City of Lemon Grove
City Council Regular Meeting Agenda

Tuesday, January 20, 2015, 6:00 p.m.
Lemon Grove Community Center
3146 School Lane, Lemon Grove, CA

The City Council also sits as the Lemon Grove Housing Authority, Lemon Grove Sanitation District Board, Lemon Grove Roadway Lighting District Board, and Lemon Grove Successor Agency

Call to Order

Pledge of Allegiance

Changes to the Agenda

Presentation

Semi-Annual Law Enforcement Report – Lieutenant Eddie Brock, San Diego County Sheriff's Department

Public Comment

(Note: In accordance with State Law, the general public may bring forward an item not scheduled on the agenda; however, the City Council may not take any action at this meeting. If appropriate, the item will be referred to staff or placed on a future agenda.)

1. Consent Calendar

(Note: The items listed on the Consent Calendar will be enacted in one motion unless removed from the Consent Calendar by Council, staff, or the public. Items that are pulled will be considered at the end of the agenda.)

A. Approval of Meeting Minutes

January 6, 2015 - Regular Meeting
Members present: Sessom, Gastil, Jones, and Mendoza

Reference: Susan Garcia, City Clerk
Recommendation: Approve Minutes

B. City of Lemon Grove Payment Demands

Reference: Cathy Till, Finance Director
Recommendation: Ratify Demands

C. Waive Full Text Reading of All Ordinances on the Agenda

Reference: James P. Lough, City Attorney
Recommendation: Waive the full text reading of all ordinances included in this agenda; Ordinances shall be introduced and adopted by title only

D. Denial of Claim

Reference: Mike James, Public Works Director
Recommendation: Deny Claim

2. Public Safety Focus Group Priorities

   The City Council will receive a report regarding the priorities of the public safety strategies developed by the Public Safety Focus Group.

   Reference: Graham Mitchell, City Manager
   Recommendation: Receive Report and Provide Feedback

3. Draft Fiscal Year 2014-2015 Mid-Year Budgets

   The City Council, Lighting District Board, Sanitation District Board, and Successor Agency Board will consider draft mid-year budgets and provide direction.

   Reference: Cathy Till, Finance Director & Graham Mitchell, City Manager
   Recommendation: Provide Feedback

4. Planning Commission Analysis

   The City Council will continue a discussion from its November 4, 2014 meeting regarding the Planning Commission.

   Reference: Graham Mitchell, City Manager
   Recommendation: Receive Report and Provide Direction

City Council Oral Comments and Reports on Meetings Attended at the Expense of the City. (GC 53232.3 (d))
(53232.3.(d) states that members of a legislative body shall provide brief reports on meetings attended at the expense of the local agency at the next regular meeting of the legislative body.)

Department Director Reports (Non-Action Items)

Adjournment

In compliance with the Americans with Disabilities Act (ADA), the City of Lemon Grove will provide special accommodations for persons who require assistance to access, attend and/or participate in meetings of the City Council. If you require such assistance, please contact the City Clerk at (619) 825-3800 or email sgarcia@lemongrove.ca.gov prior to the meeting. A full agenda packet is available for public review at City Hall.

MINUTES OF A MEETING OF
THE LEMON GROVE CITY COUNCIL, LEMON GROVE HOUSING AUTHORITY, LEMON GROVE SANITATION DISTRICT BOARD, LEMON GROVE ROADWAY LIGHTING DISTRICT BOARD, AND LEMON GROVE SUCCESSOR AGENCY
January 6, 2015

Call to Order

Members present: Mary Sessom, George Gastil, Jerry Jones, and Jennifer Mendoza.
Members absent: Racquel Vasquez.

City Staff present: Graham Mitchell, City Manager; Lt. Brock, Sheriff's Department; Carol Dick, Development Services Director; Leon Firsht, City Engineer; Susan Garcia, City Clerk; James P. Lough, City Attorney; Rick Sitta, Fire Chief; and Cathleen Till, Finance Director.

Public Comment

John L. Wood commented on Chollas Creek flooding and the Toyota dealership's tree trimming project.

Mary Ann Merrell reported on graffiti that is on the fencing at the Little League field.

1. Consent Calendar

- **A. Approval of City Council Minutes**
  December 16, 2014 Regular Meeting
- **B. Ratification of Payment Demands**
- **C. Waive Full Text Reading of All Ordinances and Resolutions on the Agenda**
- **D. Appointment of City Councilmembers to Committees, Commissions and Boards**

Action: Motion by Councilmember Jones, seconded by Councilmember Gastil, to approve the Consent Calendar passed, by the following vote:

Ayes: Sessom, Gastil, Jones, Mendoza
Absent: Vasquez

2. Public Hearing to Consider Planned Development Permit PDP14-0002 and Tentative Map TM0060 Authorizing an 84 Unit Residential Condominium Development on 1.14 Acres at 3515 Olive Street

Carol Dick reported that the proposed project is located at 3515 Olive Street in the Main Street Promenade District in the Downtown Village Specific Plan area. The site consists of 6 parcels, 3 were recently occupied by Culligan's Water Softening business and the other parcels are City owned. The applicant, CityMark, is requesting authorization of an 84 unit condominium development. The project includes a request to vacate unimproved public right-of-way near the existing cul-de-sac in the Transit Mixed Use 5 & 7 Zone and Land Use Designation area.

The Transit Mixed Use (TMU) zone allows for credit for on-street parking. In this case, the parking requirement for the project generates a demand of 125 residential spaces.
The project design provides 116 parking spaces on-site and a credit of four parking spaces is obtained for the on-street parking spaces fronting the project for a total deficit of 5 parking spaces. A waiver is requested to allow deviations from the required number of spaces.
The project includes all compact dimensioned spaces where the standard allows for 75 percent of the required spaces to be compact spaces.

The project includes a larger compact space dimension than the Lemon Grove standard compact space (8.5' x 18' where 8.5' x 15' is standard).

The project is near transit and the proposed space for bicycles exceeds the requirement. The project also provides space for motorcycle parking. The TMU7 zone does not have a requirement for guest parking for the residential units. The project includes tandem spaces and will require that these spaces be assigned to the two bedroom units. A condition has been included in the resolution requiring the CC&Rs to include this provision. Staff believes that the project provides adequate offsets to approve the parking deviation request.

Russ Haley, CityMark, provided an overview of the building's architectural design including the open space on a portion the rooftop. The rooftop terrace provides BBQs, tables, and seating areas. It overlooks the Main Street Promenade and provides the desired "eyes on the street" concept for the park as well as the main entry of the building. The site is landscaped to soften the building edges and to accommodate drainage facilities consistent with water quality objectives.

Mayor Sessom opened the public hearing.

Public Speaker(s)
There were no requests from the public to speak.

Action: Motion by Councilmember Jones, seconded by Councilmember Gastil, to close the public hearing and adopt the resolutions passed, by the following vote:

Ayes: **Sessom, Gastil, Jones, Mendoza**
Absent: **Vasquez**

Resolution No. 2015-3299: Resolution of the Lemon Grove City Council Approving Tentative (Condominium) Map TM0060 Authorizing the Subdivision of 6 Parcels into One Lot of Eighty Four Condominium Units at 3515 Olive Street, Lemon Grove, California

Resolution No. 2015-3300: Resolution of the Lemon Grove City Council Approving Planned Development Permit PDP14-0002 Authorizing the Development of an Eighty Four Unit Condominium Project at 3515 Olive Street, Lemon Grove, California

3. San Diego Community Land Trust Business Plan

Graham Mitchell stated that in September 2014, the City and San Diego Community Land Trust (SDCLT) entered into a Purchase Option Agreement for the eventual sale of 8084 Lemon Grove Way. The Purchase Option Agreement required SDCLT to complete certain milestones by specified dates. The first milestone, submission of a business plan, was to be completed by December 2014. The business plan ensures that SDCLT has done its due diligence to determine whether the project is feasible.

Jean Diaz, San Diego Community Land Trust, provided a presentation of business plan. The plan includes the following: 1) analysis of the current project entitlements and project design, 2) fiscal feasibility analysis and pro-forma, and 3) financing plan.

Public Speaker(s)
There were no requests from the public to speak.

4. Sidewalk Installation Incentive Programs

Graham Mitchell reported that during its priority setting workshop in February 2014, the City Council directed staff to prepare an agenda item that would allow the City Council to discuss potential guidelines for a community sidewalk program.

The majority of Lemon Grove's housing development occurred prior to the City's incorporation. The County of San Diego managed the growth and development standards for housing development during this time. Although the County required sidewalk installation in some housing developments, many Lemon Grove neighborhoods do not have sidewalks. In fact, during the preparation of the last General Plan update in 1996, this was an issue of community debate—some community members pushed for sidewalks while others wanted to maintain a rural feel by not installing sidewalks.

The recent Lemon Grove Health & Wellness Element included a map that illustrated the City's sidewalk network. The map shows that there are many east-west sidewalk connections in the City (Broadway, Central Avenue, San Miguel Avenue, portions of Palm Street, and Canton Drive). However, north-south connects are lacking, except for Massachusetts Avenue, Lemon Grove Avenue and portions of Skyline Drive/Kempf Street and Main Street). The map also shows that although there is effective sidewalk connection within the City's commercial corridors, there is a lack of connectivity from neighborhoods to the commercial areas of the City and between neighborhoods.

Mr. Mitchell noted that staff calculated the cost to install a segment of sidewalk, curb and gutter for an average 60 foot wide parcel and verified this figure with several contractors. Assuming the project requires surveying, engineering, mobilization, traffic control, street widening, driveway ramp, and prevailing wage, staff assumes a cost of approximately $6,000 to $9,000 per parcel. This figure assumes that there are no significant slope issues or public drainage issues that need to be resolved.

Public Speaker(s)
John L. Wood and Brenda Hammond commented on the need for sidewalks in Lemon Grove.

After discussion, the City Council directed staff to conduct further analysis of the sidewalk installation concepts.

City Council Oral Comments and Reports on Meetings Attended at the Expense of the City. (GC 53232.3 (d))

Councilmember Mendoza attended the Lemon Grove Clergy concert at the Promenade.

Councilmember Gastil attended the Lemon Grove Clergy concert at the Promenade.

Director Reports

Chief Sitta introduced Daryn Drum, the new Lemon Grove Fire Department, Division Chief.

Adjournment
There being no further business to come before the City Council, Housing Authority, Sanitation District Board, Lemon Grove Roadway Lighting District Board, and the Lemon Grove Successor Agency the meeting was adjourned at 7:40 p.m.

Susan Garcia
Susan Garcia, City Clerk

City of Lemon Grove Demands Summary
Approved as Submitted:
Cathleen Till, Finance Director
For Council Meeting: 01/20/15

ACH/AP Checks 12/18/14-01/08/15	318,990.22
Payroll - 12/23/14	172,132.05
Payroll - 01/06/15	163,435.07
Total Demands	654,557.34

CHECK NO	INVOICE NO	VENDOR NAME	CHECK DATE	Description	INVOICE AMOUNT	CHECK AMOUNT
ACH	Nov12-Dec9	Calpers Supplemental Income 457	12/18/2014	457 Deferred Comp Plan 11/12/14-12/9/14	19,661.37	19,661.37
ACH	Nov12-Dec9	California Public Empl Retirement Syster	12/22/2014	Pers Retirement 11/12/14-12/9/14	98,654.85	98,654.85
ACH	Dec23 14	Employment Development Dept.	12/23/2014	State Taxes	6,523.01	6,523.01
ACH	Dec23 14	US Treasury	12/30/2014	Federal Taxes	25,693.17	25,693.17
ACH	Dec 14	Colonial Life	12/31/2014	Optional Insurance - Dec'14	970.42	970.42
ACH	Dec 14	Aflac	01/02/2015	Aflac Insurance - Dec'14	451.84	451.84
ACH	Dec30 14	Pitney Bowes Inc.	01/02/2015	Postage Usage 12/30	250.00	250.00
ACH	Dec 14	Dharma	01/05/2015	Bankcard Merchant Fees - Dec'14	415.75	415.75
ACH	Dec 14	Power Pay Biz	01/05/2015	Online Credit Card Processing Fee - Dec'14	99.50	99.50
ACH	Dec 14	Authorize.Net	01/05/2015	Merchant Fees - Dec'14	45.79	45.79
ACH	Dec 14	Bluefin	01/05/2015	Merchant Statement Fee - Dec'14	9.95	9.95
ACH	Jan 15	Pers Health	01/06/2015	Health Insurance - Jan'14	56,334.60	56,334.60
ACH	Jan6 15	Employment Development Dept.	01/08/2015	State Taxes	11,384.66	11,384.66
ACH	4154920380	SDG&E	01/08/2015	Electric Usage:St Light 11/30/14-12/31/14	2,718.45	2,718.45
ACH	3568860625	SDG&E	01/08/2015	Electric Usage:St Light 11/30/14-12/31/14	1,199.50	1,199.50
3202	Jan-Jun 15	Adams Robert	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	873.06	873.06
3203	Jan-Jun 15	Anderson, Curtis	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3204	55345	Anthem Blue Cross EAP	01/08/2015	Employee Assistance Program - Jan'15	165.00	165.00
3205	Dec 14	AT&T	01/08/2015	AT&T High Speed Internet Max Plus 11/23/14-12/22/14	65.00	65.00
3206	5656635015	AutoZone, Inc.	01/08/2015	Fuel Cap - PW#29	14.66	127.05
	5656652164			Booster Cable - PW#20	40.60	
	5656660322			Motor Oil, Antifreeze & Coolant	71.79	
3207	4351803	Bearcom	01/08/2015	Portable Radio Repairs & Battery Replacement	2,883.78	2,883.78
3208	Jan-Jun 15	Brackmann, Bruce	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3209	999911	Cannon Pacific Services Inc.	01/08/2015	Street Sweeping - Broadway Ave 12/19/14	360.00	360.00
3210	14440215	Canon Financial Services Inc.	01/08/2015	Canon Copier Contract Charge - Dec'14	642.60	642.60
3211	Jan-Jun 15	Chamberlain, Dale	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3212	2181	Clark Telecom & Electric Inc.	01/08/2015	Street Light Repairs- Nov'14	914.84	1,326.80
	2182			Dig Alert Mark Outs - Nov'14	274.63	
	2183			Street Light Maintenance- Nov'14	137.33	
3213	Dec 14	County of San Diego	01/08/2015	Recording Services- Dec'14	8.00	8.00

