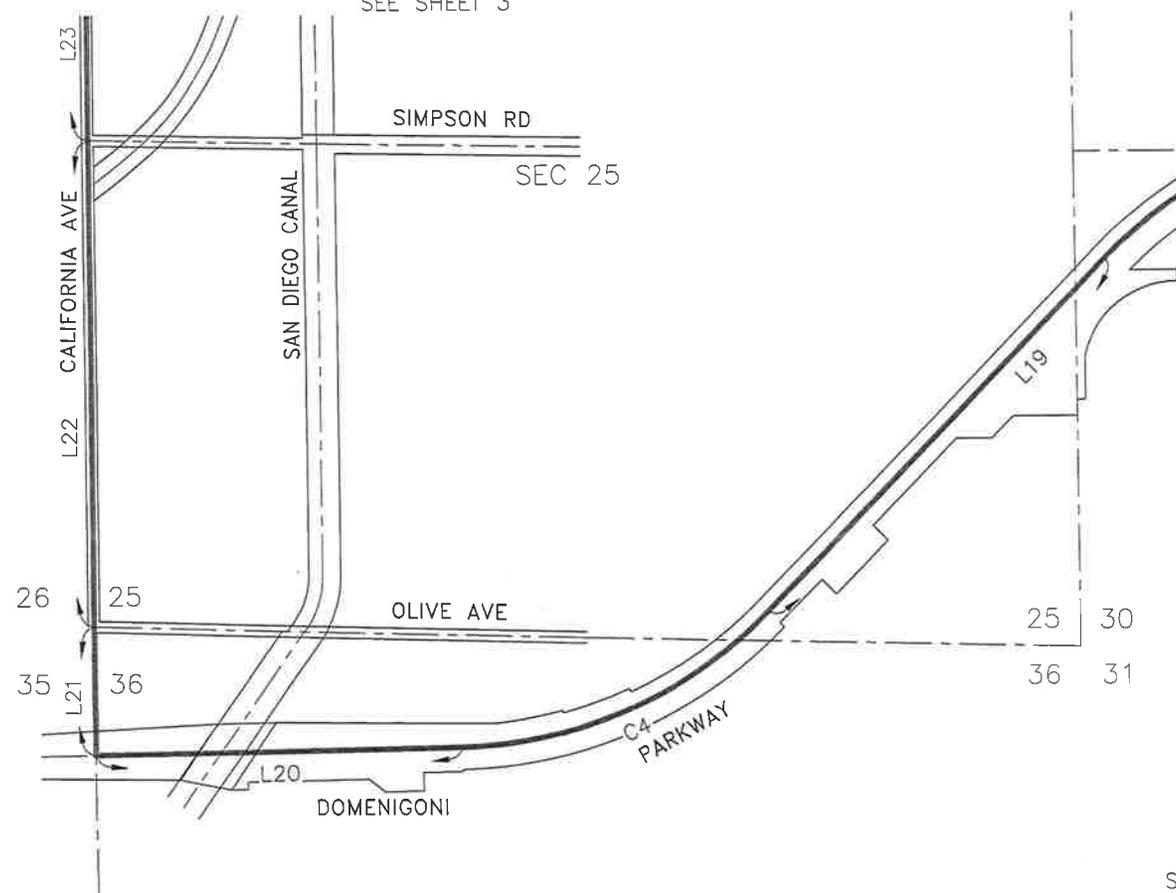
- PROPOSED ANNEXATION BOUNDARY
- EXISTING CITY OF HEMET BOUNDARY



SEE SHEET 4

ANNEXATION No. 14-001 TO THE CITY OF HEMET	PREPARED BY: COZAD & FOX, INC.	L.A.F.C.O. No. 2015-XX-3	CO. SURVEYOR'S APPROVAL
--	-----------------------------------	-----------------------------	----------------------------

SEE SHEET 3



ANNEX BOUNDARY LINE AND CURVE TABLE

LINE #/CURVE #	LENGTH	BEARING/DELTA	RADIUS
L17	246.54	S11°01'01"W	
C2	743.93	17°45'36"	2400.00
L18	916.72	S89°57'40"W	
C3	1913.88	45°41'26"	2400.00
L19	2634.33	S44°16'14"W	
C4	1864.86	44°31'13"	2400.00
L20	1973.50	S88°47'27"W	
L21	691.97	N00°18'55"W	
L22	2604.69	N00°06'56"W	



LEGEND

- PROPOSED ANNEXATION BOUNDARY
- EXISTING CITY OF HEMET BOUNDARY

SCALE: 1"=800'

ANNEXATION No. 14-001 TO THE CITY OF HEMET	PREPARED BY: COZAD & FOX, INC.	L.A.F.C.O. No. 2015-XX-3	CO. SURVEYOR'S APPROVAL
---	-----------------------------------	-----------------------------	----------------------------

REORGANIZATION TO INCLUDE ANNEXATION 14-001 TO THE CITY OF HEMET
AND CONCURRENT DETACHMENT FROM THE COUNTY OF RIVERSIDE

LAFCO 2015-XX-3

THAT PORTION OF SECTIONS 13, 24, 25 AND 36, TOWNSHIP 5 SOUTH, RANGE 2 WEST, S.B.M., AND THAT PORTION OF SECTION 30, TOWNSHIP 5 SOUTH, RANGE 1 WEST, S.B.M., IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE INTERSECTION OF CALIFORNIA AVENUE AND STETSON AVENUE, AS SAID INTERSECTION IS SHOWN ON RECORD OF SURVEY ON FILE IN BOOK 73 OF RECORDS OF SURVEY, PAGE 79, RIVERSIDE COUNTY RECORDS, SAID INTERSECTION ALSO BEING THE NORTHWEST CORNER OF SECTION 24, T5S, R2W, S.B.M.;

