

April 26, 2017

STATEMENT OF PROCEEDINGS

The Minutes of the

***BOARD OF SUPERVISORS
REGULAR MEETING
PLANNING AND LAND USE MATTERS***

COUNTY OF SAN DIEGO

STATEMENT OF PROCEEDINGS
COUNTY OF SAN DIEGO BOARD OF SUPERVISORS
REGULAR MEETING
MEETING AGENDA
WEDNESDAY, APRIL 26, 2017, 9:00 A.M.
BOARD OF SUPERVISORS NORTH CHAMBER
1600 PACIFIC HIGHWAY, ROOM 310, SAN DIEGO, CALIFORNIA

REGULAR SESSION: Meeting was called to order at 9:03 a.m.

PRESENT: Supervisors Dianne Jacob, Chairwoman; Kristin Gaspar, Vice-Chairwoman; Ron Roberts; Bill Horn; also, Andrew Potter, Clerk of the Board.

ABSENT: Supervisor Greg Cox

Approval of Statement of Proceedings/Minutes for meeting of April 12, 2017.

ACTION:

ON MOTION of Supervisor Gaspar, seconded by Supervisor Roberts, the Board of Supervisors approved the Statement of Proceedings for the meeting of April 12, 2017.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Board of Supervisors' Agenda Items

Agenda # Subject

1. SECOND CONSIDERATION AND ADOPTION OF ORDINANCES:
CONSIDERATION AND ADOPTION OF FEE ADJUSTMENTS IN THE
DEPARTMENT OF AGRICULTURE, WEIGHTS AND MEASURES EFFECTIVE
FISCAL YEAR 2017-18 AND ASSOCIATED ORDINANCE REVISIONS
[FUNDING SOURCE: FEES PAID BY CUSTOMERS]

2. NOTICED PUBLIC HEARING:
RECEIVE THE PROPOSED STRATEGIC PLAN TO REDUCE WASTE; SELECT
AN OPTION TO REDUCE WASTE; ADOPT A RESOLUTION TO AMEND THE
SOLID WASTE MANAGEMENT AGREEMENT FEE
[FUNDING SOURCE: SOLID WASTE MANAGEMENT AGREEMENT FEE
REVENUE FROM HAULERS]

3. 2016 MULTIPLE SPECIES CONSERVATION PROGRAM SOUTH COUNTY SUBAREA PLAN ANNUAL REPORT
4. FALLBROOK COMMUNITY AIRPARK – TWO NEW AGRICULTURAL GROUND LEASE AGREEMENTS WITH MCDANIEL BROTHERS, LLC
(4 VOTES)
5. GILLESPIE FIELD – NEW INDUSTRIAL GROUND LEASES WITH 1866 FRIENDSHIP, LLC; 1991 FRIENDSHIP, LLC; AND 500 RALEIGH, LLC
[FUNDING SOURCE: ONE-TIME EQUITY PAYMENTS DUE FROM THE LESSEES UNDER THE TERMS OF THE NEW LEASES]
(4 VOTES)
6. ESTABLISH APPROPRIATIONS AND APPROVE AN AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT BETWEEN THE RAMONA MUNICIPAL WATER DISTRICT AND THE COUNTY OF SAN DIEGO FOR RECREATIONAL IMPROVEMENTS AT WELLFIELD COMMUNITY PARK
[FUNDING SOURCE: AVAILABLE PRIOR YEAR PLDO AREA 28 RAMONA FUND FUND BALANCE]
(4 VOTES)
7. PUBLIC COMMUNICATION

1. **SUBJECT: SECOND CONSIDERATION AND ADOPTION OF ORDINANCES: CONSIDERATION AND ADOPTION OF FEE ADJUSTMENTS IN THE DEPARTMENT OF AGRICULTURE, WEIGHTS AND MEASURES EFFECTIVE FISCAL YEAR 2017-18 AND ASSOCIATED ORDINANCE REVISIONS (DISTRICTS: ALL)**

OVERVIEW:

On March 22, 2017 (1), the Board of Supervisors introduced the Ordinances for further consideration and adoption on April 26, 2017.

The mission of the Department of Agriculture, Weights and Measures (AWM) is to promote a thriving agricultural community, healthy residents, and a balanced environment; and to support a fair marketplace and consumer confidence.

