

AT-WILL EMPLOYMENT AGREEMENT  
BETWEEN THE CITY OF TEMECULA AND  
MATTHEW D. PETERS

This employment agreement (“Agreement”) is entered into by the City of Temecula (“City”) and Matthew D. Peters, Director of Community Development (“Employee”). In addition to the terms and conditions of this Agreement, employee is a participant in the City’s Management Compensation Plan and entitled to the benefits provided therewith.

**Recitals**

City desires to employ Employee as an at-will employee in the position of Director of Community Development. Employee desires to be the Director of Community Development and acknowledges that such employment is at-will. Employee shall be subject to lawful termination from employment without the City stating, showing, or proving that any cause or reason exists and/or is the basis for the City Manager’s determination to terminate employee. Accordingly, employee shall not be provided with any basis or forum by which to challenge any determination by the City Manager that employee be terminated. Inasmuch as employee serves at the will of the City Manager, there is no term of this Agreement, and it shall remain in force and effect unless or until terminated as provided for herein.

The City Manager, pursuant to the authority granted by the City of Temecula Municipal Code and City Council, agrees to hire Employee, as an at-will employee, subject to the terms and conditions identified below.

**AGREEMENT**

**Section 1: TERM**

The effective date of this Agreement shall be February 26, 2025. The City and Employee each retain the option of terminating the employment relationship between them at any time regardless of cause or reason.

**Section 2: DUTIES**

- A. City engages Employee as the Director of Community Development to perform the functions and duties specified in the Classification Specification for the position (Attachment “A”, incorporated herein by this reference), as the same may be modified by the City Manager, and to perform such other legally permissible and proper duties and functions as the City Manager shall assign.
- B. Employee agrees that to the best of his/her ability and experience that he/she will at all times conscientiously perform the duties and obligations required, either express or implied, by the terms of this Agreement, the ordinances, resolutions and adopted policies of the City of Temecula and the laws and regulations of the State of California and the United States.
- C. As a public employee, Employee is required to work a full and complete work week pursuant to the established work schedule as determined by the City Manager, and devote whatever time is necessary to fulfill the employment responsibilities and duties as

identified in this Agreement. Employee is generally exempt from Fair Labor Standards Act (FLSA) overtime requirements. This exemption is based upon the fact that all executive management employees have passed the salary and duty tests required for this exemption.

**Section 3: EXCLUSIVE EMPLOYMENT**

Employee agrees to focus his/her professional time, ability and attention to City business during the term of this Agreement. Consequently, Employee agrees not to engage in any other business pursuits, whatsoever, directly or indirectly, render any services of a business, commercial, or professional nature to any other person or organization, for compensation, without the prior written consent of the City Manager. This does not preclude Employee from volunteering his/her services to other entities or individuals as long as such volunteer services are not in conflict with the services to be provided by Employee under this Agreement.

**Section 4: COMPENSATION**

As compensation for the services to be rendered by Employee, City agrees to pay Employee a base starting salary of no less than \$249,537.60, per year, payable in twenty-six (26) biweekly installments at the same time as other employees of the City are paid and subject to customary withholding. Salary adjustments (merit increases), if any, in Employee's salary during the term of this Agreement shall be at the sole discretion of the City Manager based upon the City Manager's evaluation of Employee's job performance and within the base salary range established by the City Council or as otherwise approved by the City Council. Any and all adjustments shall be in accordance with City personnel policies and procedures. Employee's salary shall be reflected in the City's publicly available salary schedule.

**Section 5: BENEFITS**

**A. Retirement**

As an employee of the City of Temecula, Employee will be enrolled in the California Public Employees Retirement System (PERS) retirement plan, as such plan may be amended by the City Council. As of the date of this employment agreement, such plan includes the 2.7% @ 55 and 2.0% @ 60 benefit formulas for "classic" miscellaneous employees depending on their hire date, or the 2.0% at 62 benefit formula for "new" miscellaneous employees.