THENCE NORTH 00°21'13" EAST, A DISTANCE OF 30.00 FEET, TO A POINT ON SAID CENTERLINE OF CALIFORNIA AVENUE, SAID POINT ALSO BEING ON A LINE THAT IS 30.00 FEET NORTHERLY OF, AND PARALLEL WITH SAID CENTERLINE OF STETSON AVENUE;

THENCE ALONG SAID PARALLEL LINE NORTH 89°55'35" EAST, A DISTANCE OF 663.35 FEET, TO A POINT ON NORTHERLY RIGHT-OF-WAY OF SAID STETSON AVENUE, SAID POINT ALSO BEING A POINT ON THE WESTERLY LINE OF THE EAST ONE HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 13;

THENCE ALONG SAID WESTERLY LINE NORTH 00°18'56" EAST, A DISTANCE OF 1308.33 FEET, TO THE NORTHWEST CORNER OF SAID EAST ONE HALF;

THENCE ALONG THE NORTH LINE OF SAID EAST ONE HALF NORTH 89°59'17" EAST, A DISTANCE OF 1483.61 FEET, TO A POINT ON EASTERLY RIGHT-OF-WAY OF METROPOLITAN WATER DISTRICT, SAID POINT ALSO BEING ON THE BOUNDARY OF ANNEXATION 96-139 TO THE CITY OF HEMET;

THENCE ALONG SAID RIGHT-OF-WAY AND BOUNDARY OF ANNEXATION 96-139 THE FOLLOWING COURSES;

SOUTH 17°55'26" WEST, AND DISTANCE OF 2561.18 FEET, TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 900.00 FEET; SOUTHERLY THROUGH A CENTRAL ANGLE OF 13°21'50", AN ARC LENGTH OF 209.92 FEET;

NORTH 89°48'36" WEST, A DISTANCE OF 2.60 FEET;

SOUTH 00°10'53" WEST, A DISTANCE OF 1304.52 FEET;

SOUTH 00°10'03" WEST, A DISTANCE OF 633.31 FEET;

SOUTH 00°10'32" WEST, A DISTANCE OF 169.36 FEET, TO A POINT ON INTERSECTION OF SAID EASTERLY RIGHT-OF-WAY OF METROPOLITAN WATER DISTRICT AND SOUTHERLY RIGHT-OF-WAY OF RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, SAID POINT ALSO BEING AN ANGLE POINT ON ANNEXATION 57 TO THE CITY OF HEMET;

THIS DESCRIPTION PREPARED BY
ME OR UNDER MY SUPERVISION:

Brian Fox
BRIAN FOX, PLS 7171 / EXP. 12-31-15



DATE EXHIBIT PREPARED:
JANUARY 5, 2015



CIVIL / STRUCTURAL ENGINEERS
MUNICIPAL CONSULTANTS / PLANNERS
SURVEYORS / GPS

151 South Girard Street • Hemet, Ca 92544
TEL. (951) 652-4454 • FAX (951) 766-8942
E-MAIL bfox@kbczad.com

THENCE ALONG SAID BOUNDARY OF ANNEXATION 57 THE FOLLOWING COURSES;

SOUTH 00°10'32" WEST, A DISTANCE OF 1806.49 FEET;
 SOUTH 89°00'49" EAST, A DISTANCE OF 3997.34 FEET;
 SOUTH 00°00'11" EAST, A DISTANCE OF 795.27 FEET;
 NORTH 89°54'52" EAST, A DISTANCE OF 2641.39 FEET;
 SOUTH 00°00'36" EAST, A DISTANCE OF 16.30 FEET;
 NORTH 89°52'02" EAST, A DISTANCE OF 930.75 FEET;
 SOUTH 00°09'36" EAST, A DISTANCE OF 1319.80 FEET;
 SOUTH 11°01'01" WEST, A DISTANCE OF 246.54 FEET, TO A POINT ON A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2400.00 FEET, SAID CURVE ALSO BEING THE CONSTRUCTION CENTERLINE OF DOMENIGONI PARKWAY AS SHOWN PER RECORD OF SURVEY, BOOD 104, PAGES 62-75;

THENCE ALONG SAID CENTERLINE OF DOMENIGONI PARKWAY THE FOLLOWING COURSES;

ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 17°45'36", AN ARC LENGTH OF 743.93 FEET;
 SOUTH 89°57'40" WEST, A DISTANCE OF 916.72 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2400.00 FEET;
 ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 45°41'26", AN ARC LENGTH OF 1913.88 FEET;
 SOUTH 44°16'14" WEST, A DISTANCE OF 2634.33 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY, HAVING A RADIUS OF 2400.00 FEET;
 ALONG SAID TANGENT CURVE THROUGH A CENTRAL ANGLE OF 44°31'13", AN ARC LENGTH OF 1864.86 FEET;
 SOUTH 88°47'27" WEST, A DISTANCE OF 1973.50 FEET TO THE INTERSECTION OF SAID CENTERLINE OF DOMENIGONI PARKWAY AND THE WESTERLY LINE OF SECTION 36, T5S, R2W, S.B.M.;