On March 22, 2017 (1), the Board of Supervisors (Board) approved staff recommendations to introduce and set a hearing on an ordinance to adjust AWM fees.

Today's action is to consider and adopt the altered ordinance (second reading) which implements Board-directed fee adjustments and was initially presented at the hearing on March 22, 2017. The average proposed AWM fee increase included in this cost recovery proposal is equivalent to a 1.2% increase each year since the last fee adjustment.

Since the Board of Supervisors last approved a fee adjustment for AWM 8 to 18 years ago many AWM programs have experienced new state mandates for existing and new programs, reporting requirements, and additional regulatory requirements. AWM has successfully implemented a number of business process re-engineering efforts to maximize efficiency, and has leveraged technology to streamline operations and improve service to customers, which has enabled the department to contain costs. However, beginning in Fiscal Year 2017-18, it will be necessary to adjust fees to address increases in staffing and retirement costs, services and supplies, and new program mandates. The fee increases proposed today are necessary to comply with Board Policy B-29: Fees, Grants, Revenue Contracts – Department Responsibility for Cost Recovery.

FISCAL IMPACT:

The proposed adjustments to the standard hourly rates and fees are not included in the Fiscal Year 2017-18 Approved Operational Plan in Agriculture, Weights and Measures. If approved, funds for this request, as revised by the Board on March 22, 2017 (1), will be included in the Fiscal Year 2017-18 CAO Recommended Operational Plan and will result in additional costs and revenue projected in Fiscal Year 2017-18 of \$258,879. The funding source is fees paid by customers.

A waiver of Board Policy B-29: Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery (Board Policy B-29) is requested since the proposed fees do not cover all the operating costs. The total unrecovered cost per Board Policy B-29 is approximately \$2,499,752 for Fiscal Year 2017-18 and will be funded with General Purpose Revenue. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT:

If approved, these recommendations will have a positive impact on the business community by enabling the Department of Agriculture, Weights and Measures (AWM) to maintain high-quality services, and by updating the alignment of hourly rates to the actual costs of services provided. Fees are calculated based on actual documented time required by County of San Diego (County) staff to perform each service. The County strives to improve and streamline its services, and as a result, the average AWM proposed fee increase included in this cost recovery proposal is equivalent to an average of a 1.2% increase each year since the last fee adjustment. Increases are necessary to ensure full cost recovery for services performed by staff, except where a B-29: waiver is requested.

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Consider and adopt the Ordinance amending Section 364.3 of the San Diego County Administrative Code, relating to fees charged by the Department of Agriculture, Weights and Measures (second reading).
2. Consider and adopt the Ordinance amending Chapters 17 and 20 of the County Code of Regulatory Ordinances, relating to commercial weighing and measuring instruments and automated point-of-sale stations and consumer protection (second reading).

ACTION:

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the Board took action as recommended, on consent, adopting Ordinance No. 10481 (N.S.) entitled: AN ORDINANCE AMENDING SECTION 364.3 OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE, RELATING TO FEES CHARGED BY THE DEPARTMENT OF AGRICULTURE, WEIGHTS AND MEASURES; and Ordinance No. 10482 (N.S.), entitled: AN ORDINANCE AMENDING CHAPTERS 17 AND 20 OF DIVISION 1 OF TITLE 2 OF THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES, RELATING TO COMMERCIAL WEIGHING AND MEASURING INSTRUMENTS AND AUTOMATED POINT-OF-SALE STATIONS AND CONSUMER PROTECTION.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

**2. SUBJECT: NOTICED PUBLIC HEARING:
RECEIVE THE PROPOSED STRATEGIC PLAN TO
REDUCE WASTE; SELECT AN OPTION TO REDUCE
WASTE; ADOPT A RESOLUTION TO AMEND THE SOLID
WASTE MANAGEMENT AGREEMENT FEE
(DISTRICTS: ALL)**

OVERVIEW:

In the unincorporated area of San Diego county, over 475,000 tons of solid waste is disposed in landfills each year. Because of the County of San Diego's commitment to the environment and the trends in State regulations, the County has developed a Strategic Plan to Reduce Waste (Strategic Plan) that explores 'best practices' and innovations that will help the County achieve higher waste diversion goals; 75% by 2020 and 90% (Zero Waste) by 2040. The purpose of the proposed Strategic Plan is to effectively and efficiently make the best use of natural resources and reduce the need for new landfills.