**B. Automobile Allowance**

Employee shall receive a monthly automobile allowance in lieu of mileage reimbursement. This allowance will only be provided when Employee is actively at work and not out on extended FMLA/CFRA Leave. The monthly dollar amount will be set at \$400 per month as outlined in the annual operating budget.

**C. Retention Benefit**

If the City's General Fund Reserves are fully funded at the then-established standards of the City Council, the City's Retention Benefit outlined in this section may be offered to Employee at the discretion of the City Manager.

After completing five years of executive service with the City of Temecula, and if Employee

has achieved the highest possible overall performance rating on three out of their last five annual performance evaluations, he/she shall be eligible to receive an amount equal to the then maximum normal contribution limit to an Internal Revenue Code Section 457(b) Deferred Compensation Plan (i.e., \$23,500 in 2025). This amount shall be paid as income in twenty-six (26) biweekly installments at the same time as Employee is typically paid, and subject to customary withholding. Employee may elect to place these funds in a City-sponsored Internal Revenue Code Section 457(b) Deferred Compensation Plan as allowable by law. If Employee should separate from employment with the City of Temecula prior to the full distribution of an earned Retention Benefit, Employee shall be paid for all earned Retention Benefit disbursements not yet received.

**D. Other Executive Management benefits**

Unless otherwise specified, Employee shall receive all benefits specified by the then current Management Compensation Plan of the City Council of Temecula for Management Staff, including, without limitation, those related to Comprehensive Annual Leave, Executive Leave, Holidays, Health, Dental, and Vision Insurance, Life Insurance, Flexible Benefits Plans, Deferred Compensation, and other types of leave in accordance with other policies established by the City.

Section 6: **TERMINATION AND SEVERANCE PAY**

- A. Employee is an at-will employee and serves at the will and pleasure of the City Manager. The City and employee each retain the option of terminating the employment relationship between them at any time regardless of cause or reason.
- B. If Employee is requested to resign or is terminated, he/she shall be provided severance compensation in the form of his monthly base salary for a period of six months after the effective date of his termination. Said monies shall be paid on regular City pay dates in installments during each payroll period in amounts equal to that which employee would have received for base salary and all benefits including retirement, cafeteria allotments/health and welfare coverages and any other benefits except leave accruals and automobile allowance payments. In addition, employee can request, at any time during the payout period, to receive a lump sum for any remaining balances due under this agreement. This action would conclude the City's obligation. The employee shall not receive any compensation as provided for herein in the event that he is terminated for good and sufficient cause.
- C. Notwithstanding paragraphs A and B, above, if Employee resigns or retires, or is terminated for cause, Employee shall be terminated forthwith on receiving notice and shall only receive payment for services rendered up to the time of notice plus any accrued and unused Comprehensive Annual Leave and Executive Leave, and the City shall have no obligation to pay any severance provided in this section. Furthermore, Employee agrees that any severance provided shall be fully reimbursed to the City if the Employee is convicted of a crime involving an abuse of his office or position.
- D. Upon termination, Employee shall be paid for all earned, but unused, Comprehensive Annual Leave and Executive Leave.

**Section 7: EXECUTIVE COMPENSATION LIMITATIONS**

If Employee is on Paid Administrative Leave during a pending investigation, any salary provided for that purpose shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of his office or position.

If Employee is provided funds for any legal criminal defense during his employment with the City, any funds provided for that purpose shall be fully reimbursed to the City if the Employee is convicted of a crime involving an abuse of his office or position.

If this Agreement is terminated, any cash settlement related to the termination that Employee may receive from the City shall be fully reimbursed to the City if Employee is convicted of a crime involving an abuse of his office or position.

The City makes no representation or guarantee as to whether any of the compensation or payments in this Agreement shall be subject to CalPERS service credit or pensionable income. Any determination by CalPERS to not fully credit the compensation and/or service time provided under this Agreement is outside of the City's control. Employee takes full risk as to CalPERS action and agrees he/she shall have no recourse against City due to any decision or action on this matter by CalPERS.

**Section 8: RESIGNATION / RETIREMENT**

Employee may resign at any time. Employee may retire, provided he/she is eligible for retirement, at any time.