THENCE ALONG SAID SECTION LINE, NORTH 00°18'55" WEST, A DISTANCE OF 691.97 FEET TO THE NORTHWESTERLY CORNER OF SECTION 36, SAID POINT ALSO BEING THE INTERSECTION OF THE CENTERLINE OF OLIVE AVENUE AND THE CENTERLINE OF CALIFORNIA AVENUE;

THENCE ALONG SAID CENTERLINE OF CALIFORNIA AVENUE THE FOLLOWING COURSES;

NORTH 00°06'56" WEST, A DISTANCE OF 2604.69 FEET;
 NORTH 00°05'09" WEST, A DISTANCE OF 1620.79 FEET;
 NORTH 69°27'13" EAST, A DISTANCE OF 358.17 FEET;
 NORTH 36°54'13" EAST, A DISTANCE OF 211.80 FEET;
 NORTH 10°05'47" WEST, A DISTANCE OF 209.00 FEET;
 NORTH 48°05'47" WEST, A DISTANCE OF 255.00 FEET;
 NORTH 69°05'47" WEST, A DISTANCE OF 254.00 FEET;
 NORTH 00°05'09" WEST, A DISTANCE OF 272.00 FEET;
 NORTH 00°14'44" EAST, A DISTANCE OF 2596.85 FEET;
 NORTH 00°14'48" EAST, A DISTANCE OF 2596.85 FEET TO THE POINT OF BEGINNING

CONTAINING 995.6 ACRES, MORE OR LESS.

THIS DESCRIPTION PREPARED BY
 ME OR UNDER MY SUPERVISION:

Brian Fox 1/23/15
 BRIAN FOX, PLS 7171 EXP. 12-31-15



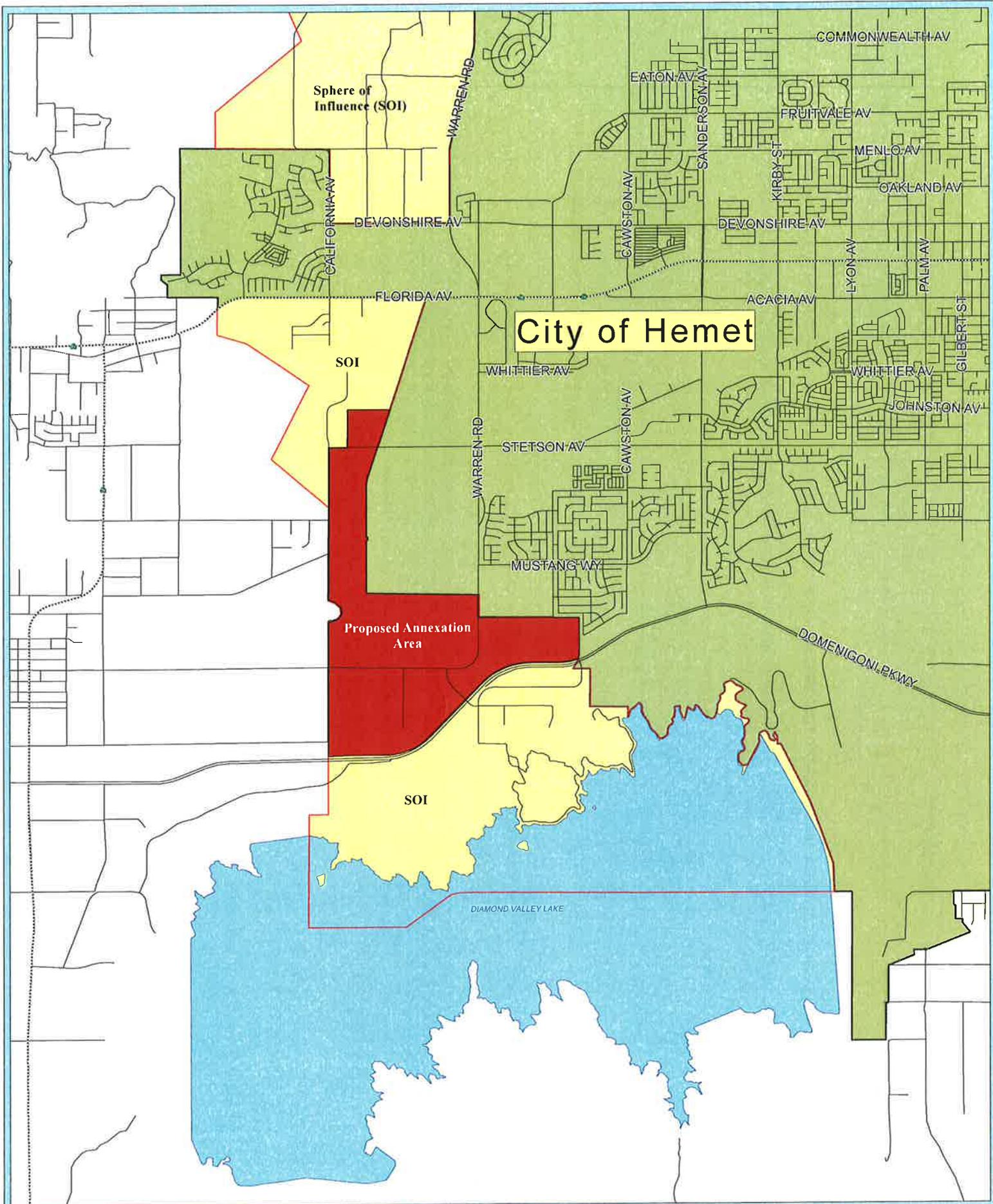
CIVIL / STRUCTURAL ENGINEERS
 MUNICIPAL CONSULTANTS / PLANNERS
 SURVEYORS / GPS

151 South Girard Street • Hemet, Ca 92544
 TEL. (951) 652-4454 • FAX (951) 766-8942
 E-MAIL bfox@kbcozad.com

DATE EXHIBIT PREPARED:
 JANUARY 5, 2015

Attachment 2

Locational Map



City of Hemet

Sphere of Influence (SOI)

