



AGENDA
CITY OF NORCO
CITY COUNCIL/SUCCESSOR AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
OCTOBER 3, 2012

CALL TO ORDER: 6:00 p.m.

ROLL CALL: Mayor Kevin Bash
Mayor Pro Tem Kathy Azevedo
Council Member Berwin Hanna
Council Member Herb Higgins
Council Member Harvey C. Sullivan

THE CITY COUNCIL WILL RECESS TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

§54956.9 – Conference with Legal Counsel – Existing Litigation

Case Name: Norco Firefighters Association vs. City of Norco
Case Number: RIC 1114581

Case Name: Sedrak vs. City of Norco
Case Number: RIC 10022513

RECONVENE PUBLIC SESSION: 7:00 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1)
City Attorney

PLEDGE OF ALLEGIANCE: Mayor Bash

INVOCATION: Assembly of God - Beacon Hill
Pastor Rene Parish

COMMENDATION: Back 2 Life Wellness Center
*Hosting a Community Wellness Day
October 27, 2012 at Nellie Weaver Hall
Noon – 3:00 p.m.*

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

1. CITY COUNCIL CONSENT CALENDAR ITEMS: *(All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Council, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Council or the audience request specific items be removed from the Consent Calendar. Items removed from the Consent Calendar will be separately considered under Item No.2 of the Agenda)*
 - A. City Council Minutes:
Regular Meeting of September 19, 2012
Recommended Action: **Approve the City Council Minutes** (City Clerk)
 - B. Proposed Cancellation of the November 21, 2012, December 19, 2012 and January 2, 2013 City Council Regular Meetings. **Recommended Action: Cancel the Regular City Council meetings of November 21, 2012, December 19, 2012 and January 2, 2013 City Council regular meetings.** (City Clerk)
 - C. Acceptance of the Animal Shelter Expansion Project as Complete. **Recommended Action: Accept the Animal Shelter Expansion Project as complete and authorize the City Clerk to file the Notice of completion with the County Recorder's Office.** (Director of Parks, Recreation and Community Services)
 - D. Execution of a Funding Agreement between the City of Norco and the Chino Basin Desalter Authority to Construct a 30-Inch Diameter Treated Water Pipeline. **Recommended Action: Approval.** (Director of Public Works)
 - E. Execution of a Funding Agreement between the City of Norco and the City of Eastvale to Construct Roadway Improvements on Hamner Avenue. **Recommended Action: Approval.** (Director of Public Works)
 - F. Approval of Supplemental Agreement for the 2012-2013 Community Development Block Grant Program Year. **Recommended Action: Approval** (Director of Parks, Recreation & Community Services)
 - G. Acceptance of an Easement for Public Utility Purposes from the Riverside Community College District. **Recommended Action: Adopt Resolution No. 2012-___, accepting the offer to dedicate an easement for public utility purposes from the Riverside Community College District; and authorize the City Clerk to file the Certificate of Acceptance with the County of Riverside Recorder.** (Director of Public Works)
2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR:

3. LEGISLATIVE MATTERS: **(No new evidence will be heard from the public as the public hearing has been closed regarding all items listed.)**

A. Ordinance Approving Zone Code Amendment 2012-04 (City of Norco): A City-Initiated Proposal to Amend the Norco Municipal Code, Chapter 18.37 "Signs" to Revise and Update the Provision of Signage in the City of Norco and to Amend Chapter 18.02 "Definitions" to Add Definitions Pertaining to Signage. **Recommended Action: Adopt Ordinance No. 953 for second reading.** (City Clerk)

4. CITY COUNCIL DISCUSSION/ACTION ITEMS:

A. Elimination of New Car Washes as a Permitted Use in the City. **Recommended Action: That the City Council provide direction to staff.** (City Manager)

5. SUCCESSOR AGENCY CONSENT CALENDAR ITEM:

A. Review of the Low and Moderate Income Housing Fund Due Diligence Review Pursuant to California Health and Safety Code section 34179.5. **Recommended Action: Receive and File** (Finance Officer)

6. PUBLIC COMMENTS OR QUESTIONS - THIS IS THE TIME WHEN PERSONS IN THE AUDIENCE WISHING TO ADDRESS THE CITY COUNCIL REGARDING MATTERS NOT ON THE AGENDA MAY SPEAK. PLEASE BE SURE TO COMPLETE THE CARD IN THE BACK OF THE ROOM AND PRESENT IT TO THE CITY CLERK SO THAT YOU MAY BE RECOGNIZED.

7. CITY COUNCIL COMMUNICATIONS:

- A. Reports on Regional Boards and Commissions
- B. City Council Announcements/Reports

8. CITY MANAGER REPORTS:

9. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's office, (951) 270-5623. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II).

Staff reports are on file in the Office of the City Clerk. Any writings or documents provided to a majority of the City Council regarding any item on this agenda will be available for public inspection at the City Clerk's Counter in City Hall located at 2870 Clark Avenue.



MINUTES CITY OF NORCO

CITY COUNCIL

REGULAR MEETING

CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE

SEPTEMBER 19, 2012

CALL TO ORDER: Mayor Bash called the meeting to order at 6:00 p.m.

ROLL CALL: Mayor Kevin Bash, **Present**
Mayor Pro Tem Kathy Azevedo, **Present**
Council Member Berwin Hanna, **Present**
Council Member Herb Higgins, **Present**
Council Member Harvey C. Sullivan, **Present**

PLEDGE OF ALLEGIANCE: Council Member Hanna

INVOCATION: Calvary Chapel – Norco
Pastor Louie Monteith

PROCLAMATION: 225TH Anniversary of the Signing of the Constitution
of the United States of America
Diane Stephens

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

1. CITY COUNCIL CONSENT CALENDAR ITEMS:

M/S Hanna/Higgins to approve the items as recommended on the City Council Consent Calendar. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- A. City Council Minutes:
Regular Meeting of September 5, 2012
Recommended Action: **Approve the City Council Minutes** (City Clerk)
- B. Recap of Actions Taken at the Planning Commission Regular Meeting of
September 12, 2012. **Recommended Action: Receive and File** (Planning
Director)
- C. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval (City Clerk)
- D. Resolution Accepting a Grant in the Amount of \$59,999 from the California
Office of Traffic Safety and Increasing Revenue, Appropriation and Expenditure.
Recommended Action: Adopt Resolution No. 2012-66. (Lt. Hedge)

Agenda Item 1.A.

- E. Resolution Accepting a Grant in the Amount of \$79,000 from the California Office of Traffic Safety and Increasing Revenue, Appropriation and Expenditure.
Recommended Action: Adopt Resolution No. 2012-67. (Lt. Hedge)
- 2. ITEM(S) PULLED FROM CITY COUNCIL CONSENT CALENDAR: **None**
- 3. CITY COUNCIL PUBLIC HEARING ITEMS:
 - A. Zone Code Amendment 2012-04 (City of Norco): A City-Initiated Proposal to Amend the Norco Municipal Code, Chapter 18.37 "Signs" to Revise and Update the Provision of Signage in the City of Norco and to Amend Chapter 18.02 "Definitions" to Add Definitions Pertaining to Signage.

Zone Code Amendment (ZCA) 2012-04 is a City-initiated proposal to amend the Norco Municipal Code, Chapter 18.37 "Signs" to revise and update the provision of signage in the City of Norco and to amend Chapter 18.02 "Definitions" to add definitions pertaining to signage. ZCA 2012-04 is a result of recommendations for revisions on the existing sign ordinance provided by the Ad Hoc Sign Code Working Group (the "Working Group"), which was then followed by Planning Commission review of the amendments necessary to address the recommendations of the Working Group.

Recommended Action: Adopt Ordinance No. 953 for first reading.
(Planning Director)

Planning Director King presented information regarding the public hearing item, as stated in the staff report and recommended ordinance.

Council Member Hanna commented on his concerns regarding how public art would be defined. In response, Director King stated that public art signage would be addressed individually.

Council Member Sullivan commented on what is considered as public art. In response, Director King stated that the working group did not want people to abuse a provision of art as an excuse to get more advertising. City Manager Groves noted that public art is not included in the sign code and will be addressed later. City Attorney Burns commented on the need to review the difference between public art and a sign.

Council Member Higgins commented on home occupation signs. Director King stated that a home occupation cannot display offsite signage. Council Member Higgins asked how a legally non-conforming sign nuisance would be addressed. Director King stated that this Code is based upon state law and is uniform from city to city. City Attorney Burns added that it is illegal if it is altered in any way.

City Attorney Burns recommended modifications to Section 18.37.16 -- Illegal and Non-conforming Signs, Subsection C.

Mayor Pro Tem Azevedo commented on temporary signs not being allowed in the right-of-way. Director King clarified that when a business leaves, is it the tenant or landlords responsibility to remove the sign. Mayor Pro Tem Azevedo stated that she wants criteria written for public art brought forward in the future.

Mayor Bash OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.

Ben Louk. Mr. Louk commented on the aesthetics of the building when a sign is removed and the stucco is bare.

Vern Showalter. Mr. Showalter commented on what triggers a structural change.

Greg Newton. Mr. Newton commented on the Planning Commission's discussions regarding public art.

Mayor Bash CLOSED the public hearing.

M/S Higgins/Hanna to adopt Ordinance No. 953 for first reading with the following recommended modifications to Section 18.37.16 -- Illegal and Non-conforming Signs, Subsection C:

Abatement of Legally Non-conforming Signs that Subsequently Become Unlawful. If the City Council determines by resolution that legally non-conforming signs are a public nuisance by virtue of their unlawfulness as described in B. above, and provided and it is in the best interest of the public health, safety, and general welfare to abate such signs, the City abatement procedures shall be as follows:.....

The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, HIGGINS, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- B. Appeal Hearing: Planning Commission Denial of a Site Plan Addition for an Exterior Vacuum Control System for Approved Conditional Use Permit 2011-15.

At its meeting held on August 8, 2012, the Planning Commission denied the applicant's request for a minor site plan addition to add an exterior vacuum control system to the approved site plan for Conditional Use Permit (CUP) 2011-15, a car wash that has recently been constructed within the former Mitsubishi dealership parts building. The applicant has appealed that decision to the City Council.

Recommended Action: Hear the applicant's appeal and make the determination to either uphold the Planning Commission denial or approve the applicant's request for a minor site plan addition to add an exterior vacuum control system to the approved site plan for Conditional Use Permit 2011-15. (Planning Director)

Planning Director King presented information regarding the appeal hearing item, as stated in the staff report.

Mayor Bash OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.

Ben Louk. Mr. Louk stated that he is the property owner of the site and commented on the difficulty attracting a tenant to the site. He further commented on the design of the car wash, noting where the vacuum is located, and the need for this business to be successful.

City Attorney Burns asked that all City Council Members identify any subject site visits made at this time. Mayor Pro Tem Azevedo and Mayor Bash stated that they visited the site.

Garett Bruinsma. Mr. Bruinsma stated that he owns the business next to the subject business. He commented on the vacuum and what was approved on the site plan. He asked that the Council uphold the Planning Commission decision.

Ben Louk. Mr. Louk commented on the site plan and where the vacuum system would be, noting the inspection that was completed. He further commented on the noise of a vacuum system in comparison to a large truck.

Vinod Kardani. Mr. Kardani, the applicant, commented on the location of the vacuum that was not pinpointed at the time the plans were submitted, noting that the electric plan showed the location. He asked for City Council approval to operate his business in full.

Mayor Bash CLOSED the public hearing.

Council Member Azevedo commented on her visit to the site and further commented on the noise generated from the car wash businesses and the traffic on Hamner Avenue. She concluded that she sees no problem with the vacuum being allowed, adding that she is an advocate for small businesses.

Council Member Hanna commented on the noise coming from the applicant's business, adding that he concurs with the Planning Commission decision.

Council Member Higgins commented on the industry levels for noise, noting that he agreed with Mayor Pro Tem Azevedo.

Council Member Sullivan stated that he wished the Planning Commission would have approved this. He further stated that any concerns regarding overconcentration of businesses in the City should be addressed by the Council.

Mayor Bash commented on his confusion regarding the Planning Commission denial. In response, Director King stated that the site plan showed the vacuum, but did not show the engine.

M/S Azevedo/Higgins to approve the applicant's request for a minor site plan addition to add an exterior vacuum control system to the approved site plan for Conditional Use Permit 2011-15. The motion was carried by the following roll call vote:

AYES: AZEVEDO, HIGGINS, SULLIVAN
NOES: BASH , HANNA
ABSENT: NONE
ABSTAIN: NONE

4. PUBLIC COMMENTS OR QUESTIONS:

Ted Hoffman: Mr. Hoffman commented on staff's efforts to require the pavers that had been installed in the horse trail at a residence in Norco be removed.

Jonathan Kahan. Mr. Kahan commented on his efforts to become an Eagle Scout. He stated that for his project, he will be building 15 new picnic tables to locate at George Ingalls Equestrian Event Center. He further stated that he will be hosting a pancake breakfast to help pay for the project.

Vern Showalter. Mr. Showalter commented on business owners interested in displaying a Horsetown USA sticker in their windows.

Julie Waltz. Ms. Waltz stated that her street is in dire need of repair. She further commented on a tree that needs to be addressed on that same street.

5. CITY COUNCIL COMMUNICATIONS:

A. Reports on Regional Boards and Commission

Mayor Pro Tem Azevedo:

- Stated that Red Ribbon Week is coming up and noted that UNLOAD works with the Corona-Norco Unified School District on this event.
- Attended the WRCOG Executive Committee meeting and stated that there are 45 homes in Norco participating in the HERO Program.
- Commented on the annual Parade of Lights, noting her support in beginning the event earlier in the day.

Council Member Hanna:

- Provide an update on the RCTC 91 Freeway Expansion Project, noting that there will be a display at the Corona Library.

B. City Council Announcements

Mayor Bash:

- The City Council unanimously agreed to place an item on a future agenda to discuss a moratorium on car washes.
- Commented on the need to bring back the Norco queen competition.
- Stated that Norco College approved the Trading Post.
- Encouraged everyone to attend the Norco College Art Gallery.

Council Member Hanna:

- Commented on the League of California Cities Conference he attended, noting the sessions he attended.

Council Member Sullivan:

- Commented on the League of California Cities Conference he attended, noting the sessions he attended.

6. CITY MANAGER REPORTS:

City Manager Groves:

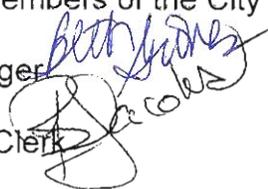
- Congratulated Mayor Pro Tem Azevedo on her receipt of the Celebration of Life Award at the 2012 Give Cancer the Boot event.

7. ADJOURNMENT: There being no further business to come before the City Council, Mayor Bash adjourned the meeting at 8:49 p.m. in honor of the Americans lost in the Middle East.

/bj-81840

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: October 3, 2012

SUBJECT: Proposed Cancellation of the November 21, 2012, December 19, 2012 and January 2, 2013 City Council Regular Meetings

RECOMMENDATION: November 21, 2012, December 19, 2012 and January 2, 2013 City Council regular meetings.

SUMMARY: It is being proposed to the City Council that the November 21, 2012, December 19, 2012 and January 2, 2013 regular City Council meetings be cancelled due to seasonal activities and the closure of the Corona-Norco Unified School District for an extended period of time over the holidays.

BACKGROUND/ANALYSIS: It has come to the attention of staff that the Corona-Norco Unified School District (CNUSD) will be completely closed down over the holiday season and for extended furlough days during the months of November and December of 2012, and January of 2013. During that period of time, there are three regular meetings of the City Council scheduled (November 21, 2012, December 19, 2012 and January 2, 2013) in the City Council Chambers, which is located in the CNUSD building, and will be affected by this schedule.

Last year, the Council voted to cancel the second regular meeting in December and the first regular meeting in January, due to the extended holiday activities and closures. It is being recommended at this time that the November 21, 2012, December 19, 2012 and January 2, 2013 regular meetings be cancelled.

If there are any time-sensitive items that necessitate City Council action during that period of time, a special City Council meeting would be called and held at City Hall.

/bj-81846

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brian H. Petree, Director
Parks, Recreation and Community Services Department

DATE: October 3, 2012

SUBJECT: Acceptance of the Animal Shelter Expansion Project as Complete

RECOMMENDATION: Accept the Animal Shelter Expansion Project as complete and authorize the City Clerk to file a Notice of Completion with the County Clerk's Office.

SUMMARY: The Animal Shelter Expansion Project has been completed and staff is requesting that the Council accept the Project as complete.

BACKGROUND/ANALYSIS: On June 1, 2011, the Council awarded a contract for the Animal Shelter Expansion Project to Hamel Contracting, Inc. in the amount of \$1,364,480 with a 10% contingency.

Hamel Contracting, Inc. completed their scope of work for the project at a total cost of \$1,490,326.28. The work has been inspected by the Parks and Recreation Department and the City Building and Safety Inspector and found to be in full conformance with the plans and specifications on the contract document.

FINANCIAL IMPACT: N/A

rs/81202

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: William R. Thompson, Director of Public Works 

DATE: October 3, 2012

SUBJECT: Execution of a Funding Agreement between the City of Norco and the Chino Basin Desalter Authority

RECOMMENDATION: That City Council Approve a Funding Agreement between the City of Norco and the Chino Basin Desalter Authority (CDA) to Construct a 30-inch Diameter Treated Water Pipeline.

SUMMARY: The City of Norco has prepared plans and specifications for the Widening of Hamner Avenue Project, 1,500 feet north and 1,500 feet south of Citrus Avenue. The Hamner Avenue Widening project includes a 30-inch treated water pipeline improvement to convey water from the Chino II Desalter Facility. The Chino Basin Desalter Authority (CDA) has agreed to contribute 100% of the funding necessary to construct of the pipeline improvements through a cooperative Funding Agreement.

BACKGROUND/ANALYSIS: The plans and specifications for the Hamner Avenue Widening Project included the installation of a 30-inch treated water distribution pipeline to convey treated water from the expansion of the Chino II Desalter Facility. The project plans and specifications have been advertised and the City Council awarded a contract Griffith Company at its July 18, 2012 meeting to construct the street, water, sewer, storm drainage, and traffic signal improvements necessary to complete the project. The CDA has agreed to enter into a Funding Agreement for construction, inspection, survey, geotechnical (soil testing), and project management.

The City of Norco is responsible for the preparation of the specifications, plans, bid advertisement, inspection and project management through completion of each project segment.

The purpose of the Funding Agreement is to memorialize the mutual understandings between both parties with respect to funding, construction, ownership, operation and maintenance, including a funding provision if modifications or change orders occur.

FISCAL IMPACT: Funds in the amount of \$1,231,130 will be deposited into the Hamner Avenue Widening Capital Improvement Program Fund (149) upon execution of the agreement.

