



# MINUTES

## COUNCIL – STAFF RETREAT SESSION

MONDAY, MAY 14, 2012, 5:00 PM - 9:00 PM  
CITY COUNCIL CHAMBERS CONFERENCE ROOM  
SAN DIMAS CITY HALL  
245 EAST BONITA AVENUE

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### PRESENT:

Mayor Curtis W. Morris  
Mayor Pro Tem Emmett G. Badar  
Councilmember Denis Bertone  
Councilmember John Ebner  
Councilmember Jeff Templeman

City Manager Blaine Michaelis  
City Attorney Ken Brown  
City Clerk Ina Rios  
Assistant City Manager for 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

Captain Don Slawson

### CALL TO ORDER

Mayor Morris called the meeting to order at 5:05 p.m.

1. **10 minutes** Update on the Redevelopment dissolution process – first meetings of the Oversight Board.

City Manager Michaelis reported that the Oversight Board met twice in the past week and Mr. Duran will provide a summary of action items. Mr. Michaelis said there is one vacancy on the Board and on Tuesday, the County of Los Angeles is scheduled to appoint Bonnie Bowman to the Oversight Board.

Assistant City Manager Duran provided highlights of the Oversight Board meeting on May 9-10, 2012, at which time the Board appointed Curt Morris as the Chairman, David Hall as Vice Chairman, and Ken Duran as contact to the Department of Finance; and approved the bylaws and conflict of interest code. The Board also adopted 4:00 p.m. on the second and fourth Thursday as the regular meeting schedule. However, since Board Members had a conflict meeting on May 24, 2012, a special meeting will be scheduled. The Administrative Budgets of \$245,793 for February-June and \$131,842 for July-December to reimburse staff time and overhead costs were approved. He said the main item was the Recognized Obligation Payment Schedules (ROPS) for period January-June, and July-December. Mr. Duran stated that city loans were discussed at length and some Board Members understood that under the current statute, loans are not enforceable obligations.

In response to Councilmember Bertone, Mr. Duran replied that the vote carried 5.1 to leave the city loans on the Administrative Budget and provide a statement why it is felt the loans should be enforceable obligations.

Assistant City Manager Duran explained the review process and stated that the ROPS were sent to the State. The Department of Finance reviewed the ROPS and, as expected, expressed concerns that city loans are not enforceable obligations.

In response to Councilmember Bertone, Assistant City Manager Duran replied that the state has been consistent in responding that these are not enforceable obligations. He said if the state makes that finding, the documents will go before the Oversight Board for reconsideration.

In response to Councilmember Bertone, City Manager Michaelis replied that the City would consider the findings an impairment of a contract issue that would lead to a legal determination.

Assistant City Manager Duran explained the processing of the recognized obligations and said there is not a provision to get reimbursed if funds are not received in advance. He stated that once funds have been distributed, there are no surplus funds left.

City Manager Michaelis said if the ROPS is not approved, money is not allocated. He said the city's loans make up the biggest portion on the ROPS.

In response to Councilmember Bertone, City Manager Michaelis replied that if the Oversight Board reviewed every documentation and made the finding that city loans were used for legitimate redevelopment and are bound by legal agreements between the two parties in accordance with state law, rejection of those loans can be consider as a potential breach of contract issue.

City Manager Michaelis said staff prepared a letter that explains the ROPS and why city loans were included. He added that if AB 1585 passes, it strengthens our position to leave those city loans on the ROPS.

2. **35 minutes** Discussion regarding the future of Housing Programs and Projects in the city.

- a. Review of the Housing Authority and potential changes and focus related to the dissolution of Redevelopment Agencies.

City Manager Michaelis reported that the dissolution of redevelopment eliminated housing and although the Successor Agency could continue to be the housing Successor Agency, there are no funds to maintain assets and no money to operate programs. He said although legislation was stalled, the Governor's budget was announced today with plans to sweep all available housing money into the State's general fund as a way to balance the state's budget.

Assistant City Manager Duran stated that at the end of February, there are \$6.5 million set aside funds, with a total of \$5.5 million committed to the Second Phase of the Grove Station and the Bonita Gateway project. The remainder will go to the State.

In response to Councilmember Templeman, Assistant City Manager Duran explained that the mobile home park bonds were issued by the Housing Authority, a separate entity from the Redevelopment Agency. He said the pledge on the bonds was the rental income from the mobile home park and if the park did not generate sufficient rental income, up to \$160,000 would be contributed from set aside funds toward making the bond payments. He said the primary pledge and bonds were issued by the Authority and staff feels confident those bonds and the park as property are not in jeopardy. He said currently, the park generates excess revenue. He added that the Housing Authority has assumed property management role for the three housing properties, however, redevelopment funds were being used to offset the shortfall for the Monte Vista Apartments whenever there is a vacancy.