SOI

Proposed Annexation Area

SOI

DIAMOND VALLEY LAKE



0 425 850 1275 2550 3420 feet

1 inch = 850 feet



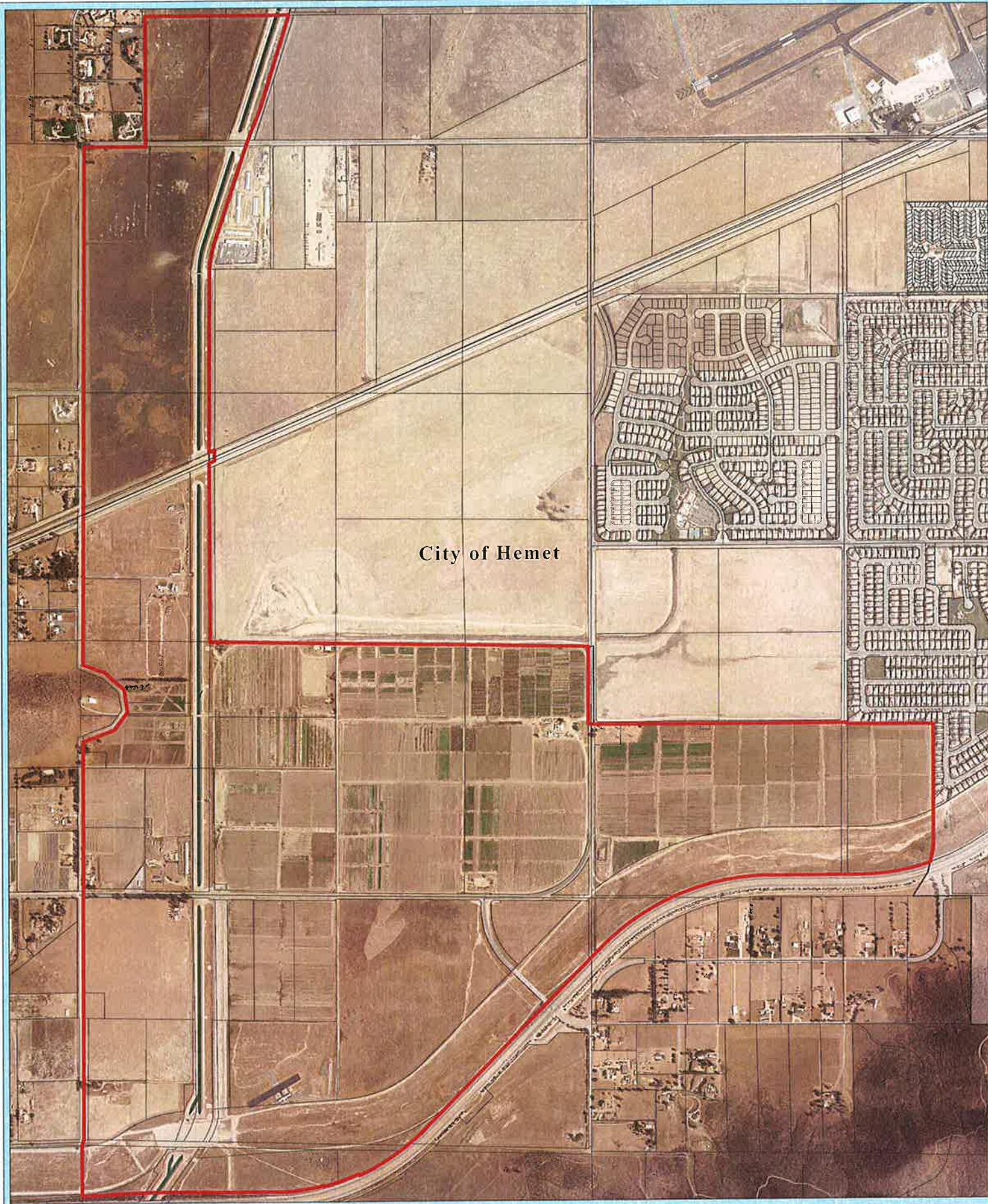
**Southwest Hemet
Proposed Annexation Area
Area Map**

- Highways
- Roads
- Annexation Area
- Hemet
- Waterbodies
- City Sphere

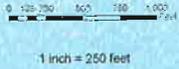
Every reasonable effort has been made to ensure the information published on this GIS map and data is correct, accurate and complete. However, the GIS Developer and the map publisher are not responsible for errors or omissions, whether the errors or omissions are caused by negligence or not. The user assumes all liability for any use of the information published on this map and data. The City of Hemet and the GIS Developer are not liable for any use of the information published on this map and data. The City of Hemet and the GIS Developer are not liable for any use of the information published on this map and data.

