



AGENDA

REGULAR MEETING OF THE HEMET CITY COUNCIL

March 24, 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

Closed Session

Notice of Opportunity for Public Comment

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

1. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

Service Employees International Union General Employees

Hemet Police Officers Association

Hemet Police Management Association

2. Conference with Real Property Negotiators

Pursuant to Government Code section 54956.8

Property: *669 Mariposa APN: 442-313-046*

302 E. Florida Ave. APN: 443-233-010

555 St. John Place APN: 443-245-001

Building on 400 block of E. Devonshire APN: 443-140-013

Agency negotiator: *City Manager Hill*

Negotiating parties: *David Hale, Homestar Realty*

Under negotiation: *Disposition, Price and Terms*

3. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney
-

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

4. 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 Police Officers Association
Hemet Police Management Association

5. Conference with Real Property Negotiators
Pursuant to Government Code section 54956.8
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Agency negotiator: *City Manager Hill*
Negotiating parties: *David Hale, Homestar Realty*
Under negotiation: *Disposition, Price and Terms*

6. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney

Presentations

7. Update on Local Flood Control Projects - Riverside County Flood Control
 8. Recognition of visiting Sister City Students from Marumori Japan
 9. Presentation of the 2nd Annual Heritage, Health and Harmony Award to Mr. Michael Ramirez
-

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

10. **Approval of Minutes** – March 10, 2015
11. **Receive and File** – Investment Portfolio for February 2015
12. **Receive and File** - Warrant Register
 - a. Warrant registers dated March 3, 2015 in the amount of \$2,281,725.13 and March 5, 2015 for \$1,502,488.99. Payroll for the period of February 16, 2015 to March 1, 2015 was \$579,904.86.
13. **Recommendation by Council Member Raver** – Park Commission Re-Appointment
 - a. Re-Appoint Kenneth Gengler to Seat 5 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2017
14. **Recommendation by Council Member Raver** – Traffic and Parking Commission Appointment
 - a. Appoint Stephen Covington to Seat 5 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2017
15. **Recommendation by Council Member Raver** – Planning Commission Re-Appointment
 - a. Re-Appoint Vincent Overmyer to Seat 5 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2017
16. **Recommendation by Council Member Youssef** – Park Commission Re-Appointment
 - a. Re-Appoint Edd Burden to Seat 3 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2017

17. **Recommendation by Council Member Youssef** – Traffic and Parking Commission Re-Appointment
 - a. Re-Appoint Donald Funkhouser to Seat 3 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2017
 18. **Recommendation by Council Member Youssef** – Planning Commission Re-Appointment
 - a. Re-Appoint John Gifford to Seat 3 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2017
 19. **Recommendation by Mayor Pro Tem Wright** – Park Commission Appointment
 - a. Appoint Connie Hall to Seat 4 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2017.
 20. **Recommendation by Mayor Pro Tem Wright** – Traffic and Parking Commission Appointment
 - a. Appoint Farrah Fowler to Seat 4 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2017.
 21. **Recommendation by Mayor Pro Tem Wright** – Planning Commission Re-Appointment
 - a. Re-appoint Richard Crimeni to Seat 4 on the Planning Commission in order to fill at term expiration. The two year term will expire April 1, 2017.
 22. **Recommendation by City Attorney** – First Amendment to Employment Agreement, Amended and Restated for the Position of Chief of Police
 - a. Adopt Amendment to Employment Agreement for the Position of Chief of Police and authorize the Mayor to execute the Agreement.
-

Successor Agency Consent Calendar

23. **Recommendation by Community Investment** – Oversight Board and CA Department of Finance direction to sell Former Redevelopment Agency Real Property
 - a. Sell two former Redevelopment Agency-owned parcels of real property: APN 445-262-03 located at 154 S. Santa Fe and APN 443-232-010 located at 119 N. Carmalita St. in accordance with Oversight Board direction and State of CA redevelopment agency dissolution requirements.
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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.

24. **Zoning Ordinance Amendment No. 15-001** – Community Development Director Elliano
 - a. Conduct a public; and
 - b. Introduce, read by title only and waive further reading on an ordinance amending certain sections of Chapter 90 (Zoning Ordinance) of the Hemet Municipal Code to update, clarify, and improve the City's development review process. **Ordinance Bill No. 15-010**

25. **Zoning Ordinance Amendment No. 15-002** – Community Development Director Elliano
 - a. Conduct a public hearing; and
 - b. Introduce, read by title only and waive further reading of an ordinance amending certain sections of Chapter 90 (Zoning Ordinance) of the Hemet Municipal Code to update provisions related to disability, transitional and supportive housing, fair housing, and other housing-related definitions to achieve compliance with state and federal mandated housing laws. **Ordinance Bill No. 15-011**

Discussion/Action Item

26. **Urgency Ordinance to Extend Moratorium on Massage Establishments** – City Attorney Vail
 - a. Adopt an Urgency Ordinance to extend the moratorium on massage establishments. **Urgency Ordinance Bill No. 15-013**

27. **Recommendation by Fire** – FY 2015/2016 Staffing for Adequate Fire and Emergency Response (Safer) Grant
 - a. Approve the 2015/2016 SAFER Grant application in the amount of \$4,435,998 and authorize acceptance if awarded; and
 - b. Approve the proposed expenditure plan for the \$4,435,998 in the (SAFER) Grant funding for FY 2015/2016; and

- c. Upon award of the Grant, authorize increase in revenues of \$4,435,998, increase in appropriation in the amount of \$4,435,998 to accounts to be assigned by Finance based on the approved expenditure plan.

28. **Award of Contract for Consultant to assist in Water/Sewer System Concession Agreement Request for Proposal, Evaluation, and Negotiations – City Manager Hill**

- a. Award a consultant contract to PERC Water Corporation in the amount of \$86,000 plus other reimbursable costs to assist in developing a Request for Proposal for a water/sewer system concession agreement, evaluating the proposals, and assistance in drafting and negotiating a concession agreement; and
- b. Appropriate \$68,800 from water enterprise fund 571 reserves and \$26,756 from sewer special revenue fund 254 reserves, to establish a project budget of \$95,556.

City Council Reports

29. 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 Transportation Commission (RCTC)
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

G. City Manager Hill

1. Manager's Reports
2. SCAG General Assembly Delegate and Alternate, May 7 & 8, 2015, Palm Springs

Continued Closed Session

City Attorney Continued Closed Session Report

Future Agenda Items

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

Adjournment

Adjourn to Tuesday, April 14, 2015 at 7:00 p.m. for consideration of items placed on that agenda. The next regular meeting will be held April 28, 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.



#10

MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

March 10, 2015

5:30 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 5:31 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. Water and Sewer Rate Study - Bartel Wells Associates

Kris Jensen, Public Works Director, gave the City Council an overview of the City's Water and Sewer Systems. A map showing the water system boundaries was displayed. The service area is 5.25 square miles with 9,700 water customers. This is 19% of the City limits. The other City residents are provided water by Lake Hemet Municipal Water District (LHMWD) to the east and Eastern Municipal Water District (EMWD) to the west and south. The City owns 9 potable water wells. Currently 4 wells are offline due to quality concerns. The systems total maximum production for these wells is 4,500 gallons per minute (gpm) or 6.5M gallons per day (gpd). The systems maximum since day demand is 6.3M gpd which was in June 2014. The annual production is approximately 4400 acre feet. The system consists of 130 miles of water main lines with sized ranging from 2" to 14 ". Also included are 4 storage tanks with the capacity to store 4.9M gallons. Ms. Jensen gave the City Council a list of water systems infrastructure capital needs for the next 5 years, estimated to cost \$21,820,000. This does not include grant funding that might be obtained. A graph was displayed showing the water systems water fund history for fiscal years 2009 to 2015. A graph showing the water system water rights and recharge for 2014 to 2019. The City has the most volume of water between the 4 neighboring agencies however, the quality is not fantastic. A map showing the sewer system boundaries was displayed. The service area is 6.75 square miles with 11,200 sewer customers. This is 26% of the City limits. The other City residents are provided water by Lake Hemet Municipal Water District (LHMWD) to the east and Eastern Municipal Water District (EMWD) to the west and south. The City's sewer system boundaries are 6.75 square miles. The system includes 140 miles of sewer main lines sized from 4" to 24". The City does not do

any treatment, only transitions to EMWD. A graph displaying the Sewer Fund history from FY 2010 and estimated to 2017, assuming fully funded Capital Improvement Projects, was displayed. Ms. Jensen explained the systems infrastructure capital needs for the next 5 years for a total cost of \$7,050,000. The City of Hemet has not increased the water rates since 2008 and sewer rates since 2006. Capital Improvement Projects will be fully funded by rates and/or debt issuance. The sale of water is not assumed in these projections. Grants received would offset the project costs. The proposed rates will hold reserves at 30%. The Cost Allocation Fee or Impact Fee is based on a 2002 agreement between EMWD and the City. This is a fee that the City imposes on all residents that have EMWD water service. The fee is billed by EMWD and paid to the City to assist with maintenance. We are allowed to charge up to 20% of the cost for collection, transmission and treatment currently charged by EMWD. When preparing this study and the proposed sewer rates we did not have the rate. We received that rate today. The proposed Sewer rates might still change after EMWD's rate is considered.

Allison Lechowicz, Bartel Wells Associates, gave the City Council a powerpoint presentation regarding the Water and Sewer Rate Studies and System Valuations. The water rates were last increased in 2008. The customers are billed bimonthly. The City's ready-to-serve charge is based on the size of the meter, provides 36% of the fund revenue and provides revenue stability. Currently, the tiered consumption rates are based on metered water use and provide 64% of fund revenue. Recent court cases have scrutinized the cost basis for tiered water rates. The City's current water rate structure was displayed. An example of a typical residential bill was displayed. The results of a survey of neighboring agencies bi-monthly residential water bills were displayed. Beaumont-Cherry Valley WD was the lowest at \$35.29, WMWD March East was the highest at \$144.79 with Hemet's currently at \$88.36. The current residential rate structure is based on bi-monthly consumption. Tier 1: 0-600 – 2.30 per 100cf – 31% in this tier. Tier 2: 601-1200 – 2.50 per 100cf – 23% in this tier. Tier 3: 1201+ - 2.88 per 100cf – 46% in this tier. Tiers should better reflect usage patterns. This shows a high % of residential use in Tier 3. A greater spread in tier pricing is recommended. The current commercial rate structure is the same as residential. Commercial water use is primarily in Tier 3. The allocation between fixed and volume charges are reasonable. A minor shift toward higher % fixed revenue is proposed. A single volume rate for all uses is proposed with a rate equivalent to average residential rates. This should improve equity between commercial and residential customers. It is proposed that the low use charge (max bill) of \$56 bi-monthly be eliminated. The current low use charge only benefits users with 6 to 10 ccf bi-monthly and not the ultra-low users consuming less. Conservation will be better achieved with tiered pricing. Proposed residential tiers: Tier 1 – 0-1000 – 48% of residential consumption, base indoor water use and average winter use; Tier 2 – 1001-2000 – 25% of residential consumption, indoor use and efficient outdoor use and average spring/fall use; Tier 3 – 2001-4000 – 18% of residential consumption, inefficient outdoor use and typical summer use; Tier 4 – 4001+ - 9% of residential consumption, excessive outdoor use.

Council Member Youssef arrived at 6:01 p.m.

Operating cost increases in the water system are: Groundwater management and replenishment costs; meter replacements \$100,000 annually, and inflationary cost increases for service, supplies, staffing and administration. Capital improvements include repair and replace aging infrastructure, meeting regulatory requirements and upgrade and improving the system. The financial planning objectives are to fund the cost of service for: operating cost

increases and groundwater management; capital costs to improve and maintain the water system; and maintain reserves equal to 30% of the operating expenses. The proposed rate increases will take effect on July 1, 2015, January 1, 2016 and each January through 2020. There are two rate options reflecting capital improvement financing. Debt Financing option: FY2016 rate increases needed to fund operation cost increases and improve the credit outlook; financing of \$14 million in FY2017 for 3 years of capital projects; benefits are that it spreads the cost of capital over 20 years and lower rate increases; disadvantages are the administrative burden, financing and interest costs. Pay-as-you-go Financing option: steep early year increases; spikes in capital costs must be paid from rates; benefits are no interest costs and no administrative burden; disadvantage is higher rate increases. The proposed rates for both options were displayed and discussed in detail. A graph showing the bi-monthly residential bill survey after the proposed increase: Beaumont-Cherry Valley WD \$35.29, WMWD March East \$144.79 with Hemet's proposed rate would be \$104.80. The City provides sewer collection service. EMWD provides the sewer treatment and disposal. The City's sewer collection rates were last increased in 2006. The customers are billed bi-monthly and based on number of sewer units (dwelling units). Customers pay \$8.44 bi-monthly for the City's portion and \$6.64 bi-monthly for EMWD/City Cost allocation Fee per an Interagency Agreement between EMWD and the City. The agreement is currently under legal review. These draft recommendations assume no increase to allocation fee customers. The sewer rates must increase to fund proactive repair and replacement of the sewer collection system. Proposed bi-monthly Sewer Rates are: current \$8.44; July 1, 2016 \$13.20; January 1, 2016 \$17.50; January 1, 2017 \$19.50; January 1, 2018 \$19.60; January 1, 2019 \$19.70 and January 1, 2020 \$19.80. This is worst case scenario assuming no increase to the Cost Allocation Fee Customers - \$6.64 bi-monthly. These rates may change based on the legal review of the interagency agreement. Bartel Wells Associates recommends that the value of the City's Water and Sewer Systems be based on the current value of the assets. Based on the age and condition the Water System is valued at \$21.6 million and the Sewer System is valued at \$10.9 million. A legal evaluation is pending on water rights.

The City Council and staff discussed the proposed blocked tiered rate structure. The City currently does not have the software to have a rate structure that takes into consideration the number of residents and type of landscaping. The City Council expressed concern that residents are not getting educated since there are so many in the higher tier. The City Council discussed the tiered rates and the methodology used.

Council Member Youssef, the aging infrastructure and the proposed increases are more reasons that the City should consider an RFP. We need to look at our options, the results might be reduced water rates to the customers.

The City Council discussed the RFP process. Concern was expressed that the City Council will lose control over the water rates. The rates for refuse were controlled with language in the agreement that tied the increase to the CPI. The City Council discussed the reasons for considering the RFP.

Wally Hill, City Manager, staff is recommending that 30% reserves be maintained. The Debt Financing model is preferred for the Water System.

Council Member Raver moved and Mayor Pro Tem Wright seconded a motion to accept the study and move forward with Debt Financing model for the Water Rates and the Pay-as-you-go model for the Sewer Rates. Motion carried 5-0.

The City Council recessed briefly at 6:53 p.m. to the Regular Session

Continued to the end of the Regular Session

Closed Session

2. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney

3. 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

4. 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

5. Public Employment
Pursuant to Government Code section 54957(b)(1)
Title: *Chief of Police*

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: Present

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

Invocation

Invocation was given by Krystyne Gray, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Chief Dave Brown

Continued to the end of the Regular Session

City Attorney Closed Session Report

6. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney
 7. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
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 9. Public Employment
Pursuant to Government Code section 54957(b)(1)
Title: *Chief of Police*
-

Presentation

10. Riverside County Department of Public Health Community Forums
Jose Arballo, Public Information Specialist, invited the City Council to Riverside County Department of Public Health Community Forum that will be held at the Hemet Public Library on March 19th at 6:00 p.m. The concerns that have been expressed are: access to public health care; transportation and resources. The forums are an opportunity for the public to tell the government what their issues, needs and concerns are. Attendance hasn't been that high at the forums. The survey is on the County's website and over 700 surveys have been completed online. The data will be shared and analyzed to hopefully help in our delivery of public services.
-

City Council Business Consent Calendar

11. **Approval of Minutes** – February 24, 2015
12. **Receive and File** - Investment Portfolio as of January 2015
13. **Receive and File** – Warrant Register
 - a. Warrant register dated February 19, 2015 in the amount of \$723,171.07. Payroll for the period of February 2, 2015 to February 15, 2015 was \$569,673.71.
14. **Recommendation by City Manager** – Real Property Purchase Offer Acceptance Authority
 - a. Authorize the City Manager to accept any offers to purchase City property that are at or above 90% of the appraised value, if a response to the seller is required before the next Council meeting.
15. **Recommendation by Public Works** - Amend Chapter 34, Article IV of the Hemet Municipal Code pertaining to Smoking in Public Areas and Places of Employment
 - a. Adopt an ordinance amending Chapter 34, Article IV (Smoking in Public Areas and Places of Employment) of the Hemet Municipal Code.
Ordinance No. 1898
16. **Recommendation by Engineering** – Award of Bid for the Citywide Emergency Preemption (EVP) Installation, CIP No. 5608
 - a. Award the contract to the lowest, responsive bidder, Pro Tech Engineering Corporation for the Citywide Emergency Preemption (EVP) Installation CIP 5608 in the amount of \$168,800 and reject all other bids; and
 - b. Authorize the City Manager to enter into an installation contract for the improvements; and
 - c. Authorize the Deputy City Manager/Administrative Services to record a supplemental appropriation in the amount of \$2,600 from the Street DIF to cover the unbudgeted portion of the project; and
 - d. Establish budget in the amount of \$186,800 in DIF Fund No. 329-5608-5500 for the cost of installation, \$9,800 in DIF Fund 329-5608-2710, various accounts, for salaries and benefits being the cost of design engineering, construction management, administration, construction engineering and inspection. Total cost of the project is estimated to be \$178,600.
17. **Recommendation by Engineering** – Award of Bid for the Citywide Police and Fire Vehicle Emitter Installation Opticom Activation, CIP No. 5609
 - a. Award the contract to one and only, responsive bidder, DDL Traffic, Inc. for the Citywide Police and Fire Emitter Installation CIP 5609 in the amount of \$81,900; and
 - b. Authorize the City Manager to enter into an installation contract for the improvements; and

- c. Authorize the Deputy City Manager/Administrative Services to record a supplemental appropriation of \$14,500 from the Street DIF Fund to cover the unbudgeted portion of the project, as this project is one component of the Emergency Vehicle Preemption system of the City's Traffic Signals; and
- d. Budget \$6,000 from the Fire DIF Fund 332-5032-5300 and \$67,500 from the Capital Projects Fund 370-3100-5400 were established through the 5 Year CIP in FY 14/15. The supplemental appropriation \$14,500 is needed from the Street DIF Fund 329-5609 to cover the cost of installation for the cost of design engineering, administration, inspection and contingencies. Total cost of the project is estimated to be \$88,000.

18. **Recommendation by Engineering** – Reject all Bids Received for Fire Station No. 5 - Site Improvements, CIP No. 5610

- a. Reject all bids received on January 13, 2015 for Fire Station No. 5 – Site Improvements, City Project No. 5610; and
- b. Authorize the City Manager to relieve "Allied Erosion Specialists" of forfeiture of their 10% bid bond; and
- c. Authorize the City Manager to direct staff to re-bid the project for the improvements.

19. **Recommendation by Public Works** – Award of Bid to L.O. Lynch Quality Wells & Pumps, Inc., Rehabilitation of Well 12, Project No. 5603

- a. Award bid to L.O. Lynch Quality Wells & Pumps, Inc. of San Jacinto, in the amount of \$128,831.00 for the rehabilitation of Well 12; and
- b. Authorize the City Manager to enter into a construction contract for the improvements; and
- c. Authorize the Deputy City Manager/Administrative Services to record a budget transfer in the amount of \$128,831.00 from 571-9000-2450 to project number 571-5603.

20. **Recommendation by Economic Development** – Sale of 327 S. Taylor Street Property

- a. Adopt a resolution authorizing the City Manager to complete the sale of the property located at 327 S. Taylor Street. **Resolution No. 4617**

Item Nos. 14, 15, 16 and 17 were pulled from the Consent Calendar. **Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to approve the remaining Consent Calendar items as presented. Motion carried 5-0.**

Item No. 14

Council Member Raver, recommended that this item be removed from the Consent Calendar and handled in Closed Session.

Council Member Raver moved and Council Member Milne seconded a motion to removed Item No. 14 from the Consent Calendar. Motion carried 5-0.

Item No 15

Michael Perciful, Hemet, expressed concern regarding the prohibition to smoking in enclosed common areas of multifamily housing. Mr. Perciful feels that this infringes on property rights.

Council Member Milne, concurs with Mr. Perciful and recommended that the language be removed.

Eric Vail, City Attorney, read the definition of common area as defined in Section 34-92 of the Hemet Municipal Code. This language was not amended. It was in the previous ordinance and consistent with state law. The language is cited a couple of places in the ordinance so this item would have to be removed from the agenda and amended. The ordinance would come back at a subsequent meeting for introduction.

Council Member Milne, recommended that the language be amended for clarification.

Tavaris Young, Hemet, recommended that E Cigarette's be removed from the Ordinance since their vapors are not harmful.

Council Member Youssef, recommended that the language remain second hand smoke has proven to be a hazard and shouldn't be allowed in those places.

Mayor Krupa, it has been proven that E Cigarette's emission is harmful.

Council Member Youssef moved and Council Member Raver seconded a motion to adopt Ordinance No. 1898. Motion carried 5-0.

Item Nos. 16 and 17

Wally Hill, City Manager, these items are approval to citywide installation of the intersections and vehicles with the equipment for the Emergency Vehicle Preemption Systems.

Mayor Krupa, requested that staff contact CalTrans and request the signals on the State Highways be done too.

Council Member Milne moved and Mayor Pro Tem Wright seconded a motion to approve Item No. 16 and 17 as presented. Motion carried 5-0.

Communications from the Public

Charles Gunn, Hemet, expressed continued concern with the traffic speeds on Whittier Avenue between Lyon and Palm. Mr. Gunn recommends that stop signs be considered.

CW Cecchi, Hemet, announced that C&L Coffee Shop is now located at the Hemet Depot. The Hemet Historical Society will be holding a meet and greet for the cast of Ramona at Diamond Valley Middle School on April 13th at 7:00 p.m. There are a number of "Right Turn Only" signs missing or down on Florida Avenue. Mr. Cecchi recommended that the City Council consider installing a Crosswalk at Harvard Street across Latham.

It was recommended that Mr. Cecchi take his traffic requests to the Traffic and Parking Commission.

Discussion/Action Item

21. **Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC** – City Manager Hill
 - a. Approval of a Solar Fee and Improvement Agreement with AP Northlake Project LP and SunE DB APNL, LLC regarding solar fees, required improvements, and assurances associated with a solar power generation facility at the southwest corner of Sanderson Avenue and Acacia Avenue.

Wally Hill, City Manager, one of the conditions of approval for the CUP was the approval of a solar fee to be approved by the City Council. The solar fee was meant to mitigate the fact that there were higher and better uses for the property and to address any modifications in the appropriate infrastructure modifications. The solar fee is just under \$2M over 25 year period. The fee is based on a per acre cost that will inflate by 1.5% each year. The 25 years matches the current power agreement that the applicant has with the City of Riverside. The agreement allows for the extension and the solar fee would be continued. The agreement does require the applicant to underground the utilities if the term of the agreement continued after 30 years. The applicant and staff have worked out in the agreement the infrastructure requirements on Acacia and Sanderson Avenues. Staff is recommending approval.

Jeremy Kraut, SunEdison, thanked staff. The project had a short time frame and I feel this is an amazing opportunity for both SunEdison and the City.

The City Council thanked SunEdison for addressing the concerns of the City and the community.

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

City Council Reports

22. 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

Council Member Milne attended "Reading Across America" and received great feedback from the teachers for the turnout from Fire, Police and VFW members.

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

CR&R gave a presentation at the General Meeting on a project where waste is converted to natural gas. Newly elected District Attorney Mike Hestrin spoke about the programs that he will be implementing. Mr. Hestrin talked about the high number of gang members located in Riverside County.

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 Transportation Commission (RCTC)
8. Western Riverside Council of Governments (WRCOG)

Mayor Krupa conducted her second "Good News from Hemet" interview with Time Warner. Mayor Krupa attended the Riverside County Board of Supervisor's seating Chuck Washington as the new 3rd District Supervisor. Supervisor Washington is fair and honorable and will serve Hemet well.

Mayor Krupa showed off the City's CALED Awards that are proudly on display in the City's Administrative Office.

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

G. City Manager Hill

1. Manager's Reports

City Manager Hill recognized Jeff Thomas, Building Official, for his fast tracking and customer service efforts with Forest River.

City Manager Hill introduced Habib Motlagh, Interim Engineer.

Habib Motlagh is familiar with the Valley as a former Engineer for San Jacinto and happy to help during the interim.

Continued Closed Session

Notice of Opportunity for Public Comment

There were no public comments presented at this time.

The City Council recessed to Closed Session at 7:53 p.m.

2. Public Employee Performance Evaluation

Pursuant to Government Code section 54962

Titles: *City Manager*

City Attorney

3. 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

4. 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
5. Public Employment
Pursuant to Government Code section 54957(b)(1)
Title: *Chief of Police*

Reconvened at 9:13 p.m.

City Attorney Continued Closed Session Report

6. Public Employee Performance Evaluation
Pursuant to Government Code section 54962
Titles: *City Manager*
City Attorney

The City Council conducted initial sessions. These items will be continued to March 24, 2015. There was no additional reportable action.

7. 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 met with the Agency representative and gave direction. There was no additional reportable action.

8. 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 a briefing from the City Attorney. There was no additional reportable action.

9. Public Employment
Pursuant to Government Code section 54957(b)(1)
Title: *Chief of Police*

The City Council had a discussion. There was no additional reportable action.

Future Agenda Items

Joint meeting with San Jacinto City Council

The City Council requested that staff reach out to HOA's regarding Town Hall Meetings.

Adjournment

Adjourned at 9:15 p.m. to Tuesday, March 24, 2015 at 7:00 p.m.



AGENDA

11

Staff Report

TO: Honorable Mayor and members of the City Council
FROM: Judith L. Oltman, City Treasurer
DATE: March 24, 2015
RE: Investment Portfolio as of February 2015

RECOMMENDED ACTION:

Receive and file.

ANALYSIS:

The summary statement of activity and balances of the Treasurer's Investment Portfolio for the month of February 2015 is forwarded herewith for your review.

On 2/12/15 we purchased a 9 year 4 month Rio Rancho General Obligation Bond for the Reserve Fund #5028 for \$498,583.80 with a yield of 3.1%. On 2/27/15 we purchased a 5 year/6 month call FNMA #2281 for \$1,000,000 at 2.0%.