City Manager Michaelis stated that the only potential source of money is from the mobile home park's surplus funds after meeting obligations for property maintenance. He said staff needs to look at core functions of the Housing Authority and put together a plan of action to retool the whole function.

In response to Council, Mr. Michaelis replied that the mobile home park has a bond reserve fund and contingency fund for projects and excess funds. He said the bond is current and all improvements to the park have been completed.

Councilmember Templeman suggested lowering the qualifications if the property sits vacant for a period of time. Mayor Morris stated that rents could be reduced, however, tenants must meet Federal requirements to qualify.

- b. Preliminary discussion about the need to make 2 appointments to the San Dimas Housing Authority.

City Manager Michaelis stated that Health & Safety Code Section 34290 mandates appointment of two tenants of the Authority as Commissioners with two year terms for the Monte Vista Apartments and the Mobile Home Park. One tenant Commissioner shall be over 62 years of age if the authority has tenants over that age.

In response to Mayor Morris, City Attorney Brown replied that a separate Commission must be established.

In response to Assistant City Manager Stevens, City Attorney Brown replied that members must be residents of our two facilities.

In response to Councilmember Bertone, City Manager Michaelis stated that the mobile home park is a solid investment, however, staff might consider the sale of other assets.

c. Housing Element update information – Villas, RHNA numbers for the next round, etc.

Assistant City Manager Stevens reported that the Southern California Association of Governments (SCAG) released their preliminary regional housing needs assessment (RHNA) numbers. The city must have in place by Fall 2014 a new Housing Element that conforms with state law. He said it will take approximately two years to get to a point where the Housing Element is ready for adoption. He added that the California Housing and Community Development (HCD) is still responsible for certifying the Housing Element. Mr. Stevens highlighted his plan to overlay zones to establish housing opportunities at the requisite density of 30 units per acre and create SF 30 zone and MF 30 zone, to permit use projects that have a minimum of 30 units per acre. He said one area in jeopardy is a prior commitment for a substantial rehabilitation of the Villas Apartments to continue affordability covenants in place for an extended period of time because the existing agreement is expiring.

In response to Council, Mr. Stevens replied that the city took credit for low-very low affordable housing at 40 units per acre in order to comply with the 2008-2014 low-very low RHNA numbers. If the city is unable to comply, staff has to come up with an alternate plan, which will be brought before Council for consideration.

Assistant City Manager Stevens said the City-wide total RHNA number is 463, of which 193 fall into low-very low affordable housing that triggers zoning at 30 units per acre. That means that in addition to the 1.3 acres, another 6.5 acres has to be rezoned as part of the 2014 Housing Element to be compliant with base requirements. He said it will be difficult locating eight acres to rezone at 30 units per acre. Mr. Stevens said staff lost the first appeal of the RHNA numbers, but is entitled to one more appeal.

In response to Council, Mr. Stevens replied that the city is at higher risk of lawsuit by not having a certified Housing Element. He said use of gas tax funds could make the city ineligible for certain types of grants and programs.

In response to Councilmember Bertone, Mr. Stevens replied that rezoning acreage for 30 units per acre counts for compliance with these requirements, however, there is not a requirement to build a single unit. He said there might be an issue if someone tries to build and it is prudent to rezone places that would cause the least impact.

In response to Councilmember Ebiner, Mr. Stevens highlighted some areas that can be considered for rezoning including the property slated for the Goldline parking; San Dimas Avenue Stables; and said staff will be as creative as can be.

In response to Council, Mr. Stevens replied that he plans to utilize services of the same consultant at a cost of approximately \$35,000, in addition to staff's assistance in conducting the windshield survey.

3. **5:45 pm - 25 minutes** City Entrance signs (welcome and service club sign) Bonita and Arrow – repair work being done/consider some removal – process to replace with new signage.

Parks and Recreation Director Bruns said photographs of the wagon and wooden arch with the various signs are included in the packet. She said the arch structure is sound and in good condition, but is in need of aesthetic work. Ms. Bruns said the wagon's wood frame is rotting and wheels cannot hold the weight of the wagon. She suggested aesthetic repair, patch and repair framework; replace exterior wood fascia; sand and prepare metal area; and sand, prep, and putty the wheels. She said the plaster wagon cover is structurally sound and could be cleaned and painted. She said all the work could be done in-house for approximately \$3,000 and the wagon could last another ten years.