3214	Dec19 14	Cox Communications	01/08/2015	Phone Service 2873 Skyline 12/19/14-1/18/15	207.30	3,011.90
	Dec30 14			Peg Circuit Svc 12/30/14-01/29/15	2,804.60	
3215	12140560	DAR Contractors	01/08/2015	Animal Disposal- Dec'14	174.00	174.00
3216	Jan-Jun 15	Davisson, William	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3217	196515	Dell Awards	01/08/2015	Gold Plate Placard for Mendoza's Lobby Portrait	10.80	10.80
3218	12/15-18/14	Esgil Corporation	01/08/2015	75% Building Fees 12/15/14-12/18/14	1,535.53	5,573.61
	12/22-25/14			75% Building Fees 12/22/14-12/25/14	2,172.11	
	12/29-1/1/15			75% Building Fees 12/29/14-1/1/15	1,865.97	
3219	209282	Evans Tire & Service Center	01/08/2015	Vehicle Repairs - '00 GMC Pickup C2500	2,000.00	2,000.00
3220	69336	Fire Etc.	01/08/2015	Uniform Allowance - Ek 12/15/14	243.00	243.00
3221	IVC13719	Goodwill Industries of SD County	01/08/2015	Box Purge Svc - 12/10/14	260.00	260.00
3222	Jan-Jun 15	Harper, Raymond	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3223	Oct-Dec 14	Helix Water District	01/08/2015	Water Services- 10/22/14-12/18/14	17,081.74	17,081.74
3224	8421403-00	Hydro-Scape Products, Inc.	01/08/2015	600 Sand Bags	183.51	397.99
	8430205-00			118 Sand Bags	36.09	
	8430409-00			300 Sand Bags, 4 Prong Cultivator	178.39	
3225	91353	Koch-Armstrong General Engineering, In	01/08/2015	Labor & Equipment - Paving at San Miguel 11/19/14	2,440.00	2,440.00
3226	Jan-Jun 15	Laff, Timothy	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3227	147349	League of California Cities	01/08/2015	League Membership Dues for 2015	9,762.82	9,762.82
3228	07-1892	Lemon Grove School District	01/08/2015	Fuel Services-PW: Dec'14	2,813.30	2,813.30
3229	Jan-Jun 15	Maciejewski, Frank	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3230	1713112	Mantek	01/08/2015	Spill Guard Mini Recycle System	477.65	477.65
3231	Jan-Jun 15	Marcon, Romeo	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3232	Jan-Jun 15	McBride, Thomas	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3233	Jan-Jun 15	McReynolds, Jerry	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3234	Jan-Jun 15	Mullins, Karl	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3235	S142064	Omega Industrial Supply Inc.	01/08/2015	Industrial Wipes, Grafitti Buster	569.54	1,538.98
	S142100			Disinfectant	493.07	
	S142149			Hand Sanitizer Wipes	476.37	
3236	Jan-Jun 15	Ott, Manie	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	873.06	873.06
3237	Dec18 14	Pinata World Party Rentals, Inc.	01/08/2015	Combo Jumper for Winter Daycamp	160.00	160.00
3238	7029747-DC14	Pitney Bowes	01/08/2015	Postage Meter Rental 9/30/14-12/30/14	167.37	167.37
3239	2014-437	Quality Code Publishing LLC	01/08/2015	Website Maintenance & Storage - 1/1/15-6/30/15	240.00	240.00
3240	3926	RapidScale Inc.	01/08/2015	Virtual Hosting 12/31/14	1,567.23	1,567.23
3241	30312999	RCP Block & Brick, Inc.	01/08/2015	Masonry Sand	86.02	255.93
	30327163			Class II Road Base	132.19	
	30334360			Masonry Crack Filler	37.72	
3242	WO-17419-1	San Diego Office Supply, LLC	01/08/2015	Copy Paper, Card Stock	210.23	275.85
	WO-17512-1			Colored Card Stock	65.62	
3243	285411	Scantech Graphics, Inc.	01/08/2015	Plotter Bond Paper	96.13	96.13
3244	Jan-Jun 15	Schmidtmann, Warren	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00

3245	Dec23 14	SDG&E	01/08/2015	3225 Olive- 11/19/14-12/19/14	103.37	444.57
	Dec23 14			3500 1/2 Main- 11/19/14-12/19/14	279.09	
	Dec23 14			8119 Broadway- 11/19/14-12/19/14	62.11	
3246	Feb-Jun 15	Smith, Timothy	01/08/2015	Retiree Health Benefits: Feb'15 - Jun'15	1,000.00	1,000.00
3247	2014-3702	Summit Erosion Control	01/08/2015	400 Sand Bags	562.92	562.92
3248	676030	Superior Ready Mix Concrete LP	01/08/2015	Asphalt Cold Mix	869.82	1,059.36
	676926			Emulsion Oil	81.00	
	676927			Asphalt - Palm & Skyline	108.54	
3249	Feb-Jun 15	Taff, Jon	01/08/2015	Retiree Health Benefits: Feb'15 - Jun'15	1,000.00	1,000.00
3250	2003/2004	The Hose Pros	01/08/2015	Backhoe Repairs	429.19	429.19
3251	7856728-30	Trugreen Landcare	01/08/2015	Landscape Maintenance - Dec'14	9,447.00	9,447.00
3252	1220140373	Underground Service Alert	01/08/2015	New Ticket Charges - Dec'14	115.50	115.50
3253	268367232	US Bank Equipment Finance	01/08/2015	Defibrillator Lease-Contract Payment 1/11/15	1,663.30	1,663.30
3254	Dec23 14	Vantage Point Transfer Agents-457	01/08/2015	ICMA Deferred Compensation Pay Period Ending 12/23/14	280.77	561.54
	Jan6 14			ICMA Deferred Compensation Pay Period Ending 1/6/15	280.77	
3255	122214CLG	Village Studio Inc.	01/08/2015	Portrait for City Hall Lobby - Councilmember Mendoza	176.72	176.72
3256	Jan-Jun 15	Wright, William	01/08/2015	Retiree Health Benefits: Jan'15 - Jun'15	1,200.00	1,200.00
3257	0155515	Zumar Industries, Inc.	01/08/2015	43 - Street ID Signs / 22 Tube Caps /22 Crossplaces	5,050.16	5,208.44
	0156047			Traffic Signs	80.78	
	0156114			Tool for Vandal Proof Bolt	77.50	
3258	Dec18 14	Helix Water District	01/08/2015	Unmetered Water Billing-St Sweeping/Line Cleaning- Jul'13-Jun'14	1,436.17	1,436.17
					318,990.22	318,990.22

LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY

Item No. 1.D
Mtg. Date January 20, 2015
Dept. Public Works

Item Title: **Denial of Claim**

Staff Contact: Mike James, Public Works Director

Recommendation:

Deny a claim submitted by Ms. TaRee Michelle Owens.

Item Summary:

The City of Lemon Grove received a claim from Ms. TaRee Michelle Owens. Staff has investigated the claim and based on the finding of the investigation, recommends its denial.

Fiscal Impact:

None.

Environmental Review:

- ☒ Not subject to review
- ☐ Negative Declaration
- ☐ Categorical Exemption, Section
- ☐ Mitigated Negative Declaration

Public Information:

- ☒ None
- ☐ Newsletter article
- ☐ Notice to property owners within 300 ft.
- ☐ Notice published in local newspaper
- ☐ Neighborhood meeting

Attachments:

None.

LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY

Item No. 2
Mtg. Date January 20, 2015
Dept. City Manager's Office

Item Title: **Public Safety Focus Group Priorities**

Staff Contact: Graham Mitchell, City Manager

Recommendation:

Receive report and provide feedback.

Item Summary:

At its December 16, 2014 meeting, the City Council received a report from the Public Safety Focus Group. Focus group members presented several public safety challenges and seventeen strategies that were identified and developed through several focus group meetings. These challenges and strategies addressed the two focus areas developed by the City Council.

On December 16th, the City Council asked the focus group to reconvene to prioritize the seventeen identified strategies. On January 5, 2015, the focus group met. The staff report (**Attachment A**) provides a summary of the prioritization of the strategies.

Fiscal Impact:

None.

Environmental Review:

- ☒ Not subject to review
- ☐ Categorical Exemption, Section
- ☐ Negative Declaration
- ☐ Mitigated Negative Declaration

Public Information:

- ☒ None
- ☐ Newsletter article
- ☐ Notice to property owners within 300 ft.
- ☐ Notice published in local newspaper
- ☐ Neighborhood meeting

Attachments:

A. Staff Report

Attachment A

LEMON GROVE CITY COUNCIL
STAFF REPORT

Item No. 2

Mtg. Date January 20, 2015

Item Title: **Public Safety Focus Group Priorities**

Staff Contact: Graham Mitchell, City Manager

Discussion:

At its December 16, 2014 meeting, the City Council received a report from the Public Safety Focus Group. Focus group members presented several public safety challenges and seventeen strategies that were identified and developed through several focus group meetings. These challenges and strategies addressed the two focus areas developed by the City Council:

1) Provide strategies to address public safety and the perception of safety in the City's commercial corridors; and
2) Provide strategies to address the drain on public resources responding to group homes/sober living facilities.

On December 16th, the City Council asked the focus group to reconvene to prioritize the seventeen identified strategies. On January 5, 2015, the focus group met; this staff report provides a summary of the prioritization of the strategies.

In their assessment, focus group members scored the various strategies on "impact" and "cost." Those strategies with a "high impact/low cost" combination moved to the top of the prioritization list for the most part. Strategies with "low impact" or "high costs" tended to move to the bottom of the list. During the prioritization process, some of the strategies were modified from what was originally presented and some strategies were combined. The focus group categorized the strategies into three groups: top priorities (8), moderate priorities (4), and low priorities (2).

Top Priorities

The top priority addresses lack of community involvement in being part of public safety solutions. The focus group combined three related strategies into its top priority:

1) Host community-wide workshops (perhaps organized in conjunction with PTA groups and senior groups) to address how the community can become more involved in volunteering, reporting crimes, and using the Sheriff's website to report non-emergency crimes. Marketing materials such as magnets and other items can promote "see something, say something" types of campaigns. The City can engage students in developing promotional materials.

The next two priorities relate to excessive calls for service from treatment centers and sober/independent living homes.

2) Reach out to the owners of properties that experience high volumes of public safety calls. Help these owners understand the impact they have on the community and offer resources to assist them (sample lease agreements, referrals to professional organizations, etc.).

Attachment A

3) Establish penalties for properties that require higher than average levels of public safety service. NOTE: After the focus group meeting, staff determined that this strategy as presented is not legal—cities cannot legally charge for general government services in such a manner. As such, staff suggests that those properties that demand high levels of public safety service be considered as candidates for nuisance abatement properties. For those properties that qualify as nuisance properties, this strategy will allow the City to recover costs associated with the nuisance.

The last five top priorities address the challenge of the physical environment in the commercial corridors.

4) Expand the Crime Free Multi-Housing program to apartment complexes near the commercial corridors. It is hoped that this program will help property owners evict tenants who are sources of crime and attracting crime.