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

FEBRUARY 2015

INVESTMENT CLASSIFICATIONS	MONTHLY ACTIVITY	CONSOLIDATED BALANCE
PORTFOLIO AS OF JANUARY	61,217,248.55	
CERTIFICATES OF DEPOSIT		
Placed this month		
Matured this month		
Balance		7,183,000.00
LOCAL AGENCY INVESTMENT FUND: City of Hemet		
Deposits		
Withdrawals		
Balance		20,249,848.62
BANK OF NEW YORK MELLON Custodial Acct.		
Deposits	73,677.23	
Withdrawals	-1,570,385.03	
Balance		1,032,892.06
CITIBANK: Money Market Account		
Deposits	68,710.50	
Withdrawals		
Balance		315,169.40
CITIBANK: Money Market Account 3		
Deposits	5,493,270.18	
Withdrawals	-2,560,596.86	
Balance		10,596,014.49
MUNICIPAL BONDS & NOTES		
Deposits	498,588.80	
Withdrawals		
Balance		14,843,588.80
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 .75% 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
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
2281 2.0% FNMA 2/27/20	1,000,000.00	1,000,000.00
PORTFOLIO BALANCE A AS OF FEBRUARY 2015	64,220,513.37	64,220,513.37

INTEREST EARNINGS	14-15 FISCAL YEAR-TO-DATE	
EARNINGS BALANCE AS FEB 1. 2015		239,136.46
CERTIFICATES OF DEPOSIT INT.	16,395.46	
OTHER GOVERNMENT SECURITIES	56,072.93	
CITIBANK MONEY MARKET ACCOUNT	33.27	
CITIBANK MONEY MARKET ACCOUNT 3	1,170.18	
BANK OF NY MONEY MARKET ACCT.	6.30	
LOCAL AGENCY INVESTMENT FUNDS		
City of Hemet Interest		
MONTHLY EARNINGS TOTAL	73,678.14	73,678.14
MEMO ONLY:		
MERCHANT BANK CHG.	-2,999.01	
LIBRARY CREDIT CARD FEES	-188.25	
ARMORED CAR	-422.80	
ASSET SEIZURE FUNDS		
Charges as of Feb. 1, 2015	-32,967.33	
	-36,577.39	
14-15 YEAR-TO-DATE INTEREST EARNINGS		312,814.60

**CITY OF HEMET
Portfolio Management
Portfolio Summary
February 28, 2015**

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	1,749,483.43	1,731,000.00	2.69	1,618	510	1.515	1.536
Managed Pool Accounts	20,235,378.87	20,235,378.87	20,235,378.87	31.46	1	1	0.256	0.260
Passbook/Checking Accounts	11,943,631.84	11,943,631.84	11,943,631.84	18.57	1	1	0.405	0.411
Local Government Bonds	9,843,583.80	9,904,683.88	9,924,701.80	15.43	2,111	1,574	3.096	3.139
Medium Term Notes	5,000,000.00	5,073,320.00	5,025,788.51	7.81	1,792	1,448	1.843	1.869
Federal Agency Issues - Coupon	10,000,000.00	9,979,500.00	10,000,000.00	15.55	1,826	1,332	1.418	1.438
Negotiable CDs	5,452,000.00	5,493,275.79	5,452,000.00	8.48	1,735	1,121	1.567	1.588
	64,205,594.51	64,379,273.81	64,312,501.02	100.00%	941	672	1.172	1.188
Investments								
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	64,205,594.51	64,404,260.50	64,337,487.71		941	672	1.172	1.188

Total Earnings	February 28 Month Ending	Fiscal Year To Date
Current Year	60,104.89	428,235.10
Average Daily Balance	63,856,488.73	
Effective Rate of Return	1.23%	

JUDITH L. OLTMAN, TREASURER

Reporting period 02/01/2015-02/28/2015

Run Date: 03/17/2015 - 13:56

Portfolio COFH
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CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
February 28, 2015

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	249,232.29	247,000.00	2.450		2.451	151	07/30/2015
06740KEX1	3146	BARCLAYS BANK DE		12/07/2011	247,000.00	251,668.30	247,000.00	1.900		1.902	647	12/07/2016
SYS3174	3174	BANK OF HEMET		09/06/2013	494,000.00	494,000.00	494,000.00	0.500		0.500	555	09/06/2016
SYS3144	3144	BANK OF THE WEST		10/12/2011	249,000.00	252,849.07	249,000.00	1.750		1.750	591	10/12/2016
SYS3136	3136	CIT BANK		08/24/2011	247,000.00	250,818.40	247,000.00	1.800		1.800	542	08/24/2016
36160WVR7	3132	G.E. Capital Financial, Inc.		08/12/2011	247,000.00	250,915.37	247,000.00	1.850		1.850	530	08/12/2016
Subtotal and Average			1,731,000.00		1,731,000.00	1,749,483.43	1,731,000.00			1.536	510	
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			20,235,378.87		20,235,378.87	20,235,378.87	20,235,378.87			0.260	1	
Passbook/Checking Accounts												
SYS5009	5009	BANK OF NEW YORK			1,032,447.95	1,032,447.95	1,032,447.95			0.000	1	
SYS5001	5001	Citibank			315,169.40	315,169.40	315,169.40	0.450		0.450	1	
SYS5004	5004	CITIBANK3			10,596,014.49	10,596,014.49	10,596,014.49	0.450		0.450	1	
Subtotal and Average			12,612,282.60		11,943,631.84	11,943,631.84	11,943,631.84			0.411	1	
Local Government Bonds												
044555PA2	5025	ASHLAND OREGON		10/23/2014	1,145,000.00	1,123,565.60	1,132,852.23	2.800	AA	2.926	3,441	08/01/2024
048339SE6	5018	ATLANTIC CITY N.J.		06/02/2014	465,000.00	473,937.30	488,258.56	3.953	A	2.075	1,127	04/01/2018
048339SF3	5019	ATLANTIC CITY N.J.		06/02/2014	440,000.00	449,284.00	466,853.92	4.253	A	2.651	1,492	04/01/2019
13124MAH8	5026	CALLEGUAS CA MUNI WATER DIST		10/23/2014	745,000.00	753,172.65	759,883.70	2.601	AAA	2.018	1,949	07/01/2020
156792GW7	5027	CERRITOS COMMUNITY COLLEGE DIS		12/01/2014	1,260,000.00	1,272,625.20	1,272,579.18	2.971	AA	2.821	2,710	08/01/2022
404476HH9	5022	HABERSHAM COUNTY HOSPITAL AUTH		08/13/2014	795,000.00	798,847.80	800,026.15	2.250		2.080	1,433	02/01/2019
423542KL2	5006	HEMET UNIFIED SCHOOL DISTRICT		07/22/2010	2,000,000.00	2,015,240.00	1,998,650.93	5.375		5.609	122	07/01/2015
533020DC4	5012	CITY OF LINCOLN		03/02/2013	995,000.00	1,006,830.55	995,000.00	3.000		3.000	185	09/02/2015
650035J66	5015	NEW YORK STATE REVENUE BONDS		03/25/2014	500,000.00	502,455.00	499,041.50	2.000		2.050	1,475	03/15/2019
767169DY8	5028	RIO RANCHO		02/12/2015	498,583.80	490,845.78	501,690.08	3.200	A	3.122	3,380	06/01/2024
13063CKL3	5017	STATE OF CALIFORNIA		05/16/2014	1,000,000.00	1,017,880.00	1,009,865.55	2.250		2.000	1,522	05/01/2019
Subtotal and Average			9,728,329.85		9,843,583.80	9,904,683.88	9,924,701.80			3.139	1,574	
Medium Term Notes												
037833AQ3	5016	APPLE		05/15/2014	1,000,000.00	1,019,700.00	1,005,546.06	2.100		1.960	1,527	05/06/2019

Portfolio COFH
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CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
February 28, 2015

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	1,019,000.00	1,004,212.33	2.100		2.000	1,627	08/14/2019
14912L6B2	5020	CATERPILLAR		06/09/2014	1,000,000.00	1,013,500.00	1,003,238.34	2.100	A	2.020	1,561	06/09/2019
36962G7G3	5014	G.E. CAPITAL CORP.		03/14/2014	500,000.00	513,055.00	508,299.29	2.300		1.932	1,415	01/14/2019
68389XAN5	5010	ORACLE		03/28/2013	500,000.00	501,175.00	500,637.21	1.200		1.150	959	10/15/2017
90261XHE5	5024	UBS AG STAMFORD CT		08/18/2014	500,000.00	506,020.00	501,776.15	2.375		2.290	1,627	08/14/2019
94974BFG0	5013	WELLS FARGO		04/26/2013	500,000.00	500,870.00	502,079.13	1.500		1.350	1,052	01/16/2018
Subtotal and Average			5,026,068.83		5,000,000.00	5,073,320.00	5,025,788.51			1.869	1,448	

Federal Agency Issues - Coupon

313381MV4	2254	FEDERAL HOME LOAN BANK		01/17/2013	500,000.00	496,755.00	500,000.00	1.050		1.050	1,053	01/17/2018
313383GY1	2261	FEDERAL HOME LOAN BANK		06/13/2013	500,000.00	497,165.00	500,000.00	1.170		1.170	1,200	06/13/2018
313383JZ53	2263	FEDERAL HOME LOAN BANK		06/27/2013	500,000.00	499,760.00	500,000.00	1.450		1.450	1,214	06/27/2018
3134G37C8	2256	FEDERAL HOME LOAN MTG ASSOC.		04/17/2013	500,000.00	499,045.00	500,000.00	1.100		1.100	1,143	04/17/2018
3134G37H7	2257	FEDERAL HOME LOAN MTG ASSOC.		04/25/2013	500,000.00	497,710.00	500,000.00	1.150		1.150	1,151	04/25/2018
3134G47G7	2262	FEDERAL HOME LOAN MTG ASSOC.		06/26/2013	500,000.00	499,675.00	500,000.00	1.400		1.400	1,213	06/26/2018
3134G4BG2	2265	FEDERAL HOME LOAN MTG ASSOC.		07/17/2013	500,000.00	498,580.00	500,000.00	1.550		1.550	1,234	07/17/2018
3134G5GY5	2279	FEDERAL HOME LOAN MTG ASSOC.		09/19/2014	1,000,000.00	1,000,850.00	1,000,000.00	2.000		2.000	1,663	09/19/2019
3135G0NF6	2252	FEDERAL NTL MORTGAGE ASSOC.		08/21/2012	500,000.00	497,980.00	500,000.00	1.000		1.000	904	08/21/2017
3136G04U2	2253	FEDERAL NTL MORTGAGE ASSOC.		11/29/2012	500,000.00	496,465.00	500,000.00	1.000		1.000	1,004	11/29/2017
3135G0UN1	2255	FEDERAL NTL MORTGAGE ASSOC.		02/28/2013	500,000.00	496,890.00	500,000.00	1.150		1.146	1,095	02/28/2018
3135G0WN9	2258	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	494,335.00	500,000.00	1.000		1.000	1,156	04/30/2018
3136G1LB3	2259	FEDERAL NTL MORTGAGE ASSOC.		04/30/2013	500,000.00	500,300.00	500,000.00	0.750		0.740	1,156	04/30/2018
3135G0XG3	2260	FEDERAL NTL MORTGAGE ASSOC.		05/21/2013	500,000.00	494,955.00	500,000.00	1.000		1.000	1,177	05/21/2018
3136G23T2	2277	FEDERAL NTL MORTGAGE ASSOC.		08/27/2014	500,000.00	503,145.00	500,000.00	2.000		2.000	1,640	08/27/2019
3136G25Q6	2278	FEDERAL NTL MORTGAGE ASSOC.		09/18/2014	1,000,000.00	1,005,890.00	1,000,000.00	2.000		2.000	1,662	09/18/2019
3135G0C84	2281	FEDERAL NTL MORTGAGE ASSOC.		02/27/2015	1,000,000.00	1,000,000.00	1,000,000.00	2.000	AA	2.000	1,824	02/27/2020
Subtotal and Average			9,071,428.57		10,000,000.00	9,979,500.00	10,000,000.00			1.438	1,332	

Negotiable CDs

02437PAG8	3173	AMERICAN NATIONAL BANK DALLAS		08/12/2013	248,000.00	248,000.00	248,000.00	1.250		1.251	895	08/12/2017
02587DWK0	3184	AMERICAN EXPRESS CENTURIAN		11/28/2014	247,000.00	247,000.00	247,000.00	2.200		2.012	1,734	11/29/2019
02587CAW0	3180	AMERICAN EXPRESS FSB		08/21/2014	247,000.00	252,774.04	247,000.00	2.100		2.101	1,634	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	1,353	11/13/2018
856284-E3-4	3147	BANK OF INDIA NEW YORK		04/27/2012	248,000.00	253,721.56	248,000.00	2.000		2.001	788	04/27/2017
17037TDV6	3169	CHOICE FINANCIAL GROUP		11/20/2012	248,000.00	247,081.18	248,000.00	1.000		1.001	995	11/20/2017

Portfolio COFH
AP
PM (PRF_PM2) 7.3.0

CITY OF HEMET
Portfolio Management
Portfolio Details - Investments
February 28, 2015

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												
20033AAG13	3168	COMENITY CAPITAL BANK		10/25/2012	249,000.00	248,621.52	249,000.00	1.050		1.065	969	10/25/2017
20451PEN2	3175	COMPASS BANK		09/25/2013	247,000.00	252,495.63	247,000.00	2.000		2.001	1,304	09/25/2018
20786AAL9	3177	CONNECTONE BANK N.J.		12/13/2013	247,000.00	250,862.31	247,000.00	1.850		1.851	1,383	12/13/2018
2546714X5	3181	DISCOVER BANK		08/27/2014	247,000.00	252,795.04	247,000.00	2.100		2.101	1,640	08/27/2019
29976DNY2	3166	EVERBANK		10/15/2012	248,000.00	248,000.00	248,000.00	1.000		1.001	960	10/16/2017
373128DS3	3167	GEORGIA BANK AND TRUST		10/17/2012	249,000.00	248,298.04	249,000.00	1.000		1.014	961	10/17/2017
36159CRZ1	3126	GE Money Bank		07/30/2010	247,000.00	249,179.90	247,000.00	2.400		2.400	151	07/30/2015
38148JBU4	3183	GOLDMAN SACHS		11/05/2014	247,000.00	253,066.47	247,000.00	2.150		2.151	1,707	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	1,064	01/28/2018
628779FJ4	3178	NBT BANK		06/06/2014	247,000.00	249,729.82	247,000.00	1.800		1.801	1,558	06/06/2019
700654AV8	3182	PARK NATIONAL BANK		09/26/2014	249,000.00	255,095.07	249,000.00	2.100		2.099	1,486	03/26/2019
74267GUQ8	3179	PRIVATEBANK & TRUST CO.		07/21/2014	247,000.00	247,000.00	247,000.00	2.000		2.001	1,604	07/22/2019
7865803L2	3164	SAFRA NATIONAL BANK		09/27/2012	249,000.00	249,000.00	249,000.00	0.800		0.800	211	09/28/2015
795450NR2	3163	SALLIE MAE		07/25/2012	248,000.00	248,000.00	248,000.00	1.200		1.200	148	07/27/2015
909557CL2	3170	UNITED BANKERS' BANK		11/29/2012	249,000.00	248,555.21	249,000.00	1.100		1.115	1,004	11/29/2017
94986TMF1	3172	WELLS FARGO		03/28/2013	248,000.00	248,000.00	248,000.00	1.000		1.000	1,123	03/28/2018
Subtotal and Average			5,452,000.00		5,452,000.00	5,493,275.79	5,452,000.00			1.588	1,121	
Total and Average			63,856,488.73		64,205,594.51	64,379,273.81	64,312,501.02			1.188	672	

**CITY OF HEMET
Portfolio Management
Portfolio Details - Cash
February 28, 2015**

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	63,856,488.73		64,205,594.51	64,404,260.50	64,337,487.71			1.188	672

CITY OF HEMET
Received Interest
Sorted by Issuer
Received February 1, 2015 - February 28, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Due	Date Received	Interest		Variance
								Amount Due	Amount Received	
Ally Bank	02004MB51	3124	BCD	247,000.00	2.450	01/30/2015	02/02/2015	3,050.62	3,050.62	-
							Subtotal	3,050.62	3,050.62	
AMERICAN NATIONAL BANK DALLAS	02437PAG8	3173	NC2	248,000.00	1.250	02/12/2015	02/17/2015	1,562.74	1,562.74	-
							Subtotal	1,562.74	1,562.74	
AMERICAN EXPRESS FSB	02587CAW0	3180	NC2	247,000.00	2.100	02/21/2015	02/24/2015	2,614.82	2,614.82	-
							Subtotal	2,614.82	2,614.82	
ASHLAND OREGON	044555PA2	5025	NCB	1,145,000.00	2.800	04/01/2015	02/03/2015	14,070.78	16,030.00	1,959.22
							Subtotal	14,070.78	16,030.00	
BERKSHIRE HATHAWAY	084670BL1	5023	MTN	1,000,000.00	2.100	02/14/2015	02/18/2015	10,500.00	10,500.00	-
							Subtotal	10,500.00	10,500.00	
BANK OF HEMET	SYS3174	3174	BCD	494,000.00	0.500	02/06/2015	02/09/2015	209.78	209.78	-
							Subtotal	209.78	209.78	
BANK OF THE WEST	SYS3144	3144	BCD	249,000.00	1.750	02/12/2015	02/17/2015	370.09	370.09	-
							Subtotal	370.09	370.09	
CERRITOS COMMUNITY COLLEGE	156792GW7	5027	NCB	1,260,000.00	2.971	02/01/2015	02/03/2015	7,382.94	7,382.93	-0.01
							Subtotal	7,382.94	7,382.93	
CIT BANK	SYS3136	3136	BCD	247,000.00	1.800	02/24/2015	02/25/2015	2,223.00	2,241.27	18.27
							Subtotal	2,223.00	2,241.27	
COMENITY CAPITAL BANK	20033AAG13	3168	NC2	249,000.00	1.050	02/25/2015	02/26/2015	225.14	222.05	-3.09
							Subtotal	225.14	222.05	
CONNECTONE BANK N.J.	20786AAL9	3177	NC2	247,000.00	1.850	02/13/2015	02/18/2015	388.09	388.09	-
							Subtotal	388.09	388.09	

Portfolio COFH
AP

CITY OF HEMET
Received Interest
Received February 1, 2015 - February 28, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Due	Date Received	Interest		Variance
								Amount Due	Amount Received	
FEDERAL HOME LOAN MTG ASSOC.	3134G5KX2	2280	FAC	0.00	2.150	01/30/2015	02/02/2015	5,375.00	5,375.00	-
							Subtotal	5,375.00	5,375.00	
FEDERAL NTL MORTGAGE ASSOC.	3135G0NF6	2252	FAC	500,000.00	1.000	02/21/2015	02/24/2015	2,500.00	2,500.00	-
							Subtotal	2,500.00	2,500.00	
G.E. Capital Financial, Inc.	36160WVR7	3132	BCD	247,000.00	1.850	02/12/2015	02/17/2015	2,284.75	2,303.53	18.78
							Subtotal	2,284.75	2,303.53	
GEORGIA BANK AND TRUST	373128DS3	3167	NC2	249,000.00	1.000	02/17/2015	02/18/2015	214.42	211.48	-2.94
							Subtotal	214.42	211.48	
GE Money Bank	36159CRZ1	3126	NC2	247,000.00	2.400	01/30/2015	02/02/2015	2,964.00	2,988.36	24.36
							Subtotal	2,964.00	2,988.36	
HABERSHAM COUNTY HOSPITAL	404476HH9	5022	NCB	795,000.00	2.250	02/01/2015	02/03/2015	8,347.50	8,347.50	-
							Subtotal	8,347.50	8,347.50	
UBS AG STAMFORD CT	90261XHE5	5024	MTN	500,000.00	2.375	02/14/2015	02/18/2015	5,937.50	5,937.50	-
							Subtotal	5,937.50	5,937.50	
UNITED BANKERS' BANK	909557CL2	3170	NC2	249,000.00	1.100	01/28/2015	02/03/2015	235.86	232.63	-3.23
							Subtotal	235.86	232.63	
Total								70,457.03	72,468.39	
Total Cash Overpayment								2,020.63		
Total Cash Shortfall								-9.27		

CITY OF HEMET
Received Interest
Received February 1, 2015 - February 28, 2015

Issuer	CUSIP	Investment #	Security Type	Par Value	Current Rate	Date Received	Interest
							Amount Received
Cash Accounts							
BANK OF NEW YORK	SYS5009	5009	PA1	1,032,447.95		02/02/2015	6.30
						Subtotal	6.30
Citibank	SYS5001	5001	PA1	315,169.40	0.450	02/27/2015	33.27
						Subtotal	33.27
CITIBANK3	SYS5004	5004	PA1	10,596,014.49	0.450	02/27/2015	1,170.18
						Subtotal	1,170.18
						Total	1,209.75

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

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

March 17, 2015

CITY OF HEMET

PMIA Average Monthly Yields

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

Account Number:

98-33-362

Tran Type Definitions

February 2015 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	20,249,848.62
Total Withdrawal:	0.00	Ending Balance:	20,249,848.62

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
1/31/2015	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
2/28/2015	Interest								0.00
	Transfer funds		432,799.31						432,799.31
	City of Hemet								0.00
	Debt Service								0.00
	Khov prepay (31 lots)								0.00
	Trust fees								0.00
	BALANCE	0.00	624,794.31	302,771.66	(0.00)	0.00	0.00	274,141.25	1,201,707.22

First American Treasury Oblig 1,201,707.22
US Treasury Notes, various not carried on COH books
Misc Assets 1.00
1,201,708.22
Cash held by FA, net of Escrow acct 1,201,707.22



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: March 24, 2015

RE: Warrant Register

The City of Hemet's warrant registers dated March 3, 2015 in the amount of \$2,281,725.13 and March 5, 2015 for \$1,502,488.99 are currently posted on the City's website in the Finance Department section, under *Financial Information*. Payroll for the period of February 16, 2015 to March 1, 2015 was \$579,904.86.

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



AGENDA #

13

Staff Report

To: Honorable Mayor and Members of the City Council

From: Council Member Raver

Date: March 24, 2015

RE: Park Commission Re-Appointment

RECOMMENDATION:

Council Member Raver respectfully recommends that the City Council re-appoint Kenneth Gengler to Seat 5 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Gengler has lived in the Community for over 9 years. His background of 15 years as a Park Project Manager/Planner and a District Park Manager for the County of San Diego has been an asset to the Park Commission for the last six years. Mr. Gengler served on the Otay River Valley Regional Parks Citizens Committee and the Tijuana River Valley Regional Park Planning Committee. He is a current member of the American Legion, Disabled Veterans, Navy League, Knights of Columbus and the Military Officers Association of America. I highly recommend the re-appointment of Kenneth Gengler to the Park Commission.

Respectfully submitted,

K. Paul Raver

K. Paul Raver
Council Member



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

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

PARK COMMISSION

NAME: KENNETH GENGLER

ADDRESS: 381 YAL VERDE DRIVE

CITY: HEMET ZIP: 92543

TELEPHONE: (951) 929-2093

Past Experience and/or Education: SIX (6) YEARS AS HEMET PARK

COMMISSIONER, FIFTEEN (15) YEARS AS A PROJECT MANAGER

AND DISTRICT PARKMANAGER WITH SAN DIEGO COUNTY PARKS & RECREATION

BA IN URBAN STUDIES + PLANNING, MPA IN PUBLIC ADMINISTRATION.

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

ORANGE VALLEY REGIONAL PARKS CITIZENS COMMITTEE, TIJUANA RIVER VALLEY

REGIONAL PARK PLANNING COMMITTEE,

Organizations you have belonged to AMERICAN LEGION, DISABLED VETERANS,

NAVY LEAGUE, KNIGHTS OF COLUMBUS, MILITARY OFFICERS ASSOC. OF AMERICA.

How long have you lived in the community? 9 years 10 months

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

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

Kenneth Engler 3-3-15
Signature Date

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

March 3, 2015

Council Member Raver
City of Hemet
445 East Florida Avenue
Hemet, CA 92543

RE: Park Commission Appointment

Dear Council Member Raver

With a great deal of satisfaction, I have just completed a two year (2) appointment to the Hemet Park Commission. In that capacity, I feel that I have contributed to the betterment of Hemet's park system and also to the quality of life of families and children in the city and would very much like to continue doing so. I wish to renew my appointment as a Park Commissioner.

For your consideration, I bring the following talents, experience and education to that application:

Six (6) years as a Hemet Park Commissioner (2007-2015).

Fifteen (15) years employment with San Diego County Parks and Recreation as a Project Manager and District Park Manager. Constructed numerous and varying park facilities. Managed and maintained local and regional parks and managed/supervised park rangers (1988-2003).

BA in Urban Studies and City Planning, UCSD
MPA in Public Administration, SDSU

Thank you for your consideration.

Sincerely,


Kenneth A. Gengler



AGENDA # 14

Staff Report

To: Honorable Mayor and Members of the City Council

From: Council Member Raver

Date: March 24, 2015

RE: Traffic and Parking Commission Appointment

RECOMMENDATION:

Council Member Raver respectfully recommends that the City Council appoint Stephen Covington to Seat 5 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Covington has lived in the Community for almost 20 years. Mr. Covington has experience in Urban Design and Planning. He is currently a member of the Historic Hemet Theatre and the Downtown Hemet Business Association. I highly recommend the appointment of Stephen Covington to the Park Commission.

Respectfully submitted,

A handwritten signature in cursive script that reads "K Paul Raver".

K. Paul Raver
Council Member



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

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

TRAFFIC COMMISSION

NAME: STEPHEN OLBVIN - COVINGTON

ADDRESS: 801 MADDEN ST

CITY: HEMET ZIP: CA

TELEPHONE: 92543

Past Experience and/or Education: EXPERIENCE IN URBAN
DESIGN AND PLANNING. PROFICIENT IN AUTOCAD.

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

Organizations you have belonged to HISTORIC HEMET THEATRE
FOUNDATION, DOWNTOWN HEMET BUSINESS ASSOCIATION (NEW)

How long have you lived in the community? 19 years 11 months

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

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

[Signature]
Signature

2-1-15
Date

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



AGENDA # 15

Staff Report

To: Honorable Mayor and Members of the City Council
From: Council Member Raver
Date: March 24, 2015
RE: Planning Commission Re-Appointment

RECOMMENDATION:

Council Member Raver respectfully recommends that the City Council re-appoint Vincent Overmyer to Seat 5 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Overmyer has lived in the Community for over 50 years. Being in the building industry for over 30 years gives him the experience necessary for the position. He has been an asset on the commission for the past 4 years. I highly recommend the re-appointment of Vincent Overmyer to the Planning Commission.

Respectfully submitted,

K. Paul Raver
Council Member



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

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

Planning Commission

NAME: Vincent S. Overmyer

ADDRESS: 3510 Mel Christ Ln

CITY: Hemet ZIP: 92544

TELEPHONE: 951 929 6124

Past Experience and/or Education: BA Univ. of Colo. @ Boulder

21 years Merlex Stucco (V.P.)

4 years Planning Commission

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

Merlex B.O.D., SMA, BIA,

AIA Educator

Organizations you have belonged to Saboba CC mens club

Toastmasters, Semester at Sea Alumni

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

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

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



 Signature

1/25/2015

 Date

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

Vincent S. Overmyer

Rosie M. Overmyer

3510 Mel Christ Lane

Hemet CA. 92544

City of Hemet
445 E. Florida Ave.
Hemet, CA 92543

Re: Planning Commission Extension

1/24/2015

Dear Sir or Madam,

I have effectively served on the Hemet Planning Commission for the previous four years. Experience in the construction industry benefits decision making in architectural as well as all other facets of design. However, knowledge of construction and cold logic is nothing to the love and caring I have for this valley and its inhabitants. When my father moved our family here in 1965 and installed us at the residence called "Mockingbird Hill" on Crest Drive I have loved this valley and only want the best for it. As many of us have seen the slow and steady decline of our beautiful valley it is only natural that I would want to serve and in any small way be a part of the return to a successful, safe City that has jobs, services and the infrastructure that its citizens deserve.

Sincerely,



Vincent S. Overmyer
Hemet Resident



AGENDA # 16

Staff Report

To: Honorable Mayor and Members of the City Council
From: Council Member Youssef
Date: March 24, 2015
RE: Park Commission Re-Appointment

RECOMMENDATION:

Council Member Youssef respectfully recommends that the City Council re-appoint Edd Burden to Seat 3 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Burden has lived in the community for over 9 years. Mr. Burden cares about the community and the beautification of the parks. He has been an asset on the commission for the past two years. I highly recommend the re-appointment of Edd Burden to the Park Commission.

Respectfully submitted,

Robert Youssef
Council Member



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

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

Park Commission seat 3

NAME: Edd Burden Jr.

ADDRESS: 2312 Begonia Ct.

CITY: Hemet ZIP: 92545

TELEPHONE: (951) 658-3012

Past Experience and/or Education: 4/2013-present - Park Commission
Employed for 33 years at Dow Jones as a Production
Supervisor. Six years Parks & Recreation - Basketball Coach

Other Boards and/or Commissions on which you have served: Office on Aging 10 years
Union Steward for 6 years at Dow Jones

Organizations you have belonged to Church Elder - Riverside Faith
Temple - 43 years. Men's Department President - 10 years

How long have you lived in the community? 9 years 4 months

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

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

Edd Burden 7-8-15
 Signature Date

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

2-8-15

I would like to be a member of the Parks Commission because I care about my community and the beautification of our parks and making them a safe and enjoyable place for residents. As a resident I can provide input on what matters in the community relating to the cleanliness and safety of our parks and neighborhood.

Thank you



951-658-3012



AGENDA # 17

Staff Report

To: Honorable Mayor and Members of the City Council

From: Council Member Youssef

Date: March 24, 2015

RE: Traffic & Parking Commission Re-Appointment

RECOMMENDATION:

Council Member Youssef respectfully recommends that the City Council re-appoint Donald Funkhouser to Seat 3 on the Traffic & Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Funkhouser has lived in the community for over 8 years. Mr. Funkhouser is the past President of the Seven Hills Property Owner's Association and Officer of the Seven Hills Men's Golf Club. His past experience in law enforcement and background in safety has been an asset on the commission for the past three and half years. I highly recommend the re-appointment of Donald Funkhouser to the Traffic and Parking Commission.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R. Youssef".

Robert Youssef
Council Member



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

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

Traffic & Parking Commission

NAME: Don Funkhouser

ADDRESS: 1270 Sequoia Circle

CITY: Hemet ZIP: 91545

TELEPHONE: 951-452-7736

Past Experience and/or Education: Current Commissioner - Seat 3.

Other Boards and/or Commissions on which you have served: Past President -
Seven Hills Property Owner's Association. officer of
Seven Hills Men's Golf Club.