Attachment 3

Aerial Map



City of Hemet



Southwest Hemet Proposed Annexation Area Aerial Map

-  Railroads
-  Annexation Area
-  Parcels
-  Hemet

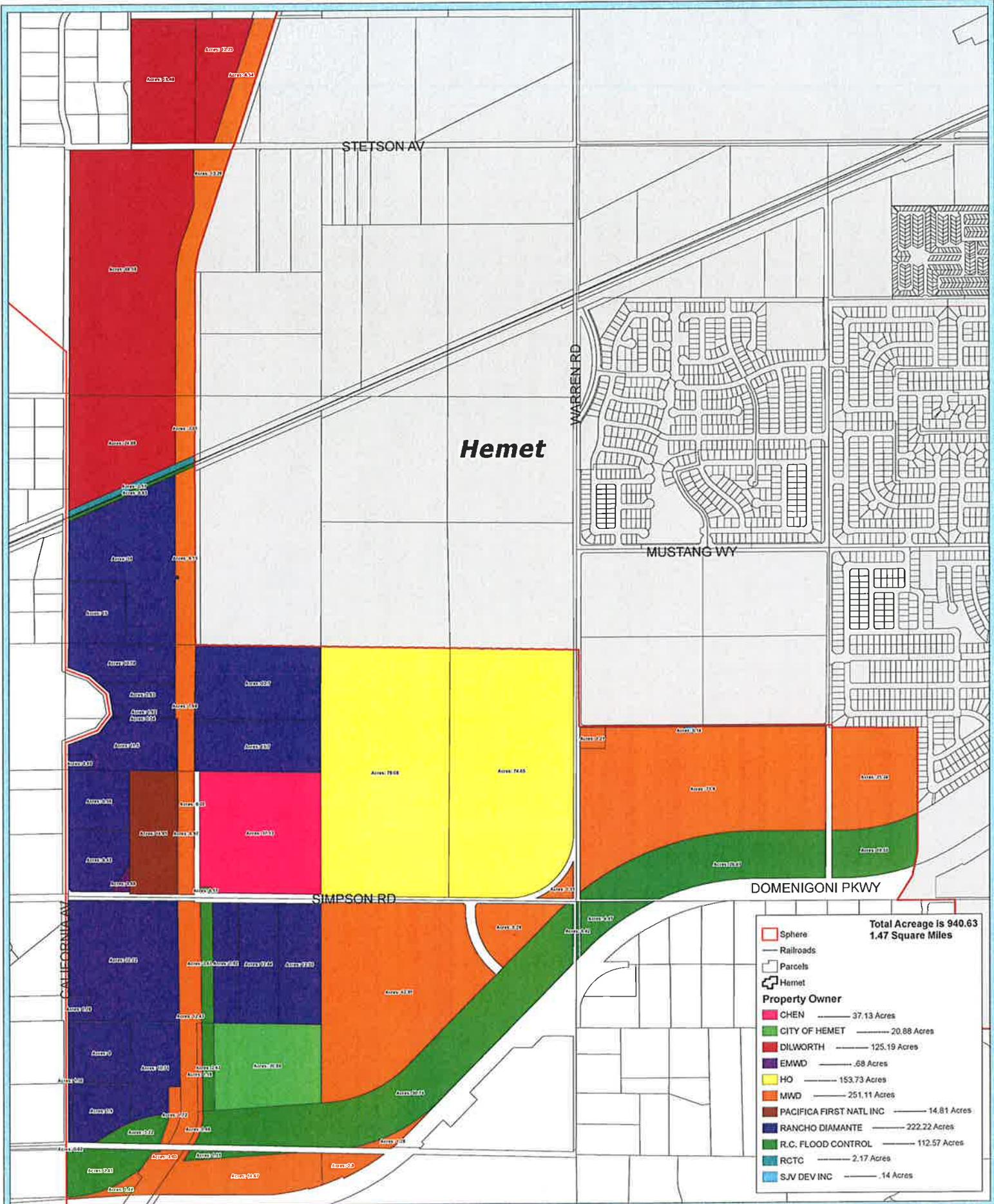
Every reasonable effort has been made to ensure the information provided on this map is accurate and current. However, the City of Hemet does not warrant the accuracy of the information. The City of Hemet is not responsible for any errors or omissions. The City of Hemet is not responsible for any damages or losses resulting from the use of this map. The City of Hemet is not responsible for any legal actions or claims arising from the use of this map. The City of Hemet is not responsible for any other matters related to this map.

Attachment 4

Prezoning Map

Attachment 5

Ownership Map



Hemet

**Total Acreage is 940.63
1.47 Square Miles**

	Sphere
	Railroads
	Parcels
	Hemet
Property Owner	
	CHEN ——— 37.13 Acres
	CITY OF HEMET ——— 20.88 Acres
	DILWORTH ——— 125.19 Acres
	EMWD ——— .68 Acres
	HO ——— 153.73 Acres
	MWD ——— 251.11 Acres
	PACIFICA FIRST NATL INC ——— 14.81 Acres
	RANCHO DIAMANTE ——— 222.22 Acres
	R.C. FLOOD CONTROL ——— 112.57 Acres
	RCTC ——— 2.17 Acres
	SJV DEV INC ——— .14 Acres