5) Create a program for commercial properties that is similar to the Crime Free Multi-Housing program, in that it provides training to property owners on how to better ensure their properties do not attract criminal activity.

6) Create a volunteer program in which a volunteer crew provides routine cleanup services in the City's commercial areas.

7) Establish an information "kiosk" located at the Main Street Promenade and operated by volunteers to serve as a location to obtain information about the City, how to report crime, community activities, volunteer opportunities, etc.

8) Rely on security guards to ensure a more visible law enforcement presence.

Moderate Priorities

The focus group categorized four of the strategies as moderate priorities. These strategies are listed below in no particular order:

1) Activate more neighborhood watch programs throughout the City—especially in areas that have higher crime occurrences. The group felt that using crime data could help target neighborhoods of focus.

2) Encourage commercial property owners to enforce "no trespassing" on their properties.

3) Develop a program that encourages residents and visitors to participate in local food bank programs rather than providing money to panhandlers.

4) Require all rental housing units to obtain a business license. This would potentially allow the City to enforce certain standards for rental housing. This action would require a voter approval through a municipal election.

Low Priorities

Two strategies were rated as low priorities, primarily because of their vagueness:

1) Eliminate design defaults that attract nuisances.

2) Proactively use code enforcement in commercial areas.

Conclusion:

Staff recommends that the City Council consider the list of strategies presented by the Public Safety Focus Group. Staff suggests that the higher priority strategies be considered as part of the upcoming City Council priority setting workshop, the Fiscal Year 2014-15 mid-year budget discussions, and/or the Fiscal Year 2015-16 budget discussions.

LEMON GROVE CITY COUNCIL, LIGHTING DISTRICT BOARD, SANITATION DISTRICT BOARD, AND SUCCESSOR AGENCY
AGENDA ITEM SUMMARY

Item No. 3
Mtg. Date January 20, 2015
Dept. City Manager & Finance

Item Title: **Draft Fiscal Year 2014-2015 Mid-Year Budgets**

Staff Contact: Cathy Till, Finance Director/Treasurer & Graham Mitchell, City Manager/Executive Director

Recommendation:

Provide feedback regarding the Fiscal Year 2014-2015 Mid-Year Budgets for the City, Lighting District, Sanitation District, and Successor Agency.

Item Summary:

Staff prepared draft Fiscal Year 2014-2015 (FY 2014-15) Mid-Year Budgets (**Attachment B**, **C**, **D** and **E**) using updated information, including unaudited fund balances forward, as well as revenue and expenditure adjustments. The staff report (**Attachment A**) addresses proposed changes to the General Fund & General Reserve Fund, as well as the other funds managed by City, the Lighting District, the Sanitation District, and the Successor Agency.

Relying on feedback provided by the City Council, staff will prepare final mid-year budgets for consideration at the February 3, 2015 City Council meeting.

Fiscal Impact:

None.

Environmental Review:

- ☒ Not subject to review
- ☐ Categorical Exemption, Section
- ☐ Negative Declaration
- ☐ Mitigated Negative Declaration

Public Information:

- ☒ None
- ☐ Newsletter article
- ☐ Notice to property owners within 300 ft.
- ☐ Notice published in local newspaper
- ☐ Neighborhood meeting

Attachments:

A. Staff Report
B. City of Lemon Grove Fiscal Year 2014-2015 Mid-Year Budget Summary
C. Lemon Grove Lighting District Fiscal Year 2014-2015 Mid-Year Budget
D. Lemon Grove Sanitation District Fiscal Year 2014-2015 Mid-Year Budget
E. Successor Agency Fiscal Year 2014-2015 Mid-Year Budget

Attachment A

LEMON GROVE CITY COUNCIL, LIGHTING DISTRICT BOARD, SANITATION DISTRICT BOARD, AND SUCCESSOR AGENCY
STAFF REPORT

Item No. 3

Mtg. Date January 20, 2015

Item Title: **Draft Fiscal Year 2014-2015 Mid-Year Budgets**

Staff Contact: Cathy Till, Finance Director/Treasurer & Graham Mitchell, City Manager/Executive Director

Discussion:

On June 3, 2014, the City Council adopted the Fiscal Year 2014-15 (FY 2014-15) General Fund Budget. The budget relied on estimated revenues and expenditures for FY 2013-14 and projected revenues and expenditures for FY 2014-15. Since the budget was adopted, the revenues and expenditures for FY 2013-14 have been finalized. Staff recommends that the City Council consider modifications to the FY 2013-14 and FY 2014-15 budgets as part of the mid-year budget adoptions.

This staff report addresses the General Fund & General Reserve Fund, as well as the other funds managed by City, the Lighting District, the Sanitation District, and the Successor Agency.

General Fund & General Reserve Fund

The following table compares the adopted FY 2013-14 and FY 2014-15 budgets with the proposed mid-year budgets:

	FY 2013-14		FY 2014-15	
	Adopted	**Proposed**	**Adopted**	**Proposed**
General Fund				
Balance Forward	$912,300	$987,900	$1,120,400	$1,657,500
Revenue	10,328,800	10,572,200	10,709,500	11,029,800
Transfers	2,968,600	3,068,900	588,600	605,300
Expenditures	(13,089,300)	(12,971,500)	(11,151,500	(11,281,300)
Ending Balance	*1,120,400*	*$1,657,500*	*1,267,000*	*$2,011,300*
General Reserve Fund				
Balance Forward	$2,014,400	$1,906,100	$1,876,700	$1,772,500
Revenue	4,100	4,200	4,100	4,000
Expenditures	(141,800)	(137,800)	(216,500)	(480,800)
Ending Balance	*1,876,700*	*$1,772,500*	*$1,664,300*	*$1,295,700*
Combined Ending Balance	***$2,997,100***	***$3,430,000***	***$2,931,200***	***$3,307,000***

Staff recommends that General Fund revenue/transfers for FY 2013-14 be increased by $343,700 and that the expenditures by reduced by $117,800 to reflect year-end actuals. These changes are due to bumps in sales tax, development fees, franchise fees and transfers from other funds. Staff also recommends decreases in expenditures to the Fire Department (-$54,400), Public Works Department (-$62,700), and Development Services Department (-$26,700). The net results of these

Attachment A

changes is a combined General Fund/General Reserve Fund balance $3,430,000—an increase of $432,900.

For FY 2014-15, staff recommends increasing the projected General Fund revenue by $320,300 and transfers from other funds by $16,700. Staff believes that the following revenue increases will occur during FY 2014-15 over what is shown in the adopted budget:

- Sales tax (+$100,000)
- Property tax (City's share of former redevelopment tax increment) (+$91,000)
- Development fees (+$54,000)
- Franchise fees (+$49,500)
- Rents and leases (+$25,000)

Staff also recommends several changes to FY 2014-15 General Fund and General Reserve expenditures:

- Capital Improvements to Facilities ($260,000) – on September 2, 2014 the City Council recommended that General Reserve funds be used for capital improvements to the Senior Center ($115,000), the Sheriff's Station ($95,000), and City Hall ($50,000).
- Fire Department overtime ($167,000) – the Department has experienced several long-term medical leaves which have increased the cost of overtime. Partially offsetting the overtime cost is a slight reduction in personnel costs due to two retirements. Overall, staff recommends increasing the Fire Department budget by $43,400.
- Full-Time Administrative Analyst ($30,600) – staff recommends that the mid-year budget reflect the hiring of a full-time Administrative Analyst that will primarily work in the City Manager's Office (in part, replacing two Management Analysts whose positions were eliminated during the recession). The new position will assist the HR Analyst with upcoming compliance issues related to the Affordable Care Act and new State legislation related to sick leave policies, and with ongoing Fire Department recruitment responsibilities. The Administrative Analyst will assist the City Manager in maintaining an updated Economic Development website, engaging the public at community meetings, and other miscellaneous tasks. The position will also provide grant management oversight, assisting all of the departments. The past two years, the City's auditors have expressed concern that grant management is disjointed. This position will help resolve this audit issue.
- Part-Time Receptionist ($4,200) – staff recommends providing support to the front counter staff by hiring a part-time receptionist.
- Public Works Department ($26,900) – staff recommends increasing the Public Works budget by approximately 2.5 percent for anticipated increases among the five divisions of the department.
- Election services (-$12,000) – costs associated with the 2014 municipal election were less than anticipated.
- Sick leave and vacation payout ($16,300) – staff recommends increasing this line item to reflect the retirement of two Fire Department employees.

Other Recommendations

With the changes outlined above, the FY 2014-15 budget will results in a surplus of $353,800. Although, staff believes that the City's reserve funds have been restored to a healthy level, staff is concerned that there will likely be a dip in sales tax revenue next year due to the low gasoline prices and that there are potential increases in Sheriff and regional communications on the horizon. Staff is

also concerned about increases in PERS rates which will be raised each year for the next five years, and possibly beyond.

Staff has been in contact with PERS and other cities about strategies to pay down the City's unfunded pension liability and ways to cushion the impact of impending increases. In the past, it was unclear of the impacts of paying down the unfunded liability. However, PERS has now created clear guidelines for paying this down. PERS increases over the next five years will ensure that all unfunded liability will be paid off in 30 years. Cities have the option of joining a program to pay off the unfunded liability in 15 or 20 years. However, if a city joins this program, it is locked in for the duration of the term. Many cities are taking advantage of a new option of simply making additional payments annually—akin to paying off a mortgage earlier than its initial term. Incrementally, this will reduce a cities annual PERS contribution.

Staff recommends establishing an independent "pension liability fund." This fund will help the City track early payments to PERS. Staff recommends relying on half of the unanticipated surplus from FY 2013-14 (approximately $215,000) to make an additional payment to PERS. Staff also recommends creating a payroll deduction paid by the City to provide ongoing revenue to the fund. Staff recommends in FY 2015-16 setting the rate at 2.5 percent, generating approximately $100,000 for the fund. Because staff projects a surplus in FY 2014-15, staff recommends establishing a 5 percent rate of salary, generating approximately $75,000 this fiscal year.

Miscellaneous Funds

Most funds were adjusted to reflect the actual fund balances forward with small adjustments to revenues and expenditures. Changes of $20,000 or more in revenue or expenditures are included in this summary:

- Gas Tax Fund – $36,300 more in revenue and expenditures due to updated revenue information from the State.
- Park Land Dedication Ordinance – $48,400 more in revenue due to the Citronica II project.

Lighting District

The proposed mid-year FY 2014-15 budget has been updated with fund balances forward for the two Lighting District funds that totaling $24,900 more than originally anticipated, due mainly to expenditures being less than expected.

Sanitation District

The beginning fund balances are $491,600 more than budgeted, due to operating costs being under budget ($655,400) and revenue being less than projected (-$144,500). The Sanitation District is financially sound and is able to maintain its mandated rate stabilization reserve and continue to rehabilitate the City's sewers.

Successor Agency

Successor Agency expenditures decreased $636,200 due to a change in accounting principal. The principal payments on the bonds are no longer included as expenditures; instead they are treated as a balance sheet item.

Conclusion:

A summary of the proposed General Fund budget, as well as the other funds are found in **Attachments B**, **C**, **D**, and **E**. Staff seeks feedback regarding the FY 2014-15 Mid-Year Budgets for the City, Lighting District, Sanitation District, and Successor Agency. Based on the feedback provided, staff will present final FY 2014-15 Mid-Year Budgets for approval at the February 3, 2015 City Council meeting.

