



MINUTES
REGULAR CITY COUNCIL /
REDEVELOPMENT AGENCY MEETING
TUESDAY, JANUARY 23, 2007, 7:00 P. M.
COUNCIL CHAMBERS, 245 E. BONITA AVE.

PRESENT:

Mayor Curtis W. Morris
Mayor Pro Tem Jeff Templeman
Councilmember Denis Bertone
Councilmember John Ebner
Councilmember Sandy McHenry

City Manager Michaelis
City Attorney Brown
City Clerk Rios
Assistant City Manager of Community Development Stevens
Director of Development Services Coleman
Assistant City Manager Duran
Public Works Director Patel
Parks and Recreation Director Bruns
Planning Manager Hensley
Senior Engineer Garwick

1. CALL TO ORDER

Mayor Morris called the meeting to order at 7:01 p.m.

2. ORAL COMMUNICATIONS

(For anyone wishing to address the City Council on an item not on the agenda. Under the provisions of the Brown Act, the legislative body is prohibited from taking or engaging in discussion on any item not appearing on the posted agenda. Speakers are limited to five (5) minutes.)

a. Members of the Audience

1) **City Attorney Brown** congratulated Mr. Johnson, a young man from San Dimas, who played in the Fiesta Bowl, in Boise, and after the game, proposed to his sweetheart. He wished Mr. Johnson well, and extended congratulations on his team's victory over Oklahoma.

2) **Alta Skinner**, 850 No. Walnut, thanked Councilmember McHenry for all his many contributions to San Dimas which include the Sportsplex and San Dimas Rodeo.

3) **Ted Powl**, President/CEO, Chamber of Commerce, announced that Don Green would be honored as Citizen of the Year on January 24, 2007, and he invited the public to buy their tickets to this event.

4) **Ted Powl**, President/CEO, Chamber of Commerce, stated that the Candidates Forum would be held at 6:30 p.m., on Thursday, February 22, 2007, in the Senior Citizens/Community Center and would be aired on Channel 3. He encouraged attendance to meet the candidates and hear their opinions on various issues. The Election is on Tuesday, March 6, 2007.

5) **Randy Argo**, Arizona resident, stated he has not received a certificate of occupancy. He praised Councilmember McHenry for partnering with the School District for the Sportsplex. He mentioned that the document from the City Attorney's Office concerning Mr. McHenry's property was never reviewed by the DPRB.

Manager Stevens replied that a complete copy of the memorandum prepared by the City Attorney's Office was not presented to the Board; however, he used the information to prepare his analysis and make a recommendation to the Board.

City Attorney Brown stated the Planning Department advised that inspections have been completed on Mr. Argo's property and Mr. Argo's superintendent filed the last inspection report. He indicated that it is not the City's practice to issue a certificate of occupancy.

6) **Resident** stated he has been a resident for 50 years. He thanked Councilmember and Lynda McHenry and their family for organizing the military internment, honors, and celebration of life memorial services for their friend, Joe Ridley. He said all of Joe's friends appreciate their efforts and Joe is also pleased.

3 CONSENT CALENDAR

(All items on the Consent Calendar are considered to be routine and will be enacted by one motion unless a member of the City Council requests separate discussion.)

Councilmember Ebiner requested that item 3a(2) be considered separately.

It was moved by Councilmember Bertone, seconded by Councilmember McHenry, and unanimously carried to accept, approve and act upon the consent calendar, as follows:

- a. Resolutions read by title, further reading waived, passage and adoption recommended as follows:
 - (1) **No. 07-04**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS, CALIFORNIA, APPROVING CERTAIN DEMANDS FOR THE MONTHS OF JANUARY AND FEBRUARY, 2007.
 - (2) **No. 07-05**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS, CALIFORNIA, ADJUSTING THE STIPENDS TO BE PAID TO POLL WORKERS FOR THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, MARCH 6, 2007.
- b. Approval of minutes for regular meeting of November 14, 2006.
- c. Award of Cash Contract No. 2007-02 to Environmental Project Services, Inc., in the amount of \$11,060.00 for Underground Waster Oil Storage Tank Removal Project.
- d. Tax Sharing Resolutions Approving and accepting negotiated exchange of property tax revenues resulting from annexation to County Sanitation District No. 22 (Annexation No. 381 and 388).
- e. Reject claim for damages from Heirs of Katie R. Greener.