0 125 250 500 750 1,000
Feet
1 inch = 250 feet

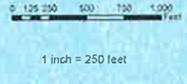
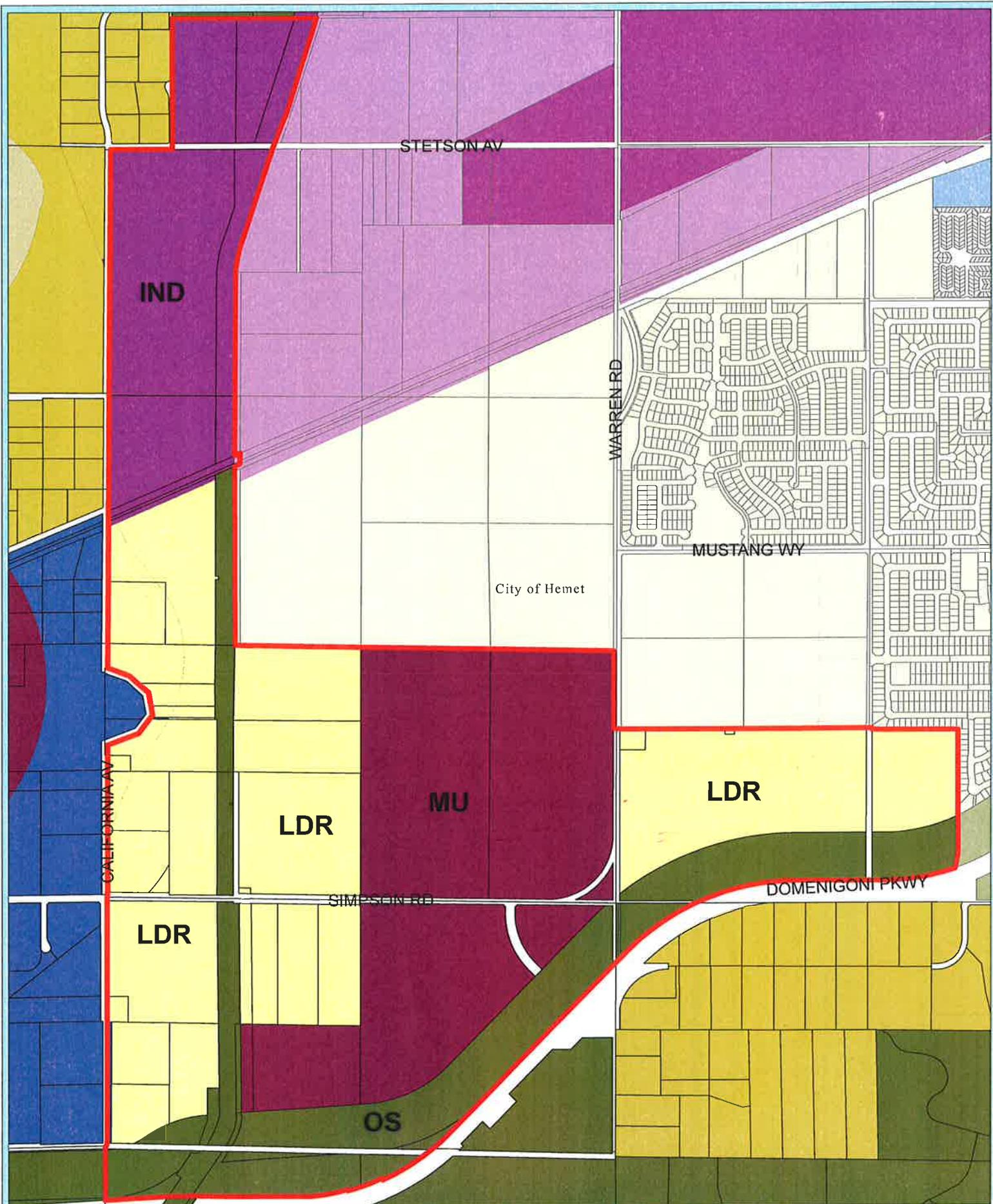


**Southwest Hemet
Proposed Annexation Area
Ownership Map**

Every geographic information system (GIS) has some errors. The information shown on this map was derived from a GIS system that uses the best available data. The City of Hemet does not warrant the accuracy of the information shown on this map. The City of Hemet is not responsible for any errors or omissions on this map. The City of Hemet is not responsible for any damages or losses resulting from the use of this map. The City of Hemet is not responsible for any claims or lawsuits filed against the City of Hemet or any of its employees, agents, or contractors. The City of Hemet is not responsible for any claims or lawsuits filed against any third party. The City of Hemet is not responsible for any claims or lawsuits filed against any third party. The City of Hemet is not responsible for any claims or lawsuits filed against any third party.

Attachment 6

Hemet General Plan



Southwest Hemet Proposed Annexation Area General Plan Land Use Map

Land Use	
	Hillside Residential
	Rural Residential
	Low Density Residential
	Mixed Use
	Industrial
	Business Park
	Airport
	Open Space
	Annexation Area

Every reasonable effort has been made to ensure the information presented on this CD is true and does not contain any errors or omissions. However, it is the user's responsibility to verify the information presented on this CD against the original documents. The City of Hemet is not responsible for any errors or omissions. The City of Hemet is not responsible for any errors or omissions. The City of Hemet is not responsible for any errors or omissions.