**Section 9: DISABILITY**

If Employee is permanently disabled or otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of thirty (30) calendar days beyond any earned sick leave, City shall have the option to terminate this Agreement; however, the City's option to terminate under this Section shall be limited by its obligation to engage in the interactive process for reasonable accommodations and to provide reasonable accommodations as required by law. Nothing in this Section shall be construed to limit or restrict Employee's benefits or rights under workers' compensation or the Public Employees Retirement System ("PERS").

However, an employee terminated under this section shall not be eligible for severance pay, as delineated in Section 6 of this Agreement.

In cases of disability as described in this section, Employee shall be compensated for any earned, but unused, Comprehensive Annual Leave and Executive Leave.

**Section 10: GENERAL PROVISIONS**

**A. Notice**

Any notices required by this Agreement shall be in writing and either delivered in person or by first class, certified, return receipt requested US Mail with postage prepaid. Such notice shall be addressed as follows:

TO CITY: City Manager  
City of Temecula  
41000 Main Street  
Temecula, CA 92590

TO EMPLOYEE: Matthew D. Peters  
Most recent address on file in Human Resources.

**B. Entire Agreement**

The text of this Agreement shall constitute the entire and exclusive agreement between the parties. All prior oral or written communications understanding or agreements between the parties, not set forth herein, shall be superseded in total by this Agreement. No Amendment or modification to this Agreement may be made except by a written agreement signed by the Employee and the City Manager and approved as to form by the City Attorney.

**C. Assignment**

This Agreement is not assignable by either the City or Employee. This Agreement shall not be construed against any one party but shall be construed as if jointly prepared by employee and City. Any uncertainty or ambiguity shall not be construed against any one party.

**D. Severability**

In the event of any inconsistencies between the rules, policies and regulations of the City, this Agreement shall govern. In the event that any provision of this Agreement is finally held or determined to be illegal or void by a court having jurisdiction over the parties, the remainder of this Agreement shall remain in full force and effect unless the parts found to be void are wholly inseparable from the remaining portions of this Agreement.

**E. Effect of Waiver**

The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions in this Agreement by the other party shall not be deemed a waiver of that term, covenant or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other time or times.

**F. Jurisdiction**

Any dispute between the parties shall be submitted to final and binding arbitration pursuant to the rules of the American Arbitration Association (AAA). Any dispute between the parties shall be submitted to final and binding arbitration pursuant to the rules of the American Arbitration Association (AAA.) The arbitration shall be conducted by a single arbitrator chosen pursuant to AAA rules and shall be conducted pursuant to the AAA rules and the California Arbitration Act. The arbitrator shall have the authority to allow discovery, including depositions, shall render a decision in writing that fully explains the decision, and may award the same categories of relief which may be awarded by a California Superior Court jury or judge. Both parties shall be empowered to present evidence, both oral and documentary, to cross examine adverse witnesses, and to present argument, both written and oral. Each party shall bear their own

attorney's fees and arbitration costs including witness fees, subpoena fees, and other charges incurred at the discretion of the Employee and the Employee's counsel. The City shall bear the full costs of the arbitrator and all other expenses unique to the arbitration process. The arbitrator may award attorney's fees to the prevailing party if such an award could be made in a California Superior Court. This arbitration provision shall apply to all claims for which arbitration is legally applicable in contract, tort or statute including but not limited to the California Fair Employment and Housing Act, Title VII of the U.S. Civil Rights Act of 1964 as amended, the Age Discrimination in Employment Act, the Americans with Disabilities Act, and all other statutes and regulations applicable to the employment relationship.

**G.                   Effective Date**

This Agreement shall take effect on February 26, 2025.

[Signatures Begin on Next Page].

IN WITNESS WHEREOF, the City of Temecula has caused this Agreement to be signed and executed on its behalf by its City Manager and executed by the Employee.