This is a request for the Board of Supervisors (Board) to consider and receive the proposed Strategic Plan. On January 27, 2015 (9), the Board directed the Chief Administrative Officer (CAO) to evaluate and provide a summary report of what the County of San Diego (County) is currently doing to achieve waste diversion goals, as well as identifying what it would take to achieve 75% waste diversion by 2020 for County operations; to report back on how the County can encourage and support behaviors in purchasing, services and solid waste management strategies that account for and minimize the lifecycle impacts of consumption by promoting efficient operational resource use, maximizing reuse and recycling and working with vendors, purchasing products and services that support efforts towards zero waste goals; and to collaborate with industry and return to the Board in 120 days with a scope, timeline, staffing evaluation, cost and funding options for preparing a Zero Waste Plan that would achieve 75% waste diversion by 2020 and Zero Waste by 2040.

Based on the Board's direction, on June 24, 2015, the Land Use and Environment Group (LUEG) submitted a memo to the Board indicating that it had met with industry and after discussing Zero Waste planning components and practices, staff would look to other jurisdictions to examine what has worked well and what lessons were learned. Additionally, staff would work with a consultant to review various programs for both the unincorporated area of the County and for County internal operations and report back to the Board with program options, sustainable funding strategies and staffing needs for the Board's consideration.

For the County unincorporated area, the Department of Public Works (DPW) oversees Solid Waste Planning & Recycling activities and the Department of Environmental Health (DEH) manages the Household Hazardous Waste (HHW) program. DPW and DEH currently share revenue generated through a \$2.35 per ton fee imposed on disposed solid waste. As more waste is diverted from landfills through DPW's recycling efforts, the revenue from both DPW's recycling programs and DEH's HHW program is declining. As part of the review to achieve higher levels of waste diversion in the unincorporated area, the proposed Strategic

Plan includes options for the Board's consideration, and each option includes sustainable funding strategies, including an increase to the solid waste management agreement fee (franchise fee), to ensure continued funding for both the DPW recycling and DEH HHW programs. Given that development of needed infrastructure by private industry to achieve 75% waste diversion by year 2020 would be very ambitious in the limited timeframe, staff has come up with additional options for Board consideration:

Option 1: Continue existing programs and implement State mandated programs. The proposed franchise fee for this option is \$4.85 per ton.

Option 2: Achieve 75% waste diversion by 2020 (previous Board direction). The proposed franchise fee for this option is \$7.73 per ton.

Option 3: Achieve 75% waste diversion by 2025. The proposed franchise fee for this option is \$6.96 per ton.

Additionally, the proposed Strategic Plan includes recommendations that focus on County internal operations at County facilities. As the first step, the plan recommends the County conduct an enterprise wide assessment of the current diversion levels at all County facilities to develop an accurate diversion baseline. If the Board chooses to proceed with a high diversion plan for internal County facilities, then upon completion of the assessment of current diversion rates, the Department of General Services (DGS) will develop the internal baseline, and then prepare a plan to achieve 75% diversion for internal operations. If implementing this plan will require additional resources, DGS will report back to the Board with options for implementation.

Finally, the proposed Strategic Plan provides recommendations for procurement and purchasing strategies to be overseen by the Department of Purchasing and Contracting that can help the County increase diversion for County internal operations. The recommended strategies include increasing the reuse of County surplus property (e.g., equipment and furniture that are no longer used by the County), expanding the County's environmentally preferable purchasing policies, and incorporating high diversion objectives into County procurements.

FISCAL IMPACT:

Funds for these requests are not included in the Operational Plan for the Department of Public Works (DPW) or the Department of Environment Health (DEH). If approved, the recommended franchise fee adjustments would increase DPW Solid Waste Planning & Recycling and DEH Household Hazardous Waste revenue by varying amounts, depending on the option selected by the Board. If the new fee goes into effect October 1, 2017 as proposed, the new revenue levels will be sufficient to fund the cost of increased programs.