END OF CONSENT CALENDAR

- a. Resolutions read by title, further reading waived, passage and adoption recommended as follows:

(1) No. 07-04, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS, CALIFORNIA, APPROVING CERTAIN DEMANDS FOR THE MONTHS OF JANUARY AND FEBRUARY, 2007.

Councilmember Ebner stated he removed this item to provide the opportunity for the City Clerk to recruit poll workers needed on March 6, 2007. He said this resolution increases the pollworker pay to \$100 for Inspectors and \$80 for clerks.

City Clerk Rios announced the need for pollworkers for the March 6, 2007 General Municipal Election. She stated that tonight's resolution would bring the pay rate equivalent to that of the County elections and encouraged members of the public to contact her for more information on being a pollworker.

It was moved by Councilmember Ebner, seconded by Councilmember Bertone, to waive further reading and adopt Resolution 07-04. The motion carried 4.1; Councilmember McHenry abstained.

4. PUBLIC HEARINGS

(The following items have been advertised and/or posted. The meeting will be opened to receive public testimony.)

Mayor Morris recessed the regular meeting of the City Council at 8:41 p.m. and convened a joint meeting of the City Council and San Dimas Redevelopment Agency Board of Directors.

- a. Joint Public Hearing of the San Dimas City Council and San Dimas Redevelopment Agency to reimburse the City for the cost of acquiring the Walker House and to pay all of the costs for its historic restoration pursuant to Section 33679 of the California Health and Safety Code.
 - 1) **RESOLUTION NO. 07-06, A RESOLUTION OF THE SAN DIMAS CITY COUNCIL APPROVING AND AUTHORIZING THE SAN DIMAS REDEVELOPMENT AGENCY TO PAY FOR THE ACQUISITION AND HISTORIC RESTORATION OF THE WALKER HOUSE.**
 - 2) **RESOLUTION NO. 184, A RESOLUTION OF THE SAN DIMAS REDEVELOPMENT AGENCY AUTHORIZING AND APPROVING THE USE OF TAX INCREMENTS TO PAY FOR THE ACQUISITION AND HISTORIC RESTORATION OF THE WALKER HOUSE.**
 - 3) Award of Cash Contract 06-07 to T. B. Penick & Sons, in the amount of \$6,513,144.00, for Walker House restoration and associated budget amendment of \$7,490,019.00.

City Manager Michaelis presented a detailed summary report on the financial capacity of the San Dimas Redevelopment Agency to complete the Walker House project and said Planning Manager Hensley would provide information on the bid process for the restoration of the Walker House. Staff recommended adoption of City of San Dimas Resolution No. 07-06 and San Dimas Redevelopment Agency Resolution No. 184.

Planning Manager Hensley provided a history of meetings held to discuss the purchase of the Walker House and the hiring of consultant Bill Ellinger as the project Architect to prepare a detailed historical analysis of the building and develop plans for a complete restoration. Mr. Hensley reported that Mr. Ellinger was replaced by John Ash Group (JAG) to complete the plans and the project has been approved for construction. He summarized the recent bid process for the renovation of the Walker House and recommended the 2006-07 Budget be amended to appropriate \$7,490,019 for the Walker House; award Cash Contract 2006-07 be awarded to T.B. Penick in the amount of \$6,513,144; that the City hire JAG and Questar Engineering for construction management to assist in monitoring the project.

Planning Manager Hensley responded to Council/Board's questions concerning the low bidder's qualifications, experience, and references; project managers' responsibilities; and the bid process.

Mayor Morris opened the public hearing and asked if anyone wished to speak in favor of the restoration project.