Attachment: Funding Agreement

/wrt-81922

Agenda Item 1.D.

FUNDING AGREEMENT
HAMNER AVENUE STREET IMPROVEMENT PROJECT

The CITY OF NORCO, hereinafter called "NORCO", and the CHINO BASIN DESALTER AUTHORITY, hereinafter called "CDA", hereby agree as follows:

RECITALS

A. NORCO has requested funding for construction of certain roadway widening improvements to be constructed in Hamner Avenue, from 1,500 feet south of Citrus avenue and 1,500 feet north of Citrus Avenue within the city limits of NORCO and Eastvale hereinafter called "PROJECT"; and

B. The PROJECT consists of approximately 3,000 feet of roadway improvements, including curbs, gutters, storm drain, water, sewer and asphalt construction.

C. The PROJECT also includes a 30-inch diameter treated water distribution pipeline to convey water from the Chino II Desalter to CDA members NORCO, Jurupa Community Services District, Western Municipal Water District and the City of Ontario ("CDA PIPELINE")

D. Norco has prepared the necessary plans and specifications and will be responsible for the advertising, award and administration of a public works construction contract for the PROJECT.

E. CDA has reviewed said plans with respect to the and has paid the design costs charged by NORCO's design firm, DMC Engineers, to prepare the plans and specifications for said CDA PIPELINE.

F. NORCO has determined that the PROJECT is exempt from the California Environmental Quality Act (CEQA) and on February 8, 2011, filed a Notice of Determination with the office of the Assessor-County Clerk-Recorder for Riverside County.

G. NORCO shall be solely responsible for complying with all applicable environmental programs and regulations including but not limited to the National Environmental Policy Act (NEPA), federal Clean Water Act (Sections 404 and 401), the National Flood Insurance Act (Section 1361(c)), CEQA, the California Fish and Game Code (Section 1600) and the Western Riverside County Multi-Species Habitat Conservation Plan (WRCMSHCP) (collectively, "ENVIRONMENTAL LAWS").

H. CDA agrees to pay the CDA CONTRIBUTION (defined below), as set forth herein.

I. The purpose of this Agreement is to memorialize the mutual understandings by and between NORCO and CDA with respect to the construction, inspection, survey, project management, ownership, operation and maintenance of PROJECT by NORCO and the payment of CDA CONTRIBUTION by CDA.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties hereto mutually agree as follows:

SECTION I

NORCO shall:

1. Secure all necessary rights of way, rights of entry and temporary construction easements necessary to construct, inspect and operate the PROJECT.
2. Comply with the applicable provisions of the ENVIRONMENTAL LAWS.

3. Secure all necessary permits, approvals, licenses or agreements required by any Federal or State resource or regulatory agencies pertaining to the construction of the PROJECT (collectively, REGULATORY PERMITS”). Such REGULATORY PERMITS may include, but are not limited to, a Section 404 permit issued by THE U.S. Army Corps of Engineers (USACOE), a Section 401 Water Quality Certification issued by the California Regional Water Quality Control Board (CRWQCB), a Section 1602 Streambed Alteration Agreement issued by the California Department of Fish and Game and National Pollutant Discharge Elimination System Permits issued by the State Water Resources Control Board.

4. Advertise the PROJECT for bids pursuant to the applicable provisions of the California Public Contract Code. At the time of advertising for bids, provide CDA with a copy of the PROJECT plans, specifications, bid documents and any subsequent addenda thereto.

5. Prior to the award of the construction contract for the PROJECT, submit an invoice to CDA for the estimated cost of constructing the CDA PIPELINE. The invoice shall be supported by NORCO’S bid abstracts for PROJECT.

6. Construct PROJECT pursuant to a public works contract administered by NORCO.

7. Supervise and inspect all aspects of PROJECT construction and provide access to CDA representatives to observe construction and installation of the CDA PIPELINE.

8. Upon completion of construction of the PROJECT and acceptance by NORCO (and subject to acceptance of the CDA PIPELINE by CDA), assign ownership of the CDA PIPELINE to CDA.

9. Upon completion of construction PROJECT, provide CDA with a copy of the Notice of Completion issued by NORCO for the PROJECT (or for the CDA PIPELINE, if separate Notice of Completion is issued for the CDA PIPELINE).

10 Upon completion of construction PROJECT provide CDA with a copy of the CDA PIPELINE AS-BUILT plans.

SECTION II

CDA shall:

1. Within thirty (30) days of receiving of NORCO'S invoice and supporting documentation, pay to NORCO an amount equal to the agreed upon bid amount for all bid items pertaining directly to construction of the CDA PIPELINE, plus the estimated cost of inspection, survey, geotechnical (soil) and construction management services attributable to the CDA PIPELINE, not to exceed the total amount of One Million Two Hundred Thirty One Thousand One Hundred Thirty Dollars (\$1,231,130.00) (the "CDA CONTRIBUTION").

SECTION III

It is further mutually agreed:

1. The CDA CONTRIBUTION is a one-time cash contribution to be used solely for the purpose of paying for the construction of the CDA PIPELINE as set forth herein and in the plans approved by CDA. Additional funding shall be provided by CDA for any subsequent modifications, extensions or change orders relating to the construction of the CDA PIPELINE, but only to the extent approved in advance, in writing, by CDA.

2. In the event the actual construction cost for the CDA PIPELINE is less than the amount of the CDA CONTRIBUTION, NORCO shall refund the difference to CDA within thirty (30) days of filing the Notice of Completion for PROJECT (or for the CDA PIPELINE, if separate Notice of Completion is issued for the CDA PIPELINE).

3. Under the provisions of this Agreement, the CDA shall bear no responsibility whatsoever for the design, construction, ownership, or operation of PROJECT.

4. NORCO shall defend, indemnify and hold the CDA, its officials, officers, employees, volunteers, member agencies and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any negligent acts, omissions or willful misconduct of NORCO, its officials, officers, employees, agents, consultants and contractors arising out of or in connection with the performance of this Agreement, including the design, construction, operation or failure of the PROJECT, including without limitation the payment of all consequential damages and attorneys fees and other related costs and expenses. NORCO shall defend, at NORCO's own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against CDA, its directors, officials, officers, employees, agents, member agencies or volunteers. NORCO shall pay and satisfy any judgment, award or decree that may be rendered against CDA or its directors, officials, officers, employees, agents, member agencies or volunteers, in any such suit, action or other legal proceeding. NORCO shall reimburse CDA and its directors, officials, officers, employees, agents, member agencies and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. NORCO's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the CDA, its directors, officials, officers, employees, agents, member agencies or volunteers.

5. In the event of any arbitration, action or suit brought by either NORCO or CDA against the other party by reason of any breach on the part of the other party of any of the covenants and agreements set forth in this Agreement, or any other dispute between CDA and NORCO concerning this Agreement, the prevailing party in any such action or dispute, by a final judgment or arbitration award, shall be entitled to have and recover from the other party all reasonable attorneys' fees and expert witness fees incurred in connection with such action. This section shall survive any termination of this Agreement.

6. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

7. This Agreement is to be construed in accordance with the laws of the State of California. Neither NORCO nor CDA shall assign this Agreement without the written consent of the other party.

8. This Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action based upon the provisions of this Agreement.

9. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses;

Chino Basin Desalter Authority
2151 S. Haven Avenue, Suite 202
Ontario, CA 91761
Attention: General Manager/CEO

City of Norco
2870 Clark Avenue
Norco, CA 92860
Attention: City Manager

10. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by NORCO shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against NORCO because NORCO prepared this Agreement in its final form.

11. Any waiver by NORCO or CDA of any breach by any other party of any provision of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or any other provision hereof. Failure on the part of NORCO or CDA to require from any other party exact, full and complete compliance with any of the provisions of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping NORCO or CDA from enforcing this Agreement.

12. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of

_____, 2012

(to be filled in by the Clerk of the Board)

RECOMMENDED FOR APPROVAL:

CHINO BASIN DESALTER AUTHORITY

BY: _____
CURTIS PAXTON
General Manager/CEO

By: _____

APPROVED AS TO FORM:

By: _____
ALLISON BURNS
General Counsel

By: _____

RECOMMENDED FOR APPROVAL:

CITY OF NORCO

By: _____
BETH GROVES
City Manager

By: _____
KEVIN BASH
Mayor

APPROVED AS TO FORM:

ATTEST:

By: _____
JOHN HARPER
City Attorney

By: _____
BRENDA K. JACOBS
City Clerk

(SEAL)

Funding Agreement – Hamner Avenue Street Widening Project; CDA 30” Treated Water
Distribution Pipeline

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: William R. Thompson, Director of Public Works 

DATE: October 3, 2012

SUBJECT: Execution of a Funding Agreement between the City of Norco and the City of Eastvale

RECOMMENDATION: That City Council Approve a Funding Agreement between the City of Norco and the City of Eastvale to Construct Roadway Improvements to Hamner Avenue.

SUMMARY: The City of Norco has prepared plans and specifications for the Hamner Avenue Widening Project, 1,500 feet north and 1,500 feet south of Citrus Avenue. The Hamner Avenue Widening Project includes a portion of asphalt roadway improvements that lie within the City of Eastvale. The City of Eastvale has agreed to contribute 100% of the funding necessary to construct the roadway improvements through a cooperative Funding Agreement.

BACKGROUND/ANALYSIS: The plans and specifications for the Hamner Avenue Widening Project include a portion of asphalt roadway improvements that lie within the City of Eastvale. The project plans and specifications have been advertised and the City Council awarded a contract Griffith Company at its July 18, 2012 meeting to construct the street, water, sewer, storm drainage, and traffic signal improvements necessary to complete the project. The City of Eastvale has agreed to enter into a Funding Agreement for roadway construction.

The City of Norco is responsible for the preparation of the specifications, plans, environmental and regulatory permitting, bid advertisement, inspection and project management through completion of each project segment.

The purpose of the Funding Agreement is to memorialize the mutual understandings between both parties with respect to funding, construction, ownership, operation and maintenance, including a funding provision if modifications or change orders occur.

FISCAL IMPACT: Funds in the amount of \$473,171.00 will be deposited into the Hamner Avenue Widening Capital Improvement Program Fund (149) upon execution of the agreement.

Attachment: Funding Agreement

/wrt-81923

Agenda Item 1.E.

FUNDING AGREEMENT
HAMNER AVENUE STREET IMPROVEMENT PROJECT

The CITY OF NORCO, hereinafter called "NORCO", and the CITY OF EASTVALE, hereinafter called "EASTVALE", hereby agree as follows:

RECITALS

A. NORCO has requested funding for construction of certain roadway widening improvements to be constructed in Hamner Avenue, from 1,500 feet south of Citrus Avenue and 1,500 feet north of Citrus Avenue within the city limits of Norco and Eastvale hereinafter called "PROJECT"; and

B. The proposed improvements, consisting of approximately 3,000 feet of roadway improvements, including curbs, gutters, storm drain, water, sewer and asphalt construction ; and

C. The proposed improvements will also provide street widening improvements within the City of Eastvale; and

D. The proposed improvements will also provide ancillary protection to the Eastvale Line E Channel outlet works; and

E. Norco has prepared the necessary plans and specifications and will be responsible for the advertising, award and administration of a public works construction contract for the PROJECT; and

F. CITY has determined that the PROJECT is exempt from the California Environmental Quality Act (CEQA) and on February 8, 2011, filed a Notice of Determination with the office of the Assessor-County Clerk-Recorder for Riverside County.

G. NORCO shall be solely responsible for complying with all applicable environmental programs and regulations including but not limited to the federal Clean Water Act (Sections 404 and 401), the National Flood Insurance Act (Section 1361(c)), CEQA, the California Fish and Game Code (Section 1600) and the Western Riverside County Multi-Species Habitat Conservation Plan (WRCMSHCP); and

H. EASTVALE pledges to support CITY'S efforts to construct PROJECT and provide their share of construction funding for PROJECT as set forth herein; and

I. The purpose of this Agreement is to memorialize the mutual understandings by and between NORCO and EASTVALE with respect to the construction, inspection, ownership, operation and maintenance of PROJECT, and the payment of EASTVALE CONTRIBUTION; and

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties hereto mutually agree as follows:

SECTION I

NORCO shall:

1. Secure, at its sole cost and expense, all necessary rights of way, rights of entry and temporary construction easements necessary to construct, inspect, operate and maintain PROJECT.

2. Comply with the applicable provisions of CEQA, the WRCMSHCP and the National Flood Insurance Program (40 CFR Part 60).

3. Secure, at its sole cost and expense, all necessary permits, approvals, licenses or agreements required by any Federal or State resource or regulatory agencies pertaining to the construction, operation and maintenance of PROJECT. Such documents,

hereinafter called "REGULATORY PERMITS", may include, but are not limited to, a Section 404 permit issued by USACOE, a Section 401 Water Quality Certification issued by the California Regional Water Quality Control Board (CRWQCB), a Section 1602 Streambed Alteration Agreement issued by the California Department of Fish and Game and National Pollutant Discharge Elimination System Permits issued by the State Water Resources Control Board.

4. Advertise PROJECT for bids pursuant to the applicable provisions of the California Public Contract Code. At the time of advertising for bids, provide EASTVALE with a copy of the PROJECT plans, specifications, bid documents and any subsequent addenda thereto.

5. Prior to the award of the construction contract for the PROJECT, submit an invoice to EASTVALE for the estimated cost of constructing the EASTVALE portion of the PROJECT. The invoice shall be supported by NORCO'S bid abstracts for PROJECT.

6. Construct PROJECT pursuant to a NORCO administered public works contract.

7. Supervise and inspect all aspects of PROJECT construction.

8. Upon completion of PROJECT construction and NORCO'S acceptance thereof, accept sole responsibility for the design, ownership, operation and maintenance of the portion of the PROJECT within the NORCO city limits.

9. Upon completion of PROJECT construction, provide EASTVALE with a copy of the NORCO'S Notice of Completion.

10. Upon completion of PROJECT construction, provide EASTVALE with AS-BUILT construction plans.

SECTION II

EASTVALE shall:

1. Within thirty (30) days of receiving of NORCO'S invoice, pay NORCO the agreed upon bid amount for all bid items pertaining directly to PROJECT construction, the not to exceed amount of four hundred seventy-three thousand one hundred seventy one dollars (\$473,171.00) (the "EASTVALE CONTRIBUTION").

SECTION III

It is further mutually agreed:

1. The EASTVALE CONTRIBUTION is a one-time cash contribution to be used by NORCO solely for the purpose of constructing PROJECT as set forth herein. No additional funding whatsoever shall be provided by EASTVALE for any subsequent PROJECT modifications, extensions or change orders. It is anticipated that the EASTVALE CONTRIBUTION for the PROJECT will be eligible for reimbursement through the Transportation Uniform Mitigation Fees ("TUMF") as administered by the Western Riverside Council of Governments ("WRCOG"). NORCO agrees to fully support EASTVALE's request for said reimbursement for the full amount of the EASTVALE CONTRIBUTION.

2. In the event the actual construction cost for PROJECT is less than the amount of the EASTVALE CONTRIBUTION, NORCO shall refund the difference to EASTVALE within thirty (30) days of filing the Notice of Completion for PROJECT.

3. Under the provisions of this Agreement, the EASTVALE shall bear no responsibility whatsoever for the design, construction, ownership, or operation of PROJECT.

4. In the event that any claim or legal action is brought against EASTVALE, in connection with this Agreement and based upon the actual or alleged acts or omissions of

NORCO, its officers, employees, consultant, contractors or agents, including but not limited to claims or legal action related to the design, construction, operation, maintenance or failure of PROJECT, NORCO shall defend, indemnify and hold EASTVALE harmless therefrom without cost to EASTVALE. This shall include providing EASTVALE with legal representation and pay for related costs for any such claim or legal action, and payment of any settlement or judgment on behalf of EASTVALE, all at no cost to EASTVALE. Upon NORCO'S failure to do so, EASTVALE shall be entitled to recover from NORCO all of its costs and expenses, including, but not limited to, reasonable attorneys' fees.

5. In the event of any arbitration, action or suit brought by either NORCO or EASTVALE against the other party by reason of any breach on the part of the other party of any of the covenants and agreements set forth in this Agreement, or any other dispute between EASTVALE and NORCO concerning this Agreement, the prevailing party in any such action or dispute, by a final judgment or arbitration award, shall be entitled to have and recover from the other party all costs and expenses or claims, including but not limited to, attorneys' fees and expert witness fees. This section shall survive any termination of this Agreement.

6. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

7. This Agreement is to be construed in accordance with the laws of the State of California. Neither NORCO nor EASTVALE shall assign this Agreement without the written consent of the other party.

8. This Agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action based upon the provisions of this Agreement.

9. Any and all notices sent or required to be sent to the parties of this Agreement will be mailed by first class mail, postage prepaid, to the following addresses;

City of Eastvale

12363 Limonite Ave., Suite 910

Eastvale, CA 91752

City of Norco

2870 Clark Ave.

Norco, CA 9286

10. This Agreement is the result of negotiations between the parties hereto, and the advice and assistance of their respective counsel. The fact that this Agreement was prepared as a matter of convenience by NORCO shall have no import or significance. Any uncertainty or ambiguity in this Agreement shall not be construed against NORCO because NORCO prepared this Agreement in its final form.

11. Any waiver by NORCO or EASTVALE of any breach by any other party of any provision of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or any other provision hereof. Failure on the part of NORCO or EASTVALE to require from any other party exact, full and complete compliance with any of the provisions of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping NORCO or EASTVALE from enforcing this Agreement.

12. This Agreement is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive

statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous agreements and understandings, oral or written, in connection therewith. This Agreement may be changed or modified only upon the written consent of the parties hereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

(to be filled in by the Clerk of the Board)

RECOMMENDED FOR APPROVAL: **CITY OF EASTVALE**

By _____
CAROL JACOBS
City Manager

By _____
JEFF DeGRANDPREE
Mayor

APPROVED AS TO FORM:

ATTEST:

By _____
JOHN E. CAVANAUGH
Deputy County Counsel

By _____

City Clerk

(SEAL)

RECOMMENDED FOR APPROVAL: **CITY OF NORCO**

By _____
BETH GROVES
City Manager

By _____
KEVIN BASH
Mayor

APPROVED AS TO FORM:

ATTEST:

By _____
JOHN HARPER
City Attorney

By _____
BRENDA K. JACOBS
City Clerk

(SEAL)

Funding Agreement – Hamner Avenue Street Widening Project

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brian Petree, Director
Parks, Recreation and Community Services

DATE: October 3, 2012

SUBJECT: Approval of Supplemental Agreement for the 2012-2013
Community Development Block Grant Program Year

RECOMMENDATION: Staff recommends approval of the Supplemental Agreement
for the 2012-2013 Community Development Block Grant
Program Year.