Organizations you have belonged to Salem Oregon Police Officers Assoc.
Hemet ELKS lodge.

How long have you lived in the community? 8 years 9 months

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

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

[Signature] 1-27-15
Signature Date

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



AGENDA # 18

Staff Report

To: Honorable Mayor and Members of the City Council
From: Council Member Youssef
Date: March 24, 2015
RE: Planning Commission Re-Appointment

RECOMMENDATION:

Council Member Youssef respectfully recommends that the City Council re-appoint John Gifford to Seat 3 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Gifford has lived in the Community for over 20 years. Mr. Gifford brings over 25 years of experience in management, environmental compliance and land use planning to the Planning Commission. His experience has been an asset on the commission for the past 6 years. I highly recommend the re-appointment of John Gifford to the Planning Commission.

Respectfully submitted,

Robert Youssef
Council Member



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

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

Planning Commission

NAME: John Gifford

ADDRESS: 40310 Twin Springs Rd.

CITY: Hemet ZIP: 92544

TELEPHONE: 951-925-2646

Past Experience and/or Education: Hemet Planning Commission.
LL.B. Law, 30 yrs Corporate Planning

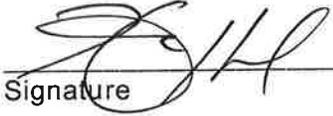
Other Boards and/or Commissions on which you have served: We Care Board.
Charis Corporation Board Chair,

Organizations you have belonged to American Planning Association (APA)
Association of Planning (Environmental)(AEP)

How long have you lived in the community? 20+ years _____ months

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

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

 1/29/15
 Signature Date

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



AGENDA # 19

Staff Report

To: Honorable Mayor and Members of the City Council

From: Mayor Pro Tem Wright

Date: March 24, 2015

RE: Park Commission Appointment

RECOMMENDATION:

Mayor Pro Tem Wright respectfully recommends that the City Council appoint Connie Hall to Seat 4 on the Park Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Ms. Hall has lived in the community for 27 years. Ms. Hall's time and involvement in the community gives her the insight necessary to be an asset on the Park Commission. I highly recommend the appointment of Connie Hall.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bonnie Wright".

Bonnie Wright
Mayor Pro Tem



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

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

MOBILE HOME RENT REVIEW, PARK, OR PLANNING

NAME: CONNIE LYNN HALL

ADDRESS: 707 GENESEE DR

CITY: HEMET ZIP: 92544

TELEPHONE: 951-203-2106

Past Experience and/or Education: _____

MASTER OF SCIENCE / INDUSTRIAL & ORGANIZATIONAL PSYCHOLOGY

MASTER OF ARTS / BUSINESS MANAGEMENT

Other Boards and/or Commissions on which you have served: RIVERSIDE CO. FBMA

PAMONA HUMANE SOCIETY

HEALTHY HEMET SAN JACINTO FOUNDATION

Organizations you have belonged to CALIFORNIA PSYCHOLOGICAL ASSOC.

AMERICAN MARKETING ASSOC.

How long have you lived in the community? 27 years _____ months

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

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

Connie L. Hall 1/26/15

Signature

Date

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

Attachment

While not directly experienced with the volunteer positions currently available with the City of Hemet, I have the proven background and education to make decisions based on what is the best interest for all involved. My professional and educational background has afforded me the ability to be cognizant of the value of researching trends, facts, and any other pertinent information relevant to effective decision-making. Further, I have attended a variety of meetings over the last 14 years with regards to the general plan, general business, and planning commission meetings. I am a very dedicated member of my community and would enjoy the opportunity to serve in this capacity. I am also very well aware of the reason that municipal government provides such committees and that each and every decision made by such a committee member is at the pleasure of city council. As a multiple homeowner in the City of Hemet, with children and grandchildren who reside here, I care deeply about our community and look forward to being a part of its functioning in any way I can.



AGENDA # 20

Staff Report

To: Honorable Mayor and Members of the City Council
From: Mayor Pro Tem Wright
Date: March 24, 2015
RE: Traffic and Parking Commission Appointment

RECOMMENDATION:

Mayor Pro Tem Wright respectfully recommends that the City Council appoint Farrah Fowler to Seat 4 on the Traffic and Parking Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Ms. Fowler has been a resident of the community for over 30 years. Ms. Fowler previously served on the City's Traffic & Parking Commission and enjoyed being a part of the improvements to the community. Farrah would like to opportunity to continue to serve the City and the residents. I highly recommend the appointment of Farrah Fowler to the City's Traffic and Parking Commission.

Respectfully submitted,

Bonnie Wright
Mayor Pro Tem



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

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

Traffic & Parking

NAME: Farrah Fowler

ADDRESS: 1489 Morgan Hill Rd.

CITY: Hemet ZIP: 92545

TELEPHONE: 951-775-5140

Past Experience and/or Education: I have served on the
Traffic & Parking Commission for the last
year.

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

Organizations you have belonged to PTA

How long have you lived in the community? 28 years _____ months

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

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

Signature

1-22-12

Date

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

I am writing to formally request reappointment to my seat on the Parking and Traffic Commission. During my year on the commission I have been a part of many improvements to the community. I feel that I have much more to give and would love the opportunity to continue to serve my City and the people residing therein. I have shown myself to be both competent and easy to work with and have also shown great problem solving capabilities. I feel that my being on the commission has been beneficial to both myself and the people of Hemet. I hope that I am reappointed and that I am given the opportunity to do more good for my community.

Respectfully,

Farrah Fowler

A handwritten signature in black ink, appearing to read 'Farrah Fowler', written in a cursive style. The signature is positioned below the printed name 'Farrah Fowler'.



AGENDA # 21

Staff Report

To: Honorable Mayor and Members of the City Council

From: Mayor Pro Tem Wright

Date: March 24, 2015

RE: Planning Commission Re-Appointment

RECOMMENDATION:

Mayor Pro Tem Wright respectfully recommends that the City Council re-appoint Richard Crimeni to Seat 4 on the Planning Commission in order to fill a term expiration. The two year term will expire April 1, 2017.

BACKGROUND:

Mr. Crimeni has been a resident of the community and a business owner for 26 years. Mr. Crimeni belongs to Kiwanis and the Hemet-San Jacinto Chamber of Commerce. His experience has been an asset on the Planning Commission the last two years. I highly recommend the re-appointment of Richard Crimeni to the City's Planning Commission.

Respectfully submitted,

Bonnie Wright
Mayor Pro Tem



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

RECEIVED

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

MAR 16 2015

Planning
City Clerk's Office
City of Hemet

NAME: Richard Cramer

ADDRESS: 725 E. Florida Ave

CITY: Hemet Ca ZIP: 92543

TELEPHONE: 951-652-9234

Past Experience and/or Education: Planning Commissions

Other Boards and/or Commissions on which you have served:
Ramona Bowl, THE Center, Hemet
 Hospice

Organizations you have belonged to: Kiwanis, Hemet S.F.
Chamber

How long have you lived in the community? 26 years 0 months

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

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

Richard Cramer 3/5/15
Signature Date

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

*Staff Report*

TO: Honorable Mayor and Members of the City Council

FROM: Eric Vail, City Attorney

DATE: March 24, 2015

RE: First Amendment to Employment Agreement, Amended and Restated For the Position of Chief of Police

RECOMMENDATIONS:

Adopt Amendment to Employment Agreement for Position of Chief of Police and authorize the Mayor to execute the Agreement.

BACKGROUND:

On August 9, 2011, the City of Hemet ("City") and then HPD Captain David Brown ("Brown") entered into an Employment Agreement for the Position of Chief of Police ("Employment Agreement"). Under Section 5.2.1 of the Agreement, Brown purported to waive, relinquish and divest himself of any rights to retiree medical coverage that may have accrued to him or that may be owing to him from City upon his retirement. City and Brown acknowledged that prior to the effective date of the Employment Agreement Brown was eligible to receive, upon meeting all City requirements, retiree medical benefits in the form of the City's payment of one hundred percent (100%) of the cap in place for the Hemet Police Management Association for premiums for retiree medical coverage (health, dental and vision coverage) in accordance with CITY's July 24, 1990 Retirement Benefits Policy and Resolution No. 4190, adopted November 27, 2007. In lieu of this benefit, Brown received payment by City of \$100 per month into a tax deferred account.

ANALYSIS:

The City Council previously received a briefing from the City Attorney in closed session regarding the legal status of Brown's purported waiver of the retiree medical benefit, and was made aware by the City Manager that Brown had requested reinstatement of the retiree medical benefit. Based on the foregoing, and in light of Brown's exemplary service as Chief of Police for the City of Hemet, Council may consider reinstatement of Brown's retiree medical benefits (health, vision, dental insurance) and discontinue the

\$100 per month in lieu payment into a tax deferred account. Approval of the recommended First Amendment to the Employment Agreement, attached hereto as Exhibit "A," would implement that directive.

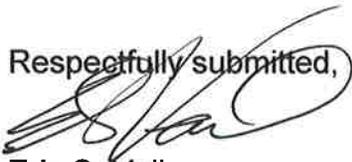
FISCAL IMPACT:

The City's General Fund would save \$100 per month (\$1,200 per year) from discontinuing the tax deferred payment. No additional cost would be incurred by reinstating Brown's retiree medical benefit unless and until Brown reaches retirement age and retires from the City of Hemet. Thereafter, the City would incur an annual expense for Brown's retiree medical insurance equal to the then cap on payments made by the City for medical insurance to members of the HPMA.

ATTACHMENTS:

First Amendment to Employment Agreement, Amended and Restated For the Position of Chief of Police.

Respectfully submitted,



Eric S. Vail
City Attorney

**FIRST AMENDMENT TO EMPLOYMENT AGREEMENT,
AMENDED AND RESTATED FOR THE POSITION OF
CHIEF OF POLICE**

This First Amendment to Employment Agreement, Amended and Restated for the Position of Chief of Police ("First Amendment") is made and entered into and is effective this 24th day of March, 2015, by and between the CITY OF HEMET (the "City"), a California municipal corporation and general law city, and DAVID BROWN ("Brown"), an individual, (hereinafter City and Brown may jointly be referred to as the "Parties") on the following terms and conditions:

RECITALS

A. The parties entered into that Employment Agreement, Amended and Restated for the Position of Chief of Police ("Employment Agreement") on August 9, 2011. Under Section 5.2.1 of the Agreement, Brown purported to waive, relinquish and divest himself of any rights to retiree medical coverage that may have accrued to him or that may be owing to him from CITY upon his retirement. Specifically, the parties acknowledged that prior to the effective date of the Employment Agreement Brown was eligible to receive, upon meeting all CITY qualifications for such benefits, retiree medical benefits in the form of the CITY's payment of one hundred percent (100%) of the cap in place for the Hemet Police Management Association for premiums for retiree medical coverage (health, dental and vision coverage) in accordance with CITY's July 24, 1990 Retirement Benefits Policy and Resolution No. 4190, adopted November 27, 2007.

B. In recognition of exemplary service as Chief of Police for the City of Hemet, CITY now desires to reinstate the retiree medical coverage benefits which Brown previously purported to waive, relinquish and divest.

OPERATIVE PROVISIONS

For consideration the value and receipt of which is hereby acknowledged, the Parties agree as follows:

1. **Amendment.** Sections 5.2 (Retirement Health), and 5.2.1 (Retirement Health Waiver) are hereby deleted from the Employment Agreement and are replaced with a new Section 5.2 (Retirement Health Benefits) as follows:

"5.2 Having been hired on December 1, 1992, and having worked fifteen or more years with the City of Hemet, BROWN is eligible to receive, upon retirement from CITY, retiree medical coverage (inclusive of health, dental and vision coverage) in accordance with CITY's July 24, 1990 Retirement Benefits Policy and Resolution No. 4190, adopted November 27, 2007. Pursuant to such coverage, CITY will pay retiree medical premiums for BROWN in an

amount up to one hundred percent (100%) of the cap on medical coverage paid by CITY for members of the Hemet Police Management Association, as may be adjusted from time to time. The monthly cash payment of \$100 CITY was making for Brown into a tax deferred account in-lieu of his retiree medical benefits under Section 5.2 of the Employment Agreement shall terminate as of the end of March, 2015. The sum accrued to date in BROWN's tax deferred account shall remain the property of BROWN subject to the conditions set forth in CITY's deferred compensation plan.

2. **All Other Terms.** Except as expressly modified or amended by this First Amendment, all other terms and conditions of the Employment Agreement remain unchanged and in full force and effect between the parties.

IN WITNESS WHEREOF, the CITY has caused this First Amendment to be signed and executed on its behalf by its Mayor and duly attested to by its City Clerk, and BROWN has signed and executed this First Amendment, as of the date first indicated above.

CITY OF HEMET

Linda Krupa, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

DAVID BROWN

David Brown, Chief of Police



AGENDA # 23

Successor Agency

Staff Report

TO: Honorable Mayor and City Council Acting as Successor Agency

FROM: John Jansons, Community Investment Director

DATE: March 24, 2015

RE: Oversight Board and CA Department of Finance Direction to Sell Former Redevelopment Agency Real Property

RECOMMENDATION:

That the Successor Agency sell two former Redevelopment Agency-owned parcels of real property: APN 445-262-03 located at 154 South Santa Fe and APN 443-232-010 located at 119 North Carmalita Street, in accordance with Oversight Board direction and State of CA redevelopment agency dissolution requirements.

BACKGROUND:

On February 1, 2012, pursuant to the Assembly Bill ("AB") 1x 26 (Blumenfield), Division 24, Parts 1.8 and 1.85 of the California Health & Safety Code ("Dissolution Act"), the Redevelopment Agency of the City of Hemet ("Former Redevelopment Agency") was dissolved. In connection with the implementation of the Dissolution Act, the City of Hemet ("City") serves as the successor agency ("Successor Agency") to the Former Redevelopment Agency. The Successor Agency, as part of the wind down of former redevelopment activities, is responsible for the ongoing maintenance, marketing, and disposition of assets, including real and personal property, of the Former Redevelopment Agency other than housing assets.

AB 1484, enacted in June of 2012, required all successor agencies to former redevelopment agencies to prepare a Long Range Property Management Plan ("LRPMP"). The LRPMP governs the disposition and use of property held by former redevelopment agencies at the time of dissolution in 2012. The Successor Agency's LRPMP was adopted by Oversight Board Resolution No.2013-03 on October 17, 2013 and by the California Department of Finance ("DOF") on February 21, 2014. As detailed in the LRPMP, the Successor Agency is disposing of two (2) properties that will be sold and proceeds will be remitted to the Riverside County Auditor-Controller for distribution to the taxing entities in accordance with State law. Section 34191.3 of the Health & Safety Code states that the LRPMP "shall govern, and supersede all other provisions relating to, the disposition and use of the real property assets of the former redevelopment agency."

DISCUSSION:

As approved by the Oversight Board, and the DOF, the Successor Agency is required to effort to sell real property identified in the approved Long Range Property Management Plan (LRPMP) and as per the approved Property Disposition Procedures. The first property is identified as Property #13 in the LRPMP (Assessor's Parcel Number 445-262-03) and is located at 154 South Santa Fe. The property is currently improved as a parking area adjacent to both a dental office and the playfields of Acacia Middle School. Property #14, from the LRPMP (Assessor's Parcel Number 443-232-010) is located at 119 North Carmalita Street and serves as half of a drive aisle and as a parking area directly north of the Historic Hemet Theater. The properties are further described in Attachment 1.

Utilizing the PDP (Attachment 2), staff proposes to pursue the sale of former Redevelopment Agency properties in an expeditious manner aimed at maximizing value. To that end, staff recommends that the Successor Agency, "piggyback" on the process recently employed by the City of Hemet for the sale of City-owned properties that identified, through a Request for Proposals (RFP) process, a licensed CA real estate broker qualified to represent the City and conduct the sales.

Therefore, staff seeks Successor Agency concurrence with the Oversight Board and DOF direction to sell the subject properties by using the services of Homestar Real Estate of Hemet, to offer the subject properties for sale.

When received, offers to purchase will be presented to the Oversight Board at future meetings for their review and consideration. All proposed sales and their respective terms require Oversight Board and DOF approval to proceed.

Ultimately, any proceeds derived from the sale of former Redevelopment Agency assets can be used to fund DOF approved development projects (of which Hemet has none) or to fund other wind-down activities. If no such activities exist, the funds are to be transferred to the Riverside County Auditor-Controller for distribution to the taxing entities. It is estimated that approximately 20% of the sales proceeds will be returned to the City of Hemet as one of those taxing entities.

ALTERNATIVES:

None recommended.

FISCAL IMPACT:

No City funds are involved with this recommendation.

COORDINATION AND REVIEW:

The recommended action has been directed and approved by the Oversight Board and the State of CA, Dept. of Finance. The recommendation has been coordinated with the City Attorney, representing the Successor Agency, and the City's RDA dissolution advisors, RSG Inc.

STRATEGIC PLAN AND COUNCIL GOALS INTEGRATION:

The recommended action supports the Successor Agency goal of conformance and compliance with all State laws governing the dissolution of the former Hemet Redevelopment Agency.

CONCLUSION:

That the Successor Agency proceeds to sell two former Redevelopment Agency-owned parcels of real property in accordance with Oversight Board direction and State of CA redevelopment agency dissolution requirements.

ATTACHMENTS: 1 – Long Range Property Management Plan Sections
 2 – Property Disposition Plan

Recommended By:



John Jansons
Director of Community Investment
For the Successor Agency

Approved By:



Wally Hill
City Manager

Successor Agency to the City of Hemet Redevelopment Agency
Long-Range Property Management Plan

PARKING LOT FOR SANTA FE FIELD (PROPERTY 13)

Address:	154 South Santa Fe St
APN:	445-262-031
Lot Size:	0.11 acres
Acquisition Date:	08/01/1996
Value at Time of Purchase:	\$94,000
Property Type (DOF Category):	Parking Lot/Structure
Estimate of Income Revenue:	\$0
Current Zoning:	R-P, Residential-Professional
Estimated Current Value:	\$15,000
Proposed Sale Value:	To be determined by appraisal

Requirements for Use of Income/Revenue: Not applicable due to no income revenue.

Purpose of Acquisition: To provide parking for Santa Fe Field, a public neighborhood park.

Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives:

City's General Plan, Recreation and Trails Element:

Goal RC-3: Create and maintain a parkland system that is identifiable, safe, and accessible to all users.

Policy RC-3.1: **Park Siting** Situate community parks along major arterials and ensure adequate parking. Site neighborhood parks in high visibility areas on local or collector streets within the neighborhoods they serve and foster pedestrian access. (Page 8-26, emphasis added.)

History of Previous Development Proposals: None.



Aerial view of Santa Fe Field parking lot. Photo is outdated and doesn't show school expansion (campus seen in bottom right corner).



Street view of parking lot. Property 13 only includes portion of parking lot from the drainage path and northward (to the left).

Successor Agency to the City of Hemet Redevelopment Agency Long-Range Property Management Plan

The Former RDA originally acquired this parking lot to provide Hemet's residents with convenient access to Santa Fe Field, which features a baseball/softball diamond, basketball courts, a large grassy area that can be flexibly used for any park use, and a motorcross area.

Recently, Acacia Middle School, which borders the park, has undergone an expansion that includes a new parking lot that provides more convenient access to the park. The expansion has cut off Property 13 from the park through the use of a fence. The City believes that the parking lot no longer exclusively serves its original purpose.

The property's development potential is limited by its size and configuration. Most likely, only the adjacent property owner would be interested in purchasing this property, and then only to provide parking for their own property. The Successor Agency is proposing to sell this property for the highest possible value, to be estimated by an appraisal following approval of the LRPMP. The Successor Agency will submit proceeds from that sale to the County Auditor-Controller for distribution to affected taxing entities.



PUBLIC PARKING BEHIND HISTORIC HEMET THEATER (PROPERTY 14)

Address:	119 North Carmalita St
APN:	443-232-010
Lot Size:	0.12 acres
Acquisition Date:	07/15/2003
Value at Time of Purchase:	Not available
Property Type (DOF Category):	Parking Lot/Structure
Estimate of Income Revenue:	\$0
Current Zoning:	D-1, Downtown
Estimated Current Value:	\$30,000
Proposed Sale Value:	To be determined by proposals

Requirements for Use of Income/Revenue: Not applicable due to no income revenue.

Purpose of Acquisition: To provide joint-use parking in the City's historic downtown core for more efficient availability of parking for downtown businesses and to improve the feasibility of infill development in the downtown core.

Potential for Transit Oriented Development: None/not applicable.

Advancement of Planning Objectives:

City's General Plan, Land Use Element:

Goal LU-2: Establish a comprehensive range of attractive and economically viable commercial centers throughout the City that meet the needs of the community.

Policy LU-2.5: **Joint Use Parking** Promote reciprocal access and parking agreements between adjacent commercial centers and businesses to facilitate improved traffic safety and flow and to minimize land area devoted to surface parking lots. (Page 2-98)

History of Previous Development Proposals: None.

Successor Agency to the City of Hemet Redevelopment Agency
Long-Range Property Management Plan



Aerial view of parking lot for the historic theater (bottom of the picture) with the Adult Literacy Center located near the top of the picture.



Street view of the parking lot with the partially burned Hemet Theater seen in the background. Note that parking in the foreground is part of a different, privately-owned property.

The Former RDA acquired this property in order to provide centralized parking for downtown businesses and to increase the potential for infill development of nearby properties. Many of the downtown parcels are too small for development to include parking provided on site. By using the parking provided on Property 14 in place of on-site parking, a potential development would become more financially feasible.

In 2010, a neighboring building caught on fire and was completely destroyed. That fire also damaged the Hemet Theater significantly, as can be seen in the above street-view photograph. Given the central location of the site in the City's downtown core, the historical significance of the theater, and the benefit of centralized parking to small lot infill development feasibility, the City would like to concentrate its efforts to encourage infill development in the area around Property 14 and to use the property as a central parking lot to support that infill development.

With this goal in mind, the Successor Agency would like to sell the parking lot at the highest possible value, to be estimated by an appraisal following approval of the LRPMP, to a buyer or buyers who will utilize the property in a manner that is consistent with the City's planning objectives. The Successor Agency will submit proceeds from that sale to the County Auditor-Controller for distribution to affected taxing entities.



PROPERTY DISPOSITION PROCEDURES



Successor Agency to the City of Hemet Redevelopment Agency

445 East Florida Avenue
Hemet, CA 92543

August 27, 2014

PROPERTY DISPOSITION PROCEDURES

The Successor Agency to the former City of Hemet Redevelopment Agency

(100) PURPOSE AND INTENT

On February 1, 2012, pursuant to the Assembly Bill ("AB") 1x 26 (Blumenfield), Division 24, Parts 1.8 and 1.85 of the California Health & Safety Code ("Dissolution Act"), the Redevelopment Agency of the City of Hemet ("Former Redevelopment Agency") was dissolved. In connection with the implementation of the Dissolution Act, the City of Hemet ("City") serves as the successor agency ("Successor Agency") to the Former Redevelopment Agency. The Successor Agency, as part of the wind-down of former redevelopment activities, is responsible for the ongoing maintenance, marketing, and disposition of assets, including real and personal property, of the Former Redevelopment Agency other than housing assets.

AB 1484, enacted in June of 2012, required all successor agencies to former redevelopment agencies to prepare a Long Range Property Management Plan ("LRPMP"). The LRPMP governs the disposition and use of property held by former redevelopment agencies at the time of dissolution in 2012. The Successor Agency's LRPMP was adopted by Oversight Board Resolution No.2013-03 on October 17, 2013 and by the California Department of Finance ("DOF") on February 21, 2014. As detailed in the LRPMP, the Successor Agency is disposing of two (2) properties that will be sold and proceeds will be remitted to the Riverside County Auditor-Controller for distribution to the taxing entities in accordance with State law. Section 34191.3 of the Health & Safety Code states that the LRPMP "shall govern, and supersede all other provisions relating to, the disposition and use of the real property assets of the former redevelopment agency."

LRPMP Properties - For Sale				
Address	APN	Acres	Zoning	Estimated Value (LRPMP)
154 S Santa Fe St	445-262-031	0.11	R-P, Residential Professional	\$ 15,000
119 N Carmalita St	443-232-010	0.12	D-1, Downtown	\$ 30,000

The Dissolution Act does not define or otherwise include procedures or policies as to how properties will be disposed. Successor Agency staff has determined that the interests common to the affected taxing agencies ("Taxing Agencies") that receive property taxes from the various redevelopment project areas ("Project Area") and the community would be best served by adopting formal Disposition Procedures.

Purposes and objectives of these Disposition Procedures include:

- Establishing a process that shall generally be applicable to the solicitation and submittal of offers and for the disposition of LRPMP properties that will promote orderly planning, marketing, and disposition;
- Establishing a process will tend to promote efficiency and avoid duplicative efforts; and
- Establishing a process will promote the establishment of standards of the Successor Agency and Oversight Board with respect to soliciting and receiving offers relating to LRPMP properties.

Successor Agency staff intends that these Disposition Procedures will provide an orderly process for disposition and provide interested parties an opportunity to:

- Review and identify their interests, if any, in acquiring all or a part of the Former Redevelopment Agency property(ies);
- To receive good faith evaluation and consideration by the Successor Agency and Oversight Board of offers to purchase the properties; and,
- Acquire LRPMP properties if a purchase offer is selected by the Successor Agency and Oversight Board.

(200) DISPOSITION PROCEDURES FOR LRPMP PROPERTIES

A primary objective of these Disposition Procedures is that the Successor Agency and Oversight Board obtain clear information on the capability of bidders to not only acquire, but to develop expeditiously, for development(s) that maximize(s) the value of the property(ies) and benefits affected taxing agencies. Therefore, interested parties who desired to acquire one or more LRPMP properties must follow the procedures that are set forth in these Disposition Procedures.

(201) Title Research for LRPMP Properties

- A. Prior to listing the two (2) LRPMP properties for sale, Successor Agency staff shall direct title research to be done to determine any restrictions or easements on the properties.

(202) Advertising LRPMP Properties

- A. The Successor Agency will actively advertise the two (2) LRPMP properties identified in these Procedures. Examples include but are not limited to posting descriptions of the properties on the City's website, posting advertisements in real estate publications or online forums, or enlisting the services of real estate professionals. This is intended to generate interest in the properties and publicize their availability.

(203) Price Reductions

- A. If no purchase offers are received by the Successor Agency after 90 days of the first date of advertising pursuant to Section 201, Successor Agency staff will request that the Oversight Board consider a price reduction at its next meeting following this 90-day time frame. Successor Agency staff will provide the Oversight Board with a staff report that details all interest or inquiries, if any, regarding the property and provide recommendations on price reductions. These recommendations will be based upon market data and comparable sales in the Hemet area, if available.
- B. If no purchase offers are received by the Successor Agency after 180 days of the first date of advertising pursuant to Section 201, Successor Agency staff will request that the Oversight Board consider a further price reduction at its next meeting following this 180-day time frame. Successor Agency staff will provide the Oversight Board with a staff report that details all interest or inquiries, if any, regarding the property and provide recommendations on price reductions. These recommendations will be based upon market data and comparable sales in the Hemet area, if available.

The property will remain at the previous sale price until the Oversight Board directs Successor Agency staff, by resolution, to lower the price.

- C. The procedure outlined in this Section 202(B) will be repeated every 90 days to obtain additional direction from the Oversight Board at its next scheduled meeting after this date until such time as an offer on the property has been accepted and approved by the Oversight Board.

(204) Successor Agency and Oversight Board Evaluation of Purchase Offers

- A. The Successor Agency shall consider in good faith all purchase offers submitted by interested parties and determined by Successor Agency staff to be complete. Purchase offers shall be evaluated by the Successor Agency with consideration of factors determined by the Successor Agency to maximize the value of the asset in question as well as furthering the objectives of the City's General Plan.
- B. The Successor Agency will submit all complete purchase offers to the Oversight Board for review. The Successor Agency will provide the Oversight Board with recommendations pertaining to all offers.
- C. The Oversight Board shall evaluate all purchase offers with consideration of factors which may include, but are not limited to, some or all of the following (the following factors are not listed in any particular order of ranking):
 - i. The economic benefits to the City, the taxing entities, and the community if the purchase offer were to be approved and the property is sold;
 - ii. The likelihood of closing the sale of the subject property and any contingencies to closing;

- iii. The merits of the purchase offer relative to the merits of other purchase offers, such as the proposed use of the property.
 - iv. The Oversight Board may authorize Successor Agency staff to negotiate with the interested party(ies) on price and terms, including the submittal of counter offers (single and multiple).
- D. The Oversight Board may choose to accept or reject the Successor Agency's recommendations.
- i. If the Oversight Board rejects the Successor Agency's recommendation, the purchase offer will be submitted to the Successor Agency again for reconsideration.
 - ii. If the Oversight Board accepts the Successor Agency's recommendation, the Oversight Board can take formal action to accept the purchase offer. Successor Agency staff will forward the Oversight Board action to the DOF for final approval.