1) **Dean White** stated he is registered with the State of California for historic work and offered to assist in any way such as furnishing concrete for the project.

Mayor Morris suggested Mr. White write his name and telephone number to enable staff to contact him.

2) Lone Hill Middle School students **Jen Black** and **Nicole Jeffries**, felt the Walker House was a good educational tool for children today and generations to come, and suggested putting in a restaurant, gift shop and history presentation.

3) **Denise Reidy**, 126 E. 2nd Street, read an editorial from the September 6, 2006 Daily Bulletin concerning the Walker House.

4) **Chuck Coyne**, 1313 Paseo Alamos, felt the authentic restoration of the Walker House was a wise investment.

5) **Alline Kranzer**, 508 No. San Dimas Ave., narrated San Dimas history and said the Walker House is essential to our heritage and needs to be preserved. She said by working together we could have a building that reminds us of the past and provides a place for the future.

6) **Alta Skinner** thanked the City Council for giving the public this opportunity and said JohnWalgren is watching. She supports the restoration of the Walker House and said the Festival of Arts is hosting a Golf Tournament to raise additional funds. For tickets, call the Festival office at 909/599-5374.

7) **Ron Kranzer** stated he is here in support of the renovation. He thanked the efforts of the Redevelopment Agency's mechanism to restore old buildings to preserve their heritage. He pointed out that tax increments would otherwise be diverted to the County. He mentioned that the Festival of Arts has raised over \$100,000 and once the project is underway, would contribute the funds to the Agency.

8) **Randy Argo** said he chose to support this project. He asked for clarification that the funds are coming from the San Dimas Redevelopment Agency and not the general fund.

City Manager Michaelis said there are three tax allocations bonds outstanding, and explained tax allocation bonds, difficulties and limitations, and said the San Dimas Redevelopment Agency is the revenue stream under every circumstance to pay whatever debt is necessary to complete a project.

9) **Dr. Marvin Ersher** stated that when the Agency made the decision to purchase the Walker House, it made the obligation to restore it. He does not know the past value of the Walker House, but he imagines it is an outstanding number in the present values. He said it is expensive to restore and requires specialized work and specialized people. He suggested that staff create a website on the Walker House restoration and updates; and create an oversight committee to meet bi-weekly. He said restore the Walker House and bring it back to glory.

Mayor Morris asked if anyone would like to speak in opposition to the proposal to restore the Walker House and the following persons spoke:

1) In response to **Gary Enderle**, 2044 Via Esperanza, staff replied that the Chamber of Commerce, Historical Society and Festival of Arts pay \$1 annually to rent space at the Martin House; there is an annual budget for ongoing maintenance; and roof repair is not scheduled at this time.

In response to Mr. Enderle, Mayor Morris stated that the Walker House has been on the market a long time after the family trust foreclosed, and no one in the private sector stepped forward to restore the building.

Mayor Pro Tem Templeman indicated he spoke to a Real Estate broker who said commercial venues do not look at it because of the cost to restore the building.

Council and staff responded to Mr. Enderle that although it is clear from the beginning that the Festival would occupy space on the second floor, there is no written agreement; and the track lighting for the second floor is owned by the Festival, but it was not customized for anyone's particular use.

Staff further replied to Mr. Enderle about the detailed bidding process and the foundation to raise money.

In response to **Patrick Jones**, 239 Ave. Melicinda, Planning Hensley stated the construction period was extended to one-and one half years to provide a better price.

In response to Patrick Jones, Mayor Morris said the Redevelopment Agency only exists to pay debt and when all debt is paid, the property tax increments go to serve Los Angeles County. He stated that not all funds are being used for this project and a couple of new projects under construction would add substantially to the revenue. He said the Board determined that the Walker House is a proper project for use of a portion of the tax increment.

Councilmember Ebner left the dais at 9:01 p.m. and returned at 9:03 p.m.

There being no one else wishing to speak, the public hearing was closed.