Option 1 is estimated to increase costs and revenue by \$1.6 million in Fiscal Year (FY) 2017-18. There will be no change in net General Fund cost and no additional staff years in FY 2017-18. One (1.00) additional staff year is recommended in FY 2018-19 and, if approved, will be included in a future CAO Recommended Operational Plan.

Option 2 is estimated to increase costs and revenue by \$3.1 million in Fiscal Year (FY) 2017-18. If approved, FY 2017-18 appropriations of \$241,000 and 3.00 additional staff years in the Department of Public Works for this option will be included in a future Quarterly Operational Plan Status Report and Budget Adjustment Board letter. Five (5.00) additional staff years are recommended in FY 2018-19 and 2.00 additional staff years are recommended in FY 2019-20 and, if approved, will be included in future CAO Recommended Operational Plans.

Option 3 is estimated to increase costs and revenue by \$2.7 million in FY 2017-18. There will be no change in net General Fund cost and no additional staff years in FY 2017-18. One (1.00) additional staff year is recommended in FY 2018-19, 2.00 additional staff years are recommended in FY 2019-20, 5.00 additional staff years are recommended in FY 2020-21 and 2.00 additional staff years are recommended in FY 2021-22 and if approved, will be included in future CAO Recommended Operational Plans.

The funding source for all options is the Solid Waste Management Agreement fee revenue from haulers. Option 2 would result in up to 3.00 additional staff years in FY 2017-18. A projected increase of up to 10.00 staff years is estimated in total through FY 2021-22.

Funding for actions recommended in the Department of Purchasing and Contracting and the Department of General Services is included in the Operational Plan. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT:

The proposed project will further County and state goals of diverting waste from landfills and maximizing efficient use of natural resources. Facilitating the development of expanded waste prevention, reuse, recycling, composting and zero waste programs and businesses provides sustainable alternatives for consumers, protects the environment and will help increase the potential for job creation, new products and businesses, natural resource conservation and economic growth. This strategy will help avoid potential future increased costs of waste disposal and related liabilities associated with landfills, which could negatively impact the County, businesses and residents.

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines that the proposed actions are exempt from CEQA review because it can be seen with certainty that there is no possibility the activities may have a significant effect on the environment.
2. Receive the proposed Strategic Plan to Reduce Waste.

3. Adopt one of the following options for waste diversion in the unincorporated area and direct Department of Public Works staff to implement the preferred option.

Option 1: Continue existing programs and implement State mandated programs. The proposed franchise fee for this option is \$4.85 per ton.

Option 2: Achieve 75% waste diversion by 2020 (previous Board direction). The proposed franchise fee for this option is \$7.73 per ton.

Option 3: Achieve 75% waste diversion by 2025. The proposed franchise fee for this option is \$6.96 per ton.

4. Adopt the Resolution entitled: RESOLUTION OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS AMENDING THE SOLID WASTE MANAGEMENT AGREEMENT FEE (OPTION 1, 2 or 3) applicable to the option selected.
5. If Option 2 is selected, direct the Chief Administrative Officer to include in a future Quarterly Operational Plan Status Report and Budget Adjustment Board letter in Fiscal Year 2017-18 the establishment of appropriations of \$241,000 in the Department of Public Works, Salaries & Benefits, based on revenue from the Solid Waste Management Agreement fee (\$241,000) and an additional 3.00 staff years to implement the Board-selected recommended programs in Public Works in Fiscal Year 2017-18.
6. Direct the Department of Public Works to amend the Non-Exclusive Solid Waste Management Agreements with franchise haulers to reflect the selected option.
7. Direct the Department of General Services (DGS) to conduct an enterprise wide assessment to establish a baseline of waste and recycling levels for internal County operations.

ACTION:

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the Board closed the Hearing and took the following actions as recommended:

1. Found in accordance with Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines that the proposed actions are exempt from CEQA review because it can be seen with certainty that there is no possibility the activities may have a significant effect on the environment.
2. Received the proposed Strategic Plan to Reduce Waste.
3. Adopted Option 3: Achieve 75% waste diversion by 2025 in the unincorporated area. The proposed franchise fee for this option is \$6.96 per ton.