(205) Negotiations

Successor Agency staff shall use good faith efforts to 1) negotiate with a potential buyer, 2) negotiate exclusively with a particular proponent at the discretion of the Successor Agency and Oversight Board, and 3) develop a sales contract with a selected applicant whose proposal has been selected or conditionally selected by the Successor Agency and Oversight Board. The purpose of any such Negotiating Agreement is to establish a time period during which the chosen applicant shall have the right to negotiate the terms and conditions of a sales contract.

(206) Final Oversight Board Approval

Once Successor Agency staff prepares a Purchase and Sale Agreement, the Successor Agency will seek final approval from the Oversight Board to confirm compliance with the LRPMP and that the sale of the property is in the best interest of the taxing entities. Approval of a Purchase and Sale Agreement requires at least 10 days' notice to the public pursuant to Section 34181(f).

(300) PROCEDURE FOR AMENDING DISPOSITION PROCEDURES

The Oversight Board or Successor Agency may amend these Disposition Procedures at a regular or special meeting upon the giving of at least thirty (30) days prior notice to all of the members of the Oversight Board or Successor Agency. Both bodies must agree to concurrently amend these Disposition Procedures.



AGENDA # 24

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: March 24, 2015

RE: **ZONING ORDINANCE AMENDMENT (ZOA) NO. 15-001** A city-initiated ordinance amending certain sections of Chapter 90 (Zoning Ordinance) of the Hemet Municipal Code to update, clarify, and improve the City's development review process.

RECOMMENDED ACTION:

That the City Council:

1. *Introduce by title only, and waive further reading of **Ordinance Bill No. 15-010** approving Zoning Ordinance Amendment No. 15-001 as recommended by the Planning Commission*

BACKGROUND

The Planning Division regularly reviews and updates the provisions of the zoning ordinance to ensure compatibility and compliance with federal, state, and city codes and regulations, and to improve development processing procedures. The goal of the proposed ZOA15-001 is to provide more clarity for the public and city staff regarding certain planning application procedures, to streamline the process as appropriate, and to ensure compatibility with the application processes anticipated under the recently adopted user fee schedule.

DESCRIPTION OF PROPOSED ZONING ORDINANCE AMENDMENTS

ZOA15-001 amends Article 1 (Administrative Regulations), Division 1 (Applications) of the Hemet Municipal Code (HMC) to update the application procedures for zoning ordinance and map amendments, conditional use permits, administrative use permits, variances, administrative adjustment applications, development review committee, and downtown project review. The proposed amendment also relocates and updates Article XLI (Site Development Review) to Division 1 (Applications), deletes duplicative articles XLIV (Conditional Use Permits) and XLV (Variances), creates a procedure for pre-application review applications, and adds a reference on the updated procedures to each zone chapter. Attachment 1 to this report is the proposed Ordinance and the related Exhibits 1 and 2 which show in red-line format the proposed changes to the zoning code (Chapter 90 of the Hemet Municipal Code).

The proposed zoning code amendments to the processing requirements for planning applications are summarized as follows:

1. Redundant and duplicative sections of the code have been repealed or removed, including two existing and inconsistent sections regarding Conditional Use Permits and Variances.
2. Application processes and procedures have been standardized, clarified, and streamlined in accordance with state law and best practices.
3. Some of the code sections have been reorganized and grouped under "Applications" so they are easier to find in the municipal code.
4. Appropriate "Findings" or criteria for approval have been added and tailored to the specific application processes.
5. Several applications now have an administrative review and approval process by the Community Development Director, instead of the Planning Commission, where the projects are identified as being less complex or less likely to generate public comments and concerns - such as distinctions between a "Major Site Development Review" approved by the Planning Commission, and a "Minor Site Development Review" approved by the Director. The proposed administrative reviews allow certain categories of projects to be considered in less time and at a lesser application fee.
6. Wherever appropriate, application processes and requirements have been streamlined, resulting in less processing time and cost to the applicant.
7. Code sections have been clarified to better inform the public and the staff when certain applications are required, who the approval authority is, the criteria for approval, procedures for requested modifications to approved projects, and opportunities to obtain extensions of time for approved projects.
8. The amendment establishes a formal "pre-application review" process for certain larger or more complex projects that allows applicants to get early feedback on the basic city requirements, processes, and any issues associated with a project, prior to application submittal. This new process is designed to save the applicant considerable time and financial resources in potentially revising plans, studies and other materials after an application is submitted.

COORDINATION AND PUBLIC REVIEW

On February 17 and March 3, 2015, the Planning Commission held duly noticed public hearings regarding ZOA15-001. One person spoke at the March 3, 2015 meeting requesting clarification of the proposed ordinance. No other comments have been received by the time of the writing of this staff report. The Planning Commission adopted Resolution No. 15-005, unanimously recommending approval of the ordinance to the City Council (included as Attachment No. 2)

On March 13, 2013, the City published a notice in the Press Enterprise of the holding of a public hearing before City Council at which the amendments to the City's zoning ordinance would be considered. To date, staff has not received any public comments on the draft ordinance.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS

ZOA15-001 implements General Plan Implementation Program LU-P-16 (Development Review

Process) to evaluate and improve the development review process for increased efficiency and effectiveness.

CEQA REVIEW AND COMPLIANCE

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. Whereas 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. It does not relate to any physical project and will not result in any physical change to the environment. Additionally, the proposed land use designations were analyzed by the environmental impact report prepared for the comprehensive update to the Hemet General Plan and adopted in January 2012. 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.

ANALYSIS

ZOA15-001 ensures consistency between the zoning ordinance and the City's recently adopted fee schedule, reorganizes the code sections in a more logical fashion, eliminates duplication, updates application procedures to improve efficiency, and strengthens the required findings for application approvals. The proposed amendments are also a component of the Planning Division's work program to update and streamline the development code and bring the zoning ordinance into compliance with the General Plan.

FISCAL IMPACT:

There is no direct fiscal impact resulting from the adoption of Ordinance Bill No. 15-010 and the implementation of ZOA15-001. The proposed ordinance ensures consistency with the updated fee schedule, which was adopted by the City Council on January 27, 2014.

Respectively Submitted,



Deanna Elliano
Community Development Director

ATTACHMENTS:

1. City Council Ordinance Bill No. 15-010
 - Exhibit 1 Proposed modifications to Article II, Division I (Applications)
 - Exhibit 2 Proposed modifications to Sec. 90-314, Sec. 90-385, Sec. 90-894, Sec. 90-933, Sec. 90-983, Sec. 90-1047, Sec. 90-1161, Sec. 90-1221, and Sec. 90-1393
2. Planning Commission Resolution No. 15-005 recommending the City Council approve City Council Ordinance Bill No. 15-010 adopting ZOA15-001 (without attachments)

Attachment 1



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4 **CITY OF HEMET**
5 **Hemet, California**
6 **ORDINANCE BILL NO. 15-010**

7 **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF**
8 **HEMET CALIFORNIA AMENDING CERTAIN SECTIONS**
9 **OF CHAPTER 90 (ZONING ORDINANCE) OF THE HEMET**
10 **MUNICIPAL CODE TO UPDATE, CLARIFY, AND IMPROVE**
11 **THE CITY'S DEVELOPMENT REVIEW PROCESS.**

12 **WHEREAS**, the proposed amendments implement General Plan Implementation
13 Program LU-P-16 (Development Review Process) to evaluate and improve the
14 development review process for increased efficiency and effectiveness; and

15 **WHEREAS**, the proposed amendments eliminate duplicate and conflicting
16 sections of the zoning code; and

17 **WHEREAS**, the proposed amendments update the City's development
18 application procedures to streamline and improve efficiency; and

19 **WHEREAS**, the proposed amendments ensure development application
20 consistency with the citywide fee schedule adopted by the City Council on January 27,
21 2015; and

22 **WHEREAS**, approval of these zoning ordinance amendments will not
23 detrimentally affect the health, safety, or welfare of residents of the City of Hemet; and

24 **WHEREAS**, on March 3, 2015, the Planning Commission was presented with a
25 draft of this Ordinance Bill No. 15-010 and, after conducting a duly noticed public
26 hearing, voted to recommend that the City Council approve Ordinance Bill No. 15-010.

27 **WHEREAS**, on March 24, 2015, the City Council considered the Ordinance, the
28 Planning Commission's findings, and the record of information regarding ZOA 15-001 at
a duly noticed public hearing, at which time interested persons had an opportunity to

1 provide testimony on this matter.
2

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

5 **SECTION 1: REPEAL OF ARTICLE XLI (SITE DEVELOPMENT REVIEW)**

6 Chapter 90 (Zoning) of the Hemet Municipal Code is amended to repeal Article
7 XLI (Site Development Review), as it has been relocated to Article II, Section 90-48 of
8 Chapter 90.

9 **SECTION 2: REPEAL OF ARTICLE XLIV (CONDITIONAL USE PERMIT)**

10 Chapter 90 (Zoning) of the Hemet Municipal Code is amended to repeal Article
11 XLIV (Conditional Use Permit), as it has been replaced by Article II, Section 90-42 of
12 Chapter 90.

13 **SECTION 3: REPEAL OF ARTICLE XLV (VARIANCE)**

14 Chapter 90 (Zoning) of the Hemet Municipal Code is amended to repeal Article
15 XLV (Variance), as it has been replaced by Article II, Section 90-44 of Chapter 90.

16 **SECTION 4: AMENDMENT OF DIVISION 1 (APPLICATIONS) OF ARTICLE II**

17 Chapter 90 (Zoning) of the Hemet Municipal Code is amended as shown in
18 Exhibit 1 hereto, to revise and improve the application procedures of the City's
19 development review process.

20 **SECTION 5: AMENDMENT OF SECTIONS 90-185 (AGRICULTURE), 90-314**
21 **(SINGLE FAMILY RESIDENTIAL), 90-385 (MULTIPLE FAMILY RESIDENTIAL), 90-**
22 **894 (COMMERCIAL), 90-933 (DOWNTOWN), 90-983 (SPECIFIC PLAN), 90-1047**
23 **(INDUSTRIAL), 90-1161 (OPEN SPACE), 90-1221 (INSTITUTIONAL), and 90-1393**
24 **(CHURCH)**

25 Chapter 90 (Zoning) of the Hemet Municipal Code is amended as shown in
26 Exhibit 2 hereto, to modify language in each zone article to reference the requirement for
27

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1 pre-application review and site development review as components of the development
2 review process.

3 **SECTION 6: CEQA FINDINGS.**

4 The City has analyzed this proposed project and has determined that it is exempt
5 from the California Environmental Quality Act ("CEQA") under section 15061(b)(3) of the
6 CEQA Guidelines, which provides that CEQA only applies to projects that have the
7 potential for causing a significant effect on the environment. Where as here, it can be
8 seen with certainty that there is no possibility that the activity in question may have a
9 significant effect on the environment, the activity is not subject to CEQA. The
10 amendments to Chapter 90 referenced herein bring the zoning ordinance into
11 compliance with the General Plan. The proposed text changes do not relate to any
12 physical project and will not result in any physical change to the environment. Therefore,
13 it can be seen with certainty that there is no possibility that this Ordinance may have a
14 significant adverse effect on the environment, and therefore the adoption of this
15 Ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA
16 Guidelines.

17 **SECTION 7: SEVERABILITY.**

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

26 **SECTION 8: EFFECTIVE DATE.**

27 This Ordinance shall take effect thirty (30) days from its passage by the City
28

1 Council of the City of Hemet.

2 **SECTION 9: PUBLICATION.**

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

9 **INTRODUCED** at the regular meeting of Hemet City Council on the 24th day of March,
10 2015.

11 **APPROVED AND ADOPTED** this 14th day of April, 2015.

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14 _____
Linda Krupa, Mayor

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17 **ATTEST:**

APPROVED AS TO FORM:

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19 _____
20 Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Ordinance was introduced and first read on the 24th day of Mach, 2015, and had its second reading at the regular meeting of the Hemet City Council on the 14th day of April, 2015, and was passed by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Sarah McComas, City Clerk

Exhibit 1

ARTICLE II – ADMINISTRATIVE REGULATIONS
DIVISION 1. - APPLICATIONS

Sec. 90-41. - Zoning applications.

- (a) *Purpose.* The purpose of a zoning application is to allow for consideration of applications for a change in the zoning ordinance or a change in the zone on a property shown on the official zoning map.
- (1) *Zoning ordinance amendments.* The zoning regulations set forth in the chapter may be amended in accordance with the procedures of this article.
- (2) *Zone **map** change.* The boundaries of the zoning designation on any property set forth on the official zoning map on file with the city clerk, may be amended by changing the zoning designation in accordance with the procedures of this article.
- (b) *New applications.* An application for an amendment to the zoning ordinance or for a zone **map** change shall be filed with the director or the director's designee by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or maps which are deemed by the director to be necessary to enable the approving authority to make the required findings. The director or the director's designee shall make available, in writing, a listing of the information and/or maps which are required to be submitted. Concurrent applications may be filed and processed.
- (c) ***Compliance with Government Code Section 65853. Any zone ordinance amendment or zone map change, which changes any property from one zone to another or imposes any regulation specified in Government Code Section 65850 not previously imposed or removes or modifies any specified regulation previously imposed shall be adopted in compliance with Government Code Sections 65854 to 65857, inclusive and as specified in this article.***

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.1. - Application fees and refunds.

- (a) An application fee for a zoning ordinance amendment or zone change shall accompany the application submittal requirements which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) ***Applications which are deemed incomplete and with no activity to complete the application for a period of 12 months from the filing date, are considered automatically withdrawn and may be subject to a refund in accordance with this section. Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.***
- (c) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule ~~adopted from time to time by city council resolution~~ **based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.**
- (d) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded until recovered by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is nonrefundable.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.2. - Investigation.

The director shall investigate and prepare a written report on all applications. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.3. - Hearing and notice procedure required.

- (a) ~~Responsible parties.~~ **Hearing Date.** The director in the case of the planning commission, and the city clerk in the case of the city council shall set the time and place of the required public hearings. The hearing body, i.e., the commission, or council may change the time or place of their hearing, or may continue their hearing from time to time.
- (b) ~~Public hearing notice.~~ Notice of public hearings shall be given in accordance with Title 7 of the California Government Code, as amended, except as indicated below: **contain the time and place of the hearing and the location and proposed use of the subject property.**
 - (1) ~~For applications that have adjacent parcels which are five acres or larger the notification radius shall be 1,000 feet up to a maximum of 25 lots, whichever is greater.~~
 - (2) ~~For applications that the director deems to have greater effect than the normal 300-foot radius, the director may increase the notification radius to 1,000 feet or other appropriate distance~~
- (c) **Publication.** Notice of public hearing shall be published once in a newspaper of general circulation in the city not less than ten days prior to the date of the hearing.
- (d) **Mailing.** Notice of public hearing shall be mailed not less than 10 days prior to the date of the hearing of owners of property within a radius of 500 feet of the exterior boundaries of the subject property. If the director deems the proposal to have a greater effect than the required notification radius, the director may increase the notification radius appropriately.
- (e) **Testimony.** A summary of all pertinent testimony offered at the public hearing, the names and addresses of the persons testifying, copies of all notices affidavits of posting and publication, and records of action taken shall be a part of the permanent files of the project.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.4. - Review of applications and approving authority.

- (a) ~~Planning commission.~~ The planning commission shall be responsible for review and recommendation of zoning ordinance amendments and zone **map** changes to the city council. ~~In the event that the planning commission denies a zone change the action of the commission shall be final in ten calendar days unless appealed, in accordance with section 90-41.6~~
- (b) ~~City council.~~ The city council shall be responsible for the final review and approval of zoning ordinance amendments and zone **map** changes.
- (c) **Effective date.** The zoning ordinance amendment or zone map change shall become effective 30 days following the date of the second reading of the city council ordinance approving the action.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.5. - Findings required.

Upon approval of a zoning ordinance amendment or zone change the following findings shall be made by the approving authority:

- (a) **Zoning ordinance amendments.**
 - (1) That the zoning ordinance amendment is in conformance with the latest adopted general plan for the city; and

(2) That the zoning ordinance amendment will protect the public health, safety and welfare.

(b) *Zone map change.*

(1) That the proposed change of zone is in conformance with the latest adopted general plan for the city; and

(2) ~~That streets in the area are adequate to handle potential traffic generated by the change of zone;~~ That the affected site is physically suited for the proposed zone change in terms of location, shape, size, and design; and

(3) That the proposed change of zone is substantially compatible with adjacent zoning, established land uses, and/or the planned development patterns in the vicinity, in terms of density, development standards, and character.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.6. – Appeals ~~Final Action.~~

~~Zoning ordinance amendments.~~ Decisions of the planning commission on a zoning ordinance amendment are automatically scheduled for city council action. ~~The decision of the city council is final.~~

~~Zone changes.~~ An appeal by an interested party may be made to the city council of a planning commission denial. The appeal shall be filed within ten calendar days of the commission decision by filing a letter of appeal with the director and the required appeal fee established by city council resolution. The appeal shall be scheduled for a de novo public hearing before the city council within 30 calendar days. The council may affirm, modify or reverse the planning commission decision, making any findings required by this chapter and/or state law. The decision of the city council shall be final.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-41.7. - New application following a denial.

An application for a zone change on the same property or substantially the same property following the denial of the same request, shall not be accepted within one calendar year of the date of denial unless the approving authority waives the resubmittal date at the time of project denial.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42. - Conditional Use Permit (CUP) applications.

(a) *Purpose.* Certain types of land uses require special consideration in a particular zone or in the city as a whole, and possess unique or special characteristics which make automatic inclusion as permitted uses either impractical or undesirable. For such uses, certain safeguards and conditions may be required to protect the public health, safety, convenience and general welfare and assure compatibility with adjacent uses.

(b) *Applicability.* A conditional use permit shall be required for any use designated as requiring a conditional use permit in the city's land use matrix for the zone in which the project is located.

(c) *New applications.* An application for a conditional use permit shall be filed with the director or the director's designee by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or maps which are deemed by the director to be necessary to enable the approving authority to make the required findings. The director or the director's designee shall make available, in writing, a listing of the information and/or maps which are required to be submitted. Concurrent applications may be filed and processed.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.1. - Application fees and refunds.

- (a) An application fee for a conditional use permit shall accompany the application submittal requirements which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) A streamlined conditional use permit with a reduced application fee may be considered in certain circumstances in which the amount of staff time required to process an application is less if the applicant can demonstrate to the satisfaction of the director that:
 - (1) The use is proposed to occupy an existing building or tenant space in a legally constructed building and tenant improvements or additions do not increase the existing square footage by more than 30 percent;
 - (2) The use meets all development standards of the zone, including providing for adequate parking;
 - (3) The use is not detrimental to public health and safety;
 - (4) The use does include any uses determined to have a community sensitivity such as an adult business, alcohol sales, live entertainment, pawn shop, smoke shop, massage parlor, or tattoo/piercing shop;
 - (5) The use is not specifically listed in other chapters of the code as requiring a conditional use permit with additional application submittal requirements or findings;
 - (6) The environmental effects of the use do not require the preparation of a mitigated negative declaration or environmental impact report
- (c) Applications which are deemed incomplete and with no activity to complete the application for a period of 12 months from the filing date are considered automatically withdrawn and may be subject to a refund in accordance with this section. Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.
- (d) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule adopted from time to time by city council resolution based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.
- (e) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is non-refundable.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.2. - Investigation.

The director shall investigate and prepare a written report on all applications. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.3. - Hearing and notice procedure required.

- (a) ~~Responsible parties.~~ **Hearing Date.** The director in the case of the planning commission, and the city clerk in the case of the city council shall set the time and place of the required public hearings. The hearing body, i.e., the commission, or council may change the time or place of their hearing, or may continue their hearing from time to time.

- (b) *Public hearing notice.* Notice of public hearings shall be given in accordance with Title 7 of the California Government Code, as amended, except as indicated below: **contain the time and place of the hearing and the location and proposed use of the subject property.**
- 1) For applications that have adjacent parcels which are five acres or larger the notification radius shall be 1,000 feet up to a maximum of 25 lots, whichever is greater.
 - 2) For applications that the director deems to have greater effect than the normal 300-foot radius, the director may increase the notification radius to 1,000 feet or other appropriate distance
- (c) *Publication.* Notice of public hearing shall be published once in a newspaper of general circulation in the city not less than ten days prior to the date of the hearing.
- (d) *Mailing.* Notice of public hearing shall be mailed not less than 10 days prior to the date of the hearing of owners of property within a radius of 500 feet of the exterior boundaries of the subject property. If the director deems the proposal to have a greater effect than the required notification radius, the director may increase the notification radius appropriately.
- (e) *Testimony.* A summary of all pertinent testimony offered at the public hearing, the names and addresses of the persons testifying, copies of all notices affidavits of posting and publication, and records of action taken shall be a part of the permanent files of the project.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.4. - Review of applications and approving authority.

- (a) *Planning commission.* The planning commission shall be responsible for the review and approval of conditional use permits.
- (b) *Conditions of approval.* The planning commission may impose conditions of approval which pertain to the development of the property and the operating conditions of the proposed use. Such conditions shall promote the safe and orderly use of the property and preserve the integrity and character of the surrounding land uses, as appropriate.
- (c) *Effective date.* The conditional use permit shall become effective 10 days following the date of approval by the applicable approving authority, unless otherwise appealed pursuant to section 90-42.6.
- (d) *City council.* ~~The city council shall be responsible for the review and approval of conditional use permits only upon appeal by an interested party when an appeal is filed in accordance with section 90-42.6~~ **Action of the planning commission shall be final unless appealed in accordance with the procedures of section 90-42.6.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.5. - Findings required.

Upon approval of a conditional use permit the following findings shall be made by the approving authority:

- (1) That the proposed location of the conditional use is in accord with the objectives of this chapter and the purposes of the zone in which the site is located; and
- (2) That the proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity; and
- (3) That the use and operation is consistent with the general plan **elements, goals, and policies;** and
- (4) **That the type, intensity, sensitivity and operating characteristics of the proposed use, and the manner in which they will be located on the site, are compatible with existing land uses, the character of established neighborhoods, or planned development in the vicinity.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.6. - Appeals.

An appeal of a planning commission decision may be made by an interested party to the city council. The appeal shall be filed within ten calendar days of the commission decision by filing a letter of appeal with the director. The director shall schedule the appeal for a hearing before the city council within 30 calendar days. The council may affirm, modify or reverse any planning commission decision, making findings required by this chapter and/or state law. The decision of the city council shall be final.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.7. - New application following a denial.

An application for a conditional use permit on the same property or substantially the same property following the same request, shall not be accepted within one calendar year of the date of denial **unless the approving authority waives the resubmittal date at the time of project denial.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.8. - Expiration and time extensions.

A conditional use permit approval shall expire 24 months after final approval **unless: construction has commenced and is being carried on diligently to completion, or an application for a time extension is filed prior to the expiration. If an application for extension is filed prior to the expiration, the approving authority may extend the time limit up to a maximum period of three additional years.**

~~(a) The use has commenced, or~~

~~(b) Where improvements are required, construction has commenced, or~~

~~(c) An application for a time extension is filed prior to the expiration.~~

~~If an application for extension is filed prior to the expiration, one additional year may be granted by the planning commission.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.9. - Modifications and/or revisions.

Modifications or revisions to an approved application shall require **re-application the submittal of a conditional use permit modification application** and shall conform to all of the submittal requirements and fees in effect at the time of application. Only the approving authority shall approve modifications or revisions to approved applications and only after the hearings required in this chapter. ~~Within 30 calendar days of the final approval of a modification or revision to an approved application the director shall cause the recordation of the modification or revision upon the subject property.~~ **Modifications must be found in substantial conformance to the purpose and intent of the original approval. All copies of the revised conditional use permit including the site plan and conditions of approval shall be dated and signed by the director and made a part of the record.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.10. - Applications to run with the land.

Approved conditional use permit applications run with the land and shall continue to be valid upon a change of ownership of the site or structure which was the subject of the application **provided that the use has not ceased for six months.** ~~Within 30 calendar days after the final action on a conditional use permit the director shall cause the recordation of the conditional use permit upon the subject property.~~ All conditions of the application shall continue to apply to the new owner, **and the change in ownership shall require a new business license and certificate of occupancy to be filed with the city.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-42.11. - Suspension and/or revocation.

- (a) *Suspension for violation.* Upon violation of any applicable provision of this article, or, if the application was granted subject to conditions, upon failure to comply with conditions, the application shall automatically be suspended. The ~~approving authority~~ **planning commission** shall, within 40 calendar days of the suspension of the conditional use permit, hold a hearing in accordance with the requirements of section 90-42.3 **to consider revocation.**
- (b) *Findings for Revocation.* A conditional use permit may be revoked if the planning commission finds:
 - (1) That the use is detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity; or
 - (2) That the conditional use permit was obtained by fraud; or
 - (3) That the use for which the conditional use permit was granted is not being exercised; or
 - (4) That the use for which the conditional use permit was granted has ceased or been suspended for more than six months; or
 - (5) That a status of non-compliance exists with regards to any of the conditions of the conditional use permit.
- (c) *Revocation.* If after the hearing the ~~approving authority~~ **planning commission** is not satisfied that the regulation, general provision or condition for which compliance is required is being met the following actions shall be taken:
 - (1) The permit may be revoked and become null and void; or
 - (2) The ~~approving authority~~ **planning commission** may take such action as deemed necessary and appropriate to ensure compliance with the regulation, general provision or condition; or
 - (3) New requirements and/or conditions may be added.
- (d) Action of the ~~approving authority~~ **planning commission** shall be final within ten calendar days unless appealed in accordance with the procedures of section 90-42.6.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43. - Administrative Use Permit (AUP) applications.

- (a) *Purpose.* The purpose of an administrative use permit is to provide a shorter review process for a small select list of uses in lieu of a conditional use permit. In those instances where, in the director's opinion, a limited notification is sufficient to meet the purpose of the zone and where the use has been determined to have a limited effect to the surrounding area an administrative use permit may be processed.
- (b) *Applicability.* An administrative use permit shall be required for any use designated as requiring an administrative use permit in the city's land use matrix for the zone in which the project is located.
- (c) *New applications.* An application for an administrative use permit shall be filed with the director by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or maps which are deemed by the director to be necessary to enable the approving authority to make the required findings. The director shall make available, in writing, a listing of the information and/or maps which are required to be submitted. Concurrent applications may be filed and processed.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.1. - Application fees and refunds.

- (a) An application fee for an administrative use permit shall accompany the application submittal requirements which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) Applications which are deemed incomplete and with no activity to complete the application for a period of 12 months from the filing date, are considered automatically withdrawn and may be subject to a refund in accordance with this section. Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.
- (c) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule adopted from time to time by city council resolution based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.
- (d) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is non-refundable.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.2. - Investigation.

The director shall investigate and prepare a written report on all applications. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.3. - Hearing and notice procedure required.

- (a) *Responsible party.* The director shall set the time and place of the required administrative hearing. The director or the director's designee may change the time or place of the hearing, or may continue their hearing from time to time. Copies of the agenda shall be mailed to the planning commissioners.
- (b) *Hearing notice.* Notice of the administrative hearing by the director shall be provided in writing to the adjacent and across the street property owners and tenants as well as any onsite tenants taken from the latest adjusted assessor tax rolls. The notice shall indicate the time and place of the hearing, a contact person, phone number of the contact person, where a copy of the staff investigation report may be viewed and/or obtained, and the appeal procedure.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.4. - Review of applications and approving authority.

- (a) *Director.* The director shall be responsible for the review and approval of administrative use permits.
- (b) *Effective date.* The permit shall become effective 10 days following the date of approval by the applicable approving authority, unless otherwise appealed pursuant to section 90-43.6.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.5. - Findings required.

Upon approval of an administrative use permit the following findings shall be made by the approving authority:

- (a) That the proposed location of the administrative use is in accord with the objectives of this chapter and the purposes of the zone in which the site is located; and
- (b) That the proposed location of the administrative use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity; and
- (c) That the use and operation is consistent with the general plan elements, goals, and policies; and
- (d) That the type, intensity, sensitivity and operating characteristics of the proposed use, and the manner in which they will be located on the site, are compatible with existing land uses, the character of established neighborhoods, or planned development in the vicinity.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.6. - Appeals.