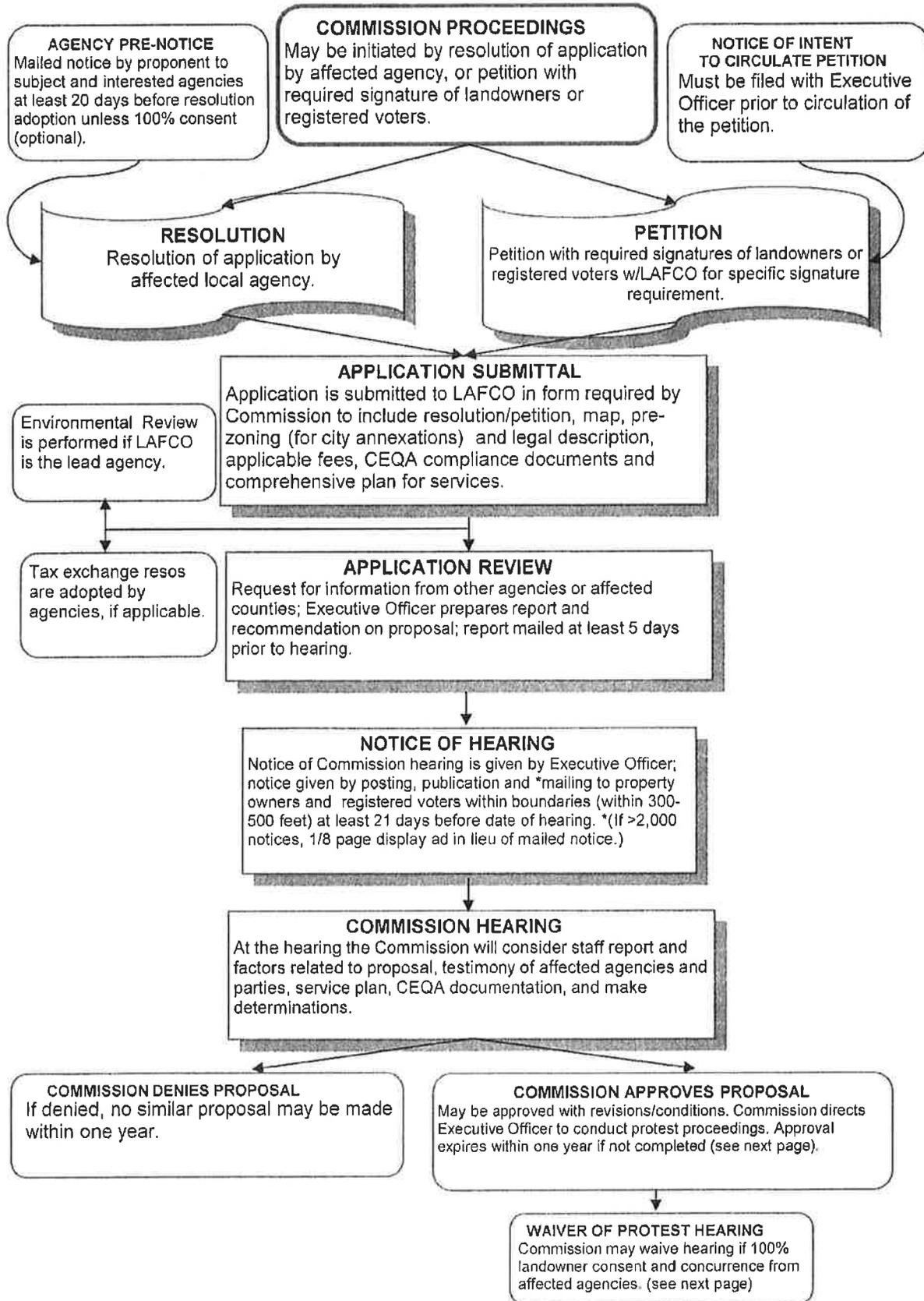
Author: Tanya Jordan
Source: County of Harney, City of Hemet
September 24, 2012
C:\Users\tjordan\Documents\generalplan\generalplan12.mxd