SUMMARY: To receive Community Development Block Grant (CDBG) funds as a cooperating City in the County of Riverside, the City is required to approve a Supplemental Agreement to administer the approved programs and projects.

BACKGROUND/ANALYSIS: On November 16, 2011, the City Council approved specific programs and a public project using the City's 2012-2013 CDBG Program allocation, which was *estimated* by the Riverside County Economic Development Agency (EDA) to be \$130,000.

The *final* amount awarded to Norco is \$99,159. The attached Agreement confirms funding is approved for the following projects for Program Year 2012-13:

	<u>REQUESTED</u>	<u>APPROVED</u>
Norco Sr. Center Recreation Leader	\$8,000	\$7,504
Norco Party Partners	\$12,000	\$6,378
Ingalls Park ADA Restroom Replacement	<u>\$110,000</u>	<u>\$85,277</u>
Total requested/approved for funding:	\$130,000	\$99,159

The Supplemental Agreement must be approved, returned to the County Economic Development Agency, and approved by the County Board of Supervisors before the City will be able to incur costs for the approved programs. Once approved, funds for programs already in progress will be released, and pending invoices for service can be submitted for payment and brought current.

FINANCIAL IMPACT: No impact to the General Fund. The U.S. Department of Housing and Urban Development will fund these programs and projects through the Riverside County Economic Development Agency on a reimbursement basis.

/rs – 81911
Attachment: Supplemental Agreement

**SUPPLEMENTAL AGREEMENT FOR THE USE OF
2012-2013 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

The COUNTY OF RIVERSIDE of the State of California, herein called, "COUNTY," and the CITY OF NORCO, herein called "CITY," mutually agree as follows:

1. GENERAL. COUNTY and CITY have executed a Cooperation Agreement, dated July 2011, whereby CITY elected to participate with COUNTY, which has qualified as an "Urban County" for purposes of receiving Community Development Block Grant (CDBG) funds, and to assist and undertake essential community development and housing assistance activities pursuant to the Housing and Community Development Act of 1974, Title 1, as amended, Public Law 93-383 hereinafter referred to as "Act". Said Cooperation Agreement, dated July 2011, is incorporated herein by reference and made a part of this Agreement as if each and every provision was set forth herein.

2. PURPOSE. CITY promises and agrees to undertake and assist with the community development activities, within its jurisdiction, by utilizing the sum of \$99,159, CDBG Entitlement Funds, as specifically identified in Exhibits A, B, and C are attached hereto and by this reference are incorporated herein, for the projects:

- | | | | |
|----|-------------------|---|------------------|
| A. | 2.NR.25-12 | Ingalls Park ADA Restroom Project II, | \$ 85,277 |
| B. | 2.NR.26-12 | Senior Recreation and Community Services, | \$ 7,504 |
| C. | 2.NR.27-12 | Norco Party Partners for Developmentally Challenged, | \$ 6,378 |

3. TERM OF AGREEMENT. The term of this Agreement for the projects shall be for a period of one (1) year from July 1, 2012 to June 30, 2013, and proceed consistent with the completion schedule set forth in Exhibits A, B, and C. In the event that the projects are not substantially completed by the time set forth in the completion schedule due to unforeseen or uncontrollable causes, the COUNTY may consider extending the schedule for the completion of the project. Times of performance for other activities may also be extended in writing by

1 COUNTY. If substantial progress toward completion in conformance with the completion
2 schedule, as determined by COUNTY, of the projects are not made during the term of the
3 Supplemental Agreement, COUNTY may suspend or terminate this agreement by the
4 procedures set forth in the Section titled "Termination", of this agreement and the entitlement
5 funds associated with the projects may be reprogrammed by COUNTY after appropriate notice
6 is given.

7 4. DISPOSITION OF FUNDS.

8 A. COUNTY's Board of Supervisors shall determine the final disposition and
9 distribution of all funds received by COUNTY under the Act consistent with the provisions of
10 Paragraphs 2 and 3 of this Agreement. COUNTY, through its Economic Development Agency,
11 shall: (1) Make payment of the grant funds to CITY as designated in Exhibits A, B, and C; and
12 (2) It is the CITY's responsibility to monitor all project activities of Exhibits A, B, and C to
13 ensure compliance with applicable federal regulations and the terms of this Agreement.

14 B. CITY shall comply with timely drawdown of CDBG funds by
15 expeditiously implementing and completing County-approved, CDBG-funded projects. CITY
16 acknowledges that CITY's drawdown performance directly impacts the COUNTY's overall
17 program drawdown rate. If the CITY's unobligated CDBG fund balance, as of January 15, 2013,
18 exceeds two-times (200%) the CITY's 2012-2013 CDBG allocation, the COUNTY may take the
19 necessary administrative actions to reduce the CITY's CDBG fund balance. Necessary actions
20 include reprogramming the excess CDBG fund balance to other eligible activities as selected by
21 COUNTY. COUNTY may authorize CITY in writing, prior to January 15, 2013, to exceed the
22 CDBG fund balance requirement.

23 C. CITY shall comply with timely drawdown of funds by submitting monthly
24 requests for reimbursement or other County-approved reimbursement schedule. All
25 disbursements of grant funds will be on a reimbursement basis and made within thirty (30) days
26 after the CITY has submitted its letter identifying payments and documentation supporting
27 expenditures.

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1 D. All authorized obligations incurred in the performance of the Agreement
2 for projects eligible under the following regulations must be reported to COUNTY no later than
3 by June 15, 2013:

- 4 1. Public Services [24 CFR 570.201 (e)]
- 5 2. Acquisition [24 CFR 570.201 (a)]
- 6 3. Clearance Activities [24 CFR 570.201 (d)]
- 7 4. Interim Assistance [24 CFR 570.201 (f)]
- 8 5. Code Enforcement [24 CFR 570.202 (c)]

9 All other eligible activities under this Agreement must be implemented, completed, and
10 obligations reported by the CITY no later than the completion schedules set forth in the Exhibits
11 to this Agreement.

12 5. COOPERATION WITH HOUSING ACTIVITIES. CITY shall cooperate with
13 COUNTY in undertaking essential community development and housing assistance activities,
14 specifically urban renewal and public assistance housing, and shall assist COUNTY in carrying
15 out its Strategic Plan of the Consolidated Plan and other requirements of the Community
16 Development Block Grant Program.

17 6. LEAD AGENCY FOR COMPLIANCE WITH THE CALIFORNIA
18 ENVIRONMENTAL QUALITY ACT (CEQA). Pursuant to Section 15051(d) of Title 14 of the
19 California Administrative Code, CITY is designated as the lead agency for the projects that are
20 the subject matter of this Agreement.

21 7. HOLD HARMLESS AND INDEMNIFICATION. In contemplation of the
22 provisions of Section 895.2 of the California Government Code imposing certain tort liability
23 jointly upon public entities solely by reason of such entities being parties to an agreement as
24 defined by Section 895 of the Code, the Parties hereto, pursuant to the authorization contained in
25 Section 895.4 and 895.6 of the Code, agree that each Party shall be liable for any damages
26 including, but not limited to, claims, demands, losses, liabilities, costs and expenses including
27 reasonable attorneys fees, resulting from the negligent or wrongful acts or omissions of their
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1 employees or agents in the performance of this Agreement, and each Party shall indemnify,
2 defend and hold harmless the other Parties from such claims, demands, damages, losses or
3 liabilities for their negligence

4 8. INSURANCE. Without limiting or diminishing the CITY'S obligation to
5 indemnify or hold the COUNTY harmless, CITY shall procure and maintain or cause to be
6 maintained, at its sole cost and expense, the following insurance coverage's during the term of
7 this Agreement.

8 A. Workers' Compensation:

9 If the CITY has employees as defined by the State of California, the CITY shall maintain
10 statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State
11 of California. Policy shall include Employers' Liability (Coverage B) including Occupational
12 Disease with limits not less than \$1,000,000 per person per accident. The policy shall be
13 endorsed to waive subrogation in favor of The County of Riverside, and, if applicable, to provide
14 a Borrowed Servant/Alternate Employer Endorsement.

15 B. Commercial General Liability:

16 Commercial General Liability insurance coverage, including but not limited to, premises
17 liability, contractual liability, products and completed operations liability, personal and
18 advertising injury, and cross liability coverage, covering claims which may arise from or out of
19 CITY 'S performance of its obligations hereunder. Policy shall name the County of Riverside, its
20 Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board
21 of Supervisors, employees, elected or appointed officials, agents or representatives as Additional
22 Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined
23 single limit. If such insurance contains a general aggregate limit, it shall apply separately to this
24 agreement or be no less than two (2) times the occurrence limit.

25 C. Vehicle Liability:

26 -
27 If vehicles or mobile equipment are used in the performance of the obligations under this
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1 Agreement, then CITY shall maintain liability insurance for all owned, non-owned or hired
2 vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If
3 such insurance contains a general aggregate limit, it shall apply separately to this agreement or
4 be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its
5 Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board
6 of Supervisors, employees, elected or appointed officials, agents or representatives as Additional
7 Insureds.

8 D. General Insurance Provisions - All lines:

9 1) Any insurance carrier providing insurance coverage hereunder
10 shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII
11 (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the
12 County's Risk Manager waives a requirement for a particular insurer such waiver is only valid
13 for that specific insurer and only for one policy term.

14 2) The CITY'S insurance carrier(s) must declare its insurance self-
15 insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such
16 retentions shall have the prior written consent of the County Risk Manager before the
17 commencement of operations under this Agreement. Upon notification of self insured retention
18 unacceptable to the COUNTY, and at the election of the Country's Risk Manager, CITY 'S
19 carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement
20 with the COUNTY, or 2) procure a bond which guarantees payment of losses and related
21 investigations, claims administration, and defense costs and expenses.

22 3) CITY shall cause CITY'S insurance carrier(s) to furnish the
23 County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and
24 certified original copies of Endorsements effecting coverage as required herein, and 2) if
25 requested to do so orally or in writing by the County Risk Manager, provide original Certified
26 copies of policies including all Endorsements and all attachments thereto, showing such
27 insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall
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1 contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given
2 to the County of Riverside prior to any material modification, cancellation, expiration or
3 reduction in coverage of such insurance. In the event of a material modification, cancellation,
4 expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County
5 of Riverside receives, prior to such effective date, another properly executed original Certificate
6 of Insurance and original copies of endorsements or certified original policies, including all
7 endorsements and attachments thereto evidencing coverage's set forth herein and the insurance
8 required herein is in full force and effect. *CITY shall not commence operations until the*
9 *COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of*
10 *endorsements and if requested, certified original policies of insurance including all*
11 *endorsements and any and all other attachments as required in this Section.* An individual
12 authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for
13 each policy and the Certificate of Insurance.

14 4) It is understood and agreed to by the parties hereto that the CITY'S
15 insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or
16 deductibles and/or self-insured retention's or self-insured programs shall not be construed as
17 contributory.

18 5) If, during the term of this Agreement or any extension thereof,
19 there is a material change in the scope of services; or, there is a material change in the equipment
20 to be used in the performance of the scope of work which will add additional exposures (such as
21 the use of aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any
22 extensions thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of
23 insurance required under this Agreement and the monetary limits of liability for the insurance
24 coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the
25 amount or type of insurance carried by the CITY has become inadequate.

26 6) CITY shall pass down the insurance obligations contained herein
27 to all tiers of subcontractors working under this Agreement.
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1 7) The insurance requirements contained in this Agreement may be
2 met with a program(s) of self-insurance acceptable to the COUNTY.

3 8) CITY agrees to notify COUNTY of any claim by a third party or
4 any incident or event that may give rise to a claim arising from the performance of this
5 Agreement.

6 9. RECORDS AND INSPECTIONS.

7 A. CITY shall establish and maintain records in accordance with 24 CFR Part
8 570, Part 85, OMB Circular A-87, A-133 and 24 CFR 91.105, as applicable, and as they relate to
9 the acceptance and use of federal funds under this Agreement.

10 B. CITY shall obtain an external audit in accordance with the U.S.
11 Department of Housing and Urban Development single audit regulations (24 CFR Part 44.6).
12 Audits shall usually be performed annually but not less frequently than every two years.
13 Nonprofit institutions and government agencies that expend less than \$500,000 a year in
14 Federal awards are exempt from Federal audit requirements, but records must be available for
15 review by appropriate officials of the Federal grantor agency or subgranting entity. The audit
16 report shall be submitted to the COUNTY within 180 days after the end of the COUNTY'S
17 fiscal year.

18 C. CITY shall maintain a separate account for CDBG Entitlement funds
19 received as set forth in Exhibits (A, B, and C).

20 D. CITY shall, during the normal business hours, make available to
21 COUNTY, the U.S. Department of Housing and Urban Development (HUD), or other authorized
22 representative, for the examination and copying, all of its records and other materials with
23 respect to matters covered by this Agreement.

24 E. CITY shall not retain any program income as defined in Section 570.500
25 of Title 24 of the Federal Code of Regulations. Said program income shall be used only for the
26 activities that are the subject of this Agreement. Further, all provisions of this Agreement shall
27 apply to such activities.
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1 F. The CITY shall ensure that at least fifty-one percent (51%) of the persons
2 benefiting from all CDBG-funded activities or projects designated as serving limited clientele
3 [570.208(a)(2)(i)] are of low and moderate-income and meet the program income guidelines
4 attached as Exhibits (A, B, and C). The CITY and City's Sub-recipients must provide the
5 required income certification and direct benefit documentation.

6 10. COMPLIANCE WITH LAWS. CITY shall comply with all applicable federal,
7 state, and local laws, regulations, and ordinances and any amendments thereto and the federal
8 regulations and guidelines now or hereafter enacted pursuant to the Act. More particularly, CITY
9 is to comply with those regulations found in Part 85 and Part 570 of Title 24 of the Code of
10 Federal Regulations. CITY is to comply with OMB Circular A-87, or any subsequent
11 replacement. CITY is to abide by the provisions of the Community Development Block Grant
12 Manual, prepared by COUNTY and cited in the above-mentioned Cooperation Agreement.
13 CITY will comply with Section 3 of the Housing & Urban Development Act of 1968, as
14 amended, attached hereto as Exhibit "S". CITY will comply with the provisions of 24 CFR Part
15 570.200 (j), attached as Exhibit "R," pertaining to inherently religious activities.

16 11. INDEPENDENT CONTRACTOR. CITY and its agents, servants, and employees
17 shall act at all times in an independent capacity during the term of this Agreement, and shall not
18 act as, shall not be, nor shall they in any manner be construed to be agents, officers, or
19 employees of the COUNTY.

20 12. TERMINATION.

21 A. CITY. CITY may not terminate this Agreement except upon express
22 written consent of COUNTY.

23 B. COUNTY. Notwithstanding the provisions of Paragraph 12a, COUNTY
24 may suspend or terminate this Agreement upon a thirty (30) day written notice to CITY of action
25 being taken and the reason for such action:

26 (1) In the event CITY fails to perform the covenants herein contained
27 at such times and in such manner as provided in this Agreement; and
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1 (2) In the event there is a conflict with any federal, state or local law,
2 ordinance, regulation or rule rendering any of the provisions of this Agreement invalid or
3 untenable; or

4 (3) In the event the funding from the Department of Housing and
5 Urban Development referred to in Paragraphs 1 and 2 above is terminated or otherwise becomes
6 unavailable.

7 C. Upon suspension of this Agreement, CITY agrees to return any
8 unencumbered funds which it has been provided by COUNTY. In accepting said funds,
9 COUNTY does not waive any claim or cause of action it may have against CITY for breach of
10 this Agreement.

11 D. Reversion of Assets

12 1. Upon expiration of this Agreement, the CITY shall transfer to the
13 COUNTY any CDBG funds on hand at the time of expiration of the Agreement as well as any
14 accounts receivable held by CITY which are attributable to the use of CDBG funds awarded
15 pursuant to this Agreement.

16 2. Any real property under the CITY'S control that was acquired or
17 improved in whole or in part with CDBG funds (including CDBG funds provided to the
18 SPONSOR in the form of a loan) in excess of \$25,000 is either:

19 (i) Used to meet one of the National Objectives in Sec.
20 570.208 until five years after expiration of this agreement, or for such longer period of time as
21 determined to be appropriate by the COUNTY; or

22 (ii) Not used in accordance with Section (i) above, in which
23 event the SPONSOR shall pay to the COUNTY an amount equal to the current market value of
24 the property less any portion of the value attributable to expenditures of non-CDBG funds for the
25 acquisition of, or improvement to, the property.

26 13. NONDISCRIMINATION. CITY shall abide by Sections 570.601 and 570.602 of
27 Title 24 of the Federal Code of Regulations which requires that no person in the United States
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1 shall on the grounds of race, color, national origin, or sex, be excluded from participation in, be
2 denied the benefits of, or be subjected to discrimination under any program or activity funded in
3 whole or in part with Community Development funds.

4 14. PROHIBITION AGAINST CONFLICTS OF INTEREST

5 A. CITY and its assigns, employees, agents, consultants, officers and elected
6 and appointed officials shall become familiar with and shall comply with the CDBG regulations
7 prohibiting conflicts of interest contained in 24 CFR 570.611, attached hereto as Exhibit "CI"
8 and by this reference incorporated herein.

9 B. CITY and its assigns, employees, agents, consultants, officers, and elected
10 and appointed officials shall become familiar with and shall comply with Section A-11 of the
11 County's CDBG Policy manual, attached hereto as Exhibit "CI" and by this reference
12 incorporated herein.

13 C. CITY understands and agrees that no waiver of exception can be granted
14 to the prohibition against conflict of interest except upon written approval of HUD pursuant to
15 24 CFR 570.611 (d). Any request by CITY for an exception shall first be reviewed by COUNTY
16 to determine whether such request is appropriate for submission to HUD. In determining whether
17 such request is appropriate for submission to HUD, COUNTY will consider the factors listed in
18 24 CFR 570.611 (e).

19 D. Prior to any funding under this Agreement, CITY shall provide COUNTY
20 with a list of all employees, agents, consultants, officers and elected and appointed officials who
21 are in a position to participate in a decision making process, exercise any functions or
22 responsibilities, or gain inside information with respect to the CDBG activities funded under this
23 Agreement. CITY shall also promptly disclose to COUNTY any potential conflict, including
24 even the appearance of conflict that may arise with respect to the CDBG activities funded under
25 this Agreement.

26 ~~E. -- Any violation of this section shall be deemed a material breach of this~~
27 Agreement, and the Agreement shall be immediately terminated by the COUNTY.

1 15. PROJECT ELIGIBILITY. As to CITY or its claimants, COUNTY shall bear no
2 liability for any later determination by the United States Government, the Department of
3 Housing and Urban Development or any other person or entity that CITY is or is not eligible
4 under 24 CFR Part 570 to receive CDBG funds.

