



MINUTES
SPECIAL CITY COUNCIL MEETING
TUESDAY, FEBRUARY 28, 2012, 5:00 P. M.
SAN DIMAS COUNCIL CONFERENCE ROOM
245 E. BONITA AVE.

PRESENT:

Mayor Curtis W. Morris
Mayor Pro Tem Jeff Templeman
Councilmember Emmett Badar
Councilmember Denis Bertone
Councilmember John Ebner
City Manager Blaine Michaelis
City Attorney J. Kenneth Brown
City Clerk Ina Rios
Assistant City Manager of Community Development Larry Stevens
Assistant City Manager Ken Duran
Director of Development Services Dan Coleman
Director of Public Works Krishna Patel
Director of Parks and Recreation Theresa Bruns
Senior Accounting Technician Steven Valdivia
P.W. Superintendent John Campbell
Captain Don Slawson, S.D. Sheriff's Station

Gary Enderle, San Dimas HEROES
Scott Chamberlain, Executive Director SGV Housing & Homeless Coordinating Council
Rodney Heinrich, Pastor of Homeless Ministries, NewSong Church

1. CALL TO ORDER

Mayor Morris called the meeting to order at 5:07 p.m.

2. ORAL COMMUNICATIONS

(For anyone wishing to address the City Council on an item on this 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.)

a. Members of the Audience

1) Scott Chamberlain, San Gabriel Valley Housing and Homeless Coordinating Council, with Pastor Rodney Heinrich, NewSong Church, said they are a new entity created with the help of the San Gabriel Valley Council of Governments to implement a regional strategy to address homelessness. He said it is their goal and hope that they would get financial assistance from cities in implementing the Cities' plans through vouchers. He said that to date, they have leveraged \$9 million throughout the San Gabriel Valley for targeted funds, primarily from the County of Los Angeles, and housed approximately 115 individuals. They would appreciate the City of San Dimas' support.

3. STUDY SESSION

- a. Mid-year 2011-12 budget review and Preliminary Report on 2012-13 City of San Dimas Budget.

City Manager Michaelis explained that purpose of the meeting is to present a mid-year review of the 2011-12 budget and solicit Council input for incorporation into the 2012-13 budget for approval in May/June.

Mid-Year Budget Report

Assistant City Manager Duran said the staff report details the status of the mid-year revenue and expenditure projections for the current fiscal year. He said that after the 2010-11 financial audit was conducted, results reflected the General Fund Budget balance at year end was \$14.05 million, and \$1.1 million in excess reserves. He reported that the City Council authorized \$1 million of excess reserve funds to be distributed to the Infrastructure, Park Development and Equipment Replacement Funds. He said some major revenue categories were identified and staff anticipates the general fund to end the year on budget.

In response to Mayor Pro Tem Templeman, Mr. Duran replied that \$900,000 was set aside as assigned fund balance due to the anticipated loss of a major sales tax generator, which has not occurred to date, and the city may end up with reserves in excess of \$14 million.

In response to Mayor Morris, Mr. Duran replied that budget projections include revenue for repayment of Redevelopment Agency loans to the General Fund and loss of that revenue will impact the General Fund in the amount of \$1.2 million.

Mr. Duran said it is anticipated that Special Funds will be at, or exceed, budget projections due to unanticipated revenue for Quimby fees, sewer connections, and COPS grant.

In response to Councilmember Badar, Mr. Duran noted that citation revenue was down because fewer citations were issued during the four months absence of the Motor Deputy.

Captain Slawson replied that the Motor Deputy has returned to work, however, he is required to requalify as a Motor Officer.

2012-2013 Preliminary Budget Preparations

City Manager Michaelis pointed out that the most significant budget impact was the dissolution of the Redevelopment Agency. He highlighted a priority format to assist in considering the best way to move forward with utilizing the City's General Fund reserves. Mr. Michaelis reviewed critical issues the City is facing by the loss of Redevelopment that are dependent upon the passing of two legislative bills: 1) General Fund loans to the Redevelopment Agency; and 2) housing programs and staff support.

Mr. Michaelis outlined projects the City may wish to achieve, with careful prioritization from General Fund reserves to address the City's infrastructure and the City's facilities, as well as former Agency projects such as the façade program; wooden sidewalks and landscape replacement project in the downtown. He reported that the City is required to liquidate all Redevelopment Agency assets with proceeds of the sale to be distributed to taxing entities, and the City is entitled to a 7% share of the property taxes. Other Redevelopment Agency projects include wayfinding or city entrance signs and the acquisition of the property at the Northwest corner of Bonita Avenue/San Dimas Avenue.