ATTACHMENT B

GENERAL FUND
SUMMARY OF RESOURCES

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE	$ 377,200	$ 987,900	$ 1,120,400	$ 1,657,500
REVENUES				
Licenses	110,200	109,000	103,000	103,000
Property Tax	2,035,700	2,064,200	2,136,300	2,227,300
Development Fees	300,000	312,700	206,000	260,000
Sales Tax & Triple Flip Adjustment .25%	3,897,100	4,294,800	4,600,000	4,700,000
Franchise Fees	889,300	923,600	882,500	932,000
Transient Occupancy Tax	36,800	39,400	35,800	35,800
Interest Income	2,200	2,500	1,400	2,500
Miscellaneous Income	110,400	67,500	21,500	21,500
Vehicle License Fees	13,400	11,100	11,000	10,700
Vehicle License Fee Adjustment	1,886,800	1,940,700	2,024,500	2,024,500
Parks & Recreation Fees	108,000	100,300	95,400	95,400
Rents & Leases	325,800	330,900	213,000	238,000
Traffic Fines-Public Safety	103,400	120,700	125,500	125,500
Fire Department Fees	271,000	254,800	253,600	253,600
TOTAL REVENUES:	$ 10,090,100	$ 10,572,200	$ 10,709,500	$ 11,029,800
TRANSFERS				
Gas Tax Fund	830,200	927,400	51,400	64,900
Supplemental Law Enf.Service Fund	100,100	100,000	100,000	100,000
TDA Administration	60,300	64,200	3,600	3,600
Lighting District - General District Administration	48,300	25,100	4,700	4,700
Lighting District Loc. Ben. Administration	30,600	61,300	2,600	2,600
TransNet Administration	84,300	81,700	-	-
Integrated Waste (AB939) Administration	26,500	28,200	600	600
Sanitation District Administration	1,483,900	1,562,200	548,500	548,500
Wildflower Dist. Administration	5,500	5,300	100	100
Serious Traffic Offender Program Fund Admin.	2,000	2,000	2,400	-
Storm Water Administration	36,800	39,000	-	-
Successor Agency - Administration	250,000	248,000	37,800	37,800
Transfer to Storm Water Fund	(81,100)	(75,500)	(163,100)	(157,500)
TOTAL TRANSFERS:	$ 2,877,400	$ 3,068,900	$ 588,600	$ 605,300
TOTAL REVENUES & TRANSFERS:	$ 12,967,500	$ 13,641,100	$ 11,298,100	$ 11,635,100
TOTAL RESOURCES:	$ 13,344,700	$ 14,629,000	$ 12,418,500	$ 13,292,600

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GENERAL FUND
SUMMARY OF EXPENDITURES BY DEPARTMENT

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
EXPENDITURES:				
City Council	130,100	130,200	**72,300**	**67,600**
City Manager	473,000	525,400	**197,800**	**228,900**
City Attorney	128,900	112,600	**151,500**	**151,500**
Finance	361,100	400,700	**151,400**	**189,200**
Law Enforcement	4,567,600	4,801,100	**4,943,700**	**4,944,000**
Animal Control	202,600	202,100	**209,900**	**201,100**
Fire	3,505,600	3,623,700	**3,819,400**	**3,862,800**
Development Services	1,207,800	1,304,900	**552,500**	**568,000**
Public Works	1,780,100	1,870,800	**1,053,100**	**1,068,200**
TOTAL EXPENDITURES:	**$ 12,356,800**	**$ 12,971,500**	**$ 11,151,600**	**$ 11,281,300**
GENERAL FUND BALANCE	**$ 987,900**	**$ 1,657,500**	**$ 1,266,900**	**$ 2,011,300**

GENERAL FUND
SUMMARY OF EXPENDITURES BY FUNCTION:

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Function:				
Salaries	4,125,200	4,389,500	**2,940,500**	**3,022,200**
Retirement	816,200	838,100	**647,200**	**622,900**
Benefits-Other	974,500	945,800	**687,200**	**667,400**
Services & Supplies	1,600,500	1,725,400	**1,565,100**	**1,661,300**
Contracted Services	4,790,700	5,013,500	**5,255,700**	**5,246,900**
Recreation Programs	49,700	59,200	**55,900**	**60,600**
TOTAL EXPENDITURES:	**$ 12,356,800**	**$ 12,971,500**	**$ 11,151,600**	**$ 11,281,300**

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GENERAL FUND
SUMMARY OF EXPENDITURES BY DEPARTMENT AND FUNCTION

CITY COUNCIL

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	47,500	48,900	**17,000**	**17,000**
Retirement	9,500	9,300	**3,900**	**3,900**
Benefits-Other	25,500	26,300	**9,000**	**9,000**
Services & Supplies	47,600	45,700	**42,400**	**37,700**
Community Promotions	-	-	**-**	**-**
TOTAL:	**$ 130,100**	**$ 130,200**	**$ 72,300**	**$ 67,600**

CITY MANAGER

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	315,800	340,700	**108,600**	**128,500**
Retirement	62,500	67,400	**26,300**	**30,900**
Benefits-Other	58,200	60,200	**19,200**	**23,600**
Services & Supplies	36,500	57,100	**43,700**	**45,900**
TOTAL:	**$ 473,000**	**$ 525,400**	**$ 197,800**	**$ 228,900**

CITY ATTORNEY

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Professional Services (Contract Salary)	128,900	112,600	**141,500**	**141,500**
Litigation Services-non City Attorney	-	-	**10,000**	**10,000**
TOTAL:	**$ 128,900**	**$ 112,600**	**$ 151,500**	**$ 151,500**

FINANCE

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	192,700	226,700	**52,200**	**72,600**
Retirement	36,600	42,100	**11,900**	**15,700**
Benefits-Other	39,700	49,800	**12,500**	**17,100**
Services & Supplies	92,100	82,100	**74,800**	**83,800**
TOTAL:	**$ 361,100**	**$ 400,700**	**$ 151,400**	**$ 189,200**

LAW ENFORCEMENT

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Sheriff's Contract	4,459,200	4,698,800	**4,894,300**	**4,894,300**
Services & Supplies	108,400	102,300	**49,400**	**49,700**
Animal Control	202,600	202,100	**209,900**	**201,100**
TOTAL:	**$ 4,770,200**	**$ 5,003,200**	**$ 5,153,600**	**$ 5,145,100**

GENERAL FUND
SUMMARY OF EXPENDITURES BY DEPARTMENT AND FUNCTION

FIRE

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	2,044,700	2,144,400	2,236,500	2,292,300
Retirement	452,000	444,200	504,500	475,100
Benefits-Other	514,700	480,700	525,200	499,600
Services & Supplies	494,200	554,400	553,200	595,800
TOTAL:	$ 3,505,600	$ 3,623,700	$ 3,819,400	$ 3,862,800

DEVELOPMENT SERVICES DEPARTMENT

PLANNING

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	312,300	335,000	149,900	149,900
Retirement	56,100	62,100	33,000	33,000
Benefits-Other	49,000	56,000	27,300	28,100
Services & Supplies	233,200	248,800	168,800	185,800
SUBTOTAL:	650,600	701,900	379,000	396,800

ENGINEERING

Salaries	354,600	390,600	84,000	84,200
Retirement	58,600	64,600	13,800	13,800
Benefits-Other	71,500	73,500	17,000	13,300
Services & Supplies	72,500	74,300	58,700	59,900
SUBTOTAL:	557,200	603,000	173,500	171,200
TOTAL:	1,207,800	1,304,900	552,500	568,000

PUBLIC WORKS DEPARTMENT

Administration

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	162,300	179,400	38,200	23,600
Retirement	32,000	35,300	8,600	5,300
Benefits-Other	26,900	28,000	9,400	9,500
Services & Supplies	21,000	30,800	45,900	48,900
SUBTOTAL:	$ 242,200	$ 273,500	$ 102,100	$ 87,300

STREETS

Salaries	321,300	339,500	-	-
Retirement	50,400	54,900	-	-
Benefits-Other	64,600	72,200	-	-
Services & Supplies	134,100	130,500	135,200	143,900
SUBTOTAL:	$ 570,400	$ 597,100	$ 135,200	$ 143,900

GENERAL FUND
SUMMARY OF EXPENDITURES BY DEPARTMENT AND FUNCTION

COMMUNITY SERVICES	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
Salaries	119,500	113,600	125,300	125,300
Retirement	12,300	12,600	16,200	16,200
Benefits-Other	21,600	26,700	28,900	29,400
Services & Supplies	53,500	48,100	47,400	50,400
Programs	49,700	59,200	55,900	60,600
SUBTOTAL:	$ 256,600	$ 260,200	$ 273,700	$ 281,900
GROUNDS				
Salaries	-	-	-	-
Retirement	-	-	-	-
Benefits-Other	43,300	4,900	4,800	4,800
Services & Supplies	249,100	231,300	227,200	227,500
SUBTOTAL:	$ 292,400	$ 236,200	$ 232,000	$ 232,300
FACILITIES				
Salaries	116,500	125,600	128,800	128,800
Retirement	22,000	24,300	29,000	29,000
Benefits-Other	30,200	32,000	33,900	33,000
Services & Supplies	58,200	120,000	118,400	132,000
SUBTOTAL:	$ 226,900	$ 301,900	$ 310,100	$ 322,800
SANITATION				
Salaries	138,000	145,100	-	-
Retirement	24,200	21,300	-	-
Benefits-Other	29,300	35,500	-	-
Services & Supplies	100	-	-	-
SUBTOTAL:	$ 191,600	$ 201,900	$ -	$ -
TOTAL:	$ 1,780,100	$ 1,870,800	$ 1,053,100	$ 1,068,200
GENERAL FUND GRAND TOTAL:	$ 12,356,800	$ 12,971,500	$ 11,151,600	$ 11,281,300
BEGINNING FUND BALANCE	$ 377,200	$ 987,900	$ 1,120,400	$ 1,657,500
TOTAL REVENUES:	$ 10,090,100	$ 10,572,200	$ 10,709,500	$ 11,029,800
TOTAL TRANSFERS:	$ 2,877,400	$ 3,068,900	$ 588,600	$ 605,300
TOTAL REVENUES & TRANSFERS:	$ 12,967,500	$ 13,641,100	$ 11,298,100	$ 11,635,100
TOTAL EXPENDITURES:	$ 12,356,800	$ 12,971,500	$ 11,151,600	$ 11,281,300
ENDING FUND BALANCE	$ 987,900	$ 1,657,500	$ 1,266,900	$ 2,011,300

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GAS TAX FUND - FUND 02
Highway User Tax

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 127,200	100	$ 100	$ 100
Adjustment to Estimate Fund Balance				
REVENUES				
Highway Users Tax:				
Section 2103	205,300	360,800	273,200	271,400
Section 2105	113,100	176,100	125,500	137,500
Section 2106	93,400	96,100	102,000	113,000
Section 2107	185,300	188,400	154,300	169,400
Section 2107.5	6,000	6,000	6,000	6,000
Transfer from Sanitation District	100,000	100,000	100,000	100,000
TOTAL RESOURCES:	$ 830,300	$ 927,500	$ 761,100	$ 797,400
EXPENDITURES				
Salaries - Regular	-	-	475,600	487,300
Salaries - Overtime	-	-	8,000	15,000
Extra Help	-	-	15,000	15,000
SUBTOTAL SALARIES	-	-	498,600	517,300
Medical Insurance	-	-	74,400	75,400
Retirees Medical	-	-	8,400	8,400
Deferred Compensation	-	-	-	1,000
Employee Assistance Program	-	-	100	100
Worker's Compensation	-	-	11,100	4,700
Medicare	-	-	7,400	7,400
Life Insurance	-	-	300	300
Long Term Disability	-	-	4,700	4,700
Retirement	-	-	110,400	110,400
				-
SUBTOTAL BENEFITS	-	-	216,800	212,400
Mileage	-	-	-	5,000
Transfer to City for Administration	830,200	927,400	51,400	64,900
SUBTOTAL OPERATIONS	830,200	927,400	51,400	69,900
TOTAL EXPENDITURES:	$ 830,200	$ 927,400	$ 766,800	$ 799,600
ENDING FUND BALANCE - June 30	$ 100	$ 100	$ (5,700)	$ (2,200)

STREET CONSTRUCTION RESERVE FUND - FUND 03

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 341,300	$ 346,700	$ 145,000	$ 156,600
Adjustment to Estimate Fund Balance	-	-	-	-
REVENUES				
Interest	1,000	700	100	
Other Revenue	10,800	-	-	
TOTAL RESOURCES:	$ 353,100	$ 347,400	$ 145,100	$ 156,600
EXPENDITURES				
Capital Equipment	6,400	190,800		-
Lemon Grove Avneue Realignment Project	-		100,000	100,000
TOTAL EXPENDITURES:	$ 6,400	$ 190,800	$ 100,000	$ 100,000
ENDING FUND BALANCE - June 30	$ 346,700	$ 156,600	$ 45,100	$ 56,600

PARK LAND DEDICATION ORDINANCE - FUND 05

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 19,400	$ 23,600	$ 7,400	$ 19,100
Adjustment to estimate Fund Balance	-	-	-	-
REVENUES				
Development Fees	4,100	9,000	2,700	51,100
Interest	100	-	-	-
TOTAL RESOURCES:	$ 23,600	$ 32,600	$ 10,100	$ 70,200
EXPENDITURES				
Park Improvements	-	13,500	10,100	10,100
TOTAL EXPENDITURES:	$ -	$ 13,500	$ 10,100	$ 10,100
ENDING FUND BALANCE - June 30	$ 23,600	$ 19,100	$ -	$ 60,100