5 16. USE OF PROPERTY. Whenever federal CDBG funds or program income are
6 used, in whole or in part, for the purchase of equipment or personal property, the property shall
7 not be transferred from its originally funded use, by CITY or sub-recipient, for a period of five
8 (5) years from the close-out date of the grant from which CDBG assistance was provided. The
9 CITY shall maintain a current inventory for COUNTY monitoring and review.

10 17. EMPLOYMENT OPPORTUNITIES TO BE CAUSED BY PROJECT. CITY
11 agrees to notify and to require any lessee or assignee to notify Riverside County Workforce
12 Development Center of any and all job openings that are caused by this project.

13 18. PUBLICITY. Any publicity generated by CITY for the project funded pursuant to
14 this Agreement, during the term of this Agreement, will make reference to the Contribution of
15 the County of Riverside, the Economic Development Agency, and the Community Development
16 Block Grant Program in making the project possible.

17 19. PROGRAM MONITORING AND EVALUATION. CITY and its sub-recipients
18 shall be monitored and evaluated in terms of its effectiveness and timely compliance with the
19 provisions of this Agreement and the effective and efficient achievement of the Program
20 Objectives. Quarterly reports shall be due on the last day of the month immediately following the
21 end of the quarter being reported. The quarterly written reports shall include, but shall not be
22 limited to, the following data elements:

23 A. Title of program, listing of components, description of
24 activities/operations.

25 B. The projected goals, indicated numerically, and also the goals achieved
26 (for each report period). In addition, identify by percentage and description, the progress
27 achieved towards meeting the specified goals and identify any problems encountered in meeting
28

1 goals.

2 C. If the CDBG-funded Activity meets a National Objective under 24 CFR
3 570.208 (a)(2)(i), CITY will report the following:

4 1) Total number of direct beneficiaries (clientele served) with
5 household incomes at:

- 6 • Above 80% MHI
- 7 • Between 50% and 80% MHI (Low-Income)
- 8 • Between 30% and 50% MHI (Very Low-Income)
- 9 • Less than 30% MHI (Extremely Low-Income)

10 2) Total number and percent (%) of the clientele served that have
11 household incomes at or below 80% MHI

12 3) Racial ethnicity of clientele

13 4) Number of Female-Headed Households

14 D. CITY and its sub-recipients shall report beneficiary statistics monthly to
15 EDA on the pre-approved *Direct Benefit Form* and *Self-Certification Form* (certifying income,
16 family size, and racial ethnicity) as required by HUD. Updated forms are to be provided to CITY
17 by EDA should HUD implement changes during the term of this agreement. CITY and sub-
18 recipients will collect and provide all necessary data required by HUD pertaining to the Specific
19 Outcome Indicators as identified in the CPD Outcome Performance Measurement System.

20 20. SOURCE OF FUNDING. CITY acknowledges that the source of funding
21 pursuant to this Agreement is Community Development Block Grant (CFDA 14.218).

22 21. ENTIRE AGREEMENT. It is expressly agreed that this Agreement together with
23 the cooperation Agreement between the parties, embodies the entire agreement of the parties in
24 relation to the subject matter thereof, and that no other Agreement or understanding, verbal or
25 otherwise, relative to this subject matter, exists between the parties at the time of execution.

26 22. MINISTERIAL ACTS. The Assistant County Executive Officer/EDA or
27 designee(s) are authorized to take such ministerial actions as may be necessary or appropriate to
28

1 implement the terms, provisions, and conditions of this Agreement as it may be amended from
2 time to time by COUNTY.

3 23. PRIOR AUTHORIZATION. CITY shall obtain COUNTY's written approval
4 from the Economic Development Agency prior to implementing the following "high risk"
5 activities funded with CDBG assistance:

- 6 A. Construction of public facilities (project plans and specifications);
- 7 B. Acquisition of real property;
- 8 C. Historic Preservation;
- 9 D. Relocation; and
- 10 F. Economic Development

11 23. MODIFICATION OF AGREEMENT. This Agreement may be modified or
12 amended only by a writing signed by the duly authorized and empowered representative of
13 COUNTY and CITY respectively.

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20 **SIGNATURES ON NEXT PAGE**
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IN WITNESS WHEREOF, the COUNTY and the CITY have executed this Agreement as
of the date listed below.

DATED: _____

COUNTY OF RIVERSIDE

By: _____
Suzanne Holland
Assistant Director of EDA

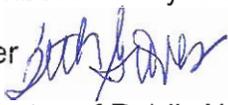
CITY OF NORCO

By: _____
Mayor

SH:JT:mmv

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of City Council

FROM: Beth Groves, City Manager 

PREPARED BY: William R. Thompson, Director of Public Works

DATE: October 3, 2012

SUBJECT: Acceptance of an Easement for Public Utility Purposes from the Riverside Community College District

RECOMMENDATION: Adopt **Resolution No. 2012-___**, accepting the offer to dedicate an easement for public utility purposes from the Riverside Community College District; and authorize the City Clerk to file the Certificate of Acceptance with the County of Riverside Recorder.

SUMMARY: The City is prepared to accept the offer to dedicate a 30 foot wide easement from the Riverside Community College District for public utility purposes to provide sanitary sewer collection services to the Naval Weapons Station Seal Beach Detachment Corona.

BACKGROUND/ANALYSIS: On August 18, 2009, the City of Norco entered into a three party Memorandum of Agreement (MOA), with the State of California Department of Corrections & Rehabilitation ("CRC") and the Naval Weapons Station Seal Beach Detachment Corona ("Navy"). One of the Points of Understanding, or requirements, was for the City of Norco to accept the wastewater generated by both parties.

In order for the City of Norco to provide wastewater collection services from the Navy property, it will be necessary to construct a gravity sewer pipeline from the Navy property south through the Norco College campus to our facilities located in Third Street. The proposed pipeline will require the acceptance of a 30 foot wide public utility easement on the Norco College property. The City currently operates and maintains the sanitary sewer collection system pipeline located on the campus, the new proposed facilities would also be maintained by the City.

The City desires to accept the offer of dedication of a 30 foot wide easement for public utility purposes, only. Therefore, staff is recommending that the City Council accept the offer to dedicate the 30 foot wide easement for public utility purposes, authorize the Mayor to sign the Certificate of Acceptance and direct the City Clerk to file the Certificate of Acceptance with the County Recorder.

FINANCIAL IMPACT: None

Attachments: Resolution No. 2012-
Easement Deed

/wrt-81929

Agenda Item 1.G.

RESOLUTION NO. 2012-____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORCO, CALIFORNIA, ACCEPTING THE OFFER TO DEDICATE A 30 FOOT WIDE EASEMENT FROM THE RIVERSIDE COMMUNITY COLLEGE DISTRICT FOR PUBLIC UTILITY PURPOSES

WHEREAS, the City of Norco owns and operates a sanitary sewer system for the collection and treatment of wastewater within the City Boundaries; and

WHEREAS, on said map, the Riverside Community College District has offered to dedicate to the City of Norco a 30 foot wide easement for public utility purposes; and

WHEREAS, public sanitary sewer facilities were installed on the Norco College Campus to provide wastewater collection services to the campus and the City of Norco maintains these utilities; and

WHEREAS, the City is now prepared to accept the offer to dedicate a 30 foot easement, for public utility purposes, only.

NOW, THEREFORE, BE IT RESOLVED that the offer to dedicate an easement to the City of Norco for public utility purposes, is accepted by the Norco City Council.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on October 3, 2012.

Mayor of the City of Norco, California

ATTEST:

Brenda K. Jacobs, City Clerk
City of Norco, California

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of Norco, California, at a regular meeting thereof held on October 3, 2012 by the following vote of the City Council:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on October 3, 2012.

Brenda K. Jacobs, City Clerk
City of Norco, California

Recording requested by:
CITY OF NORCO

When recorded mail to:

**City Clerk
City of Norco
2870 Clark Avenue
Norco CA 92860**

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: Portion of APN 129-021-005

EASEMENT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged **RIVERSIDE COMMUNITY COLLEGE DISTRICT**, does hereby grant to the **CITY OF NORCO**, a municipal corporation, an EASEMENT for sanitary sewer purposes, and all uses incident thereto, in, over, upon, across and under the real property described in Exhibit "A" (legal description) and shown on Exhibit "B" (plat). The City of Norco and Riverside Community College District agree that this Easement shall be subject and subordinate at all times to the terms and conditions of the Quitclaim Deed recorded on 06/24/1985 as Instrument No. 136773, Official Records, in the Office of the County Recorder of the County of Riverside, State of California. The City of Norco and Riverside Community College District agree to abide by all terms and conditions contained in said Quitclaim Deed and further agree to surrender the estate hereby created upon thirty (30) days notice from the U.S. Department of Education. The parties further acknowledge that this Easement is subject to approval of the U.S. Department of Education.

The City of Norco will operate and maintain all mainline sanitary sewer facilities 8" and larger on the Norco College Campus, RCCD will be responsible for maintenance of all sanitary sewer laterals.

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BY: Riverside Community College District

Signature <must be notarized>

President, Board of Trustees

Signature <must be notarized>

Secretary, Board of Trustees

Signature <must be notarized>

Member, Board of Trustees

Signature <must be notarized>

Vice President, Board of Trustees

Signature <must be notarized>

Member, Board of Trustees

Signature <must be notarized>

President of the College

BY: CITY OF NORCO

Signature <must be notarized>

Mayor

Exhibit "A"
Legal Description
Sanitary Sewer Easement

That portion of a parcel of land lying within Sections 12 and 13, Township 3 South, Range 7 West, San Bernardino Base and Meridian, Riverside County, State of California, said parcel of land also being a portion of land owned by the Department of Navy, formerly known as the United States Naval Hospital, Corona, California as acquired by the United States of America by Civil Action Number 2316-H filed July 9, 1942 in Book 10, page 317 in the District, Central Division, being a 30 foot wide strip of land, the northerly and easterly line of said easement being described as follows:

Beginning at the northwesterly terminus of that certain course shown on Record of Survey filed in Book 76, page 29, Record of Surveys, in the Office of the County Recorder of said County, shown as "North 63°22'16" West, 766.13 feet"; thence along said line South 63°22'16" East, 431.28 feet to the True point of beginning; thence continuing along said line and it's southeasterly prolongation, South 63°22'16" East, 442.91 feet; thence South 10°42'06" East, 218.58 feet.

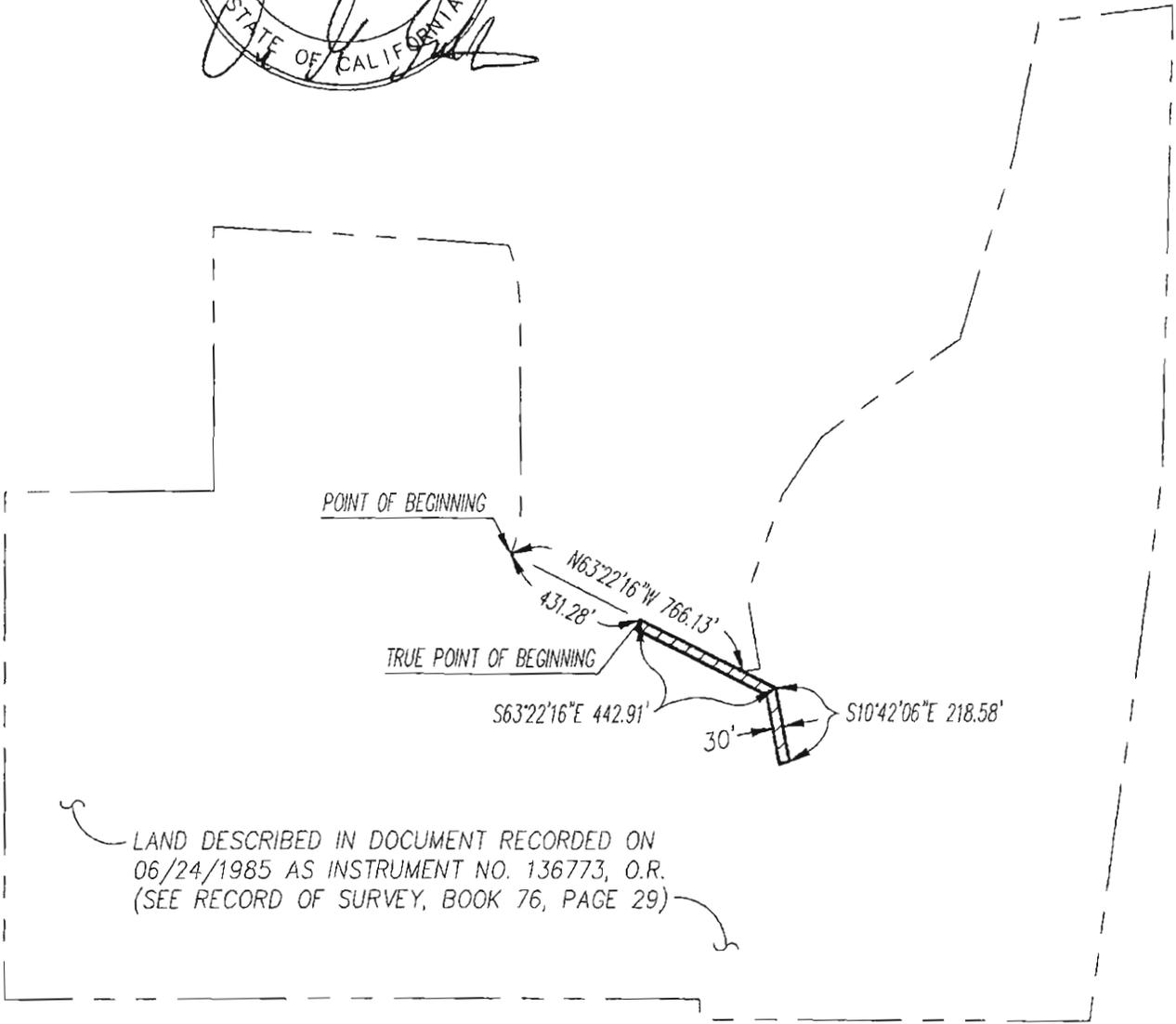
Prepared by:

RKA 
CONSULTING GROUP
398 SOUTH LEMON CREEK DRIVE, SUITE E
WALNUT, CALIFORNIA 91789
TEL (909) 594-9702 • FAX (909) 594-2658

 9/26/12

David G. Gilbertson, LS 6941
Expires 09/30/2012





LAND DESCRIBED IN DOCUMENT RECORDED ON 06/24/1985 AS INSTRUMENT NO. 136773, O.R. (SEE RECORD OF SURVEY, BOOK 76, PAGE 29)

LEGEND:



INDICATES THE EASEMENT BEING GRANTED TO THE CITY OF NORCO

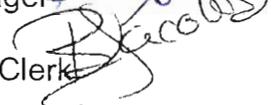
NOTE: THIS IS NOT A SURVEY. THE INFORMATION SHOWN ON THIS EXHIBIT IS COMPILED FROM RECORD DATA.

EXHIBIT "B"
SANITARY SEWER EASEMENT

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

PREPARED BY: Brenda K. Jacobs, City Clerk 

DATE: October 3, 2012

SUBJECT: **Ordinance No. 953, Second Reading.** Zone Code Amendment 2012-04 (City of Norco): A City-Initiated Proposal to Amend the Norco Municipal Code, Chapter 18.37 "Signs" to Revise and Update the Provision of Signage in the City of Norco and to Amend Chapter 18.02 "Definitions" to Add Definitions Pertaining to Signage

RECOMMENDATION: Adopt **Ordinance No. 953** for second reading.

SUMMARY: The first reading of Ordinance No. 953 was held on September 19, 2012 and was adopted by the City Council with a 5-0 vote. This Ordinance is a City-initiated proposal to amend the Norco Municipal Code, Chapter 18.37 "Signs" to revise and update the provision of signage in the City of Norco and to amend Chapter 18.02 "Definitions" to add definitions pertaining to signage.

Section **18.37.16 Illegal and Non-conforming Signs** was revised as follows:

C. Abatement of Legally Non-conforming Signs that Subsequently Become Unlawful. If the City Council determines by resolution that legally non-conforming signs are a public nuisance by virtue of their unlawfulness as described in B. above, and provided ~~and~~ it is in the best interest of the public health, safety, and general welfare to abate such signs, the City abatement procedures shall be as follows:.....

/bj-81882
Attachment: Ordinance No. 953

ORDINANCE NO. 953

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NORCO APPROVING AN AMENDMENT TO TITLE 18 BY AMENDING CHAPTER 18.37 "SIGNS" TO REVISE AND UPDATE THE PROVISION OF SIGNAGE IN THE CITY OF NORCO AND TO AMEND CHAPTER 18.02 "DEFINITIONS" TO ADD DEFINITIONS PERTAINING TO SIGNAGE. ZONE CODE AMENDMENT 2012-04

WHEREAS, the CITY OF NORCO initiated Zone Code Amendment 2012-04, an amendment to Norco Municipal Code Title 18 (Zoning Code), amending Chapter 18.37 "Signs" to revise and update the provision of signage in the City of Norco and to amend Chapter 18.02 "Definitions" to add definitions pertaining to signage; and

WHEREAS, the Zone Code Amendment was duly submitted to said City's Planning Commission for decision at a public hearing for which proper notice was given; and

WHEREAS, the Zone Code Amendment was scheduled for public hearing at a special meeting on August 8, 2012 on or about 7 p.m. in the Council Chambers at 2820 Clark Avenue, Norco, California 92860; and

WHEREAS, at the time set, the Planning Commission held a public hearing and received both oral and written testimony pertaining to the Zone Code Amendment; and

WHEREAS, the Planning Commission adopted Resolution 2012-33 recommending to the City Council that Zone Code Amendment 2012-04 be approved; and

WHEREAS, said application has been duly submitted to said City Council for decision at a public hearing for which proper notice was given; and

WHEREAS, said application was scheduled for public hearing on September 19, 2012 at 7:00 P.M. within the Council Chambers at 2820 Clark Avenue, Norco, California, 92860; and

WHEREAS, at the said time and place, the City Council did hold said public hearing and did receive both oral and written testimony pertaining to said application; and

WHEREAS, the City of Norco acting as the Lead Agency has determined that the project will not have a significant effect on the environment.

NOW, THEREFORE, the City Council of the City of Norco does hereby ordain as follows:

SECTION 1: Norco Municipal Code Title 18 "Zoning" Chapter 18.37 "Signs" is hereby repealed in its entirety and replaced with the following:

Chapter 18.37
SIGNS

Sections:

- 18.37.02 Declaration of Need.
- 18.37.04 Intent and Purpose.
- 18.37.06 Administration.
- 18.37.08 General Provisions.
- 18.37.10 Sign Regulations for Temporary Signs.
- 18.37.12 Sign Regulations for Permanent Signs.
- 18.37.14 Design Standards.
- 18.37.16 Illegal and Nonconforming Signs.