Councilmember Bertone stated he is promoting the acquisition of the Bonita Avenue/San Dimas Avenue property. Although he does not expect an expenditure of \$5 million, it is his wish that staff look at the

possibility of a landscaped strip mall with stores, restaurants, or antique shops. It would be his wish that the property be purchased, the existing use demolished, and a park built.

Assistant City Manager Stevens replied that staff can look at a combined commercial/residential building with parking. He said it would still remain a \$5 million project, but would trade improvements for reduction in land price.

Mayor Morris opposed the expenditure of full market value for the property, relocation fees, removal and remediation of tanks, and said any kind of rent for that property would be prohibitive. He said without redevelopment, the City would be unable to sell the property at fair market value.

Councilmember Ebner said he is not proposing any specific project, however, he suggested the City Council can consider allowing a three-story building with commercial on the first floor, and not utilizing the property for a park.

Mayor Pro Tem Templeman suggested creating a baseline to identify unrestricted funds to expend on desired projects.

In response to Councilmember Badar, Mr. Stevens replied that the zoning code would prohibit alterations to the Walker House if the State determines that the building cannot be classified as a public building.

Mayor Pro Tem Templeman stated that a commitment was made to build a Gold Line Station, however, he is opposed to using gas tax funds to construct that building. Mr. Michaelis stated that staff time can be accepted in kind to offset the \$1 million.

City Manager Michaelis interpreted that the acquisition of the Bonita Avenue/San Dimas Avenue property is off the project list, however, staff will look for variations of the use. He said staff will come back on wayfinding and entrance signs.

Mr. Michaelis highlighted a list of nonprofit charitable organizations and recommended:

- 1) that the City Council set aside \$12,500 from which to allocate contributions toward community funding based on priority and consensus;
- 2) to allocate a percentage of funds available at the beginning of the year so other requests may be considered during the year as they come forward;
- 3) confirm the community benefit and document services provided to San Dimas residents;
- 4) or the City Council can consider allocating 20% of the community funds to each member of the City Council for their discretionary administration of funds, subject to the funding requirements as outlined.

Mr. Michaelis reported that two community funding requests came forward that are not included in the budget: 1) contribution for the homeless program; 2) \$1,100 contribution to Booster Club for a magazine advertisement.

Mayor Morris suggested that rather than contributing to the San Dimas Sheriff's Boosters, the City can directly purchase necessary equipment or supplies for the Sheriff's Reserves.

Mr. Duran reported that \$7,500 per year is budgeted from the General Fund for uniforms, training, and supplies for volunteers.

Councilmember Ebner said some expenditures might be allocated from a different fund; for example, park benches at Freedom Park might come from the Park budget. He suggested increasing the maximum amount of funds to \$15,000 or up to \$25,000 to address community funding requests, and it would not be necessary to spend all the funds every year.

Councilmember Bertone said some programs benefit the entire community and he felt that benches for a City Park should come from the Parks and Recreation budget.

Mayor Pro Tem Templeman expressed his concerns about spending funds on marketing through a third party. He believes the amount of money budgeted is appropriate to help out City of San Dimas activities that benefit the community and does not support increasing that amount. He also opposed community funds to be administered by each Councilmember and felt that staff should manage the allocation of funds.

Mayor Morris expressed his concerns in using taxpayer money to fund charitable organizations unless they are directly tied to government functions of San Dimas. He was not opposed to making private contributions to the organizations.

In response to Councilmember Bertone, Director Bruns explained that the HEROES made a request to the Parks and Recreation Commission for park benches to be included in the HEROES' plan for development of the Monument. Commissioners asked if park benches were included as part of the plan or were HEROES asking for city dollars to fund that part of the plan.

In response to Councilmember Ebner, City Manager Michaelis said that staff recommended an amount for community funding, however, it is the City Council's decision to spend resources beyond the city's day-to-day operation and how much to set aside.

Councilmember Bertone said homelessness affects the community. He is in favor of contributing to the Housing and Homeless Coordinating Council.

Mayor Morris stated that before he can consider the expenditure of public funds, documentation such as Form 990 and audited financials should be submitted from any nonprofit charitable organization requesting funds.

Councilmember Ebner suggested that staff bring back to the next meeting a report that includes documentation requested by the Mayor.

In response to Mayor Morris, Mr. Chamberlain stated that, with the help of the San Gabriel Valley Council of Governments (SGVCOG), the Housing and Homeless Coordinating Council was newly created 18 months ago to implement a homeless strategy developed by the different cities in the San Gabriel Valley. He said the first 18 months was funded by Los Angeles County to help facilitate the start-up and the goal is to move toward private funding. In the interim, it is the County's desire to partner with the San Gabriel Valley Cities to sustain the organization.