GENERAL RESERVE FUND - FUND 06

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 2,003,700	$ 1,906,100	$ 1,876,700	$ 1,772,500
Adjustment to estimate Fund Balance				
REVENUES				
Loan Repayment from CDA	-	-	-	
Interest Payment from CDA	-	-	-	
Interest-Other	4,500	4,200	4,100	4,000
Property Tax Service Fee Refund (one-time)	98,400	-	-	-
TOTAL RESOURCES:	$ 2,106,600	$ 1,910,300	$ 1,880,800	$ 1,776,500
Expenditures				
Election Services (2-seats=$10,000, 1-ballot measure=$6,000)	27,100	200	20,000	8,000
Fire-Side Fund Pay-Off (HCFA)	20,500	-	-	-
Sick Leave Payout	-	-	-	4,600
Telephone Upgrade	17,800	-	-	-
Transfer to Self Insured Funds	85,000	50,000	50,000	50,000
Vacation Pay Off	1,700	400	500	12,200
Capital Asset Purchases				
Finance System	32,700	38,000	32,000	32,000
Fire Engine and Fire Equipment	15,700	35,600	114,000	114,000
IT System upgrades	-	13,600	-	-
Facility Replacement-City Hall				50,000
Facility Replacement-Senior Center	-	-	-	115,000
Facility Replacement-Sheriff's Station				95,000
TOTAL EXPENDITURES:	$ 200,500	$ 137,800	$ 216,500	$ 480,800
ENDING FUND BALANCE - June 30	$ 1,906,100	$ 1,772,500	$ 1,664,300	$ 1,295,700

SUPPLEMENTAL LAW ENFORCEMENT SERVICES - FUND 07
Citizen's Option for Public Safety (COPS)

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 100	$ -	$ -	$ -
REVENUES				
Annual Allocation	100,000	100,000	100,000	100,000
TOTAL RESOURCES:	$ 100,100	$ 100,000	$ 100,000	$ 100,000
EXPENDITURES				
Transfer to City for Administration & Operations	100,100	100,000	100,000	100,000
TOTAL EXPENDITURES:	$ 100,100	$ 100,000	$ 100,000	$ 100,000
ENDING FUND BALANCE - June 30	$ -	$ -	$ -	$ -

GRANTS - FUND 08

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ (26,400)	$ (637,500)	$ (32,300)	$ (32,300)
	(132,400)			
REVENUES				
Grant Revenues & Reimbursements	160,900	798,500	757,300	758,700
Interest	200	200	100	
TOTAL RESOURCES:	$ 2,300	$ 161,200	$ 725,100	$ 726,400
EXPENDITURES				
Public Safety:				
Disaster Preparedness Grants	2,900	1,200	-	2,200
Misc Fire Department Grants	400	-	-	-
Homeland Security Grants (SHSGP)	7,300	17,800	22,000	22,000
UASI-Urban Area Security Initiative	1,100	3,400	2,000	-
ARRA JAG-Law Enforcement	12,600	-	-	
JAG Law Enforcement Grant	24,700	-	-	
Miscellaneous:				
Beverage Container Recycling Program	300	6,200	300	300
HEAL Zone Grant	19,000	14,700	-	1,200
Capital Projects:				
Prominade Extension Planning	-	91,700	308,000	308,000
Smart Growth Incentive Program - Promenade	268,900	-	-	-
Safe Routes to School (State) - San Miguel	27,300	185,700	-	
Safe Routes to School (Non-Infrastructure)	152,200	94,700	100,000	100,000
Safe Routes to School (Federal) - Palm/Golden	100	6,300	325,000	325,000
Safe Routes to School (State) - Madera	123,000	-	-	
Extraordinary Item (Promenade correction)	-	(228,200)		
TOTAL EXPENDITURES:	$ 639,800	$ 193,500	$ 757,300	$ 758,700
ENDING FUND BALANCE - June 30	$ (637,500)	$ (32,300)	$ (32,200)	$ (32,300)

COMMUNITY DEVELOPMENT BLOCK GRANT - FUND 09

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ (400)	$ (400)	$ (400)	$ (400)
Adjustment to Estimate Fund Balance	-	-	-	-
REVENUES				
Allocation	293,600	-	80,000	80,000
TOTAL RESOURCES:	$ 293,200	$ (400)	$ 79,600	$ 79,600
EXPENDITURES				
General Expenditures	4,300	-		
Street/Sidewalk Rehabilitation	289,300	-	79,600	79,600
TOTAL EXPENDITURES:	$ 293,600	$ -	$ 79,600	$ 79,600
ENDING FUND BALANCE - June 30	$ (400)	$ (400)	$ -	$ -

TRANSPORTATION DEVELOPMENT ACT (TDA) - FUND 10
Transnet Article 4

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ -	$ -	$ -	$ 200
REVENUES				
MTS Annual Allocation	116,200	121,200	121,200	121,200
Other Revenue			237,400	237,400
Interest	300	300	100	100
Deferred Revenue			166,600	166,600
TOTAL RESOURCES:	$ 116,500	$ 121,500	$ 525,300	$ 525,500
EXPENDITURES				
Salaries - Regular	-	-	46,500	46,700
Overtime	-	-	-	300
SUBTOTAL SALARIES	-	-	46,500	46,700
Medical Insurance	-	-	5,300	5,300
Retirees Medical	-	-	500	500
Deferred Compensation	-	-	-	100
Employee Assistance Program	-	-	-	-
Worker's Compensation	-	-	700	100
Medicare	-	-	600	600
Life Insurance	-	-	-	100
Long Term Disability	-	-	400	400
Retirement	-	-	10,600	10,700
SUBTOTAL BENEFITS	-	-	18,100	17,800
OPERATIONS:				
Mileage	-	-	-	600
PROJECTS:				
Capital Expenditures-Bus Shelter Replacement	-	-	120,000	120,000
Lemon Grove Avenue Realignment Project	-	-	237,400	237,400
Repair and Maintenance-Bus Shelter	43,800	43,300	50,000	50,000
Repair and Maintenance-Trolley Facility	-	2,400	26,000	26,000
Trolley Corridor Landscape Maintenance	12,400	11,400	25,000	25,000
Transfer to General Fund - Administration	3,600	3,600	3,600	3,600
Transfer to General Fund - Operations	56,700	60,600	-	-
SUBTOTAL-PROJECTS:	$ 116,500	$ 121,300	$ 462,000	$ 462,000
TOTAL EXPENDITURES:	$ 116,500	$ 121,300	$ 526,600	$ 526,500
ENDING FUND BALANCE - June 30	$ -	$ 200	$ (1,300)	$ (1,000)

*Deferred Revenue projected to be $199,700 at 6/30/14

TRANSNET - FUND 14
Street Construction

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 12,300	$ (110,200)	$ 11,800	$ (45,100)
REVENUES				
Annual Allocation	792,400	647,300	1,028,200	1,045,800
Miscellaneous Revenue	-	29,800		
TOTAL RESOURCES:	$ 804,700	$ 566,900	$ 1,040,000	$ 1,000,700
EXPENDITURES				
Salaries - Regular	-	-	63,000	63,700
Overtime	-	-	-	100
SUBTOTAL SALARIES	-	-	63,000	63,800
Medical Insurance	-	-	6,600	6,800
Retirees Medical	-	-	2,000	2,000
Deferred Compensation	-	-	-	200
Employee Assistance Program	-	-	-	-
Worker's Compensation	-	-	1,000	1,600
Medicare	-	-	800	800
Life Insurance	-	-	-	200
Long Term Disability	-	-	400	400
Retirement	-	-	14,400	14,400
SUBTOTAL BENEFITS	-	-	25,200	26,400
OPERATIONS:				
Mileage	-	-	-	700
PROJECTS				
Traffic Improvements (PM) - LG 14				
Traffic Improvements (Citywide)	126,200	82,600	125,000	125,000
Storm Drain Rehabilitation (PM) - LG 15				
Storm Drain Maintenance (Citywide)	101,000	35,500	70,000	70,000
Storm Drain Rehabilitation (CR) - LG 16				
Storm Drain Improvements	111,100	111,500	130,000	130,000
Street Improvements (PM) - LG 17				
Pavement Management	124,100	152,400	155,000	155,000
Traffic Improvements (CR) - LG 18				
Traffic Signals	29,000	16,000	20,000	20,000
Street Improvements (CR) - LG 20				
Street/Sidewalk Rehabilitation	281,600	111,300	365,000	365,000
Street/Sidewalk Rehabilitation-CDBG	11,300	-	-	
Safe Routes to School (Federal)-Palm & Golden	-	200	75,000	75,000
Safe Routes to School (State) - Madera Street	40,900	200	-	-
Safe Routes to School (State) San Miguel	5,400	20,600	-	-
Transfer to City for Administration & Operations	84,300	81,700	-	-
SUBTOTAL-PROJECTS:	$ 914,900	$ 612,000	$ 940,000	$ 940,000
TOTAL EXPENDITURES:	$ 914,900	$ 612,000	$ 1,028,200	$ 1,030,900
ENDING FUND BALANCE - June 30	$ (110,200)	$ (45,100)	$ 11,800	$ (30,200)

SIDEWALK RESERVE - FUND 18

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 22,800	$ 22,800	$ -	$ 22,800
Adjustment to estimate Fund Balance	(100)			
REVENUES				
Revenue				
Interest	100	100	-	-
TOTAL RESOURCES:	$ 22,800	$ 22,800	$ -	$ 22,800
EXPENDITURES				
Curb, Ramp, Sidewalk Rehab	-	-	-	-
TOTAL EXPENDITURES:	$ -	$ -	$ -	$ -
ENDING FUND BALANCE - June 30	$ 22,800	$ 22,800	$ -	$ 22,800

INTEGRATED WASTE REDUCTION - FUND 21
AB939 - Integrated Waste Reduction Act of 1990

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 105,900	$ 98,800	$ 92,100	$ 88,800
Adjustment to estimate Fund Balance	-	-		-
REVENUES				
AB939 Fees	34,300	25,300	20,000	22,000
Interest	400	300	200	300
Other Revenue	-	-		
TOTAL RESOURCES:	$ 140,600	$ 124,400	$ 112,300	$ 111,100
EXPENDITURES				
Salaries - Regular	-	-	21,300	21,400
SUBTOTAL SALARIES	-	-	21,300	21,400
Medical Insurance	-	-	2,300	2,300
Retirees Medical	-	-	800	800
Deferred Compensatin	-	-	-	100
Employee Assistance Program	-	-	-	-
Worker's Compensation	-	-	500	600
Medicare	-	-	300	300
Long Term Disability	-	-	200	200
Retirement	-	-	4,900	4,900
SUBTOTAL BENEFITS	-	-	9,000	9,200
OPERATIONS				
Consultant Fees	1,100	500	900	900
General Expenditure	14,200		-	-
Mileage	-	-	-	300
Program Fees	-	6,900	8,500	8,500
Transfer to City for Administration	26,500	28,200	600	600
TOTAL OPERATIONS:	$ 41,800	$ 35,600	$ 10,000	$ 10,300
TOTAL EXPENDITURES:	$ 41,800	$ 35,600	$ 40,300	$ 40,900
ENDING FUND BALANCE - June 30	$ 98,800	$ 88,800	$ 72,000	$ 70,200

WILDFLOWER ASSESSMENT DISTRICT - FUND 22
Wildflower Landscape Maintenance Assessment District 97-1

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 4,300	$ 4,300	$ 4,400	$ 4,900
Adjustment to Estimate Fund Balance	-	-		-
REVENUES				
Annual Assessment Revenue	8,500	8,700	8,900	8,500
TOTAL RESOURCES:	$ 12,800	$ 13,000	$ 13,300	$ 13,400
EXPENDITURES				
Salaries - Regular	-	-	3,900	3,900
SUBTOTAL SALARIES	$ -	$ -	$ 3,900	$ 3,900
Medical Insurance	-	-	500	500
Retirees Medical	-	-	100	100
Employee Assistance Program	-	-	-	-
Worker's Compensation	-	-	-	-
Medicare	-	-	-	-
Life Insurance	-	-	-	-
Long Term Disability	-	-	100	100
Retirement	-	-	1,000	1,000
SUBTOTAL BENEFITS	$ -	$ -	$ 1,700	$ 1,700
OPERATIONS				
Contractual Services	-	-	1,700	-
General Expenditure	3,000	2,800	-	1,700
Utilities-Gas and Electric	-	-	200	200
Utilities-Water	-	-	800	800
Transfer to City for Administration	5,500	5,300	100	100
TOTAL OPERATIONS:	$ 8,500	$ 8,100	$ 2,800	$ 2,800
TOTAL EXPENDITURES:	$ 8,500	$ 8,100	$ 8,400	$ 8,400
ENDING FUND BALANCE - June 30	$ 4,300	$ 4,900	$ 4,900	$ 5,000