18.37.02 Declaration of Need

A. *The City recognizes the need for signs as a means to advertise and identify businesses within the community. The City finds that signage is an important design element of the physical environment. Provisions consistent with the goals and objectives of the community are necessary to ensure that the special character and image the community is striving for can be attained while serving business needs in the community.*

B. *The City is striving to provide an economically stable and visually attractive community through high quality site planning, building designs, landscaping and signage. As a planned architectural feature, a sign can be pleasing and can harmonize with the physical character of the environment. Proper controls can achieve this goal and will make the City a more attractive place to live, work and shop.*

C. *It is the purpose of this title to make the City attractive to residents and visitors, as well as to commercial, industrial and professional businesses while maintaining economic stability and promoting economic development through an attractive signage program.*

18.37.04 Intent and Purpose

The regulation and control of the location, size, type, and number of signs permitted shall be governed by the provisions of this chapter. The purpose of this chapter shall be as follows:

A. *To direct persons to various activities and enterprises, in order to provide for the maximum public convenience;*

B. *To provide a reasonable system of controls for signs, to ensure the development of a high quality environment;*

C. To encourage signs which are well designed and pleasing in appearance and to provide incentive and latitude for variety, good design relationship, and spacing;

D. To encourage a desirable urban character with a minimum of overhead clutter;

E. To enhance the economic value of the community and each area thereof through the regulation of such things as size, number, location, design and illumination of signs;

F. To encourage signs which are compatible with adjacent land uses;

G. To reduce possible traffic and safety hazards through good signing; and

H. To protect the general public health, safety and welfare of the community.

18.37.06 Administration

It is the duty of the Planning Director to enforce all provisions of this chapter. The Planning Director has the authority to designate a representative of the department to implement the provisions of this chapter. Further, the Planning Director has the option of referring any sign request to the Planning Commission for their review and determination.

A. Interpretation of Division. Whenever the application of this chapter is uncertain, the question shall be referred to the Planning Commission for determination. The Planning Commission shall then authorize signage which best fulfills the intent of this chapter. If any section, subsection, sentence, clause, phrase or portion of this chapter is for any reason held invalid or unconstitutional by any court of proper jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holdings shall not affect the validity of the remaining portions hereof.

B. Appeal. A decision of the Planning Director may be appealed within ten (10) days of the decision to the Planning Commission. The appeal shall be made on the forms prescribed by the Planning Division. The submittal of the application, including the payment of application fees, shall constitute the filing of the appeal. The Planning Commission shall review the appeal at the next available regularly scheduled meeting. The Commission shall either uphold, reverse, or modify the Planning Director's decision. If anyone is aggrieved or affected by the Planning Commission's decision, they then may appeal the decision to the City Council within ten (10) days, in accordance with appeal provisions.

C. Sign Permit Required. A sign permit shall be required prior to the placing, raising, moving, or reconstructing of any sign in the City, unless expressly exempted by this chapter. Signs requiring a permit shall comply with the provisions of this chapter and all other applicable laws and ordinances.

D. Method of Application. An application for a permit shall be made on forms as prescribed by the Planning Director. Such an application shall be filed with the Planning Division. The application shall be accompanied by any fees as specified by City Council resolution.

E. Method of Review. The purpose of a permit is to help ensure compliance with the provisions of this chapter. After receipt of a sign application, the Planning Director or a designated representative shall render a decision to approve, approve with modifications, set the matter for Planning Commission review, or deny the sign request within ten (10) working days. Such a review shall ensure that any sign proposal is in conformance with this chapter and is consistent with its intent and purpose.

F. Special Sign Permits. Certain signs because of their potential increased for height, area, size or site location, may only be permitted by Planning Commission approval of a Special Sign Permit. The signs requiring a Special Sign Permit are noted in this chapter. The procedure for a Special Sign Permit is as follows:

1. Application: An application for a Special Sign Permit shall be made in accordance with established City procedures containing sufficient information to properly inform the Planning Commission on the requested sign and its impacts. A fee shall be established by City Council Resolution to provide a charge commensurating with processing costs.

2. Findings for Approval: Before a Special Sign Permit may be granted, the Planning Commission or City Council, upon appeal, shall make a finding from the evidence submitted, that all of the following conditions exist:

a. The required sign will not adversely affect the General Plan or the public convenience or general welfare of the community or persons residing or working in the neighborhood thereof;

b. The requested sign will not adversely affect land uses or property in the same proximity in which it is proposed to be located;

c. The location or configuration of the requested sign will not cause visual interference for the traveling public nor interfere with sighting of other signs or nearby buildings;

d. The sign dimensions including height and area are in proportion to the site and the viewing needs;

e. The requested sign is designed so business identification is easily determined;

f. The sign meets all sign standards as contained in Section 18.37.12; and

g. The sign is consistent with other signs on the site and/or the adopted sign program for the site.

18.37.08 General Provisions.

A. Signs Exempt from Requirement for Permits. The following signs shall be exempt from the application, permit, and fee requirements of this chapter. An electrical or building permit may, however, be required. The number and area of such signs shall not be counted toward the maximum allowable sign area for any use or property:

- 1. Directional signs for on-site direction provided they do not exceed an area of three (3) square feet each, or a height of three (3) feet if freestanding, or exceed a height of eight (8) feet if attached to a building.*
- 2. Legal signs indicating fire lanes, parking restriction and similar information may be placed where appropriate provided each sign does not exceed an area of two (2) square feet.*
- 3. Time and temperature signs in commercial and industrial zones provided the area of each sign does not exceed twelve (12) square feet.*
- 4. Memorial tablets, plaques, or directional signs for community historical resources, installed by a recognized historical society or civic organization provided they are reviewed by Planning Division staff or the Architectural Review Sub-Committee.*
- 5. Interior signs within a building or structure.*
- 6. Real estate signs for residential property sales not exceeding six (6) square feet in area or six (6) feet in height, provided they are removed within fifteen (15) days after the close of escrow or the rental or lease has been accomplished.*
- 7. Unlit real estate signs for commercial and industrial property sale, lease or rent not exceeding thirty-two (32) square feet in area or eight (8) feet in height, and not located closer than five (5) feet from any property line. Larger signs may be permitted by the Planning Commission upon approval of a Special Sign Permit.*
- 8. Construction signs are permitted on the construction site for all contractors (may include bank, realtor, subcontractors, etc.) provided the total area of all construction signs not exceed an area of thirty-two (32) square feet unless legally required by government contractors to be larger. Placement for government contract signs exceeding the thirty-two (32)-square foot maximum shall be reviewed by the Planning Commission for proper location. With the exception of the above, no sign shall exceed eight (8) feet in overall height and shall be located no less than five (5) feet from any property line. Such signs shall be removed upon the completion of the project. Construction signs shall not interfere with other signs on the property.*

9. Political signs pertaining to a specific election are permitted on private property subject to the same restrictions as to size and illumination as commercial signs permitted in the applicable zone. Said signs are specifically permitted in residential zones but may not exceed 32 square feet or be illuminated. Political signs shall be removed within ten (10) days following the election to which they pertain.

a. If the Planning Director finds that any political sign has been posted or is being maintained in violation of the provisions of this Section, the Director shall issue to the actual responsible party or the candidate's designated agent a demand for the removal of such sign or correction of the violation within 48 hours. Said notice shall include a brief statement of the reasons requiring removal or correction. If the person so notified fails to correct the violation or remove the sign within said period, the Director shall cause said sign to be removed by City forces and the cost incurred will be charged to the actual responsible party.

b. Any political sign that remains posted for more than ten (10) days after the election to which it pertains or which is not removed pursuant to the notice shall be deemed abandoned. The Director may cause the summary removal by City staff of such abandoned signs and any signs which constitute an immediate peril to persons or property without further notice and charge the costs as provided for in this subsection. Persons wishing to appeal fees imposed in this Section shall follow the appeal provisions contained in Section 18.37.06(B).

10. Home occupation and agricultural sales signs are limited to one sign indicating the home occupation or for the sale of livestock or produce raised on the premises providing that the sign does not exceed 16 square feet in area. Signs are allowed in A-1, R-1 and A-E, zones and within residential districts in a specific plan only.

11. Flags: limited to one official flag each of the United States of America, the State of California, and other states of the United States, Counties, Municipalities, and official flags for nations, and flags of internationally and nationally recognized organizations. A maximum of three (3) such flags may be flown at any one time, unless permitted by the Planning Division by a Special Sign Permit (or Special Event if temporary). Flag limitations in this section do not restrict or prohibit flags otherwise allowed under other sections of the Municipal Code.

12. Service station price signs not exceeding the minimum State requirements of Division 5, Chapter 14, Article 12 of the California Business and Professional Code are permitted in addition to signs permitted by the zone district. Larger-than-minimum state price requirement for signs shall be regulated by the zone district provisions.

13. *Business information signs not to exceed an area of six (6) square feet that provide information on hours of operation, open, closed, etc.*

14. *Such emergency, temporary or non-advertising signs as are authorized by the City Council.*

15. *Signs of public utility companies and private contractors indicating danger or which serve as an aid to public safety, or which show the location of underground facilities.*

16. *House numbers, nameplates, "No Trespassing," "No Parking," and other warning signs provided the sign does not exceed two (2) square feet and located entirely on-site.*

17. *Bus shelter advertising, in accordance with provisions established by Riverside Transportation Agency, only within commercial/industrial zones.*

18. *Off-site new homes directional/subdivision signs constructed and maintained as part of the New Homes Directional Signs Program sponsored by the Building Industry Association of Riverside County (BIA/RC), only upon City Council approval of the program and location of signs as well as the approval of the Public Works Department for the location of sign.*

19. *Temporary fence signs that do not exceed ten (10)% of the fence area fronting on a public street.*

B. Prohibited Signs. All signs not expressly permitted are prohibited, including but not limited to the following:

1. *Fin signs: A sign placed on an architectural feature that extends from a building wall or a sign structure which is supported partly by a pole or poles placed in the ground and partly by a building, structure or fence.*

2. *Fence signs: A sign that is attached, painted, or otherwise affixed to a fence or any other wall or self-supporting structure other than a building (except such signs are permitted as attached signs in Agricultural zones), unless otherwise allowed in this chapter.*

3. *Banners, pennants, balloons, etc., unless temporarily approved under a Special Event Permit or Special Event Sign Permit in and compliance with this chapter.*

4. *Inflatable devices or signs, and other tethered objects used for the purpose of drawing attention to the site, a product, or service, unless temporarily approved under*

a Special Event Permit or Special Event Sign Permit and in compliance with this chapter.

5. Light bulb strings, festoons, and exposed tubing (except for temporary uses such as Christmas Tree Sales lots).

6. Temporary or portable signs, unless temporarily approved under a Special Event Permit in compliance with this chapter.

7. Signs that are animated, revolve, flash, or move in any manner (except signs that flash time and temperature or unless specifically permitted in this chapter).

8. Signs placed on or extending over the public right-of-way (except signs authorized by law or by governmental authority or unless specifically permitted in this chapter).

9. Signs that constitute a hazard to the safe and free flow of traffic by obstructing or restricting the vision of drivers of motor vehicles, pedestrians and equestrians.

10. Billboards.

11. Signs Relating to Inoperative Activities. Sign copy shall be removed or obliterated within sixty days after the premises have been vacated.

12. A-Frame signs. Unless temporarily approved under a Special Event Permit or Special Event Sign Permit and in compliance with this chapter.

13. Any type of sign, directional placard, or banner used for commercial purposes held by an individual where it jeopardizes the public health, safety and welfare, and at a minimum, in or adjacent to the public right-of-way within a Pedestrian-Equestrian trail to attract attention or to provide direction.

C. Maintenance of Signs: Every sign and all parts, portions, and materials shall be maintained and kept in proper repair. The display surface of all signs shall be kept clean, neatly painted, and free from rust and corrosion. Any cracked, broken surfaces, malfunctioning lights, missing sign copy or other unmaintained or damaged portion of a sign will be repaired or replaced within thirty days following notification by the City. Noncompliance with such a request will constitute a zoning violation and will be enforced as such.

D. Signs in Public Right-of-Way. Signs in public right-of-way are regulated per Section 12.08.100 of the Norco Municipal Code and Section 18.37.10 A (2) of this chapter.

18.37.10 Sign Regulations for Temporary Signs

Special Event Sign Permit applications and other applicable permits are required for signs included under this section, provided the signs are in compliance with all other applicable laws and ordinances.

A. Special Event Signs. Special event signs may be approved for a limited period of time as a means of drawing attention to special events (i.e., grand openings, carnivals, charitable events, seasonal sales, special promotions, etc.). To apply for approval, a Special Event Sign Permit application shall be submitted. However, special event signs associated with national holidays or recognized City events are exempt from City review.

1. Special event signs shall include banners, flags, pennants, balloons (except metallic balloons), inflatable devices or signs, and other tethered objects. Special event signs which flap are not allowed within 20 feet of a designated horse trail. Special event signs shall be limited to no more than four 15-day periods per year. Said periods may run consecutively; however, unused days from one period shall not be added to another period. The display of inflatable devices or signs and other tethered objects shall be permitted only within commercial zones abutting Hamner Avenue.

2. Temporary special event signs in the public right-of-way, except as authorized by a recognized government agency in accordance to Section 12.08.100 of the Norco Municipal Code, shall be permitted with the approval of Special Event Sign Permit from the Planning Division and an Encroachment permit from the Engineering Division and subject to the following regulation:

a. Location: Signs may be located within a landscaped parkway portion of the public right-of-way, but not within the median of any street or highway, shall not overhang any street, curb, sidewalk, trail or driveway, and shall not be affixed to any traffic control devices, government signs, light standards, utility poles, horse trail fence, bus shelters or other structures, posts, fences, shrubs or trees but shall be freestanding, and, shall not be located in any area that the Planning and Engineering Divisions determine would constitute a pedestrian or vehicular traffic safety hazard.

b. Size and height. Signs shall not exceed six (6) square feet in area, and shall not exceed three (3) feet in height (as measured from grade).

c. Identification. Unless otherwise clearly discernable on the sign itself, the owner of the sign shall affix his/her/its name, address and telephone number to the sign prior to installation of the sign.

d. Installation. The installation of any temporary sign shall not cause damage to the public right-of-way, including damage to landscaping and/or associated

irrigation systems. The owner of a sign placed within the public right-of-way expressly understands that by placing a sign within the public right-of-way, the owner agrees to defend, indemnify and hold harmless from any and all claims, demands, cause of action, costs, expenses, liability, loss, damage or injury in any manner arising out of or incident to the placement of the sign in the public right-of-way. Underground Service Alert (USA) shall be notified for any excavations required to place sign.

e. Time period approved. Temporary signs may be permitted in the public right-of-way from 7:00 a.m. Saturday to 7:00 p.m. Sunday.

f. Removal procedures. The applicant/installer of these temporary signs is responsible for removal of signs by the expiration date of the special event sign permit. Should these signs be left in the right-of-way after the expiration of the permit, removal shall occur in accordance to Section 18.37.16 A, and the applicant/installer of these temporary signs shall be responsible for all City costs associated with removal of the signs. The City is not responsible for any damage to the signs.

g. Hazardous signs. If the Public Works/Engineering Director determines that a sign posted within the public right-of-way would constitute a pedestrian, equestrian or vehicular traffic safety hazard due to its location, construction or other circumstances, the City shall immediately and without notice to the owner, remove the sign. If the owner of the sign can be identified, the City shall provide notice to the owner by telephone or mail that the sign has been removed and the reasons thereto. The City shall store the sign for no less than 72 hours after removal and if the owner of the sign has not retrieved the sign within said time period, the City may dispose of the sign. The City is not responsible for any damage to the signs.

h. No temporary signs shall be allowed in the horse trail.

i. Individuals holding signs. For commercial businesses/centers abutting Hamner Avenue, individuals holding signs (i.e. sign twirlers) may be allowed to stand in the sidewalk (public right-of-way) in front of that business/center, for the duration of the time frame specified and approved under a special event or special event sign permit.

18.37.12 Sign Regulations for Permanent Signs

Sign applications and building permits are required for signs included under this section, provided the signs are in compliance with all other applicable laws and ordinances.

A. Signs permitted in the Open Space (O-S), Limited Development (L-D), Agricultural (A-E, A-1, and A-2), and Single Family Residential (R-1) Zones for property developed with non-residential uses:

1. Wall. One wall sign, which must be below the roof line and oriented towards the street, shall be allowed per street frontage. Maximum sign area is twenty (20) square feet.

a. If site is twenty (20) acres or more, sign may be increased one square foot for each additional acre to a maximum of eighty (80) square feet.

b. Wall signs are limited to business identification only.

2. Monument Sign. One freestanding monument sign shall be allowed, with a maximum sign area of twenty (20) square feet and maximum height of five (5) feet from street or natural grade of the property.

a. If site is twenty (20) acres or more, sign may increase one (1) square foot for each additional acre to maximum of eighty (80) square feet.

b. Sign shall be located at least five (5) feet from street right-of-way and five (5) feet from interior property line or driveway.

c. All monument signs shall contain a site address and shall adhere to the Design Standards in Section 18.37.12 of this chapter.

d. For sites under twenty (20) acres, a freestanding sign taller than five (5) feet and/or with a sign area larger than twenty (20) square feet may be approved by the Planning Commission.

e. Monument signs are limited to business identification only.

3. Readerboard. One wall or freestanding non-electronic readerboard shall be allowed, with a maximum sign area of 20 square feet and must be installed below the roofline on a wall or within the five-foot height limitation for a freestanding sign. Readerboard sign area must be incorporated into the allowed sign area and design of a wall or freestanding sign. Larger and/or electronic readerboards may be permitted by the Planning Commission with the approval of a Special Sign Permit.

B. Signs permitted in the Commercial Office (C-O), Commercial General (C-G), Commercial (C-4), Heavy Commercial/Light Manufacturing Zones (M-1) and any other commercially zoned property within a specific plan area:

1. Wall Sign (See Exhibit 18.37.10-1). One wall sign, which must be below the roof line, shall be allowed for each building face. Maximum sign area is two (2) square

feet for each lineal foot of each building face for ground level story; 50 percent of this amount for each floor (except mezzanines) above ground floor.

Exhibit 18.37.10-1: Wall Sign



a. Roof signs are allowed if integrated into the architectural style and structure of the building and do not appear to be added on; all roof signs shall be approved by Planning Commission.

b. Signs painted directly on a building are allowed if said signs are professionally done and reflect the theme of the structure.