Assistant City Manager Stevens said the County paid one-half of the organization's budget of \$140,000 and the budget calls for 25% from private sources. The organization expects to get the last 25% from contributions by as many SGVCOG member cities as possible. He added that homelessness is an area he is required to evaluate when he takes the Housing Element to the California Department of Housing and Development (HCD).

Mayor Morris stated that based on that information, he is prepared to approve a one-time contribution to the Housing and Homeless Coordinating Council.

Mayor Pro Tem Templeman pointed out that the San Dimas Sheriff's Boosters expect that \$1,100 would be an ongoing annual contribution.

MOTION: It was moved by Councilmember Bertone, seconded by Councilmember Ebner to approve a one-time contribution in the amount of \$2,500 for the Housing and Homeless Coordinating Council to coordinate homeless activities in the City of San Dimas. The motion carried unanimously.

MOTION: Councilmember Badar noted that volunteers support the community possibly more than any other organization. He moved to fund the San Dimas Sheriff's Boosters in the amount of \$1,100.

Mayor Morris asked City Attorney Brown if funding the Boosters organization were an impermissible mass mailing.

City Attorney Brown expressed concern that the City Council's photograph would be included in an advertisement and said he would investigate and report back to the City Council.

Councilmember Bertone stated he is supportive of not including the photograph in the Sheriff's Boosters magazine.

The motion failed due to lack of a second motion. The City Attorney will research mass mailing and return to the City Council with a response.

In response to Councilmember Badar, City Manager Michaelis said park benches will be included in the budget when brought back in May for the City Council's decision whether or not to expend city funds, as part of the budget, to install benches at Freedom Park.

City Manager Michaelis said Department Directors will present a brief overview of their department and the City Council has the opportunity to add any requests.

Mayor Pro Tem Templeman suggested budgeting funds for an appropriate number of waste receptacles for pet waste at each park.

Gary Enderle said benches were drawn in on the original plans, however, the organization never budgeted funds for the purchase of park benches. It was their intent to ask the City for contributions toward the purchase of the park benches at Freedom Park.

Administrative Services

Assistant City Manager Duran highlighted the work programs anticipated for 2012-13 and said most of the projects are for maintenance and operation. He reported that the Joint Powers Insurance Authority released the deposit for the upcoming year and the General Liability deposit is \$477,000, which is approximately \$68,000 less than 2011-12; and workers compensation would be \$165,000, approximately \$33,000 more than last year.

Mayor Morris stated that San Dimas is substantially higher than other cities in our general liability due to our loss cap.

Mr. Duran said he is seeking direction on funding \$1,000 for the lost and found pet registry program, as part of the budget process.

Councilmember Bertone urged the Council's support and funding of the Lost and Found Registry and suggested it might be useful to post the Registry on the City's website.

Councilmember Ebner suggested including the Lost and Found Registry in the budget for consideration in May and linking it on the City's website to the Los Angeles County Lost and Found Registry.

Parks and Recreation Department

Director Bruns stated that Parks and Recreation will continue to utilize available resources in order to effectively deliver services in Landscape Maintenance, Facilities, and Recreation. She said the project list has been completed and staff identified projects to be prioritized and completed based on availability of funding. She stated that Senior Citizen Commission and Swim and Racquet Club project lists are high priority. As part of the mid-year budget, staff is in the process of concluding projects earmarked for the Senior Citizen/Community Center and auditing the Swim and Racquet Club for compliance with ADA access.

Director Bruns responded to Councilmember Bertone that most of the HVAC systems are aged and replacements parts are difficult to obtain. She said when the equipment fails, staff will be forced to make a decision of replacing the units, or staff can be proactive and begin changing the equipment as a preventative measure.

Mayor Pro Tem Templeman supported rehabilitating the restrooms at the Senior Citizen/Community Center and upgrading or replacing the marquee sign at the Swim and Racquet Club. He suggested the existing sign be replaced with a digital sign.

Director Bruns mentioned that the Senior Citizen Commission also proposed a marquee sign for the Civic Center. She said this item has been discussed and denied by the City Council for the past 20 years. She said the project list also includes the replacement of aging playground equipment.

Director Bruns responded to Council that safety is staff's primary concern. She said every park has security lights, and Via Verde Park has a small system of security lights that could be upgraded. She added that there are no dark areas because there is street lighting around the perimeter of the park and part of the process is to identify any deficiencies that can be corrected.

Director Bruns said a few organizations have asked for assistance in sponsoring major special events. Staff is also working with Public Works on a curb repair project that may require removal of approximately 20-30 trees.