4. Adopted Resolution No. 17-054, entitled: RESOLUTION OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS AMENDING THE SOLID WASTE MANAGEMENT AGREEMENT FEE.
5. Directed the Department of Public Works to amend the Non-Exclusive Solid Waste Management Agreements with franchise haulers to reflect the selected option.
6. Directed the Department of General Services (DGS) to conduct an enterprise wide assessment to establish a baseline of waste and recycling levels for internal County operations.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

**3. SUBJECT: 2016 MULTIPLE SPECIES CONSERVATION PROGRAM
SOUTH COUNTY SUBAREA PLAN ANNUAL REPORT
(DISTRICTS: ALL)**

OVERVIEW:

The Multiple Species Conservation Program (MSCP) is a cooperative federal, state, and local planning program that balances biodiversity protection with building and development, agriculture, and public nature-based recreation. On October 22, 1997 (1), the Board of Supervisors adopted the County of San Diego (County) MSCP South County Subarea Plan. The County and its public agency partners agreed to preserve habitat critical for the survival of sensitive species. In exchange, development may occur in areas with habitat less critical for sensitive species. The associated MSCP Implementing Agreement between the County, the California Department of Fish and Wildlife, and the United States Fish and Wildlife Service (the Wildlife Agencies) became effective on March 17, 1998. The Implementing Agreement requires the County to prepare an annual accounting and report of all habitat gained through acquisitions or dedications of open space, and all habitat lost as a result of certain ministerial and discretionary project approvals.

The 2016 MSCP South County Subarea Plan Annual Report summarizes habitat gains and losses within the South County Subarea for the period of January 1, 2016 through December 31, 2016. This report also includes a discussion of management and monitoring programs and funding sources used by the County to meet its obligations pursuant to the Implementing Agreement.

Today's requested action is to receive the 2016 MSCP South County Subarea Plan Annual Report.

FISCAL IMPACT:

There is no fiscal impact associated with the Board's acceptance of the 2016 MSCP South County Subarea Plan Annual Report. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines, that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.
2. Receive the 2016 Multiple Species Conservation Program South County Subarea Plan Annual Report (Attachment A).

ACTION:

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the Board took action as recommended, on Consent.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

4. **SUBJECT: FALLBROOK COMMUNITY AIRPARK – TWO NEW AGRICULTURAL GROUND LEASE AGREEMENTS WITH MCDANIEL BROTHERS, LLC (DISTRICT: 5)**

OVERVIEW:

Fallbrook Community Airpark (Airpark) provides facilities and services to the general aviation community. The Airpark is located on South Mission Road, approximately two miles south of downtown Fallbrook (57th Edition Thomas Guide page 1027, G-6). The Airpark is equipped with runway lighting, hangars, an aviation fuel island and aircraft tie-down areas. Along with aviation-related facilities and services, the Airpark accommodates compatible non-aviation uses. The County leases the use of property for both aviation and non-aviation use at the Airpark. The revenues generated from leases provide monies that support proper maintenance, safe operation, and public use of all County airports.

On March 26, 2008 (9), the Board of Supervisors approved two new 10-year leases with McDaniel Brothers, LLC, to operate avocado groves at the Airpark. These leases are due to terminate on April 30, 2018. McDaniel Brothers, LLC has requested two new 10-year leases be granted to provide adequate time for a return on investment of planned improvements and longer range planning for crop production.

This is a request to approve two new 10-year agricultural ground lease agreements with McDaniel Brothers, LLC to continue operation of existing avocado groves at the Airpark. The leases would commence on August 1, 2017, and terminate on July 31, 2027. Rent under the new leases would be percentage-based, at 15 percent of net sales, with a combined minimum annual guarantee of \$13,500 between the two leases. Approval of this action would provide the County with strong lease

protections and continuing revenue from the property, while ensuring improved agricultural production on the property through lessee investment in crop management.