SERIOUS TRAFFIC OFFENDER PROGRAM (STOP) - FUND 23

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 28,000	$ 34,500	$ 29,600	$ 34,500
Adjustment to Estimate Fund Balance	-	-	-	-
REVENUES				
Impound Fee Share	12,000	9,500	7,000	9,500
Interest	100	100	100	100
TOTAL RESOURCES:	$ 40,100	$ 44,100	$ 36,700	$ 44,100
EXPENDITURES				
Salaries - Regular	-	-	1,800	1,800
SUBTOTAL SALARIES	-	-	1,800	1,800
Medical Insurance	-	-	100	100
Retirees Medical	-	-	-	100
Deferred Compensation	-	-	-	100
Worker's Compensation	-	-	-	100
Retirement	-	-	500	500
SUBTOTAL BENEFITS	-	-	600	900
OPERATIONS				
General Expenditure	3,600	7,600	10,000	20,000
Transfer to City for Administration	2,000	2,000	-	-
TOTAL OPERATIONS:	$ 5,600	$ 9,600	$ 10,000	$ 20,000
TOTAL EXPENDITURES:	$ 5,600	$ 9,600	$ 12,400	$ 22,700
ENDING FUND BALANCE - June 30	$ 34,500	$ 34,500	$ 24,300	$ 21,400

PROPOSITION 1B - FUND 24
(Local Streets and Roads Improvement)

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 388,200	$ -	$ -	$ -
Adjustment to Estimate Fund Balance	-	-		-
REVENUES				
Allocation	-			
Interest	900	-	-	-
TOTAL RESOURCES:	$ 389,100	$ 389,100	$ -	$ -
EXPENDITURES				
Street/Sidewalk Rehabilitation	389,100	-	-	-
TOTAL EXPENDITURES:	$ 389,100	$ 389,100	$ -	$ -
ENDING FUND BALANCE - June 30	$ -	$ -	$ -	$ -

SELF-INSURED WORKERS COMPENSATION RESERVE - FUND 25

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 231,200	$ 258,000	$ 347,700	$ 355,700
Adjustment to estimate Fund Balance	-	-	-	-
REVENUES				
Interest	1,700	1,400	1,000	1,400
General Reserve Transfer	75,000	50,000	50,000	50,000
Other Revenue	-	8,200		
TOTAL RESOURCES:	$ 307,900	$ 317,600	$ 398,700	$ 407,100
EXPENDITURES				
Claims	49,900	(38,100)	-	-
Estimated Claims Payable		-	-	-
Insurance		-	-	-
Professional Services		-	5,000	-
TOTAL EXPENDITURES:	$ 49,900	$ (38,100)	$ 5,000	$ -
ENDING FUND BALANCE - June 30	$ 258,000	$ 355,700	$ 393,700	$ 407,100

*Fund Balance includes $25,000 on deposit with Tristar.

STORM WATER PROGRAM - FUND 26

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 700	$ 3,400	$ -	$ 3,400
Adjustment to Estimate Fund Balance	(500)	-	-	-
REVENUES				
Storm Water Fees - Commercial	48,800	49,300	48,800	49,300
Storm Water Fees - Discretionary	11,300	11,500	8,000	11,500
Storm Water Fees - Residential	300	-	-	-
Transfer from General Fund	81,100	75,500	163,100	157,500
TOTAL RESOURCES:	$ 141,700	$ 139,700	$ 219,900	$ 221,700
EXPENDITURES				
Salaries - Regular	-	-	30,400	30,400
SUBTOTAL SALARIES	-	-	30,400	30,400
Medical Insurance	-	-	3,900	3,900
Retirees Medical	-	-	-	100
Worker's Compensation	-	-	-	500
Medicare	-	-	400	400
Long Term Disability	-	-	300	300
Retirement	-	-	6,900	6,900
SUBTOTAL BENEFITS	-	-	11,500	12,100
OPERATIONS				
General Expenditure	101,500	97,300	179,000	179,000
Mileage	-	-	-	200
Transfer to City for Administration	36,800	39,000	-	-
TOTAL OPERATIONS:	$ 138,300	$ 136,300	$ 179,000	$ 179,200
TOTAL EXPENDITURES:	$ 138,300	$ 136,300	$ 220,900	$ 221,700
ENDING FUND BALANCE - June 30	$ 3,400	$ 3,400	$ (1,000)	$ -

REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM - FUND 27

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 200	$ -	$ -	$ -
Adjustment to Estimate Fund Balance	(100)	-		-
REVENUES				
RTCIP Fees ($2,254 per residential housing unit)	(100)	-	34,000	34,000
Interest	-	-	-	-
TOTAL RESOURCES:	$ -	$ -	$ 34,000	$ 34,000
EXPENDITURES				
Lemon Grove Avenue Realignment Project	-	-	34,000	34,000
TOTAL EXPENDITURES:	$ -	$ -	$ 34,000	$ 34,000
ENDING FUND BALANCE - June 30	$ -	$ -	$ -	$ -

Above fund balance does not reflect $56,100 in deferred revenue

SELF-INSURED LIABILITY RESERVE - FUND 29

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 450,000	$ 423,500	$ 419,000	$ 420,800
REVENUES				
Interest	1,300	1,200	1,200	1,200
Dividend	24,700	25,500	20,000	20,000
Revenue- General Reserve Account	40,000	-		
TOTAL RESOURCES:	$ 516,000	$ 450,200	$ 440,200	$ 442,000
EXPENDITURES				
Claims	92,500	29,400	10,000	10,000
Safety Loss Prevention Regulatory Compliance	-	-	10,000	10,000
TOTAL EXPENDITURES:	$ 92,500	$ 29,400	$ 20,000	$ 20,000
ENDING FUND BALANCE - June 30	$ 423,500	$ 420,800	$ 420,200	$ 422,000

PUBLIC EDUCATIONAL AND GOVERNMENTAL ACCESS (PEG) - FUND 30

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ -	$ 132,100	$ 135,400	$ 189,800
REVENUES				
Interest	200	400	200	400
PEG Fees	133,300	58,600	58,000	58,000
TOTAL RESOURCES:	$ 133,500	$ 191,100	$ 193,600	$ 248,200
EXPENDITURES				
Computer Expense	-	-	-	8,500
Professional Services	1,400	-	5,000	8,000
Capital Improvements	-	1,300	30,000	33,000
TOTAL EXPENDITURES:	$ 1,400	$ 1,300	$ 35,000	$ 49,500
ENDING FUND BALANCE - June 30	$ 132,100	$ 189,800	$ 158,600	$ 198,700

HOUSING FUND - FUND 31

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 193,400	$ (1,015,700)	$ (1,261,600)	$ (1,261,600)
REVENUES				
Housing Revenue	-	14,100	-	-
Other Revenue	3,000	-	-	-
Grant Revenue	-	-	1,954,900	1,170,800
Extraordinary item (Reclassified revenue)	-	134,600	-	0
TOTAL RESOURCES:	$ 196,400	$ (867,000)	$ 693,300	$ (90,800)
EXPENDITURES				
General Expense	200	100	200	200
Lemon Grove Avenue Realignment Project	-	-	400,000	400,000
Main Street Promenade	1,206,900	394,500	-	-
Professional Services	5,000	-	-	-
TOTAL EXPENDITURES:	$ 1,212,100	$ 394,600	$ 400,200	$ 400,200
ENDING FUND BALANCE - June 30	$ (1,015,700)	$ (1,261,600)	$ 293,100	$ (491,000)

Safety Capital Reserve - Fund 32

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ -	$ 87,300	$ -	$ -
REVENUES				
Revenue	87,300	-	-	-
TOTAL RESOURCES:	$ 87,300	$ 87,300	$ -	$ -
EXPENDITURES				
Fire Engine Purchase	-	87,300	-	-
TOTAL EXPENDITURES:	$ -	$ 87,300	$ -	$ -
ENDING FUND BALANCE - June 30	$ 87,300	$ -	$ -	$ -

Main Street Promenade Community Facilities District - 33

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ -	$ -	$ (5,100)	$ (100)
REVENUES				
Assessment	-	14,600	13,000	14,600
Other Revenue	-	900	-	900
TOTAL RESOURCES:	$ -	$ 15,500	$ 7,900	$ 15,400
EXPENDITURES				
Contractual Services	-	11,600	12,300	12,300
Repair and Maintenance	-	700	1,000	1,000
Utilities-Gas and Electric	-	2,800	4,000	4,000
Utilities-Water	-	500	800	800
TOTAL EXPENDITURES:	$ -	$ 15,600	$ 18,100	$ 18,100
ENDING FUND BALANCE - June 30	$ -	$ (100)	$ (10,200)	$ (2,700)

ATTACHMENT C

LEMON GROVE ROADWAY LIGHTING DISTRICT
GENERAL BENEFIT - FUND 11

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 147,800	$ 175,200	$ 222,400	$ 235,000
Adjustment to estimate Fund Balance		-	-	-
Reserve for Street Light Improvement	30,600	30,600	30,600	30,600
REVENUES				
General Lighting Assessment	151,400	157,700	156,000	158,000
Interest	400	500	400	400
Pass-through Prop.Tax Increment	-			
TOTAL RESOURCES:	$ 299,600	$ 333,400	$ 378,800	$ 393,400
EXPENDITURES				
Salaries - Regular	-	-	15,500	16,100
SUBTOTAL SALARIES	-	-	15,500	16,100
Medical Insurance	-	-	1,700	1,700
Retirees Medical	-	-	500	500
Deferred Compensation	-	-	-	100
Employee Assistance Program	-	-	-	-
Worker's Compensation	-	-	200	200
Medicare	-	-	200	200
Life Insurance	-	-	-	-
Long Term Disability	-	-	100	100
Retirement	-	-	3,600	3,600
SUBTOTAL BENEFITS	-	-	6,300	6,400
OPERATIONS				
Mileage	-	-	$ -	$ 300
Professional Services	200	-	-	5,000
Repair and Maintenance	11,700	3,100	5,000	5,000
Utilities-Street Lights	64,200	70,200	78,000	74,000
Transfer to City for Administration	48,300	25,100	4,700	4,700
TOTAL OPERATIONS	$ 124,400	$ 98,400	$ 87,700	$ 88,700
TOTAL EXPENDITURES:	$ 124,400	$ 98,400	$ 109,500	$ 111,200
ENDING FUND BALANCE - June 30	$ 175,200	$ 235,000	$ 269,300	$ 282,200

LEMON GROVE ROADWAY LIGHTING DISTRICT
LOCAL BENEFIT ASSESSMENT - FUND 12

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 439,400	$ 386,900	$ 260,400	$ 272,700
Adjustment to estimate Fund Balance	-			
REVENUES				
Local Benefit Lighting Assessment	85,000	85,800	86,000	86,000
Other Revenue	-	6,100	-	-
Interest	1,000	800	1,100	1,100
TOTAL RESOURCES:	$ 525,400	$ 479,600	$ 347,500	$ 359,800
EXPENDITURES				
Salaries - Regular	-	-	44,400	46,100
SUBTOTAL SALARIES	-	-	44,400	46,100
Medical Insurance	-	-	5,000	5,000
Retirees Medical	-	-	1,600	1,600
Deferred Compensation	-	-	-	300
Employee Assistance Program	-	-	-	-
Worker's Compensation	-	-	700	800
Medicare	-	-	600	600
Life Insurance	-	-	-	100
Long Term Disability	-	-	300	300
Retirement	-	-	10,300	10,300
SUBTOTAL BENEFITS	-	-	18,500	19,000
Mileage	-	-	-	800
Professional Services	5,100	5,000	5,100	5,100
Repair & Maintenance-Street Lights	4,900	29,000	7,500	7,500
Street Light Utilities	92,100	108,000	113,300	113,300
Street Light Repayment program	5,800	3,600	11,700	11,700
Transfer to City for Administration	30,600	61,300	2,600	2,600
TOTAL OPERATIONS:	$ 138,500	$ 206,900	$ 140,200	$ 140,200
TOTAL EXPENDITURES:	$ 138,500	$ 206,900	$ 203,100	$ 205,300
ENDING FUND BALANCE - June 30	$ 386,900	$ 272,700	$ 144,400	$ 154,500

ATTACHMENT D

LEMON GROVE SANITATION DISTRICT OPERATIONS - FUND 15

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 7,221,900	$ 8,684,600	$ 7,854,300	$ 8,276,400
Adjustment to Fund Balance		-	-	-
REVENUES				
Connection Fee/Discharge Permit	67,300	16,100	65,000	17,000
Interest	20,300	21,600	20,000	21,800
Property Tax Interest	1,100	1,200	1,800	-
Sewer Service Charges (net of deliquencies)	5,459,800	5,827,700	5,485,000	5,460,000
Sewer Service Charges - LGSD and LM	44,600	28,700	39,000	39,000
TOTAL RESOURCES:	$ 12,815,000	$ 14,579,900	$ 13,465,100	$ 13,814,200
EXPENDITURES				
Utilities	4,800	5,500	6,200	5,200
Personnel	3,400	43,200	1,098,400	1,135,800
Training & Travel	12,200	7,500	16,600	16,600
Vehicle & Equipment Maintenance	16,100	36,200	35,000	35,000
Services & Supplies	2,510,000	2,648,900	2,677,300	1,604,100
Transfer to General Fund for Administration	737,100	547,500	548,500	548,500
Transfer to General Fund for Operations	746,800	1,014,700	-	-
Transfer to Gas Tax Fund for Operations	100,000	100,000	100,000	100,000
OPERATIONS	$ 4,130,400	$ 4,403,500	$ 4,482,000	$ 3,445,200
Transfer to Operations Reserve		1,900,000	-	
TRANSFER TO RESERVE FUND 16	$ -	$ 1,900,000	$ -	$ -
TOTAL EXPENDITURES:	$ 4,130,400	$ 6,303,500	$ 4,482,000	$ 3,445,200
ENDING FUND BALANCE - June 30	$ 8,684,600	$ 8,276,400	$ 8,983,100	$ 10,369,000