In response to Councilmember Bertone, Director Bruns replied that staff does not have a schedule of when development at Walnut Creek may occur, however, the basketball courts at Loma Vista Park need to be resurfaced and will cost approximately \$5,000.

Councilmember Ebner suggested playground equipment be replaced at current standards for safety; that benches at Freedom Park be included in the Parks budget; and that a plan is needed to replace the recreation building and restrooms at Marchant Park.

Ms. Bruns reported that Park Development fees and Quimby fees in the amount of \$94,000 were deposited to Special Fund 21 and are based on geographic location throughout the City. She mentioned that Marchant Park is in the area that has approximately \$90,000 of Quimby fees in the special fund, and staff anticipates additional fees in the future from the Grove Station and the Bonita Gateway projects.

In response to Mayor Pro Tem Templeman, Ms. Bruns replied that it has been over ten years that drinking fountains were inspected for lead content, replaced, and approved safe.

Public Works Department

Director Patel proposed a separate study session to discuss conceptual plans for the possible realignment of Bonita Avenue. He said \$1.3 million is allocated toward the Call for Project funding to remove the

Bonita Avenue/Cataract intersection at the Railroad crossing, and he proposed the narrowing of Bonita Avenue from Monte Vista to Acacia.

In response to Mayor Morris, Director Patel replied that signalized improvements are needed at Bonita Avenue/Cataract Street. He explained that Bonita Avenue would be narrowed to reduce the existing number of gates at the railroad crossing to improve safety, and he would like to extend the narrowing of Bonita Avenue from Monte Vista to Acacia.

Mayor Morris expressed concern that traffic flow would be severely impacted if the left turn lane were removed by narrowing Bonita Avenue. Director Patel assured Mayor Morris that the plans include a left turn pocket and a painted median.

Director Patel highlighted the Department's capital improvement, Annual and Special projects and projects carried over to fiscal year 2012-13. He replied to Council that once all permits are secured, he would like rehabilitation of Gladstone Avenue to begin in late spring or early summer. He said Southern California Edison is in the process of getting permits from Southern California Regional Rail Authority for the underground line from Amelia Street to Lone Hill Avenue under the right-of-way; the consultant is in design stage for the Terrebonne project and completion is anticipated next fiscal year 2013-14.

In response to Councilmember Ebner, Director Patel said that although the project does not meet the warrants, the Safe Ride to School program and County contributions will help fund the signal modification and enhancement at Foothill Boulevard and San Dimas Canyon Road to provide a safe road.

In response to Mayor Morris, Director Patel replied that the City's street sweepers were purchased in 2002 and the typical life of a street sweeper is approximately ten years. He said extra maintenance has extended the life of the equipment, however, staff is looking into installing alternative fuel tanks to upgrade the aging equipment within the next two years. He further replied that if the sweepers are replaced, the City is required to purchase alternative fuel street sweepers.

Mass Mailing Response:

City Manager Michaelis stated that City Attorney Brown is ready to provide a response to the City Council regarding the advertisement in the San Dimas Sheriff's Booster's Magazine. Mr. Michaelis also recommended that the study session reconvene after adjournment of the regular City Council meeting to hear reports from Departments of Community Development and Development Services.

City Attorney Brown found that the purchase of an advertisement in the San Dimas Booster's Magazine is not a violation of Government Code 18901 if the advertisement does not reference a photograph of the City Council.

Mayor Morris opposed the expenditure and said the City should be responsible for appropriating funds for public safety.

MOTION: It was moved by Mayor Pro Tem Templeman, seconded by Councilmember Badar, to appropriate a one-time donation of \$1,100 for the San Dimas Sheriff's Boosters advertisement, to help support the public safety program in San Dimas to promote volunteerism, and to edit the City Council's photograph from the advertisement. The motion carried 4:1; Mayor Morris opposed.

RECESS:

Mayor Morris recessed the study session at 6:52 p.m to convene the regular City Council meeting. The study session reconvened at 9:12 p.m. with all members of the City Council present.

Development Services

Director Coleman said 188 Planning and Building related bills were adopted last year by the State, one of which is mandatory commercial recycling, which goes into effect July 1, 2012. He said staff will continue to utilize available resources to effectively deliver services in Planning Division, Building & Safety, and Code Enforcement. He highlighted major projects and said the 18 single family estate homes by Williams on Lone Hill are expected to be completed in the next fiscal year, and there is a possibility that a developer will acquire the remaining pads at the Costco site for a single development.