Mayor Morris felt the signs detracted from the corner and suggested relocating the signs to another site.

Assistant City Manager Stevens stated that approximately one-half of the signs are for defunct organizations. He said five of the ten active organizations have indicated a willingness to rehabilitate their signs.

Director Bruns said if the signs are removed she is unaware of another site that is a landmark entry in town.

Assistant City Manager Stevens said he can work on an alternate site, however, at Council's direction, he looked at other options. He distributed three photographs of a citrus wagon provided by the Historical Society of plain, flat wagons with wheels and a seating area. He said staff is seeking one of these wagons or someone who is willing to build a replica. He added that the Historical Society has talked about citrus crates and labels representative of the past.

It was the consensus of the City Council to postpone the alternate option and to proceed with the recommended expenditure of \$3,000 to remove all signs, rehabilitate the arch and repair the wheels and wood frame. Additionally, staff was directed to explore the citrus field wagon at some point in time in the future, and bring back consideration of an alternate location for community service signs.

4. **6:30 pm - 60 minutes** Downtown discussions:

a. Pedestrian crossing lighting Monte Vista and Bonita alternatives.

City Manager Michaelis said Director Patel will discuss the crosswalk lighting at Monte Vista and Bonita Avenue as well as downtown sidewalks.

Director of Public Works Patel said staff received concerns about a lack of nighttime lighting on Bonita Avenue and cars not stopping at the pedestrian crossings at Monte Vista and Exchange Place. He said in 2009, traffic calming measures were installed at these two intersections that resulted in a narrower street, improved ADA access, pedestrian crossings, landscaping, and higher lighting. He said in 2010 a new light was added and overall lighting improved by 150%.

Director Patel reviewed and presented three options for Council consideration to address current concerns:

- 1) Option 1 - mounting new LED flood light on existing street light post – for an estimated cost of \$6,000; this option has a potential light glare issue.
- 2) Option 2 – New LED Light Fixture and Light Post – for estimated cost of \$30,000; triggers lights when pedestrians approach the crosswalk and brighten the walk by 100%.
- 3) Option 3 – Rectangular Rapid Flashing Beacon Light Bar – at a cost of \$10,000 for solar and push button or \$15,000 for direct power with motion detector.

Staff recommended Option 3 for a budget cost of \$15,000, as the best alternative to address both issues of night and day crossing.

It was the consensus of the City Council to approve \$15,000 for Option 3 – direct power with motion detector.

b. Streetscape and landscape alternatives.

Public Works Director Patel reported that at the April 2011 Retreat, the City Council decided that Liquid Amber trees should be removed and replaced, and directed staff to bring back a plan for replacement trees. The City Council also eliminated the "frontier" theme and adopted an "historic" theme for the downtown corridor. Additionally, the City Council directed staff to replace the boardwalk with full-width concrete sidewalk with trees and additional landscaping.

Director Patel reviewed and provided a Powerpoint presentation of four Options prepared by the contracted Architect for Council's consideration:

- 1) Option 1 – estimated cost \$2,103,000 - Integrates City History in Conceptual Design; maximizes useable space with formal pavers and natural gray colored concrete with an antiqued etched finish similar to hardscape at Walker House; uses minimized landscaping with trees; and benches.
- 2) Option 2 – estimated cost \$1,924,000 – Integrates City History in Conceptual Design; uses informal stamped colored concrete boardwalk; antiqued etched finish with a scored grid pattern at entry of storefronts; minimized landscaping, and benches.

In response to Councilmember Templeman, Director Patel replied that there is no requirement for National Pollutant Discharge Elimination System (NPDES.)

- 3) Option 3 – Integrates City History in Conceptual Design; estimated cost \$2,105,000 – uses interlocking pavers, antiqued etched finish color concrete at entry of storefronts; using wagon wheel concept and rocks; minimized landscaping, and benches.
- 4) Option 4 – estimated cost \$560,000 – historical components are not a part of this design; simplified design retains existing wood plank "boardwalk" stamped concrete and handicap ramps; new areas of natural colored concrete paving design; minimized landscaping; and benches; utilizing City crews for portions of the work.

In response to Councilmember Templeman, Director Patel replied that to reduce costs, existing improvements completed in 2009 will be kept that include ADA improvements, bowouts, narrowing the street improving returns.

Director Patel answered specific questions from the City Council regarding replacing the old rotted wood with new construction; trees planted 40' apart will be used for landscaping; some trees will remain.