- (a) *Appeal of the director's decision.* An appeal by an interested party may be made to the planning commission of the director's decision. The appeal shall be filed within ten calendar days of the director's decision by filing a letter of appeal with the director and paying the required appeal fee established by city council resolution. The appeal shall be scheduled for a de novo hearing before the planning commission within 30 calendar days and shall require the same notice as indicated in section 90-43.3. The commission may affirm, modify or reverse the director's decision, making findings required by this chapter and/or state law.
- (b) *Appeal of the planning commission's decision.* An appeal by an interested party may be made to the city council of a planning commission decision. The appeal shall be filed within ten calendar days of the commission decision by filing a letter of appeal with the director and the required appeal fee established by city council resolution. The appeal shall be scheduled for a de novo public hearing before the city council within 30 calendar days. The council may affirm, modify or reverse the planning commission decision, making findings required by this chapter and/or state law. The decision of the city council shall be final.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.7. - New application following a denial.

An application for an administrative use permit on the same property or substantially the same property following the same request, shall not be accepted within one calendar year of the date of denial **unless the approving authority waives the resubmittal date at the time of project denial.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.8. - Expiration and time extensions.

An administrative use permit approval shall expire 24 months after final approval unless: **construction has commenced and is being carried on diligently to completion, or an application for a time extension is filed prior to the expiration. If an application for extension is filed prior to the expiration, the approving authority may extend the time limit up to a maximum period of three additional years.**

- ~~(a) The use has commenced, or~~
- ~~(b) Where improvements are required, construction has commenced, or~~
- ~~(c) An application for a time extension is filed prior to the expiration. If an application for extension is filed prior to the expiration, one additional year may be granted by the planning commission.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.9. - Modifications and/or revisions.

Modifications or revisions to an approved application shall require re-application and shall conform to all of the submittal requirements and fees in effect at the time of application. Only the approving authority

shall approve modifications or revisions to approved applications and only after the required hearings of this chapter. ~~Within 30 calendar days of the final approval of a modification or revision to an approved application the director shall cause the recordation of the modification or revision upon the subject property.~~ **Modifications must be found in substantial conformance to the original approval. All copies of the revised approvals shall be dated and signed by the director and made a part of the record.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.10. - Applications to run with the land.

Approved administrative use permit applications run with the land and shall continue to be valid upon a change of ownership of the site or structure which was the subject of the application **provided that the use has not ceased for six months.** All conditions of the application shall continue to apply to the new owner, **and the change in ownership shall require a new business license and certificate of occupancy to be filed with the city.** ~~Within 30 calendar days of the final approval the director shall cause the recordation of the administrative use permit upon the subject property.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-43.11. - Suspension and/or revocation.

- (a) *Suspension for violation.* Upon violation of any applicable provision of this article, or, if the application was granted subject to conditions, upon failure to comply with conditions, the application shall automatically be suspended. The ~~approving authority~~ **director** shall, within 40 calendar days of the suspension of the administrative use permit, hold a hearing. The hearing shall be in accordance with the requirements of section 90-43.3 **to consider revocation.**
- (b) **Findings for Revocation.** **An administrative use permit may be revoked if the director finds:**
 - (1) **That the use is detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity; or**
 - (2) **That the administrative use permit was obtained by fraud; or**
 - (3) **That the use for which the administrative use permit was granted is not being exercised; or**
 - (4) **That the use for which the administrative use permit was granted has ceased or been suspended for more than six months; or**
 - (5) **That a status of non-compliance exists with regards to any of the conditions of the administrative use permit.**
- (c) **Revocation.** If after the hearing the ~~approving authority~~ **director** is not satisfied that the regulation, general provision or condition for which compliance is required is being met the following actions shall be taken:
 - (1) The permit may be revoked and become null and void; or
 - (2) The ~~approving authority~~ **director** may take such action as deemed necessary and appropriate to ensure compliance with the regulation, general provision or condition; or
 - (3) New requirements and/or conditions may be added.
- (d) Action of the ~~approving authority~~ **director** shall be final within ten calendar days unless appealed in accordance with the procedures of section 90-43.6.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44. - Variance applications.

- (a) *Purpose.* The purpose of a variance is to allow for a reduction in the development standards of the zone in which the property is located in those instances where the strict or literal enforcement of the chapter would result in practical difficulty or unnecessary hardship in consistent with the purposes and objectives of this chapter.

- (b) *New applications.* An application for a variance shall be filed with the director or the director's designee by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or maps which are deemed by the director to be necessary to enable the approving authority to make the required findings. The director or the director's designee shall make available, in writing, a listing of the information and/or maps which are required to be submitted. Concurrent applications may be filed and processed.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.1. - Application fees and refunds.

- (a) An application fee for a variance shall accompany the application submittal requirements which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule adopted from time to time by city council resolution **based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.**
- (c) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is non-refundable.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.2. - Investigation.

The director shall investigate and prepare a written report on all applications. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.3. - Hearing and notice procedure required.

- (a) ~~Responsible parties.~~ **Hearing Date.** The director in the case of the planning commission, and the city clerk in the case of the city council shall set the time and place of the required public hearings. The hearing body, i.e., the commission, or council may change the time or place of their hearing, or may continue their hearing from time to time.
- (b) ~~Public hearing notice.~~ Notice of public hearings shall be given in accordance with Title 7 of the California Government Code, as amended, except as indicated below: **contain the time and place of the hearing and the location and proposed use of the subject property.**
 - 1) ~~For applications that have adjacent parcels which are five acres or larger the notification radius shall be 1,000 feet up to a maximum of 25 lots, whichever is greater.~~
 - 2) ~~For applications that the director deems to have greater effect than the normal 300-foot radius, the director may increase the notification radius to 1,000 feet or other appropriate distance~~
- (c) **Publication.** Notice of public hearing shall be published once in a newspaper of general circulation in the city not less than ten days prior to the date of the hearing.
- (d) **Mailing.** Notice of public hearing shall be mailed not less than 10 days prior to the date of the hearing of owners of property within a radius of 300 feet of the exterior boundaries of the subject property. If the director deems the proposal to have a greater effect than the required notification radius, the director may increase the notification radius appropriately.

- (e) *Testimony.* A summary of all pertinent testimony offered at the public hearing, the names and addresses of the persons testifying, copies of all notices affidavits of posting and publication, and records of action taken shall be a part of the permanent files of the project.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.4. - Review of applications and approving authority.

- (a) *Planning commission.* The planning commission shall be responsible for the review and approval of variances.

- (b) *Effective date.* The permit shall become effective 10 days following the date of approval by the applicable approving authority, unless otherwise appealed pursuant to section 90-44.6.

- ~~(b) *City council.* The city council shall be responsible for the review and approval of variances only upon appeal by an interested party when an appeal is filed in accordance with section 90-44.6~~

- (c) *Action of the planning commission shall be final unless appealed in accordance with the procedures of section 90-44.6.*

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.5. - Findings required.

Upon approval of a variance the following findings shall be made by the approving authority.

- (1) There are unique physical circumstances applicable to the subject land, including size, shape, topography, location or surroundings. If the approving body finds that the physical circumstances are similar to other parcels in the zone, such circumstances are not unique and a variance shall not be granted; and
- (2) The strict application of zoning standards deprives the property of the right to use the land in a manner enjoyed by other conforming property in the vicinity under identical zoning standards; and
- (3) The approval of a variance shall not constitute a grant of special privileges which other conforming properties in the vicinity do not enjoy under identical zoning standards.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.6. - Appeals.

An appeal of a planning commission decision may be made by an interested party to the city council. The appeal shall be filed within ten calendar days of the commission decision by filing a letter of appeal with the director and the required appeal fee established by city council resolution. The director shall schedule the appeal for a de novo public hearing before the city council within 30 calendar days. The council may affirm, modify or reverse the planning commission decision, making findings required by this chapter and/or state law. The decision of the city council shall be final.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.7. - New application following a denial.

An application for a variance on the same property or substantially the same property following the same request, shall not be accepted within one calendar year of the date of denial **unless the approving authority waives the resubmittal date at the time of project denial.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.8. - Expiration and time extensions.

A variance approval shall expire 24 months after final approval unless: **construction has commenced and is being carried on diligently to completion, or an application for a time extension is filed prior to the**

expiration. If an application for extension is filed prior to the expiration, the approving authority may extend the time limit up to a maximum period of three additional years.

- ~~(a) The use has commenced, or~~
- ~~(b) Where improvements are required, construction has commenced, or~~
- ~~(c) An application for a time extension is filed prior to the expiration.~~

~~If an application for extension is filed prior to the expiration, one additional year may be granted by the planning commission.~~

~~(Ord. No. 1562, § 2, 7-29-97)~~

Sec. 90-44.9. - Modifications and/or revisions.

Modifications or revisions to an approved application shall require re-application and shall to all of the submittal requirements and fees in effect at the time of application. Only the approving authority shall approve modifications or revisions to approved applications and only after the hearing required in this chapter. ~~Within 30 calendar days of the final approval of a modification or revision to an approved application the director shall cause the recordation of the modification or revision upon the subject property.~~ All copies of the revised approvals shall be dated and signed by the director and made a part of the record.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-44.10. - Applications to run with the land.

Approved variance applications run with the land and shall continue to be valid upon a change of ownership of the site or structure, which was the subject of the application. All conditions of the application shall continue to apply to the new owner. ~~Within 30 calendar days of the final approval of a variance application the director shall cause the recordation of the variance upon the subject property.~~

(Ord. No. 1562, § 2, 7-29-97)

~~Sec. 90-44.11. - Suspension and/or revocation.~~

- ~~(a) *Suspension for violation.* Upon violation of any applicable provision of this article, or, if the application was granted subject to conditions, upon failure to comply with conditions, the application shall automatically be suspended. The approving authority shall, within 40 calendar days of the suspension hold a hearing in accordance with the requirements of section 90-44.3.~~
- ~~(b) *Revocation.* If after the hearing the approving authority is not satisfied that the regulation, general provision or condition for which compliance is required is being met the following actions shall be taken:
 - ~~(1) The permit may be revoked and become null and void; or~~
 - ~~(2) The approving authority may take such action as deemed necessary and appropriate to ensure compliance with the regulation, general provision or condition.~~
 - ~~(3) New requirements and/or conditions may be added.~~~~

~~Action of the approving authority shall be final within ten calendar days unless appealed in accordance with the procedures of section 90-44.6.~~

~~(Ord. No. 1562, § 2, 7-29-97)~~

Sec. 90-45. - Administrative Adjustment applications.

- (a) *Purpose.* The purpose of an administrative adjustment is to allow for the minor reduction of setbacks or height requirements of a zone in those instances where the strict or literal enforcement of the chapter would result in practical difficulty or unnecessary hardship in consistent with the purposes

and objectives of this chapter. The maximum adjustment shall be 20 percent of the required setback or height regulation.

- (b) *New applications.* An application for an administrative adjustment shall be filed with the director by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or maps which are deemed by the director to be necessary to enable the approving authority to make the required findings. The director shall make available, in writing, a listing of the information and/or maps which are required to be submitted. Concurrent applications may be filed and processed.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-45.1. - Application fees and refunds.

- (a) An application fee for an administrative adjustment shall accompany the application submittal requirements which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) Applications which are deemed incomplete and with no activity to complete the application for a period of 12 months from the filing date, are considered automatically withdrawn and may be subject to a refund in accordance with this section. Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.
- (c) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule adopted from time to time by city council resolution based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.
- (d) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is non-refundable.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-45.2. - Investigation.

The director shall investigate and prepare a written report on all applications setting forth the findings for approval or denial required pursuant to section 90-45.4. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

(Ord. No. 1562, § 2, 7-29-97)

~~Sec. 90-45.3. - Hearing and notice procedure required.~~

- ~~(a) *Responsible party.* The director shall set the time and place of the required administrative hearing. The director or the director's designee may change the time or place of the hearing, or may continue their hearing from time to time. Copies of the agenda shall be mailed to the planning commissioners.~~
- ~~(b) *Hearing notice.* Notice of the administrative hearing by the director shall be provided in writing to the adjacent and across the street property owners taken from the latest adjusted assessor tax rolls. The notice shall indicate the time and place of the hearing, a contact person, phone number of the contact person, where a copy of the staff investigation report may be viewed and/or obtained, and the appeal procedure.~~

~~(Ord. No. 1562, § 2, 7-29-97)~~

Sec. 90-45.4 ~~90-45.3~~. - Review of applications and approving authority.

- (a) Administrative adjustment determination by the director are administrative actions and generally will not require notice and a public hearing unless the project may affect the property rights or enjoyment of neighboring properties as determined by the director.
- (b) The director shall be responsible for the review and approval of administrative adjustments.
- (c) *Effective date.* The administrative adjustment shall become effective 10 days following the date of approval by the applicable approving authority, unless appealed pursuant to section 90-45.5.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-45.5 ~~90-45.4~~. - Findings required.

Upon approval of an administrative adjustment the following findings shall be made by the approving authority:

- (1) There are unique physical circumstances applicable to the subject land, including size, shape, topography, location or surroundings. If the approving body finds that the physical circumstances are similar to other parcels in the zone, such circumstances are not unique and an administrative adjustment shall not be granted; and
- (2) The strict application of zoning standards deprives the property of the right to use the land in a manner enjoyed by other conforming property in the vicinity under identical zoning standards; and
- (3) The approval of an administrative adjustment does not constitute a grant of special privileges which other conforming properties in the vicinity do not enjoy under identical zoning standards.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-45.6 ~~90-45.5~~. - Appeals.

~~(a) *Appeal of the director's decision.* An appeal by an interested party may be made to the planning commission of the director's decision. The appeal shall be filed within ten calendar days of the director's decision by filing a letter of appeal with the director and paying the required appeal fee established by city council resolution. The appeal shall be scheduled for a de novo hearing before the planning commission within 30 calendar days and shall require the same notice as indicated in section 90-45.3. The commission may affirm, modify or reverse the director's decision, making any findings required by this chapter and/or state law.~~

~~(b) *Appeal of the planning commission's decision.* An appeal by an interested party may be made to the city council of the commission's decision. The appeal shall be filed with the director by filing a letter of appeal and paying the required appeal fee established by city council resolution. The appeal shall be scheduled for a de novo hearing before the city council within 30 calendar days and shall require the same notice as indicated in section 90-45.3. The council may affirm, modify or reverse the commission's decision, making any findings required by this chapter and/or state law. The decision of the council is final.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-45.7 ~~90-45.6~~. - New application following a denial.

An application for an administrative adjustment on the same property or substantially the same property following the same request, shall not be accepted within one calendar year of the date of denial **unless the approving authority waives the resubmittal date at the time of project denial.**

(Ord. No. 1562, § 2, 7-29-97)

Sec. ~~90-45.8~~ **90-45.7**. - Expiration and time extensions.

An administrative adjustment approval shall expire 24 months after final approval unless: **construction has commenced and is being carried on diligently to completion.**

- ~~(a) The use has commenced, or~~
- ~~(b) Where improvements are required, construction has, or~~
- ~~(c) An application for a time extension is filed prior to the expiration.~~

~~If an application for extension is filed prior to the expiration, one additional year may be granted by the planning commission.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. ~~90-45.9~~ **90-45.8**. - Modifications and/or revisions.

Modifications or revisions to an approved application shall require re-application and shall conform to all of the submittal requirements and fees in effect at the time of application. Only the approving authority shall approve modifications or revisions to approved applications and only after the required hearings of this chapter. ~~Within 30 calendar days of the final approval of a modification or revision to an approved application the director shall cause the recordation of the modification or revision upon the subject property.~~ **Modifications must be found in substantial conformance to the original approval. All copies of the revised approvals shall be dated and signed by the director and made a part of the record**

(Ord. No. 1562, § 2, 7-29-97)

Sec. ~~90-45.10~~ **90-45.9**. - Applications to run with the land.

Approved administrative adjustment applications run with the land and shall continue to be valid upon a change of ownership of the site or structure, which was the subject of the application. ~~Within 30 calendar days of the final approval of a modification or revision to an approved application the director shall cause the recordation of the administrative adjustment upon the subject property. All conditions of the application shall continue to apply to the new owner.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. ~~90-45.11~~. - Suspension and/or revocation.

- ~~(a) *Suspension for violation.* Upon violation of any applicable provision of this article, or, if the application was granted subject to conditions, upon failure to comply with conditions, the application shall automatically be suspended. The approving authority shall, within 40 calendar days of the suspension of the administrative adjustment hold a hearing. The hearing shall be in accordance with the requirements of section 90-45.3~~
- ~~(b) *Revocation.* If after the hearing the approving authority is not satisfied that the regulation, general provision or condition for which compliance is required is being met the following actions shall be taken:
 - ~~(1) The permit may be revoked and become null and void; or~~
 - ~~(2) The approving authority may take such action as deemed necessary and appropriate to ensure compliance with the regulation, general provision or condition; or~~
 - ~~(3) New requirements and/or conditions may be added.~~~~

~~Action of the approving authority shall be final within ten calendar days unless appealed in accordance with the procedures of section 90-45.6.~~

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-46. - Development Review Committee (DRC).

In order to assist in the development process and review the development review committee is established. The development review committee shall be comprised of the police chief, fire chief, building official, city engineer, the public works director, and the community development director or their designees. The community development director or designee shall serve as the chair of the committee and shall be responsible for the agenda and the running of the meeting. The intent of the development review committee is to provide a single point for the initial city staff review and comment on proposed projects to better coordinate the application or project review process.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-46.1. - Meeting schedule.

The director shall, in consultation with the committee, set the time and place for regularly scheduled meetings of the committee. The schedule and committee agenda shall be posted in the planning department division and on the city bulletin board. The schedule and agenda shall indicated agenda items, the membership of the committee, the time and place of the committee meetings, and a contact person for each application.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-46.2. - Review items.

- (a) *Preliminary review.* ~~Within ten working days from the receipt of a request for development review a meeting of the staff review committee will be established. The development review committee shall provide an informal review of the proposed development plans for general compliance with the Hemet Municipal Code, the Uniform Fire Code, the Uniform Building Code, the City of Hemet General Plan, the City of Hemet Standard Plans and Specifications for Public Works Construction, and other applicable local, state and federal plans and laws. This informal review is in no way considered to be a final review or substitute for building plan check, grading permit plan check, subdivision review, or planning review under chapters 14, 70 and 90 of the Hemet Municipal Code. It is the intent that this informal review encompass no more than 30 minutes for each review. Pre-application review shall be as provided in section 90-49.~~
- (b) *Developer assistance.* If in the process of building plan check for the development of a structure and/or use allowed by chapter 90 herein, a conflict with the plans arises, the applicant may seek to resolve the conflict through the preliminary review process established in section 90-49 90-46.2 above.
- (c) *Staff Planning application review.* Prior to a hearing consideration by the planning commission approving body on an application for development required by the chapter 90 herein, the committee shall may review all specified planning applications for including zoning ordinance amendments, zone map changes, specific plans, planned unit developments, tentative tract maps, tentative parcel maps, community plans, conditional use permits, administrative use permits, site development review, downtown project review, use conversions, variances, and administrative adjustments, unless otherwise determined by the director that the scope of the project does not require development review committee review. The review shall consist of a review of the applications and plans for compliance with the Hemet municipal code, the Uniform California fire code, the Uniform California building code, the City of Hemet general plan, the city of Hemet standard plans and specifications for public works construction, applicable design guidelines, and other applicable local, state and federal plans and laws.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-46.3. - Distribution, comments, and conditions.

- (a) *Distribution.* At least 15 working 14 days prior to the scheduled development review committee meeting the director shall distribute an agenda of the meeting indicating those items that are subject

to the review of the committee and ~~one copy of~~ including any maps, plans and/or reports regarding the agenda items.

- (b) *Comments and conditions.* ~~At least three working days prior to the scheduled development review committee meeting each~~ Each member of the committee shall transmit their ~~prepare written~~ comments and/or conditions on the project to the director. ~~The director shall make copies of the comments and/or conditions available to the applicant prior to the~~ for discussion with the applicant at the scheduled development review committee meeting, and shall transmit copies of the comments to the case planner prior to or at the time of the development review committee meeting.

(Ord. No. 1562, § 2, 7-29-97)

Sec. 90-47. Downtown Project Review (DPR) applications.

- (a) *Purpose.* The purpose of the downtown project review process is to provide review of all facade improvements, new buildings and structural additions within the downtown zones of D-1 and D-2 within the city. Downtown project review is intended to ensure that development projects and improvements are well designed, compatible in terms of scale and aesthetics with the surrounding area, and consistent with the goals, policies and standards contained in the city's general plan, commercial design guidelines, and applicable downtown zoning classifications.
- (b) *New applications.* An application for a downtown project review shall be filed with the planning department by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or plans which are deemed by the director to be necessary to enable the approving authority to make the required findings.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.1. - Review of applications and approving authority.

- (a) *Downtown project review permit by the planning commission.* The planning commission shall be responsible for the review ~~and recommendation to the city council~~ of downtown projects that involve the construction of new buildings, or substantial reconstruction, modifications, additions or exterior remodeling of existing buildings. Substantial reconstruction or modification shall mean an improvement to ~~20~~ 30 percent or more of the square footage of the original structure, or a modification to ~~20~~ 50 percent or more of the exterior facade of the building, including, but not limited to: windows, awnings, porches, and exterior materials. The planning commission shall have the authority to impose reasonable conditions, and may recommend approval, modification or denial of the application to the city council, subject to the findings contained in section 90-47.5. Notice of the public hearing shall be provided pursuant to section 90-47.4
- (b) *City council review.* ~~The city council shall have the final review and approval of new primary buildings within the D-1 and D-2 zones.~~ Following the review by the planning commission, the planning commission shall provide to the city council at a regularly scheduled public hearing a written report and recommendation regarding the downtown project review. As the approving authority, the city council may act to approve, modify or deny the proposed project, subject to the findings contained in section 90-47.5. The approval, modification, or denial shall become effective upon final action of the city council.
- (c) *Minor downtown project review by director.* The community development director, or designee ("director") shall be the approving authority for the administrative review of minor exterior modifications and facade improvements that comprise less than ~~20~~ 50 percent of the square footage of the structure or the exterior facade.

The director may impose reasonable conditions and act to approve, modify or deny the proposed project, subject to the findings contained in section 90-47.5.

(Ord. No. 1837, § 1(Exh. A), 6-4-11)

Sec. 90-47.2. - Application fees and refunds.

- (a) An application fee for a downtown project review shall accompany the application submittal requirements which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) Applications which are deemed incomplete and with no activity to complete the application for a period of 12 months from the filing date, are considered automatically withdrawn and may be subject to a refund in accordance with this section. Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.
- (c) Application fee refunds shall be authorized by the director for applications that are either automatically withdrawn or withdrawn by the applicant, upon written request and proof of payment by the applicant, in accordance with a refund schedule ~~adopted from time to time by city council resolution~~ based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.
- (d) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is nonrefundable.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.3. - Investigation.

The planning department shall investigate and prepare a written report on all applications. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.4. - Hearing and notice procedure required.

- (a) *Responsible parties.* The director in the case of the planning commission and city clerk in the case of the city council, shall set the time and place of the required public hearing. The approving authority may continue the public hearing from time to time.
- (b) *Public notice.* Notice of the public hearing shall be given in accordance with Title 7 of the California Government Code, as amended, except as indicated below:
 - (1) For applications that the director deems to have greater effect than the normal 300-foot radius, the director may increase the notification radius to another appropriate distance.
 - (2) Minor downtown project reviews by the director as provided for in section 90-47.1(c) are administrative actions and generally will not require notice and a public hearing unless the project ~~will substantially~~ may affect the property rights or enjoyment of neighboring properties including, but not limited to, the creation of additional traffic impacts to the area, more intense parking demands, and exterior improvements inconsistent with the character, scale and purpose of surrounding properties and the downtown zoning districts.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.5. - Findings required.

Upon approval of a downtown project review permit application the following findings shall be made by the approving authority:

- (a) That the proposed downtown project is in accord with the objectives of this chapter and the purposes and regulations of the zone in which the site is located; and

- (b) That the proposed development or improvement is consistent with the goals, policies and programs of the general plan; and
- (c) That the proposed development or improvement is consistent with the applicable standards and design guidelines for the D-1 and D-2 zones, the commercial design guidelines, and other applicable adopted plans; and
- (d) The design, scale, height, and layout of the proposed project will not interfere with the use and enjoyment of neighboring existing and future developments, will not create traffic or pedestrian hazards, and will not otherwise have a negative impact on the aesthetics, health, safety or welfare of uses or properties within the downtown area; and
- (e) The design of the proposed project is compatible with the character of the surrounding area, will enhance the appearance of the downtown through quality architecture, building materials, color and detailing, and will provide a desirable and attractive environment for the occupants and patrons of the proposed use.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.6. - Appeals.

An appeal of the director's determination regarding a minor downtown project review may be made to the planning commission. The appeal shall be filed within ten calendar days of the director's decision by filing a letter of appeal and payment of the applicable fee with the planning department. The planning commission may affirm, modify or reverse the director's determination, making findings as required by this chapter. The decision of the planning commission shall be final, unless further appealed to the city council. **An appeal of the planning commission's determination regarding downtown project reviews may be made to the city council.**

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.7. - Expiration and time extensions.

A downtown project review application approval shall expire 24 months after final approval unless construction has commenced and is being carried on diligently to completion, or an application for a time extension is filed prior to the expiration. If an application for extension is filed prior to the expiration, the approving authority may extend the time limit up to a maximum period of three additional years.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.8. - Modifications and/or revisions.

Modifications or revisions to an approved downtown project review application shall require submittal of a request to the director. The director shall have the authority to permit minor modifications to an approved downtown project review application. For the purposes of this section, a minor modification means where there is less than ~~ten~~ **twenty** percent change in the floor area or the facade, and can be found to be in substantial conformance to the original approval. The planning commission shall review all other modifications or revisions in accordance with the required review procedures in this chapter.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-47.9. - Suspension and/or revocation.

- (a) *Suspension for violation.* Upon violation of any applicable provision of this article, or, if the application was granted subject to conditions, upon failure to comply with conditions, the application shall automatically be suspended. The approval authority shall, within 40 calendar days of the suspension hold a hearing in accordance with the requirements of section 90-47.4

- (b) *Revocation.* If after the hearing the approving authority is not satisfied that the regulation, general provision or condition for which compliance is required is being met the following actions shall be taken:
- (1) The permit may be revoked and become null and void; or
 - (2) The approving authority may take such action as deemed necessary and appropriate to ensure compliance with the regulation, general provision or condition.
 - (3) New requirements and/or conditions may be added.

Action of the approving authority shall be final within ten calendar days unless appealed in accordance with the procedures of section 90-47.6.

(Ord. No. 1837, § 1(Exh. A), 6-14-11)

Sec. 90-48. – Site Development Review Applications

(a) *Purpose.* The purpose of a site development review application is to ensure compliance with the development standards of this chapter, building, fire, and housing codes, applicable design guidelines and standards, specific plan requirements, and general plan policies prior to the issuance of building permits. It is further the intent of the city by this section to provide for the orderly administration of the various regulations of the city, and to minimize future problems therewith, by requiring the review and approval of development proposals by means of a site development review approval process.

(b) *Applicability.* A site development review application shall be required for all new and revised development projects as provided in this section.

(1) *Major site development review.* A major site development review application is required for projects consisting of:

- i. The site design and architecture of single family residential projects containing five or more parcels;
- ii. Multi-family residential projects of four or more units;
- iii. Commercial centers with over 15,000 square feet of building area;
- iv. Institutional, public facility, or community facilities including recreation facilities and outdoor venues;
- v. Other uses for which major site development review is required by an adopted specific plan or the Hemet municipal code.

(2) *Minor site development review.* A minor site development review application is required for projects consisting of:

- i. Single family residential projects containing two to four parcels;
- ii. Industrial projects regardless of size with the exception of accessory buildings;
- iii. Commercial centers with 15,000 square feet or less of building area;
- iv. Commercial center upgrades or façade enhancements involving 40 percent or more of the center or facade;
- v. Churches and religious institutions in the S-1 zone or otherwise not requiring a conditional use permit;
- vi. Other uses for which minor site development review is required by an adopted specific plan or the Hemet municipal code.

(3) Minor site development review applications may be remanded for planning commission review and approval if determined by the director to have the potential to cause special community impacts or other unique or unusual effects.

- (4) In the event that a conditional use permit is required in addition to the site development review, only the conditional use permit application need be submitted, provided that the application materials and findings also address the requirements of this section.
 - (5) If site development review is not required pursuant to this section, projects may proceed to plan check or permit, as applicable. The director may also determine that based upon the scope and circumstances of a particular project a site development review application is not required.
- (c) *New applications.* An application for site development review shall be filed with the director or the director's designee by the property owner or an authorized agent on a form(s) prescribed by the director, and shall include information and/or maps which are deemed by the director to be necessary to enable the approving authority to make the required findings. The director or the director's designee shall make available, in writing, a listing of the information and/or maps, which are required to be submitted. Concurrent applications may be filed and processed.