FISCAL IMPACT:

Funds for these requests are partially included in the Fiscal Year 2016-17 Operational Plan in the Airport Enterprise Fund. If approved, this request will result in an increase by a minimum of \$1,051 in annual revenue for the Airport Enterprise Fund beginning in Fiscal Year 2017-18. The revenue source is base rent payments from the lessee under the terms of the new lease agreements. The percentage rent amounts, which are based on 15% of net annual sales, would remain unchanged under the proposed leases. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with Section 15301 of the California Environmental Quality Act (CEQA) Guidelines, that the proposed leases are categorically exempt from CEQA review as they consist of the leasing of existing facilities involving negligible or no expansion of existing use.
2. Approve and authorize the Clerk of the Board to execute, upon receipt, three copies of the new Agricultural Ground Lease Agreement with McDaniel Brothers, LLC (County Contract Number 317019). **(4 VOTES)**
3. Approve and authorize the Clerk of the Board to execute, upon receipt, three copies of the new Agricultural Ground Lease Agreement with McDaniel Brothers, LLC (County Contract Number 317020). **(4 VOTES)**

ACTION:

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the Board took action as recommended, on Consent.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

- 5. SUBJECT: GILLESPIE FIELD – NEW INDUSTRIAL GROUND LEASES WITH 1866 FRIENDSHIP, LLC; 1991 FRIENDSHIP, LLC; AND 500 RALEIGH, LLC (DISTRICT: 2)**

OVERVIEW:

Gillespie Field is a general aviation airport owned and operated by the County of San Diego and located within the municipal limits of the City of El Cajon and the City of Santee (57th Edition Thomas Guide page 1251, D-1). Gillespie Field includes three industrial parks. The County leases land at these industrial parks to

multiple businesses providing goods and services to the general public. The revenues generated from leases provide monies that support proper maintenance, safe operation, and public use of all County airports.

On November 21, 1978 (58), the Board of Supervisors approved a 55-year industrial ground lease in the Gillespie Field Industrial Park with Chandelle Properties, Ltd., which was later assigned to 1866 Friendship, LLC. On April 17, 1979 (27, 31, 32), the Board of Supervisors approved three additional 55-year industrial ground leases in the Gillespie Field Industrial Park, with: 1) Emil E. & Mary L. Ballman, which was later assigned to 500 Raleigh, LLC; 2) Hackworth & Associates #1, which was later assigned to 1991 Friendship, LLC; and 3) Hackworth & Associates #2, later assigned to 500 Raleigh, LLC. The current lessees requested that the County grant new leases for additional term. They sought new leases because leases with less than 20 years of remaining term are not eligible for traditional financing. Also terms of less than 20 years would not provide adequate time for the lessees to amortize additional investment in upgrades and maintenance projects planned to maintain the current desirability of the properties for industrial tenants.

This is a request to approve four new 50-year industrial ground leases to replace the four existing leases listed above. A 50-year lease term is the current standard maximum term for new leases in the industrial park, based on guidance from the Federal Aviation Administration. The proposed leases would commence on June 1, 2017 and terminate on May 31, 2067. The rent would be the same as the current agreements and would continue to be subject to periodic rent adjustments. Approval of this action would provide the County with strong lease protections and continuing revenue from the properties, while ensuring industrial land use that is compatible with the airport.

FISCAL IMPACT:

Funds for this request are partially included in the Fiscal Year 2016-17 Operational Plan for the Airport Enterprise Fund. If approved, the annual revenue will be \$1,632,940 in Fiscal Year 2016-17. The funding source for the Fiscal Year 2016-17 additional revenue is one-time equity payments totaling \$1,298,900 due from the lessees under the terms of the new leases. The combined annual base rent would remain \$334,040 in Fiscal Year 2016-17 and in Fiscal Year 2017-18 and will be included in the CAO Recommended Operational Plan. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with Section 15301 of the California Environmental Quality Act (CEQA) Guidelines, that the proposed leases are categorically exempt from CEQA review as they consist of the leasing of existing facilities involving negligible or no expansion of existing use.

2. Approve and authorize the Clerk of the Board to execute, upon receipt, three copies of the new Industrial Ground Lease with 1866 Friendship, LLC (County Contract Number 317025) **(4 VOTES)**.
3. Approve and authorize the Clerk of the Board to execute, upon receipt, three copies of the new Industrial Ground Lease with 1991 Friendship, LLC (County Contract Number 317026) **(4 VOTES)**.
4. Approve and authorize the Clerk of the Board to execute, upon receipt, three copies each of the two Industrial Ground Leases with 500 Raleigh, LLC (County Contract Number 317027 and 317028) **(4 VOTES)**.