City of Temecula, a general law City and California municipal corporation

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Aaron Adams, City Manager

ATTEST:

\_\_\_\_\_  
Randi Johl, Director of Legislative Affairs/  
City Clerk

Approved as to form:

\_\_\_\_\_  
Peter M. Thorson, City Attorney

In signing this Agreement, Employee understands and agrees that his/her employment status is that of an **at-will employee** and that his/her rights to employment with the City are governed by the terms and conditions of this Agreement rather than the ordinances, resolutions, and policies of the City of Temecula which might otherwise apply to employees of the City. Employee further acknowledges that he/she was given the opportunity to consult with an attorney prior to signing this Agreement.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Employee Signature

Matthew D. Peters

\_\_\_\_\_  
Employee Name (printed)



ATTACHMENT A

**Classification Specification**



# Director of Community Development

Established Date: 07/01/2014

Class Code: 300008

Revision Date: 08/27/2021

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## **DESCRIPTION:**

### **DEFINITION**

Under general direction, plans, directs, and coordinates the activities of the Community Development department; implements policies and establishes procedures related to planning, housing, code enforcement, business licensing and building inspection functions; develops and administers the department budget; establishes and maintains liaison to the public; performs related duties, as assigned.

### **DISTINGUISHING CHARACTERISTICS**

The Director of Community Development is a single-position, at-will classification at the Executive Management level, and is responsible for the development and administration of programs designed to address primary areas of City service. The employee is expected to exercise independent judgment, wisdom, common sense, and initiative in establishing efficient and effective departmental operations consistent with City Council policies and administrative guidelines established by the City Manager. The employee must also function as a member of the City's management team and participate actively in addressing issues of concern to the City that at times may not have a direct impact on their area of specialization. The Director of Community Development is distinguished from lower level staff by assuming the highest level of assignments and responsibilities within his/her department.

### **SUPERVISION RECEIVED AND EXERCISED**

Receives general direction from the City Manager or his/her designee.

Supervision is exercised.

### **EXAMPLES OF DUTIES:**

Duties may include, but are not limited to, the following:

- Develops and implements policies and regulations relating to the use of land, including planning, zoning, housing, and building and safety; ensures that policies are administered equitably
- Plans, directs, and coordinates department activities and services; develops procedures to conduct activities; ensures that activities are conducted in accordance with related

laws, ordinances, rules, and regulations; develops comprehensive plans to satisfy future needs for department services

- Directs and participates in the development, maintenance, and implementation of the City's General Plan; implements and administers the Uniform Building and associated codes
- Prepares and administers the budget for the Community Development Department
- Advises, and otherwise provides assistance to the City Manager, the City Council, the Planning Commission, other citizen committees, other City personnel, and the public regarding department related issues
- Conducts or directs the conduct of studies, and the preparation and presentation of reports, regarding the use of land, development and maintenance of affordable housing, building inspection, and code enforcement in the City of Temecula and related department activities
- Administers contract services pertaining to planning, housing, code enforcement building and safety services, and other consultant services; maintains liaison with service providers and ensures adherence to contract provisions
- Selects, supervises, motivates, plans, trains, directs, and evaluates the work of lower level staff; prepares and presents employee performance reviews; provides/coordinates staff training; works with employees to correct deficiencies; implements disciplinary procedures; recommends employee terminations; approves time sheets and expense reports
- Represents the City, or delegates such authority, in relations with the community, advisory committees, local, county, state, and federal agencies, other planning and community development departments, and professional organizations
- Serves as Secretary to the Planning Commission
- Develops and directs the implementation of department goals, objectives, policies, procedures and work standards
- Prepares and writes a variety of reports and documentation, including detailed Risk Management incident reports
- Performs other duties of a similar nature

**MINIMUM QUALIFICATIONS:**

A combination of education, experience, and training that has provided the necessary knowledge, skills, and abilities is required for entry into the classification. The City of Temecula utilizes equivalencies to substitute two years of applicable experience and similar responsibility for one year of college in order for a candidate to meet Minimum Qualifications. A typical combination of education, experience, and training for this classification includes:

## **EDUCATION AND/OR EXPERIENCE**

Bachelor's Degree from an accredited college/university in Urban or Regional Planning, Urban Design, Public or Business Administration, or a closely related field; and a minimum of seven (7) years of progressively responsible professional planning experience encompassing both advanced and current planning in a municipal agency, with a minimum of three (3) years of management experience in a municipal planning department. Master's Degree in a related field is desired.