Attachment 7

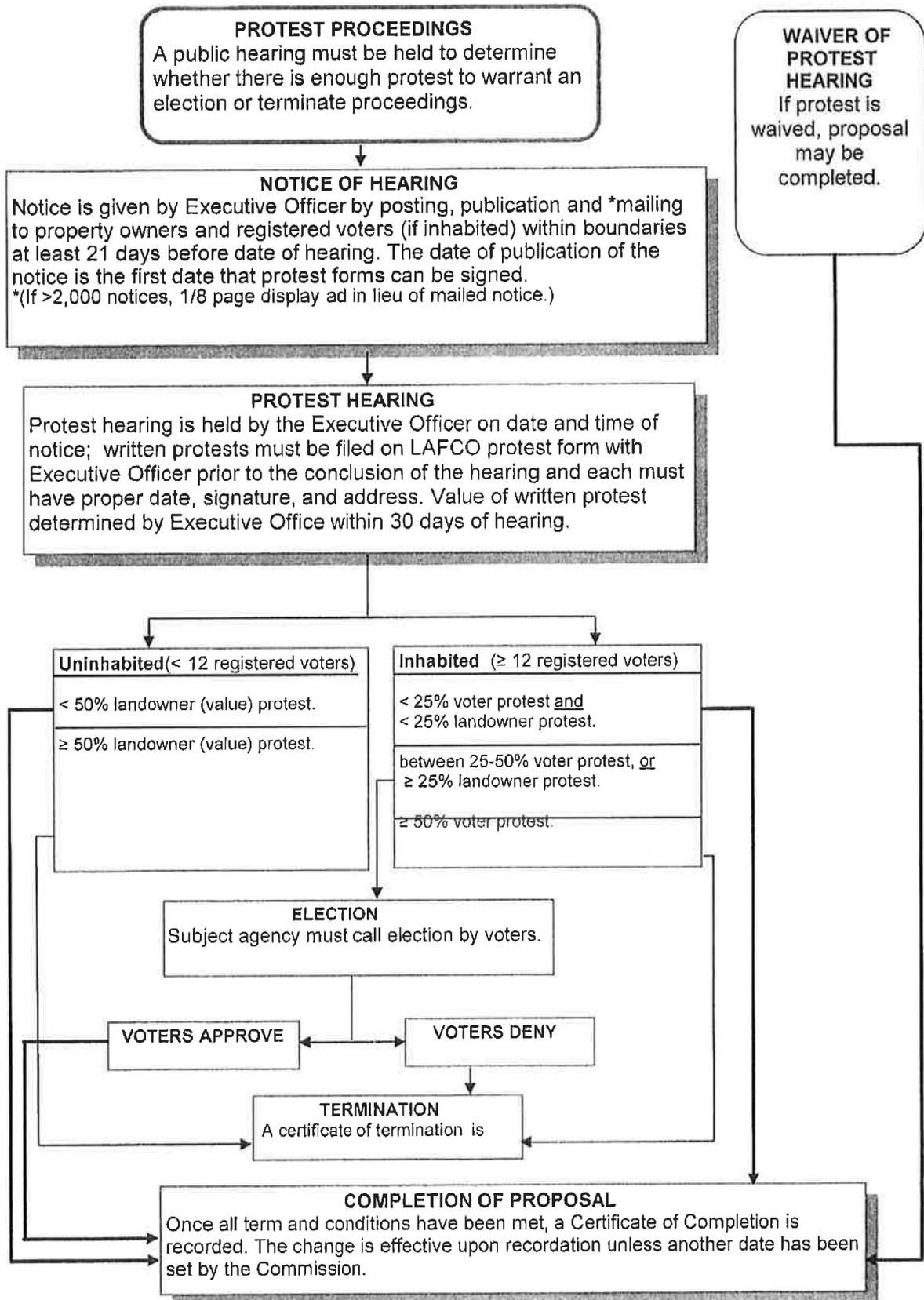
LAFCO Procedures

**CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000
ANNEXATION/DETACHMENT/REORGANIZATION PROCEDURE DIAGRAM**



*These are generalized procedures. Processing of specific proposals can vary slightly.

**CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000
ANNEXATION/DETACHMENT/REORGANIZATION PROCEDURE DIAGRAM**



*These are generalized procedures. Processing of specific proposals can vary slightly.



Staff Report

TO: Honorable Mayor and Members of the City Council

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

DATE: February 10, 2015

RE: Funding for Police Officer Recruitment Plan

RECOMMENDATION:

Approve a supplemental appropriation from general fund unrestricted fund balance in the amount of \$30,000 to support the Police Officer Recruitment Plan.

BACKGROUND:

Police departments throughout California are experiencing staffing shortages brought on by the recession. The competition for qualified, capable experienced police officers is fierce. The Hemet Police Department has maintained a 15-20% vacancy rate for the past 36 months leading to short staffing of patrol shifts and the elimination of special enforcement details. Citizens in Hemet have reported higher than average fear of crime and the department's crime clearance rates have suffered as a result of the staffing shortages. In spite of successful "entry-level" recruitments, there is an immediate need to attract and retain qualified, experienced "lateral" police officers to join the ranks of the department.

DISCUSSION/ANALYSIS:

The department's recruiting team is has recently participated in a series of law enforcement recruitment events across Southern California. The team is comprised of police officers, many of whom have transferred to the Hemet Police Department in recent years from other departments. In their networking with their peers from other departments, The team has determined that the department needs to do a better job branding and marketing the strong points of the Hemet Police Department in order to successfully attract more qualified lateral candidates.

The Hemet Police 5-year strategic plan includes a year one initiative strategic objective that calls for the identification and implementation of "best practices" in recruiting. The team met and developed a comprehensive plan to improve the department's ability to attract lateral candidates. The plan includes a close monitoring of successful recruitments and a post-plan evaluation of its effectiveness.

The Hemet City Council held a strategic planning session on January 24th. During that meeting the city council heard a public safety staffing update and gave direction to bring a police officer recruitment plan budget in order to fund the department's strategic initiative related to recruitment and filling existing police officer vacancies.

SR-PD Recruitment, Page 2

The components of the recruitment plan and associated recommended budgets are as follows:

Targeted Print Advertising (\$6,000): Professional design and publication of print ads in high volume law enforcement publications.

Targeted Billboard Advertising (\$10,000): Design and display of billboard ads in strategic locations specifically to capture those police officers who live in our area but commute to outlying areas to work.

Job Fair Materials and Entry Fees (\$10,000): Professional display and materials to enhance our presence in the job fair environment.

Recruitment Video Production and Distribution (\$3,000): The production of a short "spot" to be aired on social media, cable, theaters, etc. to reach an increasingly visual population.

FISCAL IMPACT:

The total cost of program will be \$30,000. It is recommended as a one-time expenditure from the general fund unreserved fund balance.

Respectfully submitted,



David M. Brown
Chief of Police

Fiscal Review:



Jessica A. Hurst
DCM/Admin Services Director