Staff felt that funding for this project was unavailable due to dissolution of redevelopment and thought it was in the best interest to not pursue any of the above alternatives. Staff proposed continued maintenance of the existing boardwalks at an annual cost of \$30,000, and approval of Alternative Plan B to replace the existing boardwalks with cost effective decorative concrete options in a couple of years. Staff also proposed to completely rehabilitate the existing 14' wide parkway trees and landscaping with new drought tolerant plant materials and trees, and replace the irrigation systems with water conserving drip systems.

In response to Council, City Manager Michaelis replied that problematic amber trees can be removed. City Council members suggested that not all trees be removed at one time.

In response to Mayor Morris, who opposed the use of stamped concrete, Director Patel stated that for a cost of \$527,000, concrete pavers similar to city hall plaza can be substituted. He suggested street improvements from San Dimas Avenue to Monte Vista be completed at a cost of \$240,000 at the time boardwalks and sidewalks are repaired or replaced.

In response to Councilmember Bertone, City Manager Michaelis stated that the consultant provided \$2 million plans that are not feasible with the elimination of redevelopment. He said the alternative proposal is to replace the wooden sidewalks with new concrete, replant and re-irrigate, including street improvements at a cost of \$450,000-\$527,000. He asked for Council's direction on use of stamped concrete or etched concrete similar to that at the Walker House.

It was the consensus of the City Council to utilize natural gray colored concrete with an antiqued etched finish, scored on a grid pattern similar to the hardscape used at the Walker House building.

City Manager Michaelis stated that the City Council felt strongly about funding this project from reserves. He stated that given the current financial situation, staff is proposing a more cost effective solution - to remove problematic trees now, repair and maintain existing boardwalks, and the alternate proposal includes removal and replacement of all wooden sidewalks with Walker House hardscape.

The City Council expressed concern with moving forward with a major project in light of the downsized budget.

City Manager Michaelis suggested that this is a concept plan to carry forward in the budget system and the work can be completed at a later date,

It was the consensus of the City Council to move forward with the concept and look at funding in January 2013.

In response to Mayor Morris, Assistant City Manager Stevens replied that plans are out to bid now for five facades in the downtown, and anticipates bid opening on June 5<sup>th</sup>, with award on June 12<sup>th</sup>, and construction to begin at the end of June or early July.

Mr. Stevens replied to specific questions from the City Council related to funding from the General Fund for estimated cost of \$210,000 plus contingency either from the current budget, or carried forward to the next fiscal year budget.

c. Status of the Business Improvement District meetings.

Assistant City Manager Stevens said Kevin Frey has had regular meetings with downtown merchants to facilitate the formation of a Business Improvement District. He stated that a core group of merchants have expressed interest and are leaning toward an annual assessment of \$100 per business, which would generate approximately \$12,000 per year. Mr. Stevens stated that he has funds available in the existing budget to cover the cost of preparing an engineer's report, bylaws, and boundary assessment, and set up an account to collect the tax. He will keep the City Council updated.

5. **7:30 pm - 10 minutes** Report on the Gold Line Station Parking Lot location – environmental analysis – focusing on the city's corporation yard.

Assistant City Manager Stevens reported that Gold Line staff is experiencing litigation issues with Phase II-A and suggested to city staff that they are looking at the city yard as a site for the Gold Line Station Parking Lot rather than the previously selected Mini-Storage site. Gold Line staff was informed that the city will express concerns with their choice.

In response to Councilmember Bertone, Assistant City Manager Stevens replied that the process of going through the settling of issues with the Mini-Storage site have caused the Gold Line to rethink having the issues resurface with the environmental report.

In response to Councilmember Templeman, Mr. Stevens replied that Walnut Street is not their first choice, however, if Walnut is considered, city staff would point out concerns due to the location of the fire station and emergency services located on Walnut.

Assistant City Manager Stevens stated he is expecting the Gold Line staff to set up a meeting to review the revised site plan utilizing the city yard. He said a community meeting would then be held and staff would prepare for Council's review and direction, a letter to the Gold Line expressing our concerns, and the Gold Line would then move forward with the environmental documents.

Mayor Morris expressed his opposition of the Gold Line's decision to use the city yard for their parking lot.

Mr. Stevens stated that it would be incumbent upon the Gold Line Authority to find an alternate site for the city yard and meet the needs of the city.

City Manager Michaelis suggested the purchase of the Post Office for use as a city yard. He said the building is currently zoned for postal services and asked if the property should be rezoned when the building is sold.