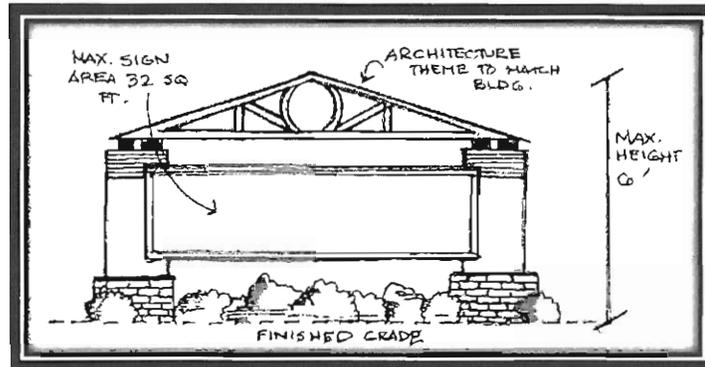
c. Design standards in Section 18.37.14 of this chapter shall be adhered to.

d. Wall signs are limited to business identification only.

2. *Suspended Sign.* One suspended sign shall be allowed per tenant entrance. Maximum sign area is six (6) square feet, sign shall not exceed six (6) feet in length, and an eight (8)-foot minimum clearance shall be provided between sign and ground. Suspended signs shall be limited to business identification only.

3. *Monument Sign (See Exhibit 18.37.10-2).* One freestanding monument shall be allowed per street frontage, with a maximum sign area of thirty-two (32) square feet and maximum height of six (6) feet from street or natural grade of the property and subject to the following:

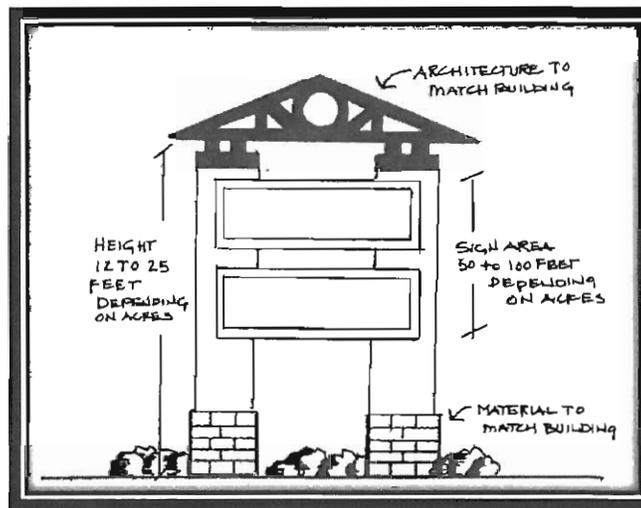
Exhibit 18.37.10-2: Monument Sign



- a. A monument shall be located at least one (1) -foot from frontage property line, five (5) feet from interior property line or a driveway, and not placed within the ultimate planned street right-of-way.
- b. Letter height for a monument shall be a minimum of eight (8) inches for readability.
- c. For property with frontages of 200 feet or more, more than one monument sign may be permitted by the Planning Commission with the approval of a special sign permit, with the submittal of a sign program for the entire property.
- d. All monument signs shall contain a site address and shall adhere to the Design Standards in Section 18.37 12 of this chapter.
- e. For monument signs on Sixth Street, or on other commercial lots that front onto horse trails, up to a three (3)-foot increase in the allowed height may be considered to increase the visibility of the monument sign above horse trail fencing.
- f. Monument signs may be allowed a height of over six (6) feet to accommodate architectural elements with approval by the Planning Commission,
- g. Monument signs are limited to business identification only.

4. Pole Sign (See Exhibit 18.37.10-2). For a center greater than fifteen (15) acres, one (1) freestanding pole sign, which shall include signs supported on two poles, shall be allowed per street frontage instead of a monument sign, with the approval of a conditional use permit and subject to the following:

Exhibit 18.37.10-3: Pole Sign



a. The pole sign shall be allowed a maximum sign area of one hundred fifty (150) square feet and a maximum height of twenty five (25) feet from street or natural grade of the property.

b. Sign support shall not be located within five (5) feet of an interior property line or driveway and shall not be placed within or extend into the ultimate planned street right-of-way.

c. Pole signs shall contain a site address and shall adhere to the Design Standards in Section 18.37 12 of this chapter.

d. Pole signs are limited to business identification only.

5. Readerboard. One wall or freestanding readerboard (non-electronic or electronic) shall be allowed, with a maximum sign area of twenty (20) square feet and must be installed below the roofline on a wall and within the height limitation of a freestanding sign. Readerboard sign area must be incorporated into the allowed sign area and design of a wall or freestanding sign. Larger readerboards may be permitted by the Planning Commission with the approval of Special Sign Permit.

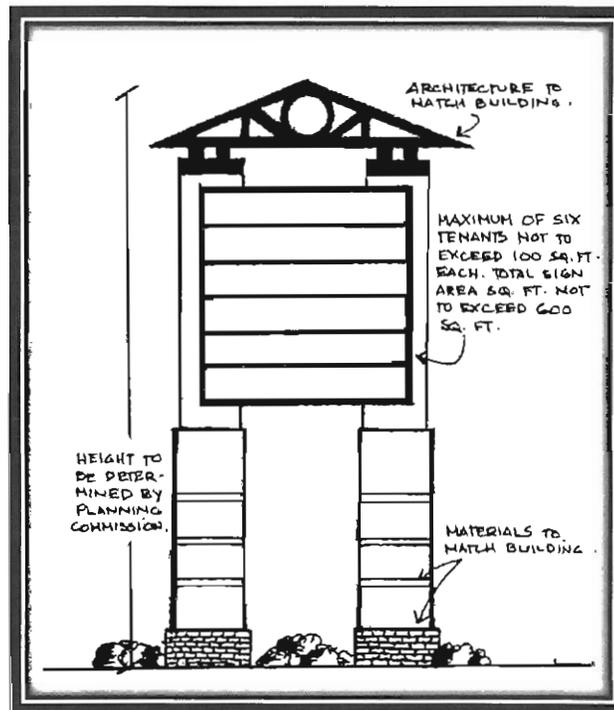
C. Freeway-Oriented Signs for the Open Space (OS), Commercial Office (C-O), Commercial General (C-G), and any other commercially zoned property within a specific plan area not otherwise covered by a sign program.

1. In addition to other signs permitted in the zone district and on properties not already regulated through a sign program, an on-site freestanding, freeway-oriented sign designed to be viewed primarily from the freeway may be permitted by the

planning commission with the approval of a Special Sign Permit, and subject to the following criteria:

- a. In the OS zone, freeway-oriented signs shall only be permitted on parcels that are a minimum of 30 acres in size and that are located within 250 feet of the freeway right-of-way, as ancillary uses to an otherwise already permitted primary use of the property.
- b. In the OS zone, sign area shall be determined by the planning commission based on the area needed for reasonable viewing by the traveling public on the freeway.
- c. For commercial centers more than five (5) acres in the C-O, C-G, and any other commercially zoned property within a specific plan area, and not otherwise regulated by a sign program, the sign area of said sign shall not exceed six hundred (600) square feet. The sign shall be designed to accommodate no more than six tenant signs with a minimum of one hundred (100) square feet each (see Exhibit 18.37.10-4). A larger sign may be approved upon approval of a conditional use permit.

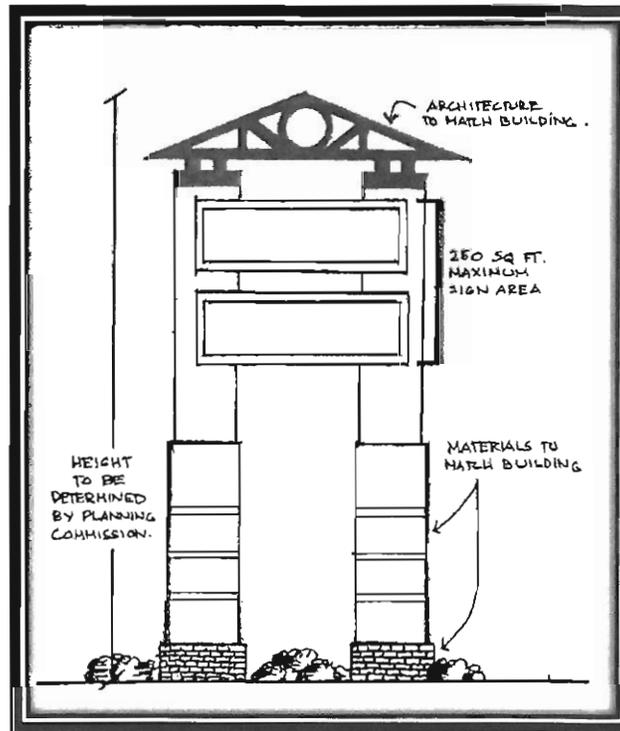
**Exhibit 18.37.10-4:
Freeway Oriented Sign**



d. For commercial centers less than five (5) acres or for a single business in the C-O, C-G, and any other commercially zoned property within a specific plan area, a freeway oriented sign may be permitted with a maximum sign area of 250 square feet provided the center or business is within 660 feet of the freeway right-of-way and is within 1/2 mile of a freeway off-ramp (see Exhibit 18.37.10-5), and is not otherwise regulated by a sign program.

e. Sign height shall be 20 to 35 feet from freeway or natural grade, with the final height determined by the planning commission based on the height needed for reasonable viewing by the traveling public on the freeway.

**Exhibit 18.37.10-5:
Freeway Oriented Sign**



f. Design of the sign shall be approved by the planning commission and shall incorporate features that identify the center or facility and the city and reflect the equestrian nature of the city, or shall minimally include the Norco Horsetown USA logo as an alternative.

g. Freeway signs shall be designed so that the mass of sign area is parallel, as opposed to perpendicular, to the supporting pole(s) unless the sign is square or near square in shape. The sign's structure shall incorporate design features of any related primary buildings and/or design elements that reflect a project theme (western, equestrian, etc.).

h. Freeway-Oriented Signs shall be limited to business identification only.

18.37.14 Design Standards.

A. Architectural Style: Each sign shall be designed to be architecturally compatible with the main building or buildings upon the site, and to the extent possible, consistent with improvements upon lots adjacent to the site and shall incorporate elements that reflect a western or equestrian theme.

B. Relationship to Other Signs: Where there is more than one sign located upon a lot, all such signs shall have designs which are well related to each other by similar treatment of the following components:

- 1. Channel letters or other configuration of sign area;*
- 2. Supports, uprights or structure on which sign is supported;*
- 3. Shape of entire sign;*
- 4. Letter style of sign copy; and*
- 5. Illumination.*

C. Landscaping. Freestanding signs shall be located in a planted landscaped area which is of a size equal to at least twice the sign area to provide a compatible setting and ground definition to the sign. Landscaping immediately adjacent to a freestanding sign shall be maintained so that it does not obstruct the visibility of the sign and the ability of the traveling public to view the sign.

D. Sign Copy: Sign copy shall be uncluttered and readable to the persons the sign is primarily directed to.

E. Illumination. All signs shall be internally illuminated. Non-illuminated signs shall be allowed illumination via concealed or decorative fixtures that shine directly onto the sign:

18.37.16 Illegal and Non-conforming Signs.

A. Illegal Signs. The City shall identify and contact the firm or person responsible for placement of illegal signs, informing them that removal of illegal signs must take place

within twenty-four (24) hours to avoid billing by the City for the removal of the illegal signs. The City shall bill the firm or person responsible for the illegal sign/s for the cost incurred to remove each sign if illegal signs are not removed within twenty-four (24) hours of notification.

B. Legally Non-conforming Signs. Signs that were lawful before this ordinance was passed or amended but which would be prohibited, or restricted under the terms of this ordinance or future amendments are declared legally non-conforming signs. They shall be treated in the following manner:

- 1. Shall not be changed to another non-conforming sign, except messages may be changed.*
- 2. Shall not be structurally altered to extend its useful life, except that necessary maintenance may be performed to keep the sign in proper working condition.*
- 3. Shall not be expanded.*
- 4. Shall be removed after the site upon which the sign is located has been vacant for 120 days, unless considered a nuisance per the provisions of the City Nuisance Abatement Regulations contained in Chapter 6.22 of the Norco Municipal Code.*
- 5. Shall be removed upon damage or destruction resulting in a devaluation of more than 50 percent of its replacement value as determined by the Building Official.*

C. Abatement of Legally Non-conforming Signs that Subsequently Become Unlawful. If the City Council determines by resolution that legally non-conforming signs are a public nuisance by virtue of their unlawfulness as described in B. above, and provided it is in the best interest of the public health, safety, and general welfare to abate such signs, the City abatement procedures shall be as follows:

- 1. Notification. Notification for the abatement of signs shall be by registered or certified mail to the property owners and/or the proprietors who own such signs. The last known address of such owners (taken from the latest equalized tax assessment roll) shall be used. For the proprietors or owners of such signs, mailing or delivery to subject property shall be utilized. The notification shall cite the appropriate section of the ordinance under which abatement is required, and include the time, date, and location of a public hearing to be conducted for the purpose of considering abatement. Such notification shall be mailed not less than ten (10) days prior to the date of such public hearing.*
- 2. Hearing. A public hearing before the Planning Commission shall be conducted as noticed and may be continued if necessary.*

3. *Resolution.* The Planning Commission shall adopt a resolution stating its findings with respect to the abatement of signs on the subject properties and setting the dates for abatement.

4. *Appeal.* The decision of the Planning Commission shall be final unless within ten (10) days from the adoption of the Planning Commission resolution an appeal in writing is received by the City Clerk. The form, fee, and process for such appeal, shall be as required in Chapter 18.43 of this Code.

D. Schedule of Abatement.

1. *Off premises signs are to be removed within the following abatement schedule at the time of notification of abatement:*

VALUE OF SIGN	ABATEMENT PERIOD
0--\$3,999	3 Years
\$4,000--\$6,999	4 Years
\$7,000--Or More	5 Years

2. *All other nonconforming signs are to be removed, relocated, replaced, or otherwise made to conform to the provisions hereof within the following abatement schedule:*

VALUE OF SIGN	ABATEMENT PERIOD
0--\$6,999	4 Years
\$7,000--\$12,999	6 Years
\$13,000--Or More	10 Years

E. Value of Sign. The value of the signs shall be determined by the Building Official. However, the Planning Commission or City Council on appeal may adjust the values if sufficient evidence is submitted indicating a different value.

SECTION 2: Norco Municipal Code Title 18 "Zoning, Chapter 18.02 "Definitions", Section 18:02:04 (70) (a) thru (aa) is repealed in its entirety and replaced with the following:

(70) Signs.

- (a) Banners, pendants, balloons. Any cloth, bunting, plastic, paper, or similar material used for temporary advertising purposes, with or without copy, attached or pinned onto or from any structure, or temporarily installed on the ground.*
- (b) Billboard. An outdoor advertising sign, other than a directional sign, which directs attention to a business, commodity, service or entertainment conducted, sold or offered elsewhere than upon the premises where the sign is located. Said definition shall not include a subdivision signs.*
- (c) Building Face. The front, rear or side of a building elevation in which a business is located. In the case of a multi-tenant building, the building face means the length of the frontage, side or rear portion of a building that comprises a tenant suite/unit.*
- (d) Commercial Center. A commercially zoned property developed with at least one multi-tenant commercial building.*
- (e) Construction Sign. A temporary, on-premises sign which states the names of those individuals, businesses or organizations connected with the construction of a project such as architects, engineers, contractors, developers, owners, or financial institutions, the name of the project, major future tenants, general leasing information and emergency telephone numbers.*
- (f) Directional Sign. A means a sign which contains words such as "entrance," "enter", "exit," "in," "out" or other similar words or a sign containing arrows or characters indicating traffic directions and used either in conjunction with such words or separately. Directional signs shall not contain any advertising or trade name information.*
- (g) Freestanding Sign. A sign not attached to a building structure which is supported wholly by a pole, one or more poles, uprights, or braces, in or upon the ground. Monument and pole signs are freestanding signs.*
- (h) Inflatable sign. A sign in the form of characters, animals, shapes or balloons over thirty-six (36) inches in diameter made of vinyl, fabric, cloth or other lightweight materials held up by means of helium or other form of hot or cold air or gas, attached to any structure or building on the ground with the purpose of gaining attention for temporary advertising purposes.*

- (i) *Monument Sign.* A low profile freestanding sign less than eight (8) feet in height, incorporating the design and building materials accenting the architectural theme of the buildings on the same property.
- (j) *Off-Site Sign.* A sign which advertises or directs attention to businesses, services goods, person or events that are not provided on the site upon which the signs are located. This definition includes billboards.
- (k) *Painted Sign.* A sign painted directly on the exterior of a building.
- (l) *Pole Sign.* A freestanding sign other than a monument sign that exceeds eight (8) feet in height and that is supported either one pole or two poles.
- (m) *Readerboard Sign.* A sign or portion of a sign with non- electronic changeable copy or with electronic changeable copy sign that includes LED (Light Emitting Diodes) signs, scrolling signs, and video displays.
- (n) *Real Estate Sign.* A temporary sign advertising the sale, or lease, or rental of only the particular building, property, or premises upon which such sign is displayed.
- (o) *Roof Sign:* A sign supported wholly or partially by any portion of a roof or attached to a building wall, parapet wall, or canopy, and extending above the roof line or a sign placed upon or over a roof or parapet wall of a building.
- (p) *Sign.* A device, fixture, surface or structure of any kind or character, made of any material whatsoever, displaying letters, words, texts, illustrations, symbols, forms, patterns, colors, textures, shadows or lights, or any other illustrative or graphic display designated, constructed or placed on the ground, on a building canopy, wall, post or structure of any kind, in a window, or on any other object for the purpose of advertising, identifying or calling visual attention to any place, structure, firm, enterprise, profession, business, service, product, commodity, person or activity, whether located on the site, in any structure on the site, or in any other location. The term "placed" includes constructed, erected, posted, painted, printed, tacked, nailed, glued, stuck, sculpted, carved, or otherwise fastened affixed, or made visible in any manner whatsoever.
- (q) *Sign Area.* The area of a sign computed by multiplying the maximum height by the length of all letters and logo combined. For freestanding signs, the area of the sign shall be defined and computed as including the entire area within a single contiguous rectilinear perimeter enclosing the extreme limits all writing, logos or other display, together with any material or color forming an integral part of the background of the display or used to differentiate the sign from the backdrop of structure against which it is placed.

- (r) Suspended Sign. A sign suspended from the underside of a canopy, awning, arcade, or other roofed open structure and oriented to pedestrian traffic.*
- (s) Temporary or Portable Sign. A sign intended to be displayed for a limited period of time and is not permanently fixed in location.*
- (t) Time and Temperature Sign. Any mechanism that displays the time and/or temperature, but does not display any advertising or establishment identification.*
- (u) Wall Sign. A sign attached to or installed against the wall of a building with the exposed face of the sign in a plane parallel to the plane of said wall. A message constructed into or as a part of the wall is considered a wall sign.*

SECTION 3: EFFECTIVE DATE: This Ordinance shall become effective 30 days after final passage thereof.