Mayor Pro Tem Templeman stated that residents are held to a higher standard and he would not exempt the City. He said the real issue is use and he is not opposed to the Festival of Arts occupying the second floor and the Historical Society on the first floor. He is supportive of the project and would like to see a restaurant go in.

Councilmember McHenry stated that the Walker House is on the National Register and their guidelines drive the cost of restoration. He said the commitment was made six years ago and with that comes the responsibility to restore the building. He mentioned that the Downtown Study Group felt the Walker House could be the cornerstone of the downtown. He would like to see a restaurant and hopes it could offset maintenance costs.

Councilmember Bertone advocated the restoration of the Walker House. He said history is important and what we have in San Dimas is part of our history, good for kids and the community, as well as a focal point for the City.

Councilmember Ebner said the City is burdened with trying to do the best it can. He stated that money is not generated for park maintenance or street patrol. He felt this building is an historical treasure of San Dimas preserving the past and the investment is worthwhile. He looks forward to seeing it fully restored.

Mayor Morris said the community wants the building to be a public use and all want food service. He indicated that Jack Kaiser, Chief Economist of the Los Angeles Times, gave the City of San Dimas a two-thumbs up for location and quality of life. Mr. Morris stated that as an economic project, this building does not pencil out, but the Redevelopment Agency is in the business of eliminating blight with restoration and preservation projects.

City Attorney Brown stated that there were minor changes to the Resolutions in front of Council/Board members.

After the title was read, it was moved by Councilmember Ebner, seconded by Councilmember Bertone, to waive further reading and adopt **RESOLUTION NO. 07-06**, A RESOLUTION OF THE SAN DIMAS CITY COUNCIL APPROVING AND AUTHORIZING THE SAN DIMAS REDEVELOPMENT AGENCY TO PAY FOR THE ACQUISITION AND HISTORIC RESTORATION OF THE WALKER HOUSE. The motion carried unanimously.

After the title was read, it was moved by Mr. Ebner, seconded by Mr. Templeman, to waive further reading and adopt **RESOLUTION NO. 184**, A RESOLUTION OF THE SAN DIMAS REDEVELOPMENT AGENCY AUTHORIZING AND APPROVING THE USE OF TAX INCREMENTS TO PAY FOR THE ACQUISITION AND HISTORIC RESTORATION OF THE WALKER HOUSE. The motion carried unanimously.

It was moved by Councilmember Bertone, seconded by Councilmember Ebner, to award Cash Contract 2006-07 to T. B. Penick & Sons, in the amount of \$6,513,144.00, for the renovation work on the Walker House project; and to amend the budget to appropriate \$7,490,019.00 as provided in the staff report. The motion carried unanimously.

It was moved by Mayor Pro Tem Templeman, seconded by Councilmember Ebner, to authorize staff to issue professional services contracts to JAG Architects and Questar Engineering, Inc. for construction management services. The motion carried unanimously.

Mayor Morris adjourned the joint public hearing on the Walker House at 9:26 p.m..

RECESS

Mayor Morris called a recess at 9:26 p.m. and the regular meeting of the City Council was reconvened at 9:41 p.m.

- b. Performance Report for FY 05-06 and FY 06-07 CDBG Program Years and Proposed FY 07-08 projected Use of funds.

Housing Programs Manager Kasuyama explained the subject grant program performance and proposed use of 2007-08 funds. She recommended approval of the proposed FY 2007-08 CDBG Program as outlined in the staff report.

Ms. Kasuyama responded to Council that this year, public service requests were not considered because of the limited dollar amount and minimum threshold amount of \$10,000 imposed by the County. She indicated that she cannot mix city funds and housing set aside funds due to auditing requirements from the County, but she utilizes Fund 34 for housing rehab. She estimated approximately \$150,000-\$200,000 is spent on housing rehab from the set aside funds.

Manager Stevens stated that a couple months ago, Council authorized the hiring of consultant Kathy Head to evaluate the housing programs and funds available under the set aside programs. She will be coming before Council with some recommendations on how to best effectively utilize those funds that could only be spent under redevelopment requirements.