ACTION:

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the Board took action as recommended, on Consent.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

6. **SUBJECT: ESTABLISH APPROPRIATIONS AND APPROVE AN AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT BETWEEN THE RAMONA MUNICIPAL WATER DISTRICT AND THE COUNTY OF SAN DIEGO FOR RECREATIONAL IMPROVEMENTS AT WELLFIELD COMMUNITY PARK (DISTRICT: 2)**

OVERVIEW:

The Ramona Municipal Water District (Water District) owns and operates Wellfield Community Park in the unincorporated community of Ramona (57th Edition Thomas Guide 1152, H-4). Since 1994, the Water District and the County have worked together through a Joint Exercise of Powers Agreement (JEPA) to make recreational improvements to Wellfield Community Park. Recently, the Water District proposed construction of four solar powered softball scoreboards, a disc golf course and horseshoe pits, as well as renovation of two existing baseball fields to accommodate soccer.

The proposed amendment to the JEPA would provide \$593,000 in Park Lands Dedication Ordinance (PLDO) funding for construction of the proposed recreational improvements which will be maintained by the Water District. These improvements would provide enhanced recreational opportunities for league play and general recreation in Ramona. The Department of Parks and Recreation has evaluated the proposed improvements and concurs the request is an eligible and reasonable use of PLDO funds.

The requested action will authorize the Director, Department of Parks and Recreation, to execute an Amended and Restated JEPA with the Water District. This action will also establish appropriations of \$593,000 in the Park Lands Dedication Ordinance Area 28 Ramona Fund for construction of the proposed

scoreboards, disc golf course, horseshoe pits, and soccer field. If approved, construction of the improvements will be managed by the Water District and is expected to begin in spring 2017 with completion anticipated in fall 2017.

FISCAL IMPACT:

Funds for this request are not included in the Fiscal Year 2016-17 Operational Plan for the Park Lands Dedication Ordinance (PLDO) Area 28 Ramona Fund. If approved, this request will result in current year costs of \$593,000 for construction of improvements at Wellfield Community Park. The funding source is available prior year PLDO Area 28 Ramona Fund fund balance. There will be no change in net General Fund cost and no additional staff years. Construction, operation, and maintenance of the improvements will be the responsibility of the Ramona Municipal Water District.

BUSINESS IMPACT STATEMENT:

N/A

RECOMMENDATION:

CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15302 and 15303 because it involves funding for the replacement of an existing soccer field and scoreboard and construction of new golf baskets and horseshoe pit facilities.
2. Establish appropriations of \$593,000 in Park Lands Dedication Ordinance Area 28 Ramona Fund, to provide funds for the construction of four softball scoreboards, the construction of a disc golf course, and horseshoe pits, and the renovation of two existing ballfields to add lights and accommodate soccer at Wellfield Community Park, based on available prior year Park Lands Dedication Ordinance Area 28 Ramona Fund fund balance. **(4 VOTES)**
3. Authorize the Director, Department of Parks and Recreation to execute an Amended and Restated Joint Exercise of Powers Agreement between the Ramona Municipal Water District and the County of San Diego for the development of recreational facilities at Wellfield Community Park.

ACTION:

ON MOTION of Supervisor Roberts, seconded by Supervisor Horn, the Board took action as recommended, on Consent.

AYES: Jacob, Gaspar, Roberts, Horn

ABSENT: Cox

7. SUBJECT: PUBLIC COMMUNICATION (DISTRICTS: ALL)

OVERVIEW:

Martha Welch spoke to the Board regarding term limits.

ACTION:

Heard, referred to the Chief Administrative Officer.

There being no further business, the Board adjourned at 9:38 a.m.

DAVID HALL
Clerk of the Board of Supervisors
County of San Diego, State of California

Consent: Miller
Discussion: Zurita

NOTE: This Statement of Proceedings sets forth all actions taken by the County of San Diego Board of Supervisors on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

Approved by the Board of Supervisors, on Wednesday, June 21, 2017.

A handwritten signature in blue ink, appearing to read "Dianne Jacob", written over a horizontal line.

DIANNE JACOB
Chairwoman

Attest:

A handwritten signature in blue ink, appearing to read "David Hall", written over a horizontal line.

DAVID HALL
Clerk of the Board

04/26/17