EXPENDITURE DETAIL -- SANITATION OPERATIONS - FUND 15

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
EXPENDITURES				
Salaries - Regular	-	-	780,800	771,400
Overtime	-	-	-	14,200
Extra Help	-	-	-	13,500
SUBTOTAL SALARIES	-	-	780,800	799,100
Medical Insurance	-	-	101,800	101,800
Retirees Medical	-	-	15,400	15,400
Deferred Compensation	-	-	-	1,700
Employee Assistance Program	-	-	-	-
Worker's Compensation	3,400	42,000	13,400	30,000
Medicare	-	-	13,300	13,300
Life Insurance	-	-	400	1,200
Long Term Disability	-	-	6,000	6,000
Retirement	-	-	167,300	167,300
Unemployment		1,200	-	-
SUBTOTAL BENEFITS	3,400	43,200	317,600	336,700
Claims Paid	4,000	1,100	20,000	20,000
Computer Maintenance	26,000	44,600	46,600	46,600
Contractual Services	-	44,600	55,000	55,000
Emergency Callouts	-	100	10,000	10,000
Equipment Rental	-	300	1,700	-
Fuel	4,400	9,500	9,400	9,100
Industrial Enforcement	4,100	8,500	10,000	1,000
Insurance Premium: Liability	54,800	56,500	48,800	48,800
Insurance Premium: Property	3,200	5,100	1,800	7,700
Line Cleaning	-	7,900	-	-
Litigagion Services	6,700	56,100	50,000	50,000
Medical Exams		200	-	400
Membership and Dues	100	1,200	2,000	2,000
Mileage	-	-	-	8,400
Muni Sewage Capacity & Treatment	2,291,400	2,295,100	2,281,100	2,300,000
Muni Sewage Transportation	28,200	64,800	25,000	65,000
Office Supplies	700	400	2,000	2,000
Personnel Recruitment	-	100	-	-
Professional Services	13,600	17,100	55,000	55,000
Protective Clothing	2,700	3,400	4,000	4,000
Repairs	-	3,900	5,400	5,400
Repair and Maintenance-Equipment	8,900	6,500	15,000	15,000
Repair and Maintenance-Vehicles	7,200	29,700	20,000	20,000
Restoration Services	45,100	2,000	20,000	20,000
Street Sweeping	16,000	16,000	18,000	18,000
Tools and Supplies	9,000	10,400	11,000	11,000
Traffic Safety Equipment	-	-	500	500
Training	1,500	3,400	13,100	13,100
Travel & Meetings	10,700	4,100	3,500	3,500
Utilities-Gas and Electricity	1,000	900	700	700
Utilities-Telephone	2,500	3,300	3,500	2,500
Utilities-Water	1,300	1,300	2,000	2,000
Inter.Trans.For Admin.Services	737,100	547,500	548,500	548,500
Inter.Trans.For Operations	746,800	1,014,700	-	-
Inter.Trans.To Gas Tax Fund	100,000	100,000	100,000	100,000
Inter.Trans.For Operations Reserve		1,900,000	-	-
SUBTOTAL OPERATIONS	$ 4,127,000	$ 6,260,300	$ 3,383,600	$ 3,445,200
TOTAL EXPENDITURES	$ 4,130,400	$ 6,303,500	$ 4,482,000	$ 4,581,000

LEMON GROVE SANITATION DISTRICT RESERVE - FUND 16

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ 4,683,600	$ 4,683,600	$ 5,702,900	$ 6,934,100
Rate Stabilization - Beginning Balance (sub-set of Fund Balance)	$ 3,250,700	$ 3,257,600	$ 2,668,600	$ 3,865,200
REVENUES				
Interest	6,900	7,600	11,000	8,000
Transfer From Operations	-	-	-	-
Transfer to Operations Reserve	-	(600,000)	(350,000)	(350,000)
Rate Stabilization Ending Balance*	$ 3,257,600	$ 3,865,200	$ 2,329,600	$ 3,523,200
Operations Reserves - Beg. Bal.(sub-set of Fund Balance)	$ 1,432,900	$ 1,397,300	$ 3,034,300	$ 3,068,900
REVENUES				
Interest	5,400	3,300	9,000	4,000
Transfer From Operations (revenue)		1,900,000	-	
Transfer From Rate Stabilization (revenue)		600,000	350,000	350,000
TOTAL RESOURCES:	$ 1,438,300	$ 3,900,600	$ 3,393,300	$ 3,422,900
EXPENDITURES				
CAPITAL EQUIPMENT PURCHASES				
Equipment Replacement	18,000	16,400	20,000	20,000
Vehicles		544,800	-	-
CAPITAL IMPROVEMENT PLAN PROJECTS				
Lemon Grove Avenue Realignment Project	1,400	212,900	-	-
Sewer Main Rehab	21,600	57,600	2,000,000	2,000,000
TOTAL EXPENDITURES:	41,000	831,700	2,020,000	2,020,000
Operations Reserves Ending Balance**	$ 1,397,300	$ 3,068,900	$ 1,373,300	$ 1,402,900
ENDING FUND BALANCE - June 30	$ 4,654,900	$ 6,934,100	$ 3,702,900	$ 4,926,100

ATTACHMENT E

SUCCESSOR AGENCY - FUNDS 60 AND 64

	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15	FY 14-15 Mid-Year Budget
BEGINNING FUND BALANCE - July 1	$ (14,447,000)	$ (13,398,900)	$ (16,672,100)	$ (12,632,400)
REVENUE				
Administrative Reimbursement		248,000	250,000	250,000
ROPS Reimbursement	2,035,400	2,083,500	2,100,000	2,100,000
Miscellaneous Revenue	227,900	-	-	-
Rent	9,000	9,000	9,000	9,000
Interest Revenue	7,800	4,000	-	4,000
Extraordinary Item-reallocate housing revenue		(134,600)	-	-
TOTAL RESOURCES:	$ (12,166,900)	$ (11,189,000)	$ (14,313,100)	$ (10,269,400)
EXPENDITURES				
Salaries - Regular	-	-	149,400	154,600
SUBTOTAL SALARIES	-	-	149,400	154,600
Medical Insurance	-	-	13,700	13,700
Retirees Medical	-	-	8,100	8,100
Deferred Compensation	-	-	-	800
Worker's Compensation	-	-	2,700	6,800
Medicare	-	-	2,200	2,200
Life Insurance	-	-	100	-
Long Term Disability	-	-	1,400	1,400
Retirement	-	-	34,600	34,600
SUBTOTAL BENEFITS	-	-	62,800	67,600
2004 Tax Allocation Bonds -Interest Only	161,100	273,400	345,400	136,000
2007 Tax Allocation Bonds-Interest Only	342,200	579,300	761,800	571,800
2010 Tax Allocation Bonds-Interest Only	189,800	324,100	660,500	315,500
2014 Tax Allocation Bonds-Interest Only	-	-	-	115,200
Administrative Reimbursement	250,000	248,000	37,800	27,800
Consultant Services	900	-	-	-
DCH Honda Freeway Sign	16,300	-	-	-
General Expense	7,200	3,900	-	-
Legal Services	8,400	2,000	5,000	5,000
Mileage	-	-	-	3,000
Main Street Promenade	150,400	-	-	-
Professional Services	13,400	12,700	5,000	5,000
Lemon Grove Avenue Realignment Project	92,300	-	500,000	500,000
TOTAL OPERATIONS:	$ 1,232,000	$ 1,443,400	$ 2,315,500	$ 1,679,300
TOTAL EXPENDITURES:	$ 1,232,000	$ 1,443,400	$ 2,527,700	$ 1,901,500
ENDING FUND BALANCE - June 30	$ (13,398,900)	$ (12,632,400)	$ (16,840,800)	$ (12,170,900)

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LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY

Item No. 4
Mtg. Date January 20, 2015
Dept. City Manager's Office

Item Title: **Planning Commission Analysis**

Staff Contact: Graham Mitchell, City Manager

Recommendation:

Receive report and provide direction.

Item Summary:

At its October 21, 2014 meeting, the City Council directed staff to provide an analysis regarding the Lemon Grove Planning Commission. On November 4, 2014, staff presented an initial analysis to the City Council. The City Council requested that staff provide additional information regarding several specific questions.

The staff report (**Attachment A**) provides information regarding four specific questions asked by the City Council as well as other information requested. As a reference, staff provided a copy of the November 4, 2014 staff report (**Attachment B**).

Fiscal Impact:

None.

Environmental Review:

☒ Not subject to review
☐ Categorical Exemption, Section
☐ Negative Declaration
☐ Mitigated Negative Declaration

Public Information:

☒ None
☐ Newsletter article
☐ Notice to property owners within 300 ft.
☐ Notice published in local newspaper
☐ Neighborhood meeting

Attachments:

A. Staff Report
B. November 4, 2014 Staff Report – "Planning Commission"

Attachment A

LEMON GROVE CITY COUNCIL
STAFF REPORT

Item No. 4

Mtg. Date January 20, 2015

Item Title: **Planning Commission Analysis**

Staff Contact: Graham Mitchell, City Manager

Discussion:

At its October 21, 2014 meeting, the City Council directed staff to provide an analysis regarding the Lemon Grove Planning Commission. On November 4, 2014, staff presented an initial analysis to the City Council. In the staff report (**Attachment B**), information was provided regarding: 1) Planning Commission Responsibilities, 2) Planning Commission Activity, 3) Streamlining the Approval Process, 4) Planning Commission Costs, 5) Benefits and Drawbacks, and 6) Design Review Boards.

During the November 4th meeting, the City Council provided feedback and asked for additional information, requesting that staff specifically address the following questions:

- If the planning commission were to be dissolved, what are alternative means to ensure community input is heard and expanded on development projects?
- Besides a planning commission, are there other ways to for the City to proactively engage its citizens regarding development projects and other community issues?
- If the planning commission were to be dissolved, what is the timeframe for that to be implemented?
- If the planning commission were to be dissolved, what would the impact be to City Council agendas?

The following sections provide information regarding the four questions asked by the City Council as well as other information requested.

Alternative Means to Solicit Community Input on Projects

One of the primary purposes of a planning commission is to review development projects and to provide a forum for community comment regarding the project. The scope of the planning commission's purview is defined by the City's Municipal Code. The planning commission is not granted authority to act outside of their prescribed scope.

If the City Council were to dissolve the planning commission, the City Council would hear projects previously heard by the planning commission. It is important to note that of the 13 Conditional Use Permits or Planned Development Permits considered by the planning commission in the past two years, only two have also been considered by the City Council—meaning only two projects required more than one public hearing prior to approval.

To ensure an even greater outreach and community engagement than exists now, staff has identified two possible strategies (NOTE: staff has identified potential unintended consequences for each, which are identified on page 5 of this report):

1) Expand the Noticing Area – currently, the City provides public notices to property owners within a 300 foot radius of a project (this is the minimum distance prescribed by State law). The City Council could consider expanding that radius to 500 or 700 feet. Staff used two recently approved projects to understand the impact that an expanded noticing area would have

Attachment A

(noticing maps will be provided to the City Council separately). For the recently approved CityMark project, 37 property owners were notified within 300 feet of the project. If the noticing radius was expanded to 500 feet, 101 owners would have been notified. If expanded to 700 feet, 147 owners would have been notified. The cost comparison for three noticing requirements is $31 for 37 notices, $84 for 101 notices, and $122 for 147 notices (the applicant pays for the cost to mail notices as well as newspaper noticing).

Staff also considered a development project surrounded by single family neighborhoods. The Vista Serrano project (9 lot subdivision located at 7128 San Miguel Avenue) required a noticing of 75 property owners. If the noticing radius was expanded to 500 feet, 145 owners would have been notified. If the noticing radius was expanded to 700 feet, 214 owners would have been notified. The cost comparison for three noticing requirements is $62 for 75 notices, $120 for 145 notices, and $177 for 214 notices.