Mayor Morris stated that it is one of the better programs that benefit the recipients and the entire neighborhood. He opened the public hearing and asked if anyone wished to speak regarding the proposed CDBG program. There being no one, the public hearing was closed.

It was moved by Councilmember Bertone, seconded by Councilmember McHenry, to approve the Community Development Block Grant FY 2007-2008 projected use of funds as recommended by Housing Programs Manager Kasuyama in her staff report. The motion carried unanimously.

- c. The following items will be opened for purposes of continuing the Public Hearing to February 13, 2007, 7:00 p.m.

Mayor Morris opened the public hearing to continue the following items to February 13, 2007 to allow additional time to resolve remaining property acquisition and DDA revisions. He stated that members of the audience would be given the opportunity to speak at that meeting on this proposal.

- 1) Tentative Parcel Map 06-04 (061022) – Request to subdivide the property located at the southeast corner of Lone Hill Avenue and Gladstone Street into eight (8) lots for the construction of a commercial center consisting of a 148,000 sq. ft. Costco warehouse/retail facility with a tire center and gasoline service station and additional commercial uses on 22.83 acres.
- 2) Vacation of that portion of Fifth Street extending east from Lone Hill Avenue to its terminus at the railroad right-of-way adjacent to the 57 Freeway and vacating appurtenant slope easements on the east side of Lone Hill Avenue north of Fifth Street.
- 3) Joint Public Hearing of the San Dimas City Council and San Dimas Redevelopment Agency

RESOLUTION NO. 07-09, A RESOLUTION OF THE SAN DIMAS CITY COUNCIL PURSUANT TO THE PROVISIONS OF CALIFORNIA HEALTH AND SAFETY CODE SECTION 33433 APPROVING A PROPOSED AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BY AND BETWEEN THE SAN DIMAS REDEVELOPMENT AGENCY AND COSTCO WHOLESALE, A WASHINGTON CORPORATION.

RESOLUTION NO. 185, A RESOLUTION OF THE SAN DIMAS REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING THE EXECUTION OF AN AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT WITH COSTCO WHOLESEALE CORPORATION, A WASHINGTON CORPORATION.

5. SAN DIMAS REDEVELOPMENT AGENCY

Mayor Morris recessed at 9:54 p.m. to convene a meeting of the San Dimas Redevelopment Agency Board of Directors. The regular meeting reconvened at 9:55 p.m.

6. ORAL COMMUNICATIONS

- a. Members of the Audience

Dr. Marvin Ersher stated that in the 1970's the City decided the way to have a quality city is to have a development plan review board. He said to go from a general plan to a product on the ground requires people to make tough decisions, and over the years, the DPRB has provided tough, stringent, but fair regulations of development that could be permitted in the city. He indicated that those decisions made some people happy and some unhappy, and the process could be improved, but the Council should not abolish the DRPB.

- b. City Manager

No report.

- c. City Attorney

No report.

- d. Members of the City Council

- 1) Report on Meetings

No one attended any meetings.

2) Appoint delegate to Foothill Transit Zone Joint Powers Authority.

Mayor Pro Tem Templeman resigned as the City's delegate to Foothill Transit Authority. He reported that there are no scheduled meetings through March 2007; he felt it appropriate to appoint a replacement.

If there is no urgency, Councilmember Bertone suggested postponing the appointment until after the election reorganization.

3) Mayor Pro Tem Templeman thought it would be worth considering in the budget to hire a quality craftsman to refinish the dais top.

4) Mayor Pro Tem Templeman heard about successful operations on overnight parking issues at a meeting with staff and Captain Curtis. He believed more NEET meetings are necessary, where code enforcement and staff members meet with Sheriff's personnel. Problems that need to be addressed are identified at the meetings for resolution.

5) Mayor Pro Tem Templeman mentioned that he and Mayor Morris are adhoc representatives to city-owned Charter Mobile Home Park and have annual meetings with the onsite manager and professional management company. He said the new company is proactive in helping the residents and found a way to get extra bread delivered from the local Vons to needy people in the park. He mentioned that if a resident is unable to get to the clubhouse, the manager volunteers to take the bread to them.