Sec. 90-48.1. - Review of applications and approving authority.

- (a) *Major site development review applications.* The planning commission shall be responsible for the review and approval of major site development review applications.
- (b) *Minor site development review applications.* The director shall be responsible for the review and approval of minor site development review applications.
- (c) *Effective date.* The permit shall become effective 10 days following the date of approval by the applicable approving authority, unless otherwise appealed pursuant to section 90-48.6.

Sec. 90-48.2. - Application fees and refunds.

- (a) An application fee for site development review shall accompany the application submittal requirements, which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule adopted from time to time by city council resolution.
- (b) Applications which are deemed incomplete and with no activity to complete the application for a period of 12 months from the filing date, are considered automatically withdrawn and may be subject to a refund in accordance with this section. Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.
- (c) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule based upon staff time spent of the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.
- (d) Portions of application fees paid to another jurisdiction or agency for services to be rendered in connection with the application shall not be refunded by the city. Nothing contained in this section shall prohibit another jurisdiction or agency from refunding fees directly to the applicant. If fees have been paid out to another jurisdiction or agency, the administrative fee related to coordinating the review of applications by other jurisdictions or agencies is non-refundable.

Sec. 90-48.3. - Investigation.

The director shall investigate and prepare a written report on all applications. Copies of the report shall be provided to the approving authority and the applicant at least three calendar days prior to a hearing on the application.

Sec. 90-48.4. - Hearing and notice procedure required.

(a) *Major site development review applications.*

- (1) *Hearing Date.* The director in the case of the planning commission, and the city clerk in the case of the city council shall set the time and place of the required public hearings. The hearing body, i.e., the commission, or council may change the time or place of their hearing, or may continue their hearing from time to time.
- (2) *Public hearing notice.* Notice of public hearings shall contain the time and place of the hearing and the location and proposed use of the subject property.
- (3) *Publication.* Notice of public hearing shall be published once in a newspaper of general circulation in the city not less than ten days prior to the date of the hearing.
- (4) *Mailing.* Notice of public hearing shall be mailed not less than 10 days prior to the date of the hearing of owners of property within a radius of 500 feet of the exterior boundaries of the subject property. If the director deems the proposal to have a greater effect than the required notification radius, the director may increase the notification radius appropriately.
- (5) *Testimony.* A summary of all pertinent testimony offered at the public hearing, the names and addresses of the persons testifying, copies of all notices affidavits of posting and publication, and records of action taken shall be a part of the permanent files of the project.

(b) *Minor site development review application.*

- (1) The director shall set the time and place of the required administrative hearing. The director or the director's designee may change the time or place of the hearing, or may continue their hearing from time to time.
- (2) Notice of the administrative hearing by the director shall be provided in writing to the adjacent and across the street property owners and tenants as well as any onsite tenants. The notice shall indicate the time and place of the hearing, a contact person, phone number of the contact person, where a copy of the staff investigation report may be viewed and/or obtained, and the appeal procedure.

Sec. 90-48.5. – Findings required.

Upon approval of a site development review application, the approving authority shall make the following findings:

- (a) The project complies with the all provisions of this chapter, and all other relevant city regulations, policies and guidelines including applicable design guidelines, specific plan requirements, and general plan policies;
- (b) The project complies with the California Environmental Quality Act and all applicable requirements and procedures of the act have been followed;
- (c) The design, scale, height, and layout of the project is appropriate for the site, will not unreasonably interfere with the use and enjoyment of neighboring existing or future developments, will not create traffic or pedestrian hazards and will not otherwise have a negative impact on the aesthetics, health, safety or welfare of neighboring uses;
- (d) The architectural design of the project is compatible with the character of the surrounding neighborhood and will enhance the visual character of the neighborhood through good aesthetic use of materials, texture and color;
- (e) The project applies applicable energy, water, and open space conservation practices to project design as outlined in the general plan and any relevant specific plan to help manage and conserve natural resources for the benefit of current and future residents.

Sec. 90-48.6. - Appeals.

- (a) *Appeal of the director's decision.* An appeal by an interested party may be made to the planning commission of the director's decision. The appeal shall be filed within ten calendar days of the director's decision by filing a letter of appeal with the director and paying the required appeal fee established by city council resolution. The commission may affirm, modify or reverse the director's decision, making findings required by this chapter and/or state law.
- (b) *Appeal of the planning commission's decision.* An appeal by an interested party may be made to the city council of a planning commission decision. The appeal shall be filed within ten calendar days of the commission decision by filing a letter of appeal with the director and the required appeal fee established by city council resolution. The council may affirm, modify or reverse the planning commission decision, making findings required by this chapter and/or state law. The decision of the city council shall be final.

Sec. 90-48.7. - New application following a denial.

An application for site development review on the same property or substantially the same property following the same request, shall not be accepted within one calendar year of the date of denial unless the approving authority waives the resubmittal date at the time of project denial.

Sec. 90-48.8. - Expiration and time extensions.

Site development review approval shall expire 24 months after final approval unless construction has commenced and is being carried on diligently to completion, or an application for a time extension is filed prior to the expiration. If an application for extension is filed prior to the expiration, the approving authority may extend the time limit up to a maximum period of three additional years.

Sec. 90-48.9. - Modifications and/or revisions.

Modifications or revisions to an approved site development review application shall require submittal of a request to the director. The director shall have the authority to permit minor modifications to an approved minor site development review application. For the purposes of this section, a minor modification means where there is less than twenty percent change to the site plan, floor area, architecture, or façade of the original approval. The planning commission shall review all other modifications or revisions in accordance with the required review procedures in this chapter. Modifications must be found in substantial conformance to the original approval. All copies of the revised site development review permit including the site plan and conditions of approval shall be dated and signed by the director and made a part of the record.

Sec. 90-48.10. - Suspension and/or revocation.

- (a) *Suspension for violation.* Upon violation of any applicable provision of this article, or, if the application was granted subject to conditions, upon failure to comply with conditions, the application shall automatically be suspended. The approving authority shall, within 40 calendar days of the suspension of the conditional use permit, hold a hearing in accordance with the requirements of section 90-48.3 to consider revocation.
- (b) *Findings for Revocation.* A site development review permit may be revoked if the planning commission finds:
 - (1) That the site development review permit was obtained by fraud; or
 - (2) That the use for which the site development review permit was granted is not being exercised; or
 - (3) That the use for which the site development review permit was granted has ceased or been suspended for more than six months; or

- (4) That a status of non-compliance exists with regards to any of the conditions of the site development review permit.
- (c) *Revocation.* If after the hearing the approving authority is not satisfied that the regulation, general provision or condition for which compliance is required is being met the following actions shall be taken:
 - (1) The permit may be revoked and become null and void; or
 - (2) The approving authority may take such action as deemed necessary and appropriate to ensure compliance with the regulation, general provision or condition; or
 - (3) New requirements and/or conditions may be added.
- (d) Action of the approving authority shall be final within ten calendar days unless appealed in accordance with the procedures of section 90-48.6.

Sec. 90-49. – Pre-Application Review Applications

- (1) *Purpose.* The purpose of the pre-application review application is to reduce the time and expense of the development review process by providing to the applicant an informative assessment early in the process to assist in the efficient and coordinated processing of projects consistent with city standards and requirements, prior to the applicant's preparation of a formal submittal. It is further the intent of the city by this section to maintain and encourage high standards of development in the interest of public health, safety, economic development, and general welfare of the city.
- (2) *Applicability.* A pre-application review application shall be required for all new and revised projects as provided in this section:
 - (1) Annexations
 - (2) General plan amendments
 - (3) Specific plans
 - (4) Residential projects of five or more parcels
 - (5) Multiple family residential projects
 - (6) Commercial, industrial, and institutional projects with over 5,000 square feet of building area
 - (7) Conditional use permits (excluding Streamlined Review applications)
 - (8) Tentative tract maps and tentative parcel maps
 - (9) Large scale special events that are outdoors, open to the public, and on property that is not typically allowed or permitted as an ongoing use of the site.
- (c) *New applications.* An application for pre-application review shall be filed with the director or the director's designee by the property owner or an authorized agent on a form(s) prescribed by the director. The director or the director's designee shall make available, in writing, a listing of the information and/or maps, which are required to be submitted.
- (d) The director shall have the authority to waive or require pre-application review for limited projects, as applicable based on the circumstances and scope of the project.

Sec. 90-49.1. - Application fees and refunds.

- (a) An application fee for pre-application review shall accompany the application submittal requirements, which are filed with the director. The fee(s) shall cover the costs of processing the applications in accordance with a schedule based on staff time spent on the project.
- (b) Applications which have been withdrawn will require a new application and fee to be submitted in order to process the application.

- (c) Application fee refunds shall be authorized by the director for applications that are withdrawn upon written request and proof of payment by the applicant, in accordance with a refund schedule based upon staff time spent on the project. Requests for application fee refunds shall be valid for a period of up to six months from the date of withdrawal.
- (d) Non-profit organizations with a 501(C)(3) tax exemption are exempt from pre-application review application fee requirements for large scale special events.

Sec. 90-49.2. – Procedure

- (a) Within 14 days from receipt of a pre-application review application, the director will schedule when the development review committee meeting will be held to discuss the proposed project with the applicant. The development review committee shall provide an initial review of the proposed development plans for compliance with the Hemet municipal code, the applications required, the Hemet general plan and applicable design guidelines and standards as well as what technical studies or materials will be required to be filed with the formal application.
- (b) Within 20 working days after the development review committee meeting reviewing the proposed project, the director shall prepare and send to the applicant a letter summarizing the preliminary comments and recommendations of the development review committee.
- (c) Pre-application review shall not be considered a final review or substitute for the application submittal process. It is solely intended to provide the necessary information to enable an applicant to make an informed decision about whether or how to proceed with a development project in the city.

Sec. 90-49.3. – Time limit; extension.

- (a) A new pre-application review application shall be required if project applications associated with the pre-application review have not been submitted within 24 months of the last development review committee meeting or the project has substantially changed.
- (b) The director may extend the expiration date of a pre-application review application for an additional six months if written request for the extension is filed prior to the date of expiration.

Secs. 90-48~~50~~ —90-54. - Reserved.

Exhibit 2

ZOA15-001 proposes the following amendments, *as shown in red*, to the zoning ordinance sections listed below. No other section in the referenced articles is affected.

Agriculture Zones

Sec. 90-185. - General requirements.

(a)

New development projects in the agricultural zones are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48 of this chapter. Development of the site and structures shall be consistent with all applicable design guidelines.

(b)

Prior to the construction of any building or structure, a building permit shall be required in accordance with the latest city adopted California Building Code. The following are minimum requirements, unless otherwise noted, and shall apply to all land, buildings, and structures in their respective zones. All area dimensions are in square feet, unless otherwise noted. All linear dimensions are in feet, unless otherwise noted

Single Family Residential Zones

Sec. 90-314. - General requirements.

(a)

New development projects in the single family residential zones are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48 of this chapter. Development of the site and structures shall be consistent with all applicable design guidelines.

(b)

Prior to the construction of any building or structure a building permit shall be required in accordance with the latest city-adopted Uniform Building Code. The following are minimum requirements, unless otherwise noted, and shall apply to all land, buildings, and structures in their respective zones. All area dimensions are in square feet, unless otherwise noted. All linear dimensions are in feet, unless otherwise noted.

Multiple Family Zone

Sec. 90-385. - General requirements.

(a)

~~No person shall construct any multiple family building or structure, or relocate, rebuild or significantly enlarge or modify any existing multiple family building or structure, until a site development review plan to review the site design and architecture has been approved by the community development director or planning commission pursuant to article XLI.~~ New development projects in the multiple family residential zones are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48. Development of the site and structures shall be consistent with all applicable design guidelines.

Commercial Zones

Sec. 90-894. - General requirements.

(a)

New development projects in the commercial zones are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48.

Development of the site and structures shall be consistent with all applicable design guidelines.

(b)

Prior to the construction of any building or structure, a building permit shall be required in accordance with the latest city-adopted uniform building code. The following are minimum requirements, unless otherwise noted, and shall apply to all land, buildings and structures in their respective zones. All area dimensions are in square feet, unless otherwise noted.

Downtown Zones

Sec. 90-933. - Site development requirements.

Development in the D-1 and D-2 zones shall comply with the standards contained within [section 90-895](#), except as otherwise provided in this chapter, and pursuant to the downtown design guidelines contained in the General Plan, or any other design guidelines or specific plans as may subsequently be adopted by the city council and applicable to the downtown zones. Development within the downtown zones is subject to pre-application review as provided in [section 90-49](#) and site development review as provided in [section 90-48](#) of this chapter.

Specific Plan Zone

Sec. 90-983. - General requirements.

(a)

A specific plan may be utilized for a variety of development projects including residential, commercial, industrial, institutional and public facilities projects.

(b)

The maximum number of dwelling units within a specific plan district shall not exceed the number of units indicated by the general plan, provided that the distribution of units within the specific plan and on any individual site shall be governed by the specific plan land use plan and any density transfer provisions related thereto.

(c)

All public and master planned streets within or abutting the development shall be dedicated and improved to city specifications for that particular classification of street. Private streets within the development shall be permanently reserved and maintained for their intended purpose by means acceptable to and enforceable by the city.

(d)

Development within a specific plan district shall relate harmoniously to the topography of the site, shall make suitable provisions for the preservation of water courses, drainage areas, rough terrain and similar natural features, and shall otherwise be so designed inasmuch as possible, to use and retain natural features and amenities.

(e)

Development within a specific plan district is subject pre-application review as provided in [section 90-49](#) and site development review as provided in [section 90-48](#). Development of the site and structures shall be consistent with all applicable design guidelines.

Industrial Zones

Sec. 90-1047. - Site development review requirements.

~~No new building, structure, or use, or a significant alteration or enlargement of an existing building, structure, or use shall be commenced in any industrial zone until site and architectural design review approval has been granted pursuant to article XLI of this chapter. Development of the site and structures shall be consistent with all applicable design guidelines for office, business park, and industrial uses.~~ New projects in the industrial zones are subject to pre-

application review as provided in section 90-49 and site development review as provided in section 90-48. Development of the site and structures shall be consistent with all applicable design guidelines.

Open Space Zones

Sec. 90-1161. - Site development review requirements.

~~Principal buildings, structures, or uses, or a significant alteration or enlargement of an existing building, structure, or use may be subject to the requirements of article XLI (site development review) of this chapter.~~ **New projects in the open space zones are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48. Development of the site and structures shall be consistent with all applicable design guidelines.**

ARTICLE XXXV. - INSTITUTIONAL ZONE

Sec. 90-1221. - Development review and approval.

~~No person shall construct, enlarge or modify any building or structure in the institutional zone until approval has been obtained as outlined in this section. Public hearings shall be set and notice given as prescribed in [section 90-43](#).~~ **New projects in the institutional zone are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48. Development of the site and structures shall be consistent with all applicable design guidelines.**

(1)

~~Site plan. Copies of the proposed site plan shall be submitted to the community development department, and shall include the following information:~~

- a. ~~Location of all structures.~~
- b. ~~Location of all access and parking.~~
- c. ~~Building elevations.~~

(2)

~~Action by planning commission. The planning commission shall conduct a public hearing and take action, recommending one of the following to the city council: (1) that the application be granted, (2) that the application be granted in modified form, or (3) that the application be denied, based on the following findings:~~

- a. ~~That the proposed location of the conditional use is in accord with the objectives of this chapter and the purposes of the zone in which the site is located.~~
- b. ~~That the proposed location of the conditional use and the conditions under which it will be operated or maintained will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.~~
- c. ~~That the proposed conditional use will comply with each of the applicable provisions of this chapter.~~

~~The planning commission may recommend conditions deemed necessary to protect the public health, safety and general welfare of persons and property in the vicinity.~~

(3)

Action by city council.

- a. ~~Within 40 days following the close of the planning commission public hearing, the city council shall conduct a public hearing, and may approve, modify or disapprove the recommendations of the planning commission, and shall address the findings made pursuant to subsection (2) of this section.~~
- b. ~~When the planning commission has recommended disapproval, the city council shall not be required to take further action, unless an interested party appeals the case as prescribed in [section 90-44](#)~~

(4)

~~Approval of height in excess of 35 feet. A building height in excess of 35 feet may be authorized by the city council where the planning commission and city council make the following findings, in addition to the findings required in subsection (2) of this section:~~

- a. ~~That the design and placement of structures and buildings are compatible with the type of adjacent land use.~~
- b. ~~That the proximity of proposed structures and buildings to adjacent streets provides adequate ingress, egress, visibility and separation from adjoining land uses.~~
- c. ~~That the structure or building setback from the adjacent land uses provides adequate light, air and privacy for proposed development and adjoining properties.~~

(Ord. No. 1224; Code 1984, § 24110)

Church Zone

Sec. 90-1393. - General requirement.

(a)

New projects in the church zone are subject to pre-application review as provided in section 90-49 and site development review as provided in section 90-48. Development of the site and structures shall be consistent with all applicable design guidelines.

Secs. 90-1393~~4~~—90-1420. - Reserved.

Attachment 2



**CITY OF HEMET
Hemet, California**

**PLANNING COMMISSION
RESOLUTION NO. 15-005**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HEMET, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ZONING ORDINANCE AMENDMENT NO. 15-001, AN ORDINANCE AMENDING CERTAIN SECTIONS OF CHAPTER 90 (ZONING ORDINANCE) OF THE HEMET MUNICIPAL CODE TO UPDATE, CLARIFY, AND IMPROVE THE CITY'S DEVELOPMENT REVIEW PROCESS.

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

WHEREAS, on February 6, 2015 and February 19, 2015, the City gave public notice by publishing notice in the Press Enterprise of the holding of a public hearing at which the amendment to the City's zoning ordinances would be considered; and

WHEREAS, on February 17, 2015 and March 3, 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 amendment to the City's zoning ordinance and at which time the Planning Commission considered the proposed amendment to the City's zoning ordinance; and

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

WHEREAS, attached as Exhibit "A" is the proposed Ordinance Bill No. 15-010; and

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

1 **SECTION 1: ENVIRONMENTAL FINDINGS**

2
3 The Planning Commission, in light of the whole record before it, including but not limited
4 to, the City's Local CEQA Guidelines and Thresholds of Significance, the direction of
5 the Planning Commission at its meeting on March 3, 2015 and documents incorporated
6 therein by reference, and any other evidence (within the meaning of Public Resources
7 Code Sections 21080(e) and 21082.2) within the record or provided at the public
8 hearing of this matter, hereby finds and determines as follows:
9

- 10 1. **CEQA:** The City has analyzed this proposed project and has determined that it is
11 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
13 projects that have the potential for causing a significant effect on the
14 environment. Where, as here, it can be seen with certainty that there is no
15 possibility that the activity in question may have a significant effect on the
16 environment, the activity is not subject to CEQA. The amendments proposed by
17 this Ordinance do not relate to any physical project and will not result in any
18 physical change to the environment. Additionally, the proposed land use
19 designations were analyzed by the environmental impact report prepared for the
20 comprehensive update to the Hemet General Plan and adopted in January 2012.
21 Therefore, it can be seen with certainty that there is no possibility that this
22 Ordinance may have a significant adverse effect on the environment, and
23 therefore the adoption of this Ordinance is exempt from CEQA pursuant to
24 Section 15061(b)(3) of the CEQA Guidelines.
25

26 **SECTION 2: ZONING ORDINANCE AMENDMENT FINDINGS**

27
28 Pursuant to Hemet Municipal Code Section 90-41.5(a), the Planning Commission
29 makes the following findings with respect to this zoning ordinance amendment:
30

- 31 1. *The zoning ordinance amendment is in conformance with the latest adopted*
32 *general plan for the City.*
33

34 The zoning ordinance amendment is in conformance with the latest adopted
35 general plan for the City because it implements General Plan Implementation
36 Program LU-P-16 (Development Review Process) to evaluate and improve the
37 development review process for increased efficiency and effectiveness.
38

- 39 2. *The zoning ordinance amendment will protect the public health, safety and*
40 *welfare.*
41

42 The zoning ordinance amendment protects the public health, safety and welfare
43 because improving the City's development review process results in better
44 practices, compliance, and effectiveness.
45
46

1 **SECTION 3: PLANNING COMMISSION ACTIONS**

2
3 The Planning Commission hereby takes the following actions:

- 4
5 1. The Planning Commission approves Resolution Bill No. 15-005 recommending
6 that the City Council adopt the proposed Ordinance which is attached hereto and
7 incorporated herein by reference as Exhibit "A."

8
9 **PASSED, APPROVED AND ADOPTED** this 3rd day of March, 2015, by the
10 following vote:

11
12 **AYES:** Chairman Gifford, Commissioner Michael Perciful, Commissioner Vince
13 Overmyer

14 **NOES:**

15 **ABSTAIN:**

16 **ABSENT:** Vice Chair Greg Vasquez and Commissioner Rick Crimeni
17
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20

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22 
23 _____
24 John Gifford, Chairman
25 Hemet Planning Commission

26 **ATTEST:**

27
28 
29 _____
30 Melissa Couden, Records Secretary
31 Hemet Planning Commission



AGENDA # 25

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: March 24, 2015

RE: **ZONING ORDINANCE AMENDMENT (ZOA) NO. 15-002** A city-initiated ordinance amending certain sections of Chapter 90 (Zoning Ordinance) to update provisions related to disability, transitional and supportive housing, and other housing-related definitions to achieve compliance with State and Federal mandated housing laws.

RECOMMENDED ACTION:

That the City Council:

1. *Introduce by title only, and waive further reading of **Ordinance Bill No. 15-011** approving Zoning Ordinance Amendment No. 15-002 as recommended by the Planning Commission.*

BACKGROUND

On January 14, 2014, the City Council adopted an update to the Housing Element of the General Plan, which was subsequently submitted to the California Department of Housing and Community Department (HCD) for certification in compliance with State law. HCD certified Hemet's Housing Element on January 29, 2014 with the condition that the City amend its zoning code in accordance with Government Code Section 65583(a)(5) to add definitions of "transitional housing" and "supportive housing", and to allow transitional and supportive housing as a permitted residential use of property subject only to those development standards that apply to other residential dwellings of the same type in the same zone. The proposed ZOA15-002 addresses this State law requirement.

Secondly, to achieve approval of the City's 2015-2020 Consolidated Plan, which is a prerequisite to obtaining Community Development Block Grant (CDBG) and other federal funding, an Analysis of Impediments to Fair Housing Choice must be completed. The draft Analysis determined that the existing zoning code definitions of persons with disabilities, small licensed residential care facilities, and age requirements for senior developments did not completely meet state and federal guidelines and recommended that these definitions be updated. ZOA15-002 also addresses these concerns.

The main purpose of ZOA15-002 is to comply with State Housing Element law and Federal Fair Housing laws. Both HUD and HCD require annual reports to demonstrate compliance with the provisions of their respective documents. If it is determined that the City is out of compliance, Hemet could be ineligible for most State and federal grants regardless of funding source or proposed use. Therefore, staff is proposing that the Council adopt the proposed zoning ordinance

amendment. The proposed amendments represent the final zoning compliance requirements that Hemet needs to satisfy the State and Federal housing law provisions. The changes proposed are also consistent with what other cities and counties throughout the region and the state have previously adopted to achieve compliance.

The Planning Commission held a noticed public hearing regarding ZOA 15-002 on March 3rd, and unanimously recommended its approval to the City Council. No members of the public spoke or provided written comment regarding this amendment.

SUMMARY OF PROPOSED ZONING ORDINANCE AMENDMENTS

Transitional and Supportive Housing

ZOA15-002 adds the new definitions of supportive housing and transitional housing to Article X (Special Housing Classifications), Division 1, Section 90-262 (Definitions) as shown in Exhibit 1 to the Ordinance. Supportive housing is generally considered a group home in a single-family residential dwelling that is linked to service organizations that serve the residents. Supportive housing must be permitted in whatever zones single-family residential homes are permitted. ZOA15-002 amends the appropriate land use matrices to permit supportive housing in zones that permit single family residences as shown in Exhibit 2 to the Ordinance.

Transitional housing is generally considered multiple family rental units, which are operated under programs that provide services and housing for a maximum of six months. ZOA15-002 amends the appropriate land use matrices to permit transitional housing in zones that permit multiple family residences as shown in Exhibit 2 to the Ordinance.

Analysis of Impediments to Fair Housing Choice

The federal government requires all jurisdictions that receive Community Development Block Grant Funds (CDBG) to prepare a Consolidated Plan every five years that assesses affordable housing and community development needs and provides the framework for CDBG programs and priorities. A component of the Consolidated Plan is the Analysis of Impediments to Fair Housing Choice that, among other things, reviews the zoning ordinance for compliance with federal and state fair housing laws.

The City of Hemet's Administrative Service Department is in the process of preparing its 2015-2020 Consolidated Plan. The associated draft Analysis of Impediments identified three areas that need a zone ordinance amendment to remove the perceived fair housing choice impediment:

1. *Update the zoning ordinance "disability" definition to mirror State fair housing law.* To address this concern, ZOA15-001 adds a reference to federal and state fair housing laws to the definition of "Disabled or individual with disabilities" in Sec. 90-262 as shown in Exhibit 3 to the Ordinance.
2. *Add alcoholism and drug treatment facilities to the list of licensed small group homes.* To address this concern, ZOA15-001 adds the facility reference to the definition of "Small licensed residential care facility" in Sec. 90-262 as shown in Exhibit 3.
3. *Amend Section 90-1093 (Minimum requirements for senior developments) to reference the Housing for Older Persons Act, which allows for the exclusion of families with children.* To address this concern, ZOA15-002 adds a reference to California Civil Ordinance Section 51.3 to the definition of "Minimum requirements for senior developments" in Sec. 90-1083.

With the adoption of the proposed amendments, all fair housing concerns identified by the Analysis

of Impediments have been addressed. The City of Hemet Draft 2015-15 Consolidated Plan and Draft 2010-2020 Analysis of Impediments to Fair Housing Choice will be available for public comment from March 16 to April 14, 2015. A public hearing on the documents has been scheduled for the City Council meeting of April 14, 2015.

COORDINATION AND PUBLIC REVIEW

The proposed ordinance was prepared in coordination with the City Attorney's office, the city's CDBG Coordinator, and the city's consultant for the Draft 2015-2020 Consolidated Plan.

On March 3, 2015, the Planning Commission held duly noticed public hearings regarding ZOA15-002. No comments were received at the meeting or in response to the Planning Commission notice of public hearing. The adopted Planning Commission Resolution No. 15-006 recommending approval is included as Attachment 2 to this report.

On March 13, 2013, the City published a notice in the Press Enterprise of the holding of a public hearing before City Council at which the amendments to the City's zoning ordinance would be considered. To date, staff has not received any public comments on the draft ordinance.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS

ZOA15-002 implements General Plan Housing Element Implementation Program H-1d: Zoning Code Revisions to Comply with State Law Regarding Emergency Shelters and Transitional and Supportive Housing. It also implements Program H-1a: Implement Fair Housing Laws, and complies with the Draft 2015-2020 Consolidated Plan.

CEQA REVIEW AND COMPLIANCE

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 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. The amendments to Chapter 90 referenced herein bring the zoning ordinance into compliance with the General Plan. The proposed text changes do not relate to any physical project and will not result in any physical change to the environment. 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:

There is no direct fiscal impact resulting from the adoption of Ordinance Bill No. 15-011 and the implementation of ZOA15-002. However, without adoption the City could be deemed ineligible for many State and federal grants, which could impact City programs and plans.