SECTION 4: SEVERABILITY: If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentence, clause, subsections, sentences, clauses, or phrases hereof irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, or phrases hereof be declared invalid or unconstitutional.

SECTION 5: POSTING: The Mayor shall sign this Ordinance and the City Clerk shall attest hereto and shall cause the same within 15 days of its passage to be posted at no less than five public places within the City of Norco.

PASSED AND ADOPTED by the City Council of the City of Norco at a regular meeting held on October 3, 2012.

Mayor of the City of Norco, California

ATTEST:

Brenda K. Jacobs, CMC, City Clerk
City of Norco, California

I, BRENDA K. JACOBS, City Clerk of the City of Norco, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Norco, California, duly held on September 19, 2012, and thereafter at a regular meeting of said City Council duly held on October 3, 2012, it was duly passed and adopted by the following vote of the City Council.

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Norco, California, on October 3, 2012.

Brenda K. Jacobs, CMC, City Clerk
City of Norco, California

/adr-81797

CITY OF NORCO STAFF REPORT

TO: Honorable Mayor and Members of the City Council

FROM: Beth Groves, City Manager 

DATE: October 3, 2012

SUBJECT: Elimination of New Car Washes as a Permitted Use in the City

RECOMMENDATION: That the City Council provide direction to staff.

SUMMARY: At its meeting held on September 19, 2012, the City Council requested that an item be placed on a future agenda to discuss placing a moratorium on the approval of any new car wash uses within the City.

BACKGROUND/ANALYSIS: In 2006, based on recommendations from a Hamner Avenue Corridor Study report, the City Council amended the Zone Code to eliminate permitted uses that were deemed incompatible with the City's goal of enhancing and attracting desired commercial development along the Corridor. At that time, uses that were seen as incompatible with economic development and sales tax generation goals were removed as permitted uses. That action only affected future applications, not businesses that were in operation at the time of the zone code amendment. At that time, car washes were left in the Code as an allowable use due to the fact that there could be an unmet need for those services. Since that time, additional car wash businesses have started in the Hamner Avenue Corridor.

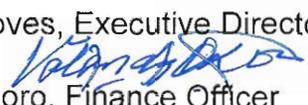
The Council should be aware that an action to remove car washes as permitted uses throughout the City would make all existing car washes non-confirming uses; and therefore, subject to CUP approval for any proposed expansions.

/81898

SUCCESSOR AGENCY TO THE NORCO COMMUNITY REDEVELOPMENT AGENCY STAFF REPORT

TO: Chairperson and Members of the Successor Agency

FROM: Beth Groves, Executive Director 

PREPARED BY: Andy Okoro, Finance Officer 

DATE: October 3, 2012

SUBJECT: Review of the Low and Moderate Income Housing Fund Due Diligence Review Pursuant to California Health and Safety Code Section 34179.5

RECOMMENDATION: Receive and File

SUMMARY: Pursuant to the State of California Health and Safety Code Section 34179.5, each Successor Agency is to employ a licensed accountant, approved by the county auditor-controller and with experience and expertise in local government accounting, to conduct a due diligence review for the purpose of determining the amount of unobligated balances available for transfer to taxing entities. Results of the due diligence review of the Low and Moderate Income Housing Fund must be submitted to the Oversight Board, the county auditor-controller, the State Controller's Office and the Department of Finance by October 1, 2012. The Oversight Board has until October 15, 2012 to review, approve, and transmit to the Department of Finance and county auditor-controller the determination of the amount of cash and cash equivalents that are available for disbursement to taxing entities. A similar review of the other Funds of the former Norco Community Redevelopment Agency will be conducted at a later before the December 15, 2012 deadline.

The City's independent accounting firm of Rogers, Anderson, Malody & Scott (RAMS), LLP which is approved by the County Auditor-Controller to conduct the due diligence reviews, has completed the minimum Agreed-Upon Procedures (AUP) as determined by the state Department of Finance (DOF) in consultation with the California Society of Certified Public Accountants and have issued their report dated September 24, 2012. The result of its review finds that there is \$3,160,089 of unobligated balance in the Low and Moderate Income Housing Fund which may be available for distribution to taxing entities. The results of their review are subject to confirmation by the DOF, State Controller's Office (SCO) and County Auditor-Controller (CAC).

As the Successor Agency is aware, the City has elected not to serve as the successor housing entity and the County of Riverside Economic Development Agency has declined to assume those responsibilities as required in AB x1 26. Staff has contacted the Department of Finance numerous times to discuss this dilemma and the final response from its staff in letter dated September 11, 2012 is as follows: *"Basically, the Department of Finance's position is that existing law does not allow county housing authorities to "opt*

out” of assuming the former RDAs’ housing duties if the city exercises its right to not assume those duties. We did have a meeting on this matter, and correspondence to the County concerning the issue may be sent in the very near future.” Therefore, the City will continue to complete all of the legal requirements of the housing successor agency until this matter is resolved.

The Oversight Board will be holding a public comment session on October 4, 2012 and will hold its regular meeting on October 9, 2012 at which time the due diligence review report will be recommended for approval.

OVERVIEW/ANALYSIS:

A. Brief Overview of Due Diligence Review Process

The statutory requirements for the process and content of the due diligence reviews are set forth in Health & Safety Code Section 34179.5. This provision requires that two separate reviews be conducted; one for the Low and Moderate Income Housing Fund (the “Low/Mod Review”) and one for all other funds (the “All Other Funds Review”). For each of the two reviews, the licensed accountant is to perform and report on a broad set of procedures as determined by the DOF in consultation with the California Society of Certified Public Accountants. Attached to this staff report is the accountant’s report on the due diligence review including procedures performed, results of each procedure and any applicable schedules for the Low and Moderate Income Housing Fund.

The ultimate goal of each review is to determine the amount of unobligated cash and cash equivalents that is immediately available for distribution to the taxing entities. Based on the results of the review by the licensed accountant, it has been determined that \$3,160,089 may be available in the Low and Moderate Income Housing Fund for distribution to the taxing entities. Staff is recommending that the Oversight Board acknowledge the results of the due diligence review with respect to the Low and Moderate Income Housing Fund. It is to be noted that due to the changing economic and operating environment, staff is not able to guarantee that this available funds would not be needed in future to meet obligations of the former Norco Community Redevelopment Agency. For example, sudden drop in property values or unforeseen litigation could create a situation in which current year property tax allocation from the County would not be sufficient to meet eligible obligations.

The results of the due diligence review for the Low to Moderate Income Housing Fund is required to be provided to the Oversight Board, the CAC, the DOF, and the SCO by October 1, 2012. While there is no statutory mechanism for the DOF to grant time extension, the DOF has asked Successor Agencies who think they would be unable to meet the deadline to advise it of the date the Successor Agency believes that the due diligence review will be completed. Out of abundance of caution, staff has advised the DOF that the due diligence review will be completed by October 31, 2012. The Oversight Board is to review, approve and transmit the results of the due diligence review of the Low to Moderate Income Housing Fund by October 15, 2012. The Oversight Board is also

required to conduct a public input meeting at least five business days prior to date it is to act on the due diligence review report.

The Department of Finance has until November 9, 2012 to complete its review of the Low to Moderate Income Housing Fund due diligence report findings, balances and any determinations of the Oversight Board to allow retention of Successor Agency assets. Any decision to overturn determinations made by the Oversight Board to authorize a Successor Agency to retain assets or funds will be conveyed to the Oversight Board and Successor Agency via a letter. Successor Agencies have five days from receipt of the decisions to request "meet and confer." The DOF must "meet and confer" within 30 days of Successor Agency request. Once final determination has been made by the DOF, the Successor Agency has five days from the receipt of final determination to transfer to CAC the Low to Moderate Income Housing Fund balance determined to be available pursuant to Section 34179.5. Failure by the Successor Agency to make a timely transfer could result in the state offsetting the amount from the City's sales and use tax revenues.

B. Role of Oversight Board

Section 34179.6 requires that the Low/Mod Review be delivered to the Oversight Board by October 1, 2012 and the All Other Funds Review be delivered to the Oversight Board by December 15, 2012. Upon receipt of each review, the Oversight Board must convene a public comment session. No earlier than five business days after the public comment session the Oversight Board can meet to take action on the review. Specifically, the Oversight Board is required to "review, approve and transmit to the DOF and the county auditor-controller the determination of the amount of cash and cash equivalents that are available to the taxing entities" (Section 34179.6(b)). The Oversight Board must make its determination on the Low/Mod Fund Review by no later than October 15, 2012 and on the All Other Funds Review by no later than January 15, 2013. In conducting its reviews, the Oversight Board must consider any opinions on the reviews offered by the county auditor-controller and the State Controller, and it may request from the Successor Agency any information it deems necessary. The Oversight Board may adjust any amounts provided in the reviews to reflect additional information and analysis. The Oversight Board is also empowered to authorize a successor agency to retain assets or funds that are legally restricted as to purpose and which therefore cannot be provided to taxing entities, assets that are not cash or cash equivalents (such as physical assets, land, records and equipment), assets or funds that are legally or contractually dedicated or restricted for the funding of an enforceable obligation and amounts needed to satisfy obligations that will be placed on the ROPS for the current fiscal year.

As in all of its activities, the Oversight Board's analysis of each due diligence review must be conducted with its dual fiduciary duties in mind --- to the taxing entities and to the holders of enforceable obligations.

/81910

Attachment: Low and Moderate Income Housing Fund Due Diligence Review

PURSUANT TO THE STATE OF CALIFORNIA
HEALTH AND SAFETY CODE SECTION 34179.5

CITY OF NORCO AS THE SUCCESSOR AGENCY OF THE
NORCO COMMUNITY REDEVELOPMENT AGENCY

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

TABLE OF CONTENTS

Independent Accountant’s Report on Applying Agreed-Upon Procedures..... 1

Attachment A: Agreed-Upon Procedures.....2

Attachment 1 16

Attachment 3 17

Attachment 6.A 18

Attachment 6.D 19



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**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the minimum required agreed-upon procedures enumerated in Attachment "A", which were agreed to by the Oversight Board of the Successor Agency for the Norco Community Redevelopment Agency, the California State Controller's Office and the State of California Department of Finance (Agencies) solely to assist you to determine the Low and Moderate Income Housing Fund unobligated balances available for transfer to taxing entities complying with statutory requirements pursuant to the California Health and Safety Code section 34179.5. Management of the Successor Agency is responsible for the accounting records pertaining to statutory compliance pursuant to Health and Safety Code section 34182(a)(1).

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The scope of this engagement was limited to performing the minimum required agreed-upon procedures as set forth in Attachment "A" along with the findings noted as a result of the procedures performed.

We were not engaged to and did not conduct an audit, the objective of which would be the expression of an opinion as to the appropriateness of the results summarized after each procedure in Attachment "A". Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the applicable Agencies, and is not intended to be, and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Rogers Anderson Malody & Scott, LLP

September 24, 2012

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Certified Public Accountants

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Purpose: To determine the unobligated balances available for transfer to taxing entities of the Low and Moderate Income Housing Fund. [Health and Safety Code section 34179.5]

Citation: 34179.5(c)(1) The dollar value of assets transferred from the former redevelopment agency to the successor agency on or about February 1, 2012.

1. Obtain from the Successor Agency a listing of all assets that were transferred from the former redevelopment agency to the Successor Agency on February 1, 2012. Agree the amounts on this listing to account balances established in the accounting records of the Successor Agency. Identify in the Agreed-Upon Procedures (AUP) report the amount of the assets transferred to the Successor Agency as of that date.

Results:

According to City of Norco Officials: "As of the date of the Due Diligence Review the City of Norco is acting as a "Temporary Holding Housing Successor" and keeping custody of the Low-Mod Fund ending balances at January 31, 2012. The City of Norco did not elect to be the Housing Successor, and informed the State of California Department of Finance, the State of California Controller's Office, and the Riverside County Housing Authority of this election. The Riverside County Housing Authority refused to take over as the Housing Successor and the matter is still pending resolution from the State of California Department of Finance." Nonetheless, the City of Norco set up a separate Fund in its accounting software to account for the balances of the Low-Mod Fund to be transferred once the Housing Successor is designated. We agreed the amounts in the Low-Mod Fund as of January 31, 2012 to the amounts transferred to the "Housing Asset Fund 018" set up by the City of Norco finance department. In the attached listing obtained from the Successor Agency there are two columns differentiating the balances to be transferred to the Housing Successor to be designated and the balances of the Successor Agency, though all are kept combined in the accounting system of the City of Norco as "Housing Asset Fund 018".

See Attachment 1 for detailed listing obtained from the Successor Agency.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(2) The dollar value of assets and cash and cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to the city, county, or city and county that formed the redevelopment agency and the purpose of each transfer. The review shall provide documentation of any enforceable obligation that required the transfer.

2. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:

- A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Results:

According to Successor Agency Officials, there were no transfers from the former redevelopment agency to the city, county, or city and county that formed the redevelopment agency for the period from January 1, 2011 through January 31, 2012.

- B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Results:

According to Successor Agency Officials, there were no transfers from the Successor Agency to the city, county, or city and county that formed the redevelopment agency for the period from February 1, 2012 through June 30, 2012.

- C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Results:

This procedure was not performed since there were no transfers identified by the Successor Agency for procedures 2.A or 2.B

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(3) The dollar value of any cash or cash equivalents transferred after January 1, 2011, through June 30, 2012, by the redevelopment agency or the successor agency to any other public agency or private party and the purpose of each transfer. The review shall provide documentation of any enforceable obligation that required the transfer.

3. If the State Controller's Office has completed its review of transfers required under both Sections 34167.5 and 34178.8 and issued its report regarding such review, attach a copy of that report as an exhibit to the AUP report. If this has not yet occurred, perform the following procedures:

- A. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the former redevelopment agency to any other public agency or to private parties for the period from January 1, 2011 through January 31, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Results:

See Attachment 3 for listing obtained from Successor Agency.

- B. Obtain a listing prepared by the Successor Agency of transfers (excluding payments for goods and services) from the Successor Agency to any other public agency or private parties for the period from February 1, 2012 through June 30, 2012. For each transfer, the Successor Agency should describe the purpose of the transfer and describe in what sense the transfer was required by one of the Agency's enforceable obligations or other legal requirements. Provide this listing as an attachment to the AUP report.

Results:

See Attachment 3 for listing obtained from Successor Agency.

- C. For each transfer, obtain the legal document that formed the basis for the enforceable obligation that required any transfer. Note in the AUP report the absence of any such legal document or the absence of language in the document that required the transfer.

Results:

See Attachment 3 for results of procedure 3.C.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(4) The review shall provide expenditure and revenue accounting information and identify transfers and funding sources for the 2010–11 and 2011–12 fiscal years that reconciles balances, assets, and liabilities of the successor agency on June 30, 2012 to those reported to the Controller for the 2009–10 fiscal year.

4. Perform the following procedures:

- A. Obtain from the Successor Agency a summary of the financial transactions of the Redevelopment Agency and the Successor Agency in the format set forth in the attached schedule for the fiscal periods indicated in the schedule. For purposes of this summary, the financial transactions should be presented using the modified accrual basis of accounting. End of year balances for capital assets (in total) and long-term liabilities (in total) should be presented at the bottom of this summary schedule for information purposes.
- B. Ascertain that for each period presented the total of revenues, expenditures, and transfers accounts fully for the changes in equity from the previous fiscal period.
- C. Compare amounts in the schedule relevant to the fiscal year ended June 30, 2010 to the state controller's report filed for the Redevelopment Agency for that period.
- D. Compare amounts in the schedule for the other fiscal periods presented to account balances in the accounting records or other supporting schedules. Describe in the report the type of support provided for each fiscal period.

Results:

Procedure 4 pertains to the Successor Agency as a whole, these procedures are to be addressed and presented in the report due on December 15, 2012.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(5) A separate accounting for the balance for the Low and Moderate Income Housing Fund for all other funds and accounts combined shall be made as follows:
(A) A statement of the total value of each fund as of June 30, 2012.

5. Obtain from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Fund as of June 30, 2012 for the report that is due October 1, 2012 and a listing of all assets of all other funds of the Successor Agency as of June 30, 2012 (excluding the previously reported assets of the Low and Moderate Income Housing Fund) for the report that is due December 15, 2012. When this procedure is applied to the Low and Moderate Income Housing Fund, the schedule attached as an exhibit will include only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency as of June 30, 2012 and will exclude all assets held by the entity that assumed the housing function previously performed by the former redevelopment agency. Agree the assets so listed to recorded balances reflected in the accounting records of the Successor Agency. The listings should be attached as an exhibit to the appropriate AUP report.

Results:

We obtained from the Successor Agency a listing of all assets of the Low and Moderate Income Housing Asset Fund as of June 30, 2012 for the report that is due October 1, 2012. The listing includes only those assets of the Low and Moderate Income Housing Fund that were held by the Successor Agency under the column of the same name as of June 30, 2012, and also shows the assets that will be transferred to the entity to assume the Housing functions previously performed by the former redevelopment agency under the Housing Successor column. We agreed the balances shown in the Total column to the Trial Balance of the Temporary Low-Mod Housing Asset Fund 018 created by the Successor Agency.

Description	To be Transferred to the Housing Successor 6/30/2012	Successor Agency 6/30/2012	Total
2003 Tax Allocation Bond	\$ -	\$ 1,565,263	\$ 1,565,263
Cash-Wells Fargo	5,241	3,160,089	3,165,330
Cash-2003 TAB	-	49,142	49,142
2010 RDA Tax Allocation Bond	-	22,545	22,545
Accrued Interest Rec	11,883	2,170	14,053
Deferred Loan Receivable	4,887,206	-	4,887,206
Wasatch Loan Receivable	4,753,203	-	4,753,203
Due from Othr Governments	100,711	-	100,711
Loan to RDA (SB844)-ERAF	3,000,000	-	3,000,000
Land Held for Resale	3,369,583	-	3,369,583
Total Assets	\$ 16,127,827	\$ 4,799,209	\$ 20,927,036

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(5)(B) An itemized statement listing any amounts that are legally restricted as to purpose and cannot be provided to taxing entities. This could include the proceeds of any bonds, grant funds, or funds provided by other governmental entities that place conditions on their use.

6. Obtain from the Successor Agency a listing of asset balances held on June 30, 2012 that are restricted for the following purposes:

A. Unspent bond proceeds:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures, amounts set aside for debt service payments, etc.)
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.

Results:

See Attachment 6.A for results of procedures 6.A.i, 6.A.ii, and 6.A.iii.

B. Grant proceeds and program income that are restricted by third parties:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the grant agreement that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by the Successor Agency as restricted.

Results:

According to Successor Agency Officials, there are no restricted balances for Grants Proceeds and Program Income as of June 30, 2012 in the Fund 018 - Housing Asset Fund.