Director Coleman reported that Loma Bonita Residences and the remaining phases of residential townhome units at the Grove Station could be under construction by next fiscal year. Mr. Coleman added that he will be assisting Assistant City Manager Stevens with the 2014 update of the Housing Element. He provided updates on Code Enforcement activity and the Building & Safety survey of all city facilities for ADA accessible design. Director Coleman requested appropriation of \$1,000 for Building Emergency Abatement supplies.

Community Development Department

Assistant City Manager of Community Development Stevens stated that the staff report highlights a number of projects that will be completed during the remainder of Fiscal Year 2011-12. He said the process for the Walnut Creek Conceptual Master Plan should be completed before the end of June; he anticipates the Sign Ordinance update to go to the Planning Commission in April and to the City Council in May; it is his intent to file an appeal with Southern California Association of Governments (SCAG) on the assigned regional housing numbers on technical grounds because they over-estimated the prior cycle; EECAP is funded by Southern California Edison to evaluate greenhouse gas emissions; preserving affordable housing at the Grove Station is contingent upon the existing Recognized Obligation Payment Schedule (ROPS) and/or new legislation to preserve housing; and the Northern Foothills Trail Study will be submitted for input to the Planning, Equestrian, and Parks Commissions and is expected to go before the City Council in April.

Mr. Stevens highlighted projects for the new Fiscal Year 2012-13 including rezoning and code amendments associated with the 2008 Housing Element; and for the 2014 Housing Element, he said with the loss of redevelopment, staff may have to come up with an additional 30 units per acre property to offset the loss of 50 units at the Villas Apartments; completion of Downtown Specific Plan; possible assistance in formation of a Downtown Business Improvement District; review of downtown sidewalk renovation project; Possibly the Johnstone Building Seismic Rehab and second Floor housing project if low-mod funds are preserved through pending legislation; possible development of Costco pads; NJD Tentative Tract Map; and the Tzu Chi Foundation invited the community to comment on the potential EIR and Master Plan for their property on March 8th;

Assistant City Manager Stevens responded to City Council that he has not seen details of the plans, however, the Tzu Chi may want a school on the eastern half of the Butterfly property, east of Valley Center; they have to resolve utility easement issues across the property; they may propose access through Avenida Loma Vista; the environmental issues were addressed in the conceptual master plan; and it is the City's intention to create a new vehicular pedestrian restricted access at the property line.

Mr. Stevens said staff will evaluate continuing issues regarding use restrictions affecting shopping centers including San Dimas Station. He reported that the 99¢ Only store is in plan check, the Phoenix Garden is under construction for tenant improvements, and an application was submitted for a dance studio.

Mr. Stevens responded to Council that staff can encourage property maintenance at the Via Verde Shopping Center.

Assistant City Manager Stevens reported that he is working with Cyndia Williams on a possible public art project for Old Town Antique Store and some funds may be required for materials, students, and a stipend for the art coordinator.

In response to Council, Mr. Stevens replied that once trees are removed, there was interest in having a mural done on the Johnstone Building. He added that the art project could be done independently or in conjunction with the Johnstone project.

In response to Mayor Morris, Mr. Stevens replied that high priority projects include the downtown sidewalk rehabilitation program and the Housing Element project. He said two new bills were introduced: 1) the State to collect a \$75.00 recording fee on all property transactions and redistribute it to cities as a way of assisting affordable housing; 2) adopt a local sales tax to fund affordable housing projects; 3) the CRA report reflected four bills for sales tax enhancements.

Mayor Morris expressed concern that retail businesses would decide to relocate than to pay the increased taxes.

In response to Mayor Pro Tem Templeman, City Manager Michaelis replied that \$5.5 is the cash balance in the Housing Set-Aside fund, with the potential of increasing that amount to \$6.5 with the sale of the Grove Station units.

Assistant City Manager Stevens stated that the cash position does not include the two commitments of \$2.7 million for Bonita Gateway and \$2.6 million for Grove Station. However, he stated that the original agreement anticipating the purchase of the units at the Grove Station no longer applies. He said staff is looking at gap financing between moderate and market to make the units affordable, which should reduce the City's contribution. Staff will continue to market the units and if there is no interest, staff will examine other options.

In response to Mayor Morris, Mr. Stevens replied that there might be surplus funds from the mobile home park that can be used to supplement other opportunities in the future.

City Manager Michaelis commented that adoption of AB 1585 would preserve housing set-aside funds and repayment of loans to the general fund.

4. ADJOURNMENT

Mayor Morris adjourned the meeting at 10:10 p.m. The next meeting is on Tuesday, February 28, 2012, 7:00 p.m.

Respectfully submitted,

Ina Rios, CMC, City Clerk