Respectively Submitted,


 Deanna Elliano
 Community Development Director

Prepared By:


 Nancy Gutierrez
 Contract Planner

ATTACHMENTS:

1. City Council Ordinance Bill No. 15-011
 - Exhibit 1 Proposed modifications to Sec.90-262 (Definitions)
 - Exhibit 2 Proposed modifications to Sections 90-183, 90-312, 90-383, 90-892, and 90-932.
 - Exhibit 3 Proposed modifications to Sections 90-262 and 90-1083
2. Planning Commission Resolution No. 15-005 recommending the City Council approve City Council Ordinance Bill No. 15-010 adopting ZOA15-001 (without attachments)

Attachment 1



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4 **CITY OF HEMET**
5 **Hemet, California**
6 **ORDINANCE BILL NO. 15-011**

7 **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF**
8 **HEMET AMENDING CERTAIN SECTIONS OF CHAPTER**
9 **90 (ZONING ORDINANCE) OF THE HEMET MUNICIPAL**
10 **CODE TO UPDATE PROVISIONS RELATED TO**
11 **DISABILITY, TRANSITIONAL AND SUPPORTIVE**
12 **HOUSING, FAIR HOUSING, AND OTHER HOUSING-**
13 **RELATED DEFINITIONS TO ACHIEVE COMPLIANCE**
14 **WITH STATE AND FEDERAL MANDATED HOUSING**
15 **LAWS.**

16 **WHEREAS**, the State legislature has declared that the lack of housing, including
17 providing for a variety of housing types for all income levels and special needs groups, is
18 a critical problem that threatens the economic, environmental, and social quality of life in
19 California; and

20 **WHEREAS**, Government Code Section 65583 requires that a city's housing
21 element address governmental constraints to the development of housing, including
22 providing for a variety of housing types for all income and age levels,; and

23 **WHEREAS**, as a condition to achieve compliance with State housing element law
24 and obtain the State Department of Housing and Community Development certification
25 for the City's 2014-2021 Housing Element granted on January 29, 2014, the City agreed
26 to update its zoning code provisions related to transitional and supportive housing; and

27 **WHEREAS**, the proposed ordinance achieves compliance with federal
28 requirements for certification of the City's 2015-2020 Consolidated Plan related to fair
housing laws; and

WHEREAS, approval of these zoning ordinance amendments will not

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detrimentally affect the health, safety, or welfare of residents of the City of Hemet; and

WHEREAS, on March 3, 2015, the Planning Commission was presented with a draft of this Ordinance Bill No. 15-011 and, after conducting a duly noticed public hearing, voted to recommend that the City Council approve Ordinance Bill No. 15-011.

WHEREAS, on March 24, 2015, the City Council considered the Ordinance, the Planning Commission’s findings, and the record of information regarding ZOA 15-002 at a duly noticed public hearing, at which time interested persons had an opportunity to provide testimony on this matter.

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

SECTION 1: AMENDMENT OF SECTION 90-262 (DEFINITIONS)

Chapter 90 (Zoning) of the Hemet Municipal Code is amended as shown in Exhibit 1 hereto.

SECTION 2: AMENDMENT OF SECTIONS 90-183, 90-312, 90-383, 90-892, and 90-932

Chapter 90 (Zoning) of the Hemet Municipal Code is amended as shown in Exhibit 2 hereto.

SECTION 3: AMENDMENT OF SECTIONS 90-262 and 90-1083

Chapter 90 (Zoning) of the Hemet Municipal Code is amended as shown in Exhibit 3 hereto.

SECTION 4: CEQA FINDINGS.

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. The

1 amendments to Chapter 90 referenced herein bring the zoning ordinance into
2 compliance with the General Plan. The proposed text changes do not relate to any
3 physical project and will not result in any physical change to the environment. Therefore,
4 it can be seen with certainty that there is no possibility that this Ordinance may have a
5 significant adverse effect on the environment, and therefore the adoption of this
6 Ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA
7 Guidelines.

8 **SECTION 5: SEVERABILITY.**

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

17 **SECTION 6: EFFECTIVE DATE.**

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

20 **SECTION 7: PUBLICATION.**

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

26 **INTRODUCED** at the regular meeting of Hemet City Council on the 24th day of March,
27 2015.

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APPROVED AND ADOPTED this 14th day of April, 2015.

Linda Krupa, Mayor

ATTEST:

APPROVED AS TO FORM:

Sarah McComas, City Clerk

Eric S. Vail, City Attorney

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

I, Sarah McComas, City Clerk of the City of Hemet, do hereby certify that the foregoing Ordinance was introduced and first read on the 24th day of Mach, 2015, and had its second reading at the regular meeting of the Hemet City Council on the 14th day of April, 2015, and was passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Sarah McComas, City Clerk

Exhibit 1

EXHIBIT 1

ZOA15-002 proposes to amend only those sections of the zoning definitions indicated below *in red*.

AMENDMENT TO ARTICLE X, DIVISION 1:

Sec. 90-262. - Definitions.

For the purposes of this article X, the following definitions shall apply:

Boarding house is defined as provided in section 90-4 of this Code.

Disabled or individual with a disability means an individual with a qualifying disability under the fair housing laws. Generally, any person with any mental or physical impairment, disorder or condition, which substantially limits one or more major life activities, including physical, mental and social activities and working. Disabled or individual with a disability does not include impairments, disorders or conditions resulting from the current, illegal use of or addiction to a controlled substance, sexual behavior disorders, compulsive gambling, kleptomania, or pyromania.

Fair housing laws means the federal Fair Housing Act (42 U.S.C. § 3601 et seq.), the California Community Care Facilities Act (Health and Safety Code § 1500 et seq.), the California Fair Housing and Employment Act (Government Code § 12900 et seq.), and Civil Code § 54, together with published judicial decisions interpreting those laws.

Group home means any boarding house that provides temporary, interim, or permanent housing to individuals where every person residing in the dwelling is an individual with a disability, and the individuals are not living as a single housekeeping unit.

- (1) *Large group home* means a group home in which seven or more individuals reside, whether the group home is required to be and is licensed by the State of California, or is not required to be licensed by the State of California. Large group homes do not include small licensed residential care facilities.
- (2) *Small group home* means a group home in which six or fewer individuals reside and which is not required to be licensed by the State of California. Small group homes do not include small licensed residential care facilities.
- (3) *Supportive housing* is defined by California Government Code Section 65582 and means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible work in the community

Multiple-family residential zones means those zones intended for multiple-family residential units as described in section 90-381 and similar sections in chapter 90.

Operator means any entity(ies) or person(s) who owns, manages, or operates a group home or boarding house.

Parolee-probationer means (i) any individual who has been convicted of a federal crime, sentenced to a United States prison, and received conditional or revocable release into the community under the supervision of a federal parole officer; (ii) any individual who has served a term of imprisonment in a state prison and who is serving a period of supervised community custody, as defined in Penal Code § 3000, and is under the jurisdiction of the California Department of Corrections, Parole and Community Services Division; (iii) an adult or juvenile sentenced to a term in the California Youth Authority and who has received conditional and revocable release into the community under the supervision of a Youth Authority Parole Officer; (iv) any individual who has been convicted of a felony, sentenced to any correctional facility, including county correctional facilities, and is under the jurisdiction of any federal, state, or county parole or probation officer:

or (v) any person released to postrelease community supervision under the "Postrelease Community Supervision Act of 2011" (Penal Code § 3450 et seq.). For purposes of this paragraph "felony" means a felony as defined in any California or United States statute.

Parolee-probationer home means any boarding house, whether owned or operated by an individual or a for-profit or nonprofit entity, which houses two or more parolee-probationers unrelated by blood, marriage, or legal adoption, in exchange for monetary or nonmonetary consideration given and/or paid by the parolee-probationer and/or any public or private entity or person on behalf of the parolee-probationer.

Single-family residential zones means those zones intended for single-family residential units as described in section 90-311 and similar sections in chapter 90.

Single housekeeping unit means an interactive group of persons jointly residing in a single dwelling unit exercising joint responsibility for and use of the dwelling's common areas, jointly sharing household expenses, jointly sharing household activities and responsibilities such as meals, chores, and household maintenance. A boarding house shall not be considered a single housekeeping unit. If a dwelling is leased or rented under a single written or oral lease or rental agreement, the makeup of the group of persons occupying the unit must be determined by the residents of the dwelling, not the landlord or property manager, to be a single housekeeping unit.

Small licensed residential care facility means a group home in which six or fewer individuals with a disability or children reside that provides onsite care, treatment or other services to its residents and that is required to be and is licensed by the State of California. Small licensed residential care facilities are exempt from the provisions of this division and shall be treated for purposes of applying the requirements of chapter 90 as a residential use of property occupied by a single housekeeping unit. Small licensed residential care facilities include without limitation the following, provided the number of residents does not exceed six: Intermediate care facilities for the developmentally disabled (Health and Safety Code § 1267.8(c)); congregate living health facilities (Health and Safety Code §§ 1267.8(c), 1267.16(a)); residential community care facilities, including foster family homes, small family homes, social rehabilitation facilities, community treatment facilities, and transitional shelter care facilities (Health and Safety Code §§ 1502, 1566.3); residential care facilities for persons with chronic life-threatening illnesses (Health and Safety Code § 1568.0831); residential care facilities for the elderly (Health and Safety Code § 1569.85); pediatric day health and respite care facilities (Health and Safety Code § 1761.4).

Transitional housing is defined by California Government Code Section 65582 and means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance.

(Ord. No. 1852, § 3(Exh. A, § 90-272), 6-12-12; Ord. No. 1855, § 2(Exh. A, § 2(§ 90-272)), 9-11-12)

Exhibit 2

EXHIBIT 2

ZOA15-002 proposes to amend only those sections of the land use matrices indicated below in red.

AMENDMENT TO CHAPTER 90, ARTICLE VII:

AGRICULTURE ZONES.

Sec. 90-183. - Permitted uses.

In the A zones, permitted and conditionally permitted uses shall be as listed within the "Land Use Matrix." Whenever a business is conducted, even if it is a home occupation, a city business license is required pursuant to chapter 18. All other uses not specifically listed in the matrix shall be interpreted as not permitted unless a similar use determination is made by the community development director pursuant to section 90-3. Uses located within the Hemet-Ryan Airport Influence Area are subject to the requirements of the Riverside County Airport Land Use Plan.

AGRICULTURE (A) ZONE LAND USE MATRIX				
P = Permitted Use A = Administratively Permit Use C = Conditionally Permitted Use X = Not Permitted REQUIREMENTS: Additional or explanatory regulations or requirements				
LAND USE	A-1	A-2-5	A-2-10	REQUIREMENTS
B. Residential Uses				
1. Farmworker housing of up to 36 beds or 12 family units as a component of an agricultural use pursuant to Health and Safety Code §§ 17021.6 and 50199.7	P	P	P	Not subject to the maximum density requirements of Sec. 90-185
2. Secondary dwelling unit	P	P	P	Sec. 90-316(g)
3. Single-family home	P	P	P	
4. Supportive housing pursuant to Government Code Section 65582	P	P	P	Sec. 90-262

AMENDMENT TO ARTICLE XI:

SINGLE FAMILY RESIDENTIAL ZONES.

Sec. 90-312. - Permitted uses.

In the RA, R-1-D, R-1-H, R-1-6, R-1-7.2, R-1-10, R-1-20, R-1-40 zones, permitted and conditionally permitted uses shall be as listed within the "Land Use Matrix." Whenever a business is conducted, even if it is a home occupation, a city business license is required pursuant to chapter 18.

SINGLE-FAMILY RESIDENTIAL LAND USE MATRIX									
X=Not Permitted Use P=Permitted Use C=Conditionally Permitted Use (CUP)									
A=Administrative Use (AUP) SGHP=Small Group Home Permit									
ZONE		R-A	R-1-D	R-1-H	R-1-6	R-1-7.2	R-1-10	R-1-20	R-1-40
B.	Residential Uses								
1.	Bed and breakfast	C	C	C	C	C	C	C	C
2.	Day care facility								
	a. >six but less than 12 clients	P	P	P	P	P	P	P	P
	b. >12 clients	C	C	C	C	C	C	C	C
3.	Group homes and small residential care facilities (see section 90-261 et seq.)								
	a. Small licensed residential care facilities	P	P	P	P	P	P	P	P
	b. Large group homes	X	X	X	X	X	X	X	X
	c. Small group homes	SGHP	SGHP	SGHP	SGHP	SGHP	SGHP	SGHP	SGHP
	d. Supportive housing as defined in Sec.90-262 and pursuant to Government Code Section 65582	P	P	P	P	P	P	P	P
4.	Accessory dwelling unit (including "granny flat" and "second unit") in accordance with subsection 90-315(g)	P	P	P	P	P	P	P	P
5.	Guest house on the same site as an existing single-family home	P	X	P	X	X	P	P	P
6.	Home occupations subject to the requirements of section 90-72	P	P	P	P	P	P	P	P
7.	Household pets including, but not limited to, dogs, pot belly pigs and cats (see section 90-77	P	P	P	P	P	P	P	P

AMENDMENT TO ARTICLE XIII:

MULTIPLE FAMILY ZONES.

Sec. 90-383. - Permitted uses.

In the R-2, R-3 and R-4 zones, permitted and conditionally permitted uses shall be as listed within the Land Use Matrix.

MULTIPLE-FAMILY RESIDENTIAL LAND USE MATRIX					
X=Not Permitted Use P=Permitted Use C=Conditionally Permitted Use (CUP)					
A=Administrative Use (AUP) SGHP=Small Group Home Permit					
	ZONE			REFERENCE	
	R-2	R-3	R-4	Additional or explanatory regulations or requirements	
A. Residential Uses					
1.	Accessory Dwelling Unit	P	P	P	
2.	Mobile Home Parks	C	X	X	Article XX and Title 25 of the California Government Code
3.	Multifamily housing, including duplexes, condominiums, apartments, or similar residential units*				
	a. Senior	P	P	P	90-387 and 90-1081
	b. Two family dwellings	P	P	X	
	c. Multiple-family dwellings	P	P	P	
4.	Single-family detached condominiums	P	P	X	
5.	Single-family homes	P	P	X	
C. Care Uses					
1.	Assisted living facility	C	C	C	
2.	Boarding houses or congregate care facilities	C	C	X	90-261
3.	Child or adult day care facility	C	C	C	
4.	Group homes and small licensed care facilities				
	a. Small, licensed residential care facilities	P	P	X	Article X
	b. Large group homes (10 or fewer occupants)	A	A	X	Article X
	c. Large group homes (11 or more occupants)	C	C	X	Article X
	d. Small group home	SGHP	SGHP	X	Article X
	e. Supportive housing pursuant to Government Code Section 65582	P	P	X	Article X, Sec. 90-262
5.	Transitional housing pursuant to Government Code Section 65582	P	P	P	Article X, Sec. 90-262

Exhibit 3

EXHIBIT 3:

ZOA15-002 proposes to amend only those sections indicated below *in red*.

ARTICLE X (SPECIAL HOUSING CLASSIFICATIONS), DIVISION 1:

Sec. 90-262. Definitions

Disabled or individual with a disability means an individual with a qualifying disability under **the federal and state** fair housing laws. Generally, any person with any mental or physical impairment, disorder or condition, which substantially limits one or more major life activities, including physical, mental and social activities and working. Disabled or individual with a disability does not include impairments, disorders or conditions resulting from the current, illegal use of or addiction to a controlled substance, sexual behavior disorders, compulsive gambling, kleptomania, or pyromania.

Small licensed residential care facility means a group home in which six or fewer individuals with a disability or children reside that provides onsite care, treatment or other services to its residents and that is required to be and is licensed by the State of California. Small licensed residential care facilities are exempt from the provisions of this division and shall be treated for purposes of applying the requirements of [chapter 90](#) as a residential use of property occupied by a single housekeeping unit. Small licensed residential care facilities include without limitation the following, provided the number of residents does not exceed six: Intermediate care facilities for the developmentally disabled (Health and Safety Code § 1267.8(c)); congregate living health facilities (Health and Safety Code §§ 1267.8(c), 1267.16(a)); residential community care facilities, including foster family homes, small family homes, social rehabilitation facilities, community treatment facilities, **alcohol and drug treatment facilities**, and transitional shelter care facilities (Health and Safety Code §§ 1502, 1566.3); residential care facilities for persons with chronic life-threatening illnesses (Health and Safety Code § 1568.0831); residential care facilities for the elderly (Health and Safety Code § 1569.85); pediatric day health and respite care facilities (Health and Safety Code § 1761.4).

ARTICLE XXXI (SENIOR HOUSING DESIGNATION):

Sec. 90-1083. - Minimum requirements for senior developments.

In order for a development to be designated for seniors 55 years of age and older, it shall meet the minimum requirements of The Fair Housing Act (Title VIII of the Civil Rights Act of 1968, as amended 42, U.S.C. 3601—3619) and the Housing for Older Persons Act of 1995 (Pub. L. 104-76) and/or the California Civil Code Sections **51.3**, 51.11 and 51.12.

Attachment 2



**CITY OF HEMET
Hemet, California**

**PLANNING COMMISSION
RESOLUTION NO. 15-006**

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HEMET, CALIFORNIA, RECOMMENDING THAT THE CITY COUNCIL ADOPT ZONING ORDINANCE BILL NO. 15-011 AMENDING CERTAIN SECTIONS OF THE HEMET MUNICIPAL CODE TO UPDATE PROVISIONS RELATED TO DISABILITY, TRANSITIONAL AND SUPPORTIVE HOUSING, FAIR HOUSING, AND OTHER HOUSING-RELATED DEFINITIONS TO ACHIEVE COMPLIANCE WITH STATE AND FEDERAL MANDATED HOUSING LAWS.

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

WHEREAS, on February 19, 2015, the City gave public notice by publishing notice in the Press Enterprise of the holding of a public hearing at which the amendment to the City's zoning ordinance would be considered; and

WHEREAS, on March 3, 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 amendment to the City's zoning ordinance (ZOA15-002) and at which time the Planning Commission considered the proposed amendment to the City's zoning ordinance; and

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

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

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

1 **SECTION 1: ENVIRONMENTAL FINDINGS**

2
3 The Planning Commission, in light of the whole record before it, including but not limited
4 to, the City's Local CEQA Guidelines and Thresholds of Significance, the direction of
5 the Planning Commission at its meeting on March 3, 2015 (within the meaning of Public
6 Resources Code Sections 21080(e) and 21082.2) within the record or provided at the
7 public hearing of this matter, hereby finds and determines as follows:

8 1. **CEQA:** The City has analyzed this proposed project and has determined that it is
9 exempt from the California Environmental Quality Act ("CEQA") under section
10 15061(b)(3) of the CEQA Guidelines, which provides that CEQA only applies to projects
11 that have the potential for causing a significant effect on the environment. Where as
12 here, it can be seen with certainty that there is no possibility that the activity in question
13 may have a significant effect on the environment, the activity is not subject to CEQA.
14 The amendments to Chapter 90 referenced herein bring the zoning ordinance into
15 compliance with the General Plan. The proposed text changes do not relate to any
16 physical project and will not result in any physical change to the environment.
17 Therefore, it can be seen with certainty that there is no possibility that this Ordinance
18 may have a significant adverse effect on the environment, and therefore the adoption of
19 this Ordinance is exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA
20 Guidelines.

21
22 **SECTION 2: ZONING ORDINANCE AMENDMENT FINDINGS**

23 Pursuant to Hemet Municipal Code Section 90-41.5(a), the Planning Commission
24 makes the following findings with respect to zoning ordinance amendment ZOA15-002:

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

27 The proposed zoning ordinance amendment establishes conformance with the latest
28 adopted general plan for the City by satisfying requirements outlined in General Plan
29 Chapter 11 (Housing Element) related to transitional and supportive housing; and
30 fair housing laws pursuant to the provisions of State housing element law.

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

32 The proposed zoning ordinance amendment protects the public health, safety and
33 welfare of residents and the community by designating appropriate zoning districts
34 for transitional and supportive housing and establishing provisions that comply with
35 State and federal law, which permits the City to participate in federally and state
36 funded programs that may assist the residents of Hemet.

1 **SECTION 3: PLANNING COMMISSION ACTIONS**

2
3 The Planning Commission hereby takes the following actions:

- 4 1. The Planning Commission approves Resolution Bill No. 15-006 recommending
5 that the City Council adopt the proposed Ordinance which is attached hereto and
6 incorporated herein by reference as Exhibit "A."
7

8
9 **PASSED, APPROVED AND ADOPTED** this 3rd day of March 2015, by the
10 following vote:

11
12 **AYES:** Chairman John Gifford, Commissioner Michael Perciful, Commissioner
13 Vince Overmyer

14 **NOES:**

15 **ABSTAIN:**

16 **ABSENT:** Vice Chair Greg Vasquez and Commissioner Rick Crimeni
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19
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22 
23 _____
24 John Gifford, Chairman
Hemet Planning Commission

25 **ATTEST:**

26
27 
28 _____
29 Melissa Couden, Records Secretary
30 Hemet Planning Commission



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Eric S. Vail, City Attorney

DATE: March 24, 2015

RE: **ADOPTION OF URGENCY ORDINANCE BILL NO. 15-013 TO EXTEND THE MORATORIUM ON MASSAGE ESTABLISHMENTS**

RECOMMENDATION:

The City Council is requested adopt an Urgency Ordinance Bill No. 15-013 (Attachment "A") to extend the moratorium on massage establishments.

BACKGROUND:

In 2008, Senate Bill 731 (SB 731) was adopted by the Legislature and signed into law by the Governor. It became effective on January 1, 2009, and sunsetted on January 1, 2015. SB 731 amended the Business and Professions Code and preempted many local controls relating to massage therapy. Significantly, the law shifted local regulation of massage therapists and practitioners to a newly created entity known as the California Massage Therapy Council (CAMTC, formerly the Massage Therapy Organization). Certificates issued by the CAMTC to qualified applicants entitled the holder to practice massage therapy anywhere in the State, without the necessity of complying with certain local rules.

Due to the adoption of SB 731, the City suspended enforcement of its massage ordinance, codified in Chapter 18, Article VII of the Hemet Municipal Code ("HMC"). Chapter 18, Article VII of the HMC contains broad regulations on both massage establishments and massage technicians, requiring all massage technicians to obtain a permit prior to performing massages within the City and requiring most massage establishments to obtain a license from the City prior to operating. The only exception to the massage establishment license requirement is for massage establishments that hire only massage technicians that have been certified by the State.

In September 2014, the Governor signed Assembly Bill 1147 (AB 1147), which returns to local governments the authority to more strictly regulate massage establishments. The new law, which became effective on January 1, 2015, authorizes cities and counties to regulate massage establishments through the adoption of zoning

and/or business license requirements. The regulation of massage technicians, however, remains with the State.

On February 24, 2015, the City Council adopted a 45 day moratorium on new massage establishments.

ANALYSIS:

With the adoption of AB 1147, the State has granted to the City, again, the ability to adopt regulations on massage establishments and regulate them differently from medical offices or other types of medical/professional businesses. Staff is undertaking a review of the City's current massage regulations to determine what revisions may be necessary to provide consistency with State law while still providing comprehensive regulations for the establishment, use and operation of massage. Staff has also been researching how other cities are handling the change in law, including researching ordinances adopted by other cities, gathering data regarding massage establishments, and discussing how to work with existing massage establishments through this process. While this review occurs, staff is requesting that the moratorium on new massage establishments be extended for an addition 10 months and 15 days.

California Government Code Section 65858 allows a city to adopt an urgency ordinance to establish a moratorium on uses that may be inconsistent with zoning regulations being contemplated by the city as follows:

Without following the procedures otherwise required prior to the adoption of a zoning ordinance, the legislative body of a county, city, including a charter city, or city and county, to protect the public safety, health, and welfare, may adopt as an urgency measure an interim ordinance prohibiting any uses that may be in conflict with a contemplated general plan, specific plan, or zoning proposal that the legislative body, planning commission or the planning department is considering or studying or intends to study within a reasonable time. That urgency measure shall require a four-fifths vote of the legislative body for adoption. The interim ordinance shall be of no further force and effect 45 days from its date of adoption. After notice pursuant to Section 65090 and public hearing, the legislative body may extend the interim ordinance for 10 months and 15 days and subsequently extend the interim ordinance for one year. Any extension shall also require a four-fifths vote for adoption. Not more than two extensions may be adopted.

To ensure that no new massage establishments are approved that may be inconsistent with the new regulations, staff recommends that the City Council adopt an urgency ordinance extending the existing moratorium for 10 months and 15 days pursuant to this provision. As noted in the attached urgency ordinance, staff believes that the proposed moratorium is necessary to protect the public health, safety, and welfare.

A massage establishment for purposes of this ordinance includes establishments where massage is a primary use or an accessory use. The recommended ordinance does not preclude the continued operation of lawfully existing massage establishments.

CONCLUSION:

Given changes in State law, the Hemet Municipal Code needs to be updated to provide adequate regulations for massage establishments. While new regulations are being contemplated, it is necessary and appropriate to adopt a moratorium on new massage establishments to protect the public health, safety, and welfare. A moratorium will ensure that new massage establishments will comply with new regulations.

FISCAL IMPACT:

Adopting the proposed urgency ordinance would not in and of itself have any impact on the Fiscal Year 2014-15 City Budget. Staff will work with the City Attorney's Office to prepare regulations for massage establishments, which will incur costs for the City Attorney's time and indirect costs in the form of staff time and resources. However, these costs would be incurred even without the moratorium.

Respectfully submitted,



Eric S. Vail
City Attorney

ATTACHMENT:

- A. Urgency Ordinance Bill No. 15-013**

1 4. In 2008, Senate Bill 731 ("SB 731 ") was adopted by the Legislature
2 and signed into law by the Governor. SB 731 enacted Section 4600 *et seq.* of the
3 Business and Professions Code ("Massage Therapy Act"), which preempted many
4 local controls relating to massage therapy. Significantly, the law shifted local regulation
5 of massage therapists and practitioners to a newly created entity known as the
6 California Massage Therapy Council ("CAMTC"). Certificates issued by the CAMTC to
7 qualified applicants entitle the holder to practice massage therapy anywhere in the
8 State, without the necessity of complying with certain local rules; and

9 5. Subsequently, in 2011 and 2012, Assembly Bill 619 and Senate Bill
10 1238, respectively, amended various provisions of the Massage Therapy Act, further
11 limiting the City's ability to regulate massage establishments; and

12 6. These state laws had the unintended consequence of resulting in a
13 proliferation of massage establishments throughout California, many of which are
14 believed to be fronts for prostitution and/or sex or human trafficking; and

15 7. In September 2014, the Governor signed Assembly Bill 1147, which
16 returns to local governments the authority to more strictly regulate massage
17 establishments. The new law, which became effective on January 1, 2015, authorizes
18 cities and counties to regulate the business of providing massage services through
19 local land use requirements, business licensing schemes, as well as reasonable health
20 and safety operational requirements; and

21 8. The City Council finds that the amendments to state law that have
22 occurred over the past six years have resulted in an increase of public health and
23 safety issues associated with businesses that provide massage services; and

24 9. The City Council finds that nineteen (19) massage establishments
25 currently operate within the City; and

26 10. The City Council finds that a number of local massage
27 establishments are advertised or reviewed online in the adult entertainment section of
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1 backpage.com, rubmaps.com and mpreviews.com, strongly suggesting illicit activity.
2 Massage establishments therefore require a higher level of scrutiny and enforcement
3 than other businesses in order to ensure compliance with local and state laws; and

4 11. Because of the ongoing indication of illicit activities at massage
5 establishments locally, it appears that massage establishments may require different
6 levels of scrutiny and enforcement than other businesses in order to ensure
7 compliance with local and state laws; and

8 12. Though state law requires cities to treat massage the same as
9 other professional services, such as medical, dental, and law offices, massage
10 businesses do not conduct themselves like other professional service businesses,
11 despite certification by the CAMTC of their employees; and

12 13. The City Council finds that the oversaturation of massage
13 establishments, a number of which have been found in violation of the law, changes
14 the character of a neighborhood, causes blight and impacts quality of life and the local
15 economy by compromising public trust; and

16 14. The City Council further finds that with the passage of AB 1147,
17 certain provisions of the City's ordinances may conflict with the new state law. As a
18 result of the January 1, 2015 effective date of AB 1147, it is urgent that the City
19 continue to undertake a review of its current massage regulations in order to determine
20 revisions may be necessary in order to be consistent with state law, while still providing
21 adequate protection for the public health, safety and welfare. The City requires
22 additional time beyond the 45 days to prepare, evaluate and adopt reasonable
23 regulations regarding the establishment and expansion of massage establishments
24 within the City; and

25 15. The absence of this ordinance would impair the orderly and
26 effective implementation of contemplated amendments to the HMC, and any further
27 authorization to establish or expand massage establishments within the City during the
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1 period of this moratorium may be in conflict with or may frustrate the contemplated
2 updates and revisions to the HMC.

3 D. Pursuant to Government Code section 65858(d), the City has issued a
4 report relative to the steps taken to alleviate the conditions that necessitated the
5 adoption of the Interim Ordinance, which report is incorporated by this reference.

6 E. The City Council finds that there is a current and immediate threat to the
7 public health, safety, and welfare based on the above findings, and upon that basis has
8 determined that an extension of the moratorium enacted under the Interim Ordinance
9 prohibiting the issuance of any permits, licenses, approvals, or entitlements for new
10 massage establishments or the expansion of any existing massage establishments
11 within the City is warranted.

12 **SECTION 2. Extension of Moratorium on New Massage Establishments or**
13 **the Expansion of Existing Massage Establishments.** The City Council orders as
14 follows:

15 A. The findings and determinations in Section 1 are true and correct.

16 B. Based on the foregoing, the City Council finds and declares there is a
17 current and immediate threat to the public health, safety or welfare and upon that basis
18 has determined that an urgency ordinance pursuant to Government Code Sections
19 65858 and 36937 is warranted and shall take effect immediately upon adoption by a
20 four-fifths (4/5ths) vote of the City Council.