2) Required Neighborhood Outreach Meeting – for larger projects, the City Council could require that a project applicant conduct a meeting with neighbors within a designated radius of the project prior to a hearing. This meeting, facilitated by City staff, would allow the developer to introduce the project and to solicit feedback.

Proactively Engaging Citizens

One of the topics of discussion during the November 4th City Council meeting was meaningful ways to engage with Lemon Grove residents. The three focus groups conducted in the past three years have changed the way in which the City solicits feedback from its residents on defined topics. Staff believes that there are opportunities to expand this concept for other types of projects. It is important to recognize that focus groups require staff resources to manage. However, these groups have the opportunity to be an extension of staff to a certain degree.

Staff has developed a list of several potential smaller focus groups that could be considered (several of these tasks are currently assigned to the planning commission):

- Local skaters and artists to provide feedback on the expansion of the skate spot,
- Group to help develop and manage an organized downtown volunteer crew,
- Planning group to help staff review a larger-scale development project,
- Group to review the implementation of the City's General Plan,
- Group to consider updating special treatment areas and consider development goals in those areas.

These smaller focus groups have the potential to provide leadership opportunities for residents wanting to become involved in their community. Staff would caution that more than two groups at a time may be overwhelming for staff to manage given current staffing levels.

Implementation Plan

During the November 4th City Council meeting, staff was asked to provide the length of time it would take to dissolve the planning commission. In reality, the City Council could adopt a simple ordinance that states when the term "planning commission" is used in the Municipal Code, it is referring to the "planning body which is defined as the city council." Once adopted, the City Attorney and staff would prepare a comprehensive Municipal Code amendment to reflect the change. Staff projects that the entire amendment process would require approximate 6 to 9 months—this change to the Municipal Code would also provide an opportunity to clean up other sections related to the planning process. Alternatively, the City Council could formally dissolve the planning commission in approximately 6 to 9 months once all of the clean up language is prepared.

Impact to City Council Agendas

During the November 4th City Council meeting, staff was asked for its opinion on the impact to the City Council's agenda. In the past four years (48 months), the planning commission met 22 times and considered 31 projects or permits. Of those, 12 projects were also considered by the City Council. The table below shows the frequency of meetings and permits/projects considered by year:

Year	# of Meetings	Permits/Projects Heard by Commission	Permits/Projects Requiring Council Approval
2011	7	11	0
2012	7	10	5
2013	3	4	3
2014	5	6	4
TOTAL	**22**	**31**	**12**

Over the past four years, having a planning commission eliminated 19 agenda items from the City Council agenda. Using data from this four year period, if the planning commission were dissolved, the City Council could expect to consider an additional project every two to three months. Planning commission meetings rarely exceeded 90 minutes.

Other Questions

During the November 4th meeting, staff was asked to address the issue of applicant appeals, unintended consequences, and data regarding project streamlining.

Appeals – in the past four years, no applicants or neighboring property owners have appealed a planning commission decision to the City Council. Because the City Council, per the Municipal Code, has the final decision authority on land use issues, an applicant with a denied project can either redesign the project to satisfy the City Council or file a lawsuit against the City. Applicants or neighboring property owners currently have this course of action available if a decision reached by the City Council is not satisfactory to them.

Unintended Consequences – staff identified several potential consequences from several of the suggestions identified in this staff report. First, staff is concerned about the conflict that may arise out of the creation of "pre-development neighborhood review groups" or "neighborhood outreach meetings." Many times neighbors of a project (especially a subdivision project) prefer the land remain undeveloped. Although property owners have the right to develop land according to the requirements of the Municipal Code, pre-development neighborhood groups may feel entitled to provide project review, above and beyond project input. Hence, the creation of this group may foster an adversarial environment for development.

Staff is also concerned about the impacts that additional noticing requirements may have on "mom and pop" businesses. For a larger development, this expanded requirement may not pose a burden. However, for a small business owner, the additional cost may be difficult to bear.

Project Streamlining – as identified in the November 4th staff report, staff estimates that the time saved to process a project is approximately 30 days, assuming the project requires approval by both the planning commission and the City Council. In addition to time, there is also a cost savings experienced by the applicant by having to only attend one meeting. For example, the

Attachment A

recent CityMark project required two employees and an architect to attend two different meetings. There are costs associated with attending these meetings.

For many developers, the concern about cost is not as critical as the unpredictability of a planning commission. There are times that planning commissioners do not understand intent behind City Council policy/goals or are not as sensitive to deviations that may be supported by the City Council—in part, because they are not tasked to be policy makers. Developers would prefer to meet with the body that has the final approval authority in order to ensure more predictability in the approval process.

Conclusion:

Staff recommends that the City Council receive the report and provide direction to staff.

Attachment B

LEMON GROVE CITY COUNCIL
AGENDA ITEM SUMMARY

Item No. 3
Mtg. Date November 4, 2014
Dept. City Manager's Office

Item Title: **Planning Commission**

Staff Contact: Graham Mitchell, City Manager

Recommendation:

Receive staff's report and provide direction.

Item Summary:

At its October 21, 2014 meeting, the City Council directed staff to provide an analysis regarding the Lemon Grove Planning Commission. The City Council asked staff to address several specific topics:

1) Planning Commission activity,
2) Streamlining of the approval process,
3) Planning Commission costs (past & projected future), and
4) Overall benefits and drawbacks of a Planning Commission.

The staff report (**Attachment A**) provides an analysis of the specific topics addressed by the City Council on October 21st.

Fiscal Impact:

None.

Environmental Review:

☒ Not subject to review
☐ Categorical Exemption, Section
☐ Negative Declaration
☐ Mitigated Negative Declaration

Public Information:

☒ None
☐ Newsletter article
☐ Notice to property owners within 300 ft.
☐ Notice published in local newspaper
☐ Neighborhood meeting

Attachments:

A. Staff Report

Attachment B

LEMON GROVE CITY COUNCIL
STAFF REPORT

Item No. 3

Mtg. Date November 4, 2014

Item Title: Planning Commission

Staff Contact: Graham Mitchell, City Manager

Discussion:

At its October 21, 2014 meeting, the City Council directed staff to provide an analysis regarding the Lemon Grove Planning Commission. The staff report includes the following sections in response to the City Council's request:

- Planning Commission Responsibilities,
- Planning Commission Activity,
- Streamlining the Approval Process,
- Planning Commission Costs,
- Benefits and Drawbacks, and
- Design Review Boards.

In preparation for this staff report, staff consulted with officials from other cities, representatives from the business and development community (San Diego East County Chamber of Commerce, the San Diego East County Economic Development Council, and the Building Industry Association of San Diego), and the City Attorney.

Planning Commission Responsibilities

In Lemon Grove, the Planning Commission acts as the advisory body to the City Council on land use matters. The Planning Commission has been delegated the following responsibilities:

1) Approval of conditional use permits, planned development permits, boundary adjustments, tentative parcel maps, variances, appeals of staff decisions, and CEQA certifications.
2) Provide recommendations to the City Council on General Plan/Specific Plan amendments, zoning amendments (text and map), tentative maps associated with Planned Development Permits, and CEQA certifications.

Planning Commission Activity

Using the time period of January 2012 through October 2014, staff categorized the types of items reviewed by the Planning Commission at its fourteen meetings. Following is a breakdown of the categories of items:

Item Category	# of Items	Required City Council Approval
Conditional Use Permit/Tentative Parcel Map (approval, modification)	7	0
Planned Development Permit (approval, extension, modification)	5	1
General Plan, Specific Plan, Zoning Amendments, Tentative Maps, State Reports	8	7
TOTAL	**20**	**8**

Of the twenty agenda items reviewed by the Planning Commission, eight items (or 40 percent) also required City Council review. In other words, over the past 34 months, by having a Planning Commission, twelve items have been kept off the City Council agenda—on average approximately one agenda item every three months.

Streamlining the Approval Process

One request from the City Council was for information about the potential time that would be saved for a project applicant in the event the Planning Commission was dissolved. Projects that currently only require Planning Commission approval would now only require City Council approval—the timeline for these projects would not change substantially. However, projects that involve General or Specific Plan amendments, changes to zoning, or tentative maps associated with Planned Development Permits currently require review by both the Planning Commission and the City Council.

Currently, once a complete application is submitted to the City, it takes approximately one week to prepare a staff report and presentation for the Planning Commission. After an application is complete, the applicant must wait for the next Planning Commission meeting for review. Because the Planning Commission meets monthly, this sometimes delays an application review by up to three weeks. However, staff works with applicants early on in the process to ensure the final application submittal is timed appropriately with the upcoming Planning Commission meeting. If the application also needs to be considered by the City Council, depending on the timing, this could delay final approval of the project by up to two weeks.

In short, a "worst case" timing scenario in which a project requires both Planning Commission and City Council consideration, if a final application submittal is provided at the beginning of a month, an applicant would have to wait over a month for final approval. For example, a complete project application submitted on October 1st would be heard by the Planning Commission on October 27th and then by the City Council on November 4th. Without a Planning Commission, that same project could be considered by the City Council on October 7th, saving almost a month in processing the application.

Planning Commission Costs

Continuing to use the time period of January 2012 through October 2014, staff calculated direct and indirect (staff) costs associated with preparing for and conducting Planning Commission meetings. Because the City operates on a "cost recovery" model for projects, many of the hard costs (noticing costs, direct staff time, consultants, etc.) were recovered. However, the City does not recover costs associated with non-project initiated items such as a City-initiated General Plan amendment or review of the Housing Element. Also, costs such as preparing minutes and agenda posting are not recovered.

Based on the past fourteen meetings, staff estimates that the City expended $8,500 of non-recoverable costs to operate a Planning Commission. These expenditures are primarily associated with the eight City-initiated projects. The costs associated with the other projects, for the most part, were fully recovered through processing fees charged to the applicant. Staff estimates that the Planning Commission will meet between four to seven times in 2015 with a maximum non-recoverable annual cost of $7,500.

Benefits & Drawbacks

To gain insights on the benefits and drawbacks of operating with and without a planning commission, staff spoke with officials from cities in San Diego County without planning commissions and officials that have worked in cities with and without planning commissions.

Staff also spoke with representatives from the San Diego East County Chamber of Commerce, the San Diego East County Economic Development Council, and the Building Industry Association of San Diego.

The first conclusion that staff drew from these conversations is that each city is unique and the need for a planning commission in their community is dependent on many factors. Some factors to consider in determining the value of having a planning commission include:

1) Volume and complexity of agenda items,
2) Amount of approval authority delegated to staff (more authority delegated to staff to review projects, reduces the role of the planning commission).
3) Technical skills and level of interest from the potential pool of planning commission candidates.

Following is a summary of the benefits of not having a planning commission, expressed by those interviewed by staff:

- Saves staff time and simplifies the process.
- Removing the planning commission streamlines the development process, saving a potential developer time, expenses, and uncertainty.
- Planning commissioners sometimes operate outside of their purview and it becomes challenging to correct.
- Planning commissions are asked to review technical documents but may have no technical expertise in this area. As a result, at times planning commissioners are ill-equipped to meet the intended goal of having a planning commission.
- Planning commissioners do not always see the "big picture" and may approve or deny a project using a narrower view than possessed by a city council.

Following is a summary of the drawbacks of not having a planning commission, expressed by those interviewed by staff:

- Planning commissioners are more insulated from the politics of a project than members of a city council.
- The planning commission serves as a filter and provides a vetting process (another negotiation step) in the approval of a project.
- Not having a planning commission may give an appearance of insufficient public input (however, this impression can be mitigated with effective outreach efforts).
- Items denied by the planning commission and appealed to the city council provide staff an opportunity to incorporate adverse public testimony into the analysis for the city council. This means that by the time the city council reviews an item, all of the "surprises" are out in the open.

Design Review Boards

During the City Council discussion on October 21st, there was an interest expressed in potentially changing the focus of the Planning Commission and considering having it do more design review work.

A design review board typically reviews projects to evaluate their consistency with a design ordinance or design program. A design review board determines whether proposed projects are

compatible with nearby development, with a focus on the structure's bulk, mass, and aesthetic appeal.

Of the cities in the County without a planning commission, only Imperial Beach has a design review board. Design review boards require as much, if not more, time as planning commissions and become a board that exercises much subjectivity, slowing down approval processes and adding uncertainty for developers.

Staff does not recommend instituting a design review board because of the upfront and ongoing workload associated with this entity. If the City were to consider a design review board, the City would first need to determine the areas affected by the design standards and then establish a design ordinance or program. The process of creating a program involves significant public input. Because aesthetics are subjective and developing design standards is challenging, staff anticipates that this endeavor is an approximate two-year project, given current staffing demands. Staff's experience is that design review boards require significant staff time to manage and increase a city's exposure to litigation.

Conclusion:

Staff recommends that the City Council receive staff's report and provide direction.