6) Councilmember Ebiner agreed with Dr. Ersher's recommendation of an oversight committee for the Walker House project.

7) Mayor Morris praised Dr. Ersher for his contributions to the City of San Dimas. He said when Dr. Ersher first became involved in the City, it was with a preservation idea and he was able to change the course of planning in the hillsides. He always had a vision for this community and has a right to say he made this community better by his service.

8) Councilmember McHenry brought up a request to construct a deck/gazebo on a steep slope behind an applicant's house. Neighbors thought it might be invasive to their backyards and appealed the request to the DPRB. Staff discovered CC&Rs that allowed a fence at the top of the hill, but did not address the slope area. In the end, the Board decided to allow the deck within the fence line. Mr. McHenry mentioned that it might be appealed to the City Council.

Manager Stevens stated in the initial review that staff was not aware of the deed restrictions. He said staff did a good job locating the documents and getting to a decision fair to all parties affected.

9) Councilmember Bertone stated the City is concerned about the Vista Verde Ranch project at Walnut Creek area. He thanked Mr. Stevens for taking the time to show the area to a botanist and Audubon Society member. Mr. Bertone indicated that the County biologist said he would also come out.

10) Councilmember Bertone expressed concern with the SCAG regional housing numbers (RHNA). He stated that no one wants to see 1700 low to moderate income houses built in San Dimas and asked City Manager Michaelis and Assistant City Manager Stevens to investigate.

Assistant City Manager Stevens responded that he will have a report on the RHNA at one of the February meetings, as the appeal would have to be filed between February 15 and March 16. Mr. Stevens stated he is working with the Council of Governments, and if they are not willing to provide technical support, he

may be working with other cities that are in a similar situation. He said it is the transportation forecast that serves as a base document for developing the numbers and said those numbers are scheduled to be implemented in 2014 which gives San Dimas seven years to comply. He stated he met with SCAG staff in advance release of the numbers, but he could not get them to understand there is no place in San Dimas for 1,724 units within the next seven years. He said this is a serious issue and is working on a strategy which will be brought before Council in the near future.

Councilmember McHenry said local government was elected to do land use planning for their local areas and he urged the public to write letters to surrounding cities asking them to join San Dimas in the fight against unfair growth forecasts.

7. CLOSED SESSION

Mayor Morris recessed at 10:29 p.m. to a City/Redevelopment Agency closed session pursuant to Government Code Section 54956.8:

- a. Property: Southeast corner of Lone Hill Avenue and Gladstone Avenue
Negotiating Parties:
For Agency: Blaine Michaelis, City Manager/Executive Director, and J. Kenneth Brown, City/Agency Attorney.
For Property: Steve McArthur, Northwest Atlantic - Costco
Under Negotiation: Possible sale of property and terms and conditions of City/Agency possible participation.

- b. **CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
(SUBDIVISION (a) OF GOVERNMENT CODE SECTION 54956.9)**

Name of Case: Bradley and Rebecca Secreto v. City of San Dimas, LASC Case No. BC298567

REPORT ON CLOSED SESSION ITEMS:

Pursuant to Government Code Section 54957.1, the legislative body reconvened to report that there was no action taken on the closed session matter.

8. ADJOURNMENT

Mayor Morris said San Dimas had a long time resident and retired school teacher, Bill Bowden, who passed away Sunday, January 21, 2007. Mayor Morris said Bill started the Civitan Club, visited city hall every day, and was well liked by everyone, and because Bill spent so much time here, the meeting will adjourn in memory of Bill Bowden.

The meeting adjourned at 11:10 p.m. in memory of Bill Bowden, friend to city hall. The next meeting is on Tuesday, February 13, 2007, 5:30 p.m. for a study session on speed bumps.

Mayor of the City of San Dimas

ATTEST:

City Clerk