21 C. For a period of 10 months and 15 days from April 10, 2015, no permits,
22 licenses, approvals, or entitlements may be issued for new massage establishments. In
23 addition, no existing massage establishment may be relocated or expanded, whether by
24 means of additional space, construction of a new facility, or by reconfiguration of
25 existing space.

26 D. For purposes of this ordinance, the following definitions apply:
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1 1. "Massage business or establishment" shall mean any
2 establishment, with a fixed place of business within the City where any person engages
3 in, conducts, carries on or permits to be engaged in, conducted or carried on, for
4 money or any other consideration, the administration to another person of a massage,
5 and also includes all businesses or establishments where massage therapy is provided
6 as an ancillary service such as clubs, gyms, day spas and professional offices.

7 2. "Massage" or "massage therapy" shall mean any method of treating
8 the external parts of the body for remedial, hygienic, relaxation or any other similar
9 purpose, whether by means of pressure on, friction against or stroking, kneading,
10 tapping, pounding, vibrating, rubbing or other manner of touching external parts of the
11 body with the hands, or with the aid of any mechanical or electrical apparatus or
12 appliance with or without supplementary aids such as rubbing alcohol, liniment,
13 antiseptic, oil, powder, cream, ointment or other similar preparations commonly used in
14 this practice and shall include herbal body wraps. For the purposes of this chapter,
15 "massage" or "massage therapy" includes the techniques of acupressure and
16 reflexology.

17 E. City staff is directed to study appropriate modifications to the City's
18 massage and zoning ordinances to reduce and/or mitigate negative secondary effects
19 created by the number, location and illicit uses of massage establishments. Pending
20 the completion of such studies and the adoption of an ordinance to establish
21 appropriate operational and zoning regulations, it is necessary for the immediate
22 preservation of the public health, safety and welfare that this ordinance takes effect
23 immediately. In the absence of immediate effectiveness, massage establishment uses
24 in the City may be in conflict with regulations or requirements established with respect
25 thereto.

1 F. For the pendency of this moratorium, all sections of Section 18-218 of the
2 HMC relating to the operating requirements for massage establishments shall remain in
3 full force and effect with respect to existing massage businesses.

4 G. This ordinance shall not preclude the continued operation of any lawfully
5 existing massage establishment uses which are not seeking to expand, convert,
6 relocate or otherwise change their use, or the opening or commencement of any
7 massage establishment uses as a new business for which all discretionary and
8 nondiscretionary approvals have been made prior to the effective date of the Interim
9 Ordinance.

10 **SECTION 3. Environmental Review.** The City Council finds that this ordinance
11 is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections
12 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect
13 physical change in the environment) and 15060(c)(3) (the activity is not a project as
14 defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title
15 14, Chapter 3, because it has no potential for resulting in physical change to the
16 environment, directly or indirectly; rather it prevents changes in the environment
17 pending the completion of the contemplated municipal code review.

18 **SECTION 4. Severability.** If any section, subsection, sentence, clause, or
19 phrase of this ordinance is for any reason held to be invalid or unconstitutional by a
20 decision of any court of competent jurisdiction, such decision will not affect the validity
21 of the remaining portions of this ordinance. The City Council hereby declares that it
22 would have passed this ordinance and each and every section, subsection, sentence,
23 clause, or phrase not declared invalid or unconstitutional without regard to whether any
24 portion of the ordinance would be subsequently declared invalid or unconstitutional.

25 **SECTION 5. Effective Date and Duration.** This ordinance is an urgency
26 ordinance enacted under California Government Code section 65858(a). This urgency
27 ordinance is effective upon adoption by a four-fifths vote of the City Council on March
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1 24, 2015, and will extend the Interim Ordinance for a period of 10 months and 15 days
2 from the date of April 10, 2015 to February 25, 2016, at which time it will automatically
3 expire unless extended by the City Council in accordance with California Government
4 Code section 65858.

5 **SECTION 6. Publication.** The City Clerk is directed to cause this ordinance to
6 be posted or published in the manner required by law.

7 **PASSED, APPROVED, AND ADOPTED** this 24th day of March, 2015.

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9
10 Linda Krupa, Mayor

11 ATTEST:

12
13 Sarah McComas, City Clerk

14 APPROVED AS TO FORM

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16 Eric S. Vail, City Attorney

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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 at the regular
6 meeting of the Hemet City Council on the 24th day of March, 2015, and was passed by
7 the following vote:

- 8 **AYES:**
- 9 **NOES:**
- 10 **ABSTAIN:**
- 11 **ABSENT:**

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13 _____
14 Sarah McComas, City Clerk

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Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Scott Brown, Interim Fire Chief; Wally Hill, City Manager *WB*

DATE: March 24, 2015

RE: FY 2015/2016 Staffing for Adequate Fire and Emergency Response (SAFER) Grant

RECOMMENDED ACTION:

1. Approve the 2015/2016 SAFER Grant application in the amount of \$4,435,998 and authorize acceptance if awarded.
2. Approve the proposed expenditure plan for the \$4,435,998 in the (SAFER) Grant funding for FY2015/2016.
3. Upon award of the Grant, authorize increase in revenues of \$4,435,998, increase in appropriation in the amount of \$4,435,998 to accounts to be assigned by Finance based on the approved expenditure plan.

BACKGROUND:

This grant was submitted on March 6, 2015 by the City of Hemet Fire/EMS Services Department and is part of a comprehensive competitive grant application process. The Assistance to Firefighters Grant Program – Staffing for Adequate Fire and Emergency Response (SAFER) provides funding directly to eligible Fire Departments. The goal of this program is to assist departments to improve or restore staffing levels to ensure they have adequate personnel to respond and safely perform at incidents scenes as well as providing protection from fire and fire-related hazards for their communities.

FISCAL / PROJECT DESCRIPTION:

This grant will allow the City of Hemet Fire/EMS Services Department to hire twenty-one (21) positions lost to attrition and/or to fill current vacancies.

Year 1 costs: \$2,155,377 / Year 2 costs: \$2,280,621

Total 2 year federal share: \$4,435,998

City of Hemet share: no matching requirements

The staffing requested reflects:

9 FFs to fill vacancies (as of 2/9/15 roster)

9 FFs for full engine staffing for Station 5

3 FFs to complete Truck staffing (which will add one position to current FS5 staffing of 2 FFs: shift)

ANALYSIS:

Since the severe economic decline and subsequent economic downturn the City of Hemet Fire/EMS Services Department has experienced a significant loss of personnel due to retirements and attrition. The resulting budgetary shortfalls have forced the closure of a fire station (FS5), de-staffing of a Truck Company including the loss of key Command Staff/ Administrative positions. With calls for service continuing to increase and available funds decreasing, the Department needs to ensure for adequate staffing. Concurrent with the effort to secure the SAFER Grant appropriation, the City Council has also approved a Standards of Coverage and Deployment Study, which is expected to be completed in 120 days providing a detailed analytical assessment of current and future operational needs of the department. The SAFER Grant will allow the Hemet Fire/EMS Services Department to reconstitute a force structure sufficient to safely mitigate both Fire and EMS emergencies.

COORDINATION AND REVIEW:

Coordination will be needed with the Finance Department to establish an expenditure account for this grant.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

This grant will allow the City of Hemet Fire/EMS Services Department to fund vacant positions as a result of attrition and or retirements and to reduce associated overtime appropriations from sources other than the General Fund.

FISCAL IMPACT:

The SAFER Grant, if awarded, covers the salary and benefits for entry level Firefighters, the Grant funding can also be applied to fill vacancies in other ranks, such as Engineer or Fire Captain, the salary differential being the responsibility of the City of Hemet. Additionally, the SAFER Grant does not cover the indirect cost associated with the hiring process, examples such as entry level physicals, background checks and other hiring related costs.

1. *Salary Differential:* FF to Engineer 9% (\$503) Engineer to Fire Captain 9.5% (\$609.00)
2. *Indirect Cost:* (entry level physicals, background, "other related costs) @ \$1500 per hire

Respectfully submitted,



Scott Brown
Interim Fire Chief

Fiscal Review



Jessica Hurst
Hemet Fire/EMS Services
Deputy City Manager/ Administrative Services



Staff Report

TO: Honorable Mayor and Members of the Hemet City Council

FROM: Wally Hill, City Manager *Wally Hill*

DATE: March 24, 2015

RE: Award of contract for consultant to assist in water/sewer system concession agreement Request for Proposals, evaluation, and negotiations

RECOMMENDED ACTION:

- a) That the City Council award a consultant contract to PERC Water Corporation in the amount of \$86,000 plus other reimbursable costs to assist in developing a Request for Proposals for a water/sewer system concession agreement, evaluating the proposals, and assistance in drafting and negotiating a concession agreement.
- b) Appropriate \$68,800 from water enterprise fund 571 reserves and \$26,756 from sewer special revenue fund 254 reserves, to establish a project budget of \$95,556.

BACKGROUND:

In the City Council's strategic planning sessions on July 27, 2014 and January 17, 2015, the Council approved a series of structural deficit reduction strategies. One of those strategies is to research the feasibility of entering into a franchise or concession agreement with another entity to manage, operate, maintain, and repair the City's water/sewer utility system, and pay to the City a concession fee that recognizes the full value of being granted that concession. This agenda item provides for the assistance of a consultant in determining the feasibility of a utility concession agreement.

The City of Hemet began providing water and sewer utilities in the City of Hemet in 1954, when the City purchased water/sewer system infrastructure from the then Lake Hemet Water Company. The City's service area is about 5.25 square miles, roughly approximating the city limits in 1954. The City's service area represents about 19% of the City's current 28.3 square miles, or about 29% of the City's residents. The Eastern Municipal Water District (EMWD) service area surrounds the City's service area on the north, west, and south. The Lake Hemet Municipal Water District (LHMWD) service area serves the City's east side.

The City of Hemet's water system relies mostly on groundwater pumped from a number of wells, with that water also stored in four reservoirs. When water quality issues or equipment failures require, the City supplements its water supply from water that the City purchased from the Metropolitan Water District of Southern California (MWD) as part of the groundwater management plan. That purchased MWD water is banked in underground recharge areas in the Hemet-San Jacinto valley. The City does not treat its sewage; it is conveyed to the EMWD, which treats it.

PROJECT DESCRIPTION:

The consultant would assist the City in the following activities related to the solicitation, evaluation, and negotiation of a possible water/sewer system concession agreement:

- Develop deal points that will form the basis for the concession agreement
- Draft a Request for Proposal document that defines: the scope of services; the legal, regulatory, and financial requirements; performance criteria and guarantees; operations protocols; financial assurances; capital improvement requirements and plans; energy management; customer service; risk management; proposal evaluation criteria; and other terms and conditions
- Evaluation of the proposals, including compliance with the RFP requirements; financial benefits and impacts; and risk assessment
- Develop and negotiate concession agreement documents that specify City/concessionaire roles; concession fee requirements; and all the terms and conditions from the Request for Proposal and response to the RFP.

The proposed contract allows for an early termination if the feasibility of a successful concession agreement becomes doubtful, with the consultant being paid only for the services rendered by the point of termination.

ANALYSIS:

The City's objectives in assessing the feasibility of a possible water/sewer system concession agreement with another entity are to:

- 1) Structure an agreement in a way that fully realizes the value of the enterprise, with concession fees available to the General Fund
- 2) Ensure quality utility services are provided to the City's customers
- 3) Ensure system assets are properly operated, maintained, and repaired or replaced as needed
- 4) Structure agreement in a way that reduces the uncertainties and extended time frames resulting from a private entity needing to obtain a certificate of public convenience and necessity from the California Public Utilities Commission
- 5) Ensure a seamless transfer of any utility responsibilities to avoid service disruptions or degradations

Staff reviewed a variety of public-private partnership models relating to the delivery of utility services, including a conventional contracting for services, a franchise or concession agreement, and privatization or sale of the system. Attached is a summary of the models reviewed. The model that best achieved the City's objective is a concession agreement. In that approach, the City would retain ownership of the water/sewer system physical assets and water production rights, and enter into a long-term concession agreement with another entity to manage, operate, maintain, repair, and replace the water/sewer system assets. The entity serving as the concessionaire would pay a concession fee to the City, recognizing the full value of being granted the concession. The City could either retain rate-setting authority, or provide the concessionaire discretion in rate-setting, within any parameters set by the City. For example, the City of Rialto entered into a concession agreement with a private utility in 2012, in which the City retained full rate-setting authority.

Staff believes there will be interest from other private or public entities in a concession agreement. There are currently nine large "Class A" State-regulated private water/sewer utilities

already operating in California that have from 19,233 to 457,530 connections (the City of Hemet has about 9,200 connections).

A Request for Proposals was issued to solicit the desired consulting services. The city received five proposals, summarized on the attachment. The proposal evaluation committee assessed the qualifications, approach, and costs of the proposers, and interviewed the two top finalists. After further negotiations, PERC Water Corporation was selected as the preferred consultant and the attached consultant agreement was negotiated with them. PERC is a California company with experience in advising the cities of Rialto, Adelanto, and Santa Paula in different forms of utility agreements with private entities. And, they have experience in directly operating and maintaining over thirty water and wastewater systems in the Southwest.

COORDINATION & REVIEW:

The Blue Ribbon Committee on City Services and Finances supports the City Council's deficit reduction strategies, including researching the feasibility of entering into a concession agreement for water/sewer utilities.

At appropriate times during this feasibility study, the impacted labor organizations will be engaged in discussions per the requirements of the Meyers-Milias-Brown Act. Neither the City Manager nor City Council will make a final decision regarding entering into a concession agreement without consulting with the impacted labor organizations, per the requirements of the Meyers-Milias-Brown Act.

CONSISTENCY WITH ADOPTED GOALS, PLANS, AND PROGRAMS:

The consultant engagement is consistent with the City Council's deficit reduction strategy to research the feasibility of entering into a concession agreement for water/sewer utilities.

FISCAL IMPACT:

The cost of the contract is \$86,000 plus other reimbursable costs for any additionally requested services. Authorization is sought for the \$86,000 base contract plus a 10% allowance for other possible reimbursable services that may be needed, for a total of \$95,556. 72% (\$68,800) of the funding for this contract would come from the water enterprise fund (Fund 571) and 28% (\$26,756) would come from the sewer special revenue fund (Fund 254). Additional appropriations from those fund reserves are necessary, since this consultant study was not included in the FY2014-15 budget.



Wally Hill
City Manager



Eric Vail
City Attorney

Attachment(s): Summary of proposals
 Proposed contract with PERC Water Corporation
 Summary of Water/Sewer Utilities Delivery Models



CITY OF HEMET

Purchasing Department

Title	Water/Sewer System Franchisee/Concessionaire Preparation of Request for Proposals Preparation, Evaluation, and Negotiations Assistance				RFQ
Date	1/6/2015	Completed By: P Willis		Time	3:00 P.M.
Vendor	City	Projected Hours	Cost for SOW	Other Reimbursables	Grand Total
1. Stetson Engineers	Covina, Ca	428	\$71,500-\$81,500	\$2000	\$71,500-\$81,500
2. PERC Water	Costa Mesa, Ca	300	\$86,000	0	\$86,000
3. Huron Consulting Group	Chicago, Ill	530	\$157,500	\$21,000	\$178,500
4. West Yost Assoc.	Irvine, Ca	804	\$183,376	\$1833.76	\$185,209.76
5. ARUP	San Francisco, Ca	2542	\$695,000	\$25,000	\$720,000

AGREEMENT FOR SERVICES

By and Between

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

and

**PERC Water Corporation
a California corporation**

for

**Water/Sewer System Concessionaire RFP Preparation,
Evaluation, and Negotiations Assistance**

March 24th, 2015

**AGREEMENT FOR SERVICES
BETWEEN
THE CITY OF HEMET, CALIFORNIA
AND**

PERC Water Corporation

This Agreement for Services ("Agreement") is entered into as of this 24th day of March, 2015 by and between the City of Hemet, a municipal corporation ("City") and PERC Water Corp., a California corporation ("Service Provider"). City and Service Provider are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties."

RECITALS

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

B. Service Provider, 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 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 Term of this Agreement is for a period Not to Exceed Three Hundred (300) hours commencing on the date first ascribed above and ending not later than June 30th, 2015, with hours to be determined by the City on an as-specified basis and to continue until the quantity of hours are expended unless or until the City determines, at its sole discretion, that it is not in the City's best interest to continue with this service.

SECTION 2. SCOPE OF SERVICES & SCHEDULE OF PERFORMANCE.

(a) Scope of Services. Service Provider 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 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 to continue performing the Services.

SECTION 3. ADDITIONAL SERVICES.

Service Provider 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. COMPENSATION AND METHOD OF PAYMENT.

(a) Subject to any limitations set forth in this Agreement, City agrees to pay Service Provider the amounts specified in Exhibit "B" "Compensation" and made a part of this Agreement by this reference. The total compensation, including reimbursement for actual expenses, shall be for hours worked to the date of termination and shall not exceed Eighty-Six Thousand dollars (\$86,000.00), unless additional compensation is approved in writing in accordance with Section 26 "Administration and Implementation" or Section 28 "Amendment" of this Agreement.

(b) Each month Service Provider 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 contracts. Sub-Service Provider 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 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 for correction and resubmission.

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

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

SECTION 5. INSPECTION AND FINAL ACCEPTANCE.

City may inspect and accept or reject any of Service Provider's work under this Agreement, either during performance or when completed. City shall reject or finally accept Service Provider's work within sixty (60) days after submitted to City. City shall reject work by a timely written explanation, otherwise Service Provider'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'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 6. 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 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. Upon completion, expiration or termination of this Agreement, Service Provider 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 in the course of providing the Services pursuant to this Agreement, Service Provider'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 7. SERVICE PROVIDER'S BOOKS AND RECORDS.

(a) Service Provider shall maintain any and all documents and records demonstrating or relating to Service Provider's performance of the Services. Service Provider 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 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'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'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 8. INDEPENDENT CONTRACTOR.

(a) Service Provider is and shall at all times remain a wholly independent contractor and not an officer, employee or agent of City. Service Provider 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 shall at all times be under Service Provider'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 or any of Service Provider's officers, employees, or agents except as set forth in this Agreement. Service Provider shall not at any time or in any manner represent that Service Provider or any of Service Provider's officers, employees, or agents are in any manner officials, officers, employees or agents of City.

(c) Neither Service Provider, nor any of Service Provider'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 expressly waives any claim Service Provider may have to any such rights.

SECTION 9. STANDARD OF PERFORMANCE.

Service Provider 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 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 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 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'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 10. COMPLIANCE WITH APPLICABLE LAWS; PERMITS AND LICENSES.

Service Provider 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 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 to comply with this section.

SECTION 11. PREVAILING WAGE LAWS

It is the understanding of City and Service Provider 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 12. NONDISCRIMINATION.

Service Provider 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 13. UNAUTHORIZED ALIENS.

Service Provider 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 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 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 14. CONFLICTS OF INTEREST.

(a) Service Provider 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's performance of the Services. Service Provider 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 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 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 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 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 15. CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION.

(a) All information gained or work product produced by Service Provider in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Service Provider. Service Provider 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, 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 gives City notice of such court order or subpoena.

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

(d) Service Provider shall promptly notify City should Service Provider, 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 or be present at any deposition, hearing or similar proceeding. Service Provider agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Service Provider. 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 16. INDEMNIFICATION.

(a) Indemnification for Professional Liability. Where the law establishes a professional standard of care for Service Provider's services, to the fullest extent permitted by law, Service Provider 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 attorneys 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, or by any individual or entity for which Service Provider is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider, 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 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 attorneys 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, or by any individual or entity for which Service Provider is legally liable, including but not limited to officers, agents, employees or sub-contractors of Service Provider.

(c) Indemnification from Sub-Service Providers. Service Provider agrees to obtain executed indemnity agreements with provisions identical to those set forth in this section from each and every sub-Service Provider or any other person or entity involved by, for, with or on behalf of Service Provider in the performance of this Agreement naming the Indemnified Parties as additional indemnitees. In the event Service Provider fails to obtain such indemnity obligations from others as required herein, Service Provider 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 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 17. INSURANCE.

Service Provider agrees to obtain and maintain in full force and effect during the term of this Agreement the insurance policies set forth in Exhibit "C" "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 agrees to provide City with copies of required policies upon request.

SECTION 18. ASSIGNMENT.

The expertise and experience of Service Provider 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 under this Agreement. In recognition of that interest, Service Provider shall not assign or transfer this Agreement or any portion of this Agreement or the performance of any of Service Provider'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, in the performance of its duties pursuant to this Agreement, may utilize sub-contractors.

SECTION 19. CONTINUITY OF PERSONNEL.

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

SECTION 20. TERMINATION OF AGREEMENT.

(a) City may terminate this Agreement, with or without cause, at any time by giving ten (10) days written notice of termination to Service Provider. In the event such notice is given, Service Provider shall cease immediately all work in progress. Consultant agrees to be compensated only for hours worked up to the time of termination.

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

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

(d) Upon termination of this Agreement by either Service Provider or City, all property belonging exclusively to City which is in Service Provider's possession shall be returned to City. Service Provider shall furnish to City a final invoice for work performed and expenses incurred by Service Provider, 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 21. DEFAULT.

In the event that Service Provider is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Service Provider for any work performed after the date of default. Instead, the City may give notice to Service Provider of the default and the reasons for the default. The notice shall include the timeframe in which Service Provider 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 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 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'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 22. EXCUSABLE DELAYS.

Service Provider 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. 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 23. 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 in every reasonable way to facilitate, without undue delay, the Services to be performed under this Agreement.

SECTION 24. 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: PERC Water Corp.
Attn: Bob Nespeca
959 South Coast Drive, Ste.315
Costa Mesa, CA 92626
bnespeca@percwater.com

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 25. AUTHORITY TO EXECUTE.

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

SECTION 26. 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 27. BINDING EFFECT.

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

SECTION 28. AMENDMENT.

No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Service Provider 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 29. 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 shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 30. 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 31. 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 32. 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 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 33. 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 34. 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.

SECTION 35. CUSTOMER SATISFACTION SURVEYS.

Where the Service Provider provides services directly to the public for the City, the Service Provider shall actively request and solicit Customer Satisfaction Surveys regarding his/her own performance as a requirement of this contract. These surveys shall be completed by directing the customer to the web link: <http://cityofhemet.info>.

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:

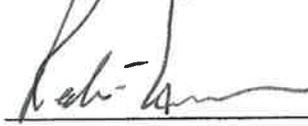
Sarah McComas
City Clerk

APPROVED AS TO FORM



Eric S. Vail
City Attorney

PERC Water Corp

By:  _____ 2/19/15
President

By: _____
Its: _____

NOTE: SERVICE PROVIDER'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'S BUSINESS ENTITY.

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

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

STATE OF CALIFORNIA }

COUNTY OF Orange }

On 2/19/15 before me, Karen T. Sayles Notary Public,
Date (here insert name and title of the officer)

personally appeared Robert J. Nesteca

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

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

WITNESS my hand and official seal.



Signature: Karen T Say (Seal)

OPTIONAL

Description of Attached Document

Title or Type of Document: City of Hemet Contract Number of Pages: _____

Document Date: 2/17/15 Other: _____

EXHIBIT "A"
SCOPE OF SERVICES

I. Service Provider will perform the following Services:

- A.
- B.
- C.
- D.

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

- A.
- B.
- C.
- D.

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

- A.
- B.
- C.
- D.

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

- A.
- B.
- C.

D.

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

A.

B.

C.

D.

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

A.

B.

C.

D.

**EXHIBIT "B"
COMPENSATION**

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

- A. Principal \$268
- B. Senior Eng \$182
- C. Project Manager \$182
- D. Consultant \$300

II. Service Provider may utilize sub-contractors as indicated in this Agreement. The hourly rate for any subcontractor is not to exceed \$307 per hour without written authorization from the City Manager or his designee.

IV. The total compensation for the Services shall not exceed \$86,000, as provided in Section 4 "Compensation and Method of Payment" of this Agreement.

V. The City may choose to stop all work and end this contract at any point in the project where the City determines the concessionaire approach is not in the City's best interest. City agrees to notify Service Provider immediately and meet the financial obligations due up to that juncture. Service Provider shall meet with the City at the completion of each task, as detailed in the Scope of Services (A-E), to assess the feasibility of the Concessionaire Concept and determine if going on the next task is in the City's best interest.

	Projected Hours	Subtotal
Water/Sewer System Franchisee/Concessionaire Request for Proposal Preparation, Evaluation, and Negotiations Assistance	300	\$86,000
Other Reimbursable Costs		Per Standard Rate Schedule Attached
Total (no sales tax included)		\$86,000



959 South Coast Drive
 Suite 315
 Costa Mesa
 California 92626
 Office 714.352.7750
 Fax 714.352.7755
 www.percwater.com

STANDARD RATE SCHEDULE
 January 1, 2014

PROFESSIONAL FEES (per hour)

Principal / Vice President _____	\$268.00
Senior Project Manager / Project Director _____	\$209.00
Project Manager _____	\$182.00
Senior Engineer _____	\$182.00
Project Engineer _____	\$156.00
Senior Staff Engineer _____	\$124.00
Project Coordinator _____	\$107.00
Staff Engineer _____	\$107.00
Assistant Project Manager _____	\$91.00

TECHNICAL RATES (per hour)

CONSTRUCTION

Construction Superintendent _____	\$139.00
Construction Foreman _____	\$107.00
Construction Technician / Laborer _____	\$80.00

PLANT OPERATIONS

Operations & Maintenance / Tech Services Manager _____	\$161.00
Class IV Operator _____	\$117.00
Class III Operator _____	\$107.00
Class II Operator _____	\$85.00
Class I Operator / Operations Technician _____	\$75.00

GRAPHICS AND CAD

Senior CAD Technician / Computer Graphics Designer _____	\$128.00
CAD Technician / Computer Graphics Designer _____	\$107.00
Technical Writer _____	\$102.00
Administration _____	\$75.00

For customer-approved overtime, multiply above rates by 1.5 (overtime includes work extending beyond 8 hours Monday through Friday; work performed on Saturday and/or Sunday; and work that commences after 5:00 p.m. Monday through Friday).

PROFESSIONAL TRAVEL

Auto or pickup truck:	Current IRS per mile rate, plus the employee rate per hour
Airline fares/per Diem:	Actual Cost Plus 15%
Other Direct Expenses:	Actual Cost Plus 15%

EXHIBIT "C"

INSURANCE

A. Insurance Requirements. Service Provider 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, 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 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 and all risks to such persons under this Agreement.

(4) Professional Liability. Professional liability insurance appropriate to the Service Provider'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's services or the termination of this Agreement. During this additional three (3) year period, Service Provider shall annually and upon request of the City submit written evidence of this continuous coverage.

2. Minimum Limits of Insurance. Service Provider 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 performs; products and completed operations of Service Provider; premises owned, occupied or used by Service Provider; or automobiles owned, leased, hired or borrowed by Service Provider. 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'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's insurance.

(3) Service Provider'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.

C. Other Requirements. Service Provider 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 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 shall furnish certificates and endorsements from each sub-contractor identical to those Service Provider 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 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's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

Summary of Water/Sewer Utilities Delivery Models

System Characteristics	Optimized City Utility	Operating Agreement with Public Entity	Franchise or Concession Agreement	Sale of System to Private Entity
System ownership	Local government	Local government	Local government	Private entity
Responsible for service	Local government	Other public entity	Private entity	Private entity
Who operates & maintains?	Local government	Other public entity	Private entity	Private entity
Who sets rates?	Local government	Depends upon the operating agreement provisions	Local government or (usually) private entity, according to contract provisions	Private entity, with CA Public Utilities Commission approval
Who makes capital improvements?	Local government	Depends upon the operating agreement provisions	Private entity	Private entity
How is the contractor paid?	N/A	Customer revenues	Customer revenues	Customer revenues
Length of contract	N/A	Defined term (long if includes capital improvements)	Defined term (long) – e.g. 20 – 30+ years	None (government is out of the business)
Feasible for General Fund revenues?	No	Uncertain if the other public entity can charge rates sufficient to include the lease revenues to the City	Yes	Yes
Requires public vote?	No	No	No	Yes
Requires CA Public Utilities Commission approval of private entity role?	No	No	Depends upon extent of responsibilities assigned to the concessionaire	Yes
Requires Prop 218 rate protest hearing?	Yes	Yes	Yes, if the government sets the rates No, if the private entity sets the rates Unclear if City retains min/max rate parameters	No