C. Other assets considered to be legally restricted:

- i. Obtain the Successor Agency's computation of the restricted balances (e.g., total proceeds less eligible project expenditures).
- ii. Trace individual components of this computation to related account balances in the accounting records, or to other supporting documentation (specify in the AUP report a description of such documentation).
- iii. Obtain from the Successor Agency a copy of the legal document that sets forth the restriction pertaining to these balances. Note in the AUP report the absence of language restricting the use of the balances that were identified by Successor the Agency as restricted.

Results:

According to Successor Agency Officials, there are no other assets considered to be restricted as of June 30, 2012 in the Fund 018 - Housing Asset Fund.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

D. Attach the above mentioned Successor Agency prepared schedule(s) as an exhibit to the AUP report. For each restriction identified on these schedules, indicate in the report the period of time for which the restrictions are in effect. If the restrictions are in effect until the related assets are expended for their intended purpose, this should be indicated in the report.

Results:

See Attachment 6.D for results of procedure 6.D.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(5)(C) An itemized statement of the values of any assets that are not cash or cash equivalents. This may include physical assets, land, records, and equipment. For the purpose of this accounting, physical assets may be valued at purchase cost or at any recently estimated market value. The statement shall list separately housing-related assets.

7. Perform the following procedures:

- A. Obtain from the Successor Agency a listing of assets as of June 30, 2012 that are not liquid or otherwise available for distribution (such as capital assets, land held for resale, long-term receivables, etc.) and ascertain if the values are listed at either purchase cost (based on book value reflected in the accounting records of the Successor Agency) or market value as recently estimated by the Successor Agency.

Results:

We obtained from the Successor Agency a listing of assets as of June 30, 2012 that are not liquid or otherwise available for distribution. The assets were identified by Successor Agency Officials as to be listed at book value.

- B. If the assets listed at 7(A) are listed at purchase cost, trace the amounts to a previously audited financial statement (or to the accounting records of the Successor Agency) and note any differences.

Results:

We traced the amount to the Trial Balance of the Successor Agency for the Low -Mod Housing Asset Fund noting no differences.

- C. For any differences noted in 7(B), inspect evidence of disposal of the asset and ascertain that the proceeds were deposited into the Successor Agency trust fund. If the differences are due to additions (this generally is not expected to occur), inspect the supporting documentation and note the circumstances.

Results:

We noted no differences in Procedure 7.B.

- D. If the assets listed at 7(A) are listed at recently estimated market value, inspect the evidence (if any) supporting the value and note the methodology used. If no evidence is available to support the value and/or methodology, note the lack of evidence.

Results:

Procedure 7.D is not applicable since the assets identified in procedure 7.A are listed at book value.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(5)(D) An itemized listing of any current balances that are legally or contractually dedicated or restricted for the funding of an enforceable obligation that identifies the nature of the dedication or restriction and the specific enforceable obligation. In addition, the successor agency shall provide a listing of all approved enforceable obligations that includes a projection of annual spending requirements to satisfy each obligation and a projection of annual revenues available to fund those requirements. If a review finds that future revenues together with dedicated or restricted balances are insufficient to fund future obligations and thus retention of current balances is required, it shall identify the amount of current balances necessary for retention. The review shall also detail the projected property tax revenues and other general purpose revenues to be received by the successor agency, together with both the amount and timing of the bond debt service payments of the successor agency, for the period in which the oversight board anticipates the successor agency will have insufficient property tax revenue to pay the specified obligations.

8. Perform the following procedures:

- A. If the Successor Agency believes that asset balances need to be retained to satisfy enforceable obligations, obtain from the Successor Agency an itemized schedule of asset balances (resources) as of June 30, 2012 that are dedicated or restricted for the funding of enforceable obligations and perform the following procedures. The schedule should identify the amount dedicated or restricted, the nature of the dedication or restriction, the specific enforceable obligation to which the dedication or restriction relates, and the language in the legal document that is associated with the enforceable obligation that specifies the dedication of existing asset balances toward payment of that obligation.

Results:

According to Successor Agency Officials: "Assuming that there will be no further State "take away", further decline in property values, any legal actions arising from normal course of business by the Successor Agency and its Oversight Board, and significant increase in County and State administrative fees, the Agency believes that it does not need to retain asset balances to satisfy future obligations."

- i. Compare all information on the schedule to the legal documents that form the basis for the dedication or restriction of the resource balance in question.
- ii. Compare all current balances to the amounts reported in the accounting records of the Successor Agency or to an alternative computation.
- iii. Compare the specified enforceable obligations to those that were included in the final Recognized Obligation Payment Schedule approved by the California Department of Finance.
- iv. Attach as an exhibit to the report the listing obtained from the Successor Agency. Identify in the report any listed balances for which the Successor Agency was unable to provide appropriate restricting language in the legal document associated with the enforceable obligation.

- B. If the Successor Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation are insufficient to fund future obligation payments and thus retention of current balances is required, obtain from the Successor Agency a schedule of approved enforceable obligations that includes a projection of the annual spending requirements to satisfy each obligation and a projection of the annual revenues available to fund those requirements and perform the following procedures:

Results:

According to Successor Agency Officials: "Assuming that there will be no further State "take away", further decline in property values, any legal actions arising from normal course of business by the Successor Agency and its Oversight Board, and significant increase in County and State administrative fees, the Agency believes that future revenues together with balances dedicated or restricted to an enforceable obligation to be sufficient to fund future obligation payments."

- i. Compare the enforceable obligations to those that were approved by the California Department of Finance. Procedures to accomplish this may include reviewing the letter from the California Department of Finance approving the Recognized Enforceable Obligation Payment Schedules for the six month period from January 1, 2012 through June 30, 2012 and for the six month period July 1, 2012 through December 31, 2012.
- ii. Compare the forecasted annual spending requirements to the legal document supporting each enforceable obligation.
 - a. Obtain from the Successor Agency its assumptions relating to the forecasted annual spending requirements and disclose in the report major assumptions associated with the projections.
- iii. For the forecasted annual revenues:
 - a. Obtain from the Successor Agency its assumptions for the forecasted annual revenues and disclose in the report major assumptions associated with the projections.

- C. If the Successor Agency believes that projected property tax revenues and other general purpose revenues to be received by the Successor Agency are insufficient to pay bond debt service payments (considering both the timing and amount of the related cash flows), obtain from the Successor Agency a schedule demonstrating this insufficiency and apply the following procedures to the information reflected in that schedule.

Results:

According to Successor Agency Officials: "Assuming that there will be no further State "take away", further decline in property values, any legal actions arising from normal course of business by the Successor Agency and its Oversight Board, and significant increase in County and State administrative fees, the Agency believes that projected property tax revenues and other general revenues to be received are sufficient to fund future obligation payments."

- i. Compare the timing and amounts of bond debt service payments to the related bond debt service schedules in the bond agreement.
- ii. Obtain the assumptions for the forecasted property tax revenues and disclose major assumptions associated with the projections.
- iii. Obtain the assumptions for the forecasted other general purpose revenues and disclose major assumptions associated with the projections.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

- D. If procedures A, B, or C were performed, calculate the amount of current unrestricted balances necessary for retention in order to meet the enforceable obligations by performing the following procedures.

Results:

Procedures 8.A, 8.B, and 8.C were not performed since Successor Agency Officials believe that no asset balances need to be retained due to insufficient funds in the future to pay for future enforceable obligations.

- i. Combine the amount of identified current dedicated or restricted balances and the amount of forecasted annual revenues to arrive at the amount of total resources available to fund enforceable obligations.
- ii. Reduce the amount of total resources available by the amount forecasted for the annual spending requirements. A negative result indicates the amount of current unrestricted balances that needs to be retained.
- iii. Include the calculation in the AUP report.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(5)(E) An itemized list and analysis of any amounts of current balances that are needed to satisfy obligations that will be placed on the Recognized Obligation Payment Schedules for the current fiscal year.

9. If the Successor Agency believes that cash balances as of June 30, 2012 need to be retained to satisfy obligations on the Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2012 through June 30, 2013, obtain a copy of the final ROPS for the period of July 1, 2012 through December 31, 2012 and a copy of the final ROPS for the period January 1, 2013 through June 30, 2013. For each obligation listed on the ROPS, the Successor Agency should add columns identifying (1) any dollar amounts of existing cash that are needed to satisfy that obligation and (2) the Successor Agency's explanation as to why the Successor Agency believes that such balances are needed to satisfy the obligation. Include this schedule as an attachment to the AUP report.

Results:

According to Successor Agency Officials: "Assuming that there will be no further State "take away", further decline in property values, any legal actions arising from normal course of business by the Successor Agency and its Oversight Board, and significant increase in County and State administrative fees; the Agency believes that projected other general revenues to be received are sufficient to fund future obligation payments and there is no necessity to retain cash balances as of June 30, 2012."

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

Citation: 34179.5(c)(6) The review shall total the net balances available after deducting the total amounts described in subparagraphs (B) to (E), inclusive, of paragraph (5). The review shall add any amounts that were transferred as identified in paragraphs (2) and (3) of subdivision (c) if an enforceable obligation to make that transfer did not exist. The resulting sum shall be available for allocation to affected taxing entities pursuant to Section 34179.6. It shall be a rebuttable presumption that cash and cash equivalent balances available to the successor agency are available and sufficient to disburse the amount determined in this paragraph to taxing entities. If the review finds that there are insufficient cash balances to transfer or that cash or cash equivalents are specifically obligated to the purposes described in subparagraphs (B), (D), and (E) of paragraph (5) in such amounts that there is insufficient cash to provide the full amount determined pursuant to this paragraph, that amount shall be demonstrated in an additional itemized schedule.

10. Include (or present) a schedule detailing the computation of the Balance Available for Allocation to Affected Taxing Entities. Amounts included in the calculation should agree to the results of the procedures performed in each section above. The schedule should also include a deduction to recognize amounts already paid to the County Auditor-Controller on July 12, 2012 as directed by the California Department of Finance. The amount of this deduction presented should be agreed to evidence of payment. The attached example summary schedule may be considered for this purpose. Separate schedules should be completed for the Low and Moderate Income Housing Fund and for all other funds combined (excluding the Low and Moderate Income Housing Fund).

Results:

SUMMARY OF BALANCES AVAILABLE FOR ALLOCATION TO AFFECTED TAXING ENTITIES	Total
Total amount of assets held by the successor agency as of June 30, 2012 (See Procedure 5 for detailed composition)	\$ 4,799,209
Add: the amount of any assets transferred to the city or other parties for which an enforceable obligation with a third party requiring such transfer and obligating the use of the transferred assets did not exist (Procedures 2 and 3)	-
Less: assets legally restricted for uses specified by debt covenants, grant restrictions, or restrictions imposed by other governments (See Procedure 6 for detailed composition)	(1,636,950)
Less: assets that are not cash or cash equivalents (e.g., physical assets) - (See Procedure 7 for detailed composition)	(2,170)
Less: balances that are legally restricted for the funding of an enforceable obligation (net of projected annual revenues available to fund those obligations) - (Procedure 8)	-
Less: balances needed to satisfy ROPS for the 2012-13 fiscal year (Procedure 9)	-
Less: the amount of payments made on July 12, 2012 to the County Auditor-Controller as directed by the California Department of Finance	-
Amount to be remitted to county for disbursement to taxing entities	\$ 3,160,089

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES**

Attachment A

11. Obtain a representation letter from Successor Agency management acknowledging their responsibility for the data provided to the practitioner and the data presented in the report or in any attachments to the report. Included in the representations should be an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the AUP report and its related exhibits. Management's refusal to sign the representation letter should be noted in the AUP report as required by attestation standards.

Results:

We obtained a representation letter dated September 24, 2012 from the Successor Agency's management acknowledging their responsibility for the data provided to us and the data presented in the report and in all attachments to the report. Included in the representations there is an acknowledgment that management is not aware of any transfers (as defined by Section 34179.5) from either the former redevelopment agency or the Successor Agency to other parties for the period from January 1, 2011 through June 30, 2012 that have not been properly identified in the Agreed-upon procedures report and its related exhibits.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES
Attachment 1**

Listing of Assets Transferred from the former redevelopment agency to the Successor Agency
on February 1, 2012

Description	To be Transferred to the Housing Successor 1/31/2012	Successor Agency 1/31/2012	Total
2003 Tax Allocation Bond	\$ -	\$ 1,564,929	\$ 1,564,929
Cash-Wells Fargo	-	3,244,338	3,244,338
Cash-2003 TAB	-	49,048	49,048
2010 RDA Tax Allocation Bond	-	22,502	22,502
Accounts Receivable	3,968	-	3,968
Accrued Interest Rec	-	2,576	2,576
Deferred Loan Receivable	4,912,206	-	4,912,206
Wasatch Loan Receivable	4,761,648	-	4,761,648
Due from Othr Governments	117,777	-	117,777
Loan to RDA (SB844)-ERAF	3,000,000	-	3,000,000
Land Held for Resale	3,369,583	-	3,369,583
Total Assets Transferred	\$ 16,165,182	\$ 4,883,393	\$ 21,048,575

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES
Attachment 3**

3A. Transfers from former RDA to Other Public Agency/Private Parties January 1, 2011 through January 31, 2012

TRANSFER DESCRIPTION	TRANSFER AMOUNT	TRANSFER DATE	OTHER PUBLIC AGENCY OR PRIVATE PARTIES	ENFORCEABLE OBLIGATION		Procedure 3.C Results
				Required by	IF YES, DATE	
Homeless Prevention-Weekly Senior Meals	\$ 1,715	1/1/2011-2/28/2011	Sodexo, Inc & Affiliates	Contract	-	Documents provided consisted of invoices from Sodexo adding up to "Transfer Amount". According to Successor Agency Official, this is a budgetary item in the period from Jan 2011 to Jan 2012.
First-Time Home Buyer Loans	66,000	7/13/2011-9/7/2011	Various	Contracts	7/2011-9/2011	Documents provided consisted of loan agreements adding up to the total shown in the transfer amount column. One of the agreements was disallowed as a Housing asset by the DOF letter to the City of Norco dated August 30, 2012, for \$29,250. The disallowance is based on the date of the agreement being after June 27, 2011. The "Transfer Amount" are assistance payments secured by a deed of trust.
Deferred Loan Program	84,417	1/6/2011-1/31/2012	Various	Contracts	1/2011-4/2011	Documents provided consisted of loan agreements with homeowners for property rehabilitation. The "Transfer Amount" are actual payments to contractors and others involved in the rehabilitation. The loans are secured by a second deed of trust.
Sewer and Water Assistance Program	94,157	1/28/2011-1/31/2012	City of Norco Water/Sewer	Contracts	1/2011-1/2012	Documents provided consisted of approved applications from qualifying citizens for the Assistance Program. The "Transfer Amount" are actual payments to the Proprietary Funds of the City of Norco for the discount given to those qualifying applicants.
Neighborhood Stabilization Program Deferred Loans	38,200	1/20/2011-9/15/2011	Various	Contracts	1/2011-9/2011	Documents provided consisted of agreements between the Redevelopment Agency and the contractors engaged to do the projects. The "Transfer Amount" are actual payments to such contractors for the work performed.
Total	\$ 284,489	-	-	-	-	-

3B. Transfers from former RDA to Other Public Agency/Private Parties February 1, 2012 through June 30, 2012

TRANSFER DESCRIPTION	TRANSFER AMOUNT	TRANSFER DATE	OTHER PUBLIC AGENCY OR PRIVATE PARTIES	ENFORCEABLE OBLIGATION		Procedure 3.C Results
				Required by	IF YES, DATE	
Settlement Agreement	\$ 137,000	06/21/2012	Weibe, Curtis D. & Ashlee	Agreement	-	Document provided consisted of a Settlement agreement dated June 2012.
Total	\$ 137,000	-	-	-	-	-

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES
Attachment 6.A**

Unspent Bonds Proceeds: Successor Agency Computation of Restricted Balances

i.

General Ledger Account	Asset Description	June 30, 2012
1011.09	Cash - 2003 Tax Allocation Bond with Fiscal Agent	\$ 1,565,263
1030.09	Cash - 2003 Tax Allocation Bond in LAIF	49,142
1030.11	Cash - 2010 RDA Tax Allocation Bond	22,545
Total Asset Balances		\$ 1,636,950
Less not liquid and not available:		-
Total Unspent Bond Proceeds - Restricted		\$ 1,636,950
Restrictions:		
Infrastructure and/or capital improvement projects and affordable housing projects per bond indentures.		
Restrictions are in effect until the bond proceeds are expended for their intended purpose or use as stated and certified in the bond documents.		

ii.

General Ledger Account	Asset Description	June 30, 2012	Procedure 6.A.ii Results
1011.09	Cash - 2003 Tax Allocation Bond with Fiscal Agent	\$ 1,565,263	Agreed amount to General Ledger Account in Fund 018 Low Mod Temporary Housing Asset.
1030.09	Cash - 2003 Tax Allocation Bond in LAIF	\$ 49,142	Agreed amount to General Ledger Account in Fund 018 Low Mod Temporary Housing Asset.
1030.11	Cash - 2010 RDA Tax Allocation Bond	\$ 22,545	Agreed amount to General Ledger Account in Fund 018 Low Mod Temporary Housing Asset.

iii.

General Ledger Account	Asset Description	June 30, 2012	Procedure 6.A.iii Results
1011.09	Cash - 2003 Tax Allocation Bond with Fiscal Agent	\$ 1,565,263	Reviewed Bond Indenture specific language restriction for intended purposes.
1030.09	Cash - 2003 Tax Allocation Bond in LAIF	\$ 49,142	Reviewed Bond Indenture specific language restriction for intended purposes.
1030.11	Cash - 2010 RDA Tax Allocation Bond	\$ 22,545	Reviewed Bond Indenture specific language restriction for intended purposes.

**NORCO COMMUNITY REDEVELOPMENT AGENCY
DUE DILIGENCE REVIEW PURSUANT H&S CODE SECTION 34179.5
LOW AND MODERATE INCOME HOUSING FUND AGREED-UPON PROCEDURES
Attachment 6.D**

Unspent Bonds Proceeds: Successor Agency Computation of Restricted Balances

General Ledger Account	Asset Description	June 30, 2012	Procedure 6.D Results
1011.09	Cash - 2003 Tax Allocation Bond with Fiscal Agent	\$ 1,565,263	According to Successor Agency Officials and the Bond Indenture, the unspent bond proceeds are restricted until expended for its intended purposes.
1030.09	Cash - 2003 Tax Allocation Bond in LAIF	\$ 49,142	According to Successor Agency Officials and the Bond Indenture, the unspent bond proceeds are restricted until expended for its intended purposes.
1030.11	Cash - 2010 RDA Tax Allocation Bond	\$ 22,545	According to Successor Agency Officials and the Bond Indenture, the unspent bond proceeds are restricted until expended for its intended purposes.