## **KNOWLEDGE, SKILLS & ABILITIES**

### **Knowledge of:**

- Extensive knowledge of modern principles and practices of urban planning and community development
- Principles and practices of municipal planning, zoning, environmental issues, permit procedures, site planning and architectural design
- Principles and practices of statistics, graphic presentations, engineering drawings, landscape review, historic preservation, Community Development Block Grant, code amendment process, demographics, business license regulations, legislative review and Air Quality District regulations
- Applicable federal and state planning and zoning laws, including CEQA and the Subdivision Map Act
- Methods and techniques used in the development and maintenance of master plans
- Principles, objectives and procedures of modern municipal planning
- Considerable knowledge of building, electrical, mechanical, and related codes and regulations, including the Uniform Building Code
- Methods, materials, techniques, and practices employed in building inspection design and construction
- Principles of employee supervision, training, and performance evaluation
- Methods and techniques of research, statistical analysis and report preparation
- Occupational hazards and safety measures appropriate to work performed

### **Skill to:**

- Operate various types of standard office equipment, including a personal computer and related software
- Operate a motor vehicle in a safe manner

**Ability to:**

- Analyze a variety of complex administrative and organizational problems and make sound policy and procedural recommendations
- Effectively and accurately analyze complex data in order to determine consequences, identify alternatives, and draw logical conclusions
- Evaluate situations, identify problems, and exercise sound independent judgment within established guidelines
- Interpret, explain, and apply policies, procedures, laws, codes, and regulations pertaining to Community Development
- Negotiate and manage contracts with consultants and developers and effectively represent the City in meetings with various individuals and organizations
- Communicate clearly and effectively, both orally and in writing, including making public presentations and preparing comprehensive written reports
- Use proper English, spelling, grammar and punctuation
- Establish and maintain courteous, cooperative, and effective working relationships with those encountered in the course of work
- Supervise, plan, train, direct, and evaluate the work of lower level staff
- Develop new policies impacting division operations/procedures
- Prepare accurate, comprehensive, and precise written reports and analyses
- Plan, organize, and prioritize multiple projects and tasks in order to meet strict deadlines
- Prepare budgets and allocate limited resources in a cost effective manner
- Serve as emergency services worker in the event of an emergency

**LICENSES AND/OR CERTIFICATES**

Possession of a valid California Class C driver's license and an acceptable driving record.

Membership in the American Institute of Certified Planners (A.I.C.P.) is desirable.

**SPECIAL REQUIREMENTS**

Satisfactory results from a background investigation and administrative screening. The administrative screening may include a pre-employment drug screening for positions which are designated as safety sensitive or security sensitive, including but not limited to being responsible for the care and custody of children and operating heavy equipment.

Required to work outside of regular work hours (e.g. evenings, holidays and weekends) to attend meetings and special events.

## **WORKING CONDITIONS & PHYSICAL DEMANDS:**

The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to stand and sit; talk or hear, both in person and by telephone; use hands to finger, handle, feel or operate standard office equipment; and reach with hands and arms. The employee frequently stands or walks, and lifts and moves records and documents or objects weighing up to 50 pounds alone, and up to 100 pounds with assistance. Specific vision abilities required by this job include close vision, color vision, and the ability to adjust focus.

The employee may need to assist staff in performing inspections of work in the field that may require walking on uneven ground, working around machinery, fumes, dirt and gas, and in varying temperatures. The employee must maintain composure and good judgment while under stress.

The employee typically works in office conditions; the noise level is frequently quiet, at or below 50 decibels. The employee is required to attend evening meetings and to travel to different redevelopment sites and public and private facilities.

## **SUPPLEMENTAL INFORMATION:**

Flexibly Staffed: No

FLSA Status: Exempt

Conflict of Interest: Form 700 Required

Department: Community Development

Bonding Required: No