Mr. Stevens said the Post Office is on the list of eight acres of sites for 30 units per acre for the Housing Element. He indicated that staff must also consider the relocation of the postal services since there is no other location in the city zoned for that use.

Following things to review and discuss as time permits:

**6. 7:40 pm - 15 minutes** Ideas to streamline city council meetings.

City Manager Michaelis said that some organizations are routinely asking to be placed on the agenda to make their announcements. He suggested streamlining the City Council meetings by confining announcements or presentations to the designated three-minute oral communications, and summarizing proclamations, with the exception of youth recognitions. An alternate suggestion is to pre-record announcements to be aired on the cable television show.

Mr. Michaelis responded to Council that the Chamber of Commerce and Library announcements do not exceed three minutes.

Mayor Morris stated that if a speaker goes over the three minutes, he would allow additional time and would leave scheduling to city staff.

**7. 8:00 pm – 10 minutes** Council comments – projects for staff to work on.

1) In response to Councilmember Templeman, Assistant City Manager Stevens reported that a letter was received from Mr. Alipuria's attorney asking staff to amend the code to eliminate the reverse/turn-around station requirement. The City Council heard this item in June 2011 and it was the consensus of the City Council to eliminate the reverse-turn around requirement. It was staff's understanding that the City Council intended staff to apply other development standards such as the 25-foot setback allowance of the renovated station provided they did a substantial renovation. Mr. Stevens said he has been meeting with the property owner and his Counsel and has encouraged them to come up with a station renovation that complies with other standards. They are requesting to leave as is landscaping, pump islands, and canopy covers, and construct a new larger building.

In response to Councilmember Templeman, Mr. Stevens replied that if they leave the canopy covers and pump islands in the existing settings, they cannot comply with the landscape setback requirement on Arrow Highway.

Councilmember Templeman considered that intersection important and encouraged staff to work with the applicant to leave the pumps where they are. Mr. Stevens replied that moving pumps is not cost prohibitive. He said if the canopy and pump islands were moved, there would be a charge to reconnect the piping to the underground tanks.

Assistant City Manager Stevens stated that the issue is whether or not the City Council will allow a change in the site design, have additional landscaping on Arrow Highway, or allow them to leave much in the same location, and construct a larger building. He said there are many things they want to leave in place to make it less expensive, that it is difficult to get a plan that works.

In response to Mayor Pro Tem Badar, Mr. Stevens replied that the gas station is currently not in compliance and unless the applicant renovates, he is not required to be in conformance with the new requirements. However, the applicant only wants to do a portion of onsite renovation.

Assistant City Manager Stevens said staff feels a need to get a better plan that includes more landscaping on Arrow Highway, which is more than the applicant is willing to make. He said if the City Council desires to give them more flexibility, staff needs direction to make any changes to the landscaping requirement in a code amendment as an agenda item.

2) In response to Councilmember Ebner, Assistant City Manager Stevens replied that under existing regulations, up to 20 chickens are allowed in the single family agriculture zone (SF-A) on parcels of 1,100 square feet or larger, at a distance of not less than 35 feet from any residence and 85 feet from a neighbor's residence, and housed in some fashion.

Councilmember Ebner requested staff to conduct a survey of other cities' requirements for keeping chickens.

Mayor Morris asked staff to find out if the Health Department had regulations on chickens and to bring back a report for review and decision.

3) In response to Councilmember Templeman, City Manager Michaelis replied that a study session would be held at 6:00 p.m. on May 22, 2012 to review proposed line item adjustments.

In response to Councilmember Ebner, Mr. Michaelis said that in a future meeting staff will bring back for discussion in closed session a master concept plan on how to address personnel issues.

4) Assistant City Manager Stevens stated he is working with the High School to paint an orange crate label mural on Cyndia Williams property, adjacent to the Gas Station on Bonita Avenue. Mr. Stevens said he had planned to include in the next fiscal year budget approximately \$3,000 for special department supplies and a stipend for the art teacher, however, the school desires to begin the project in June 2012.

In response to Councilmember Templeman, Mr. Stevens replied that Ms. Williams would be responsible for graffiti abatement maintenance.

Councilmember Ebner expressed concern with the current financial condition and suggested the Council consider the necessity of the project before approving the expenditure.

Assistant City Manager Stevens will inform the High School Art Teacher that the project will be postponed.

5) Mayor Morris stated that although he supported changing the reverse/turn-around gas station design, he is not in favor of amending the code to change the landscaping requirements.

Councilmember Templeman thought the project would move forward expeditiously if staff provided design assistance.

Mr. Stevens replied that he prepared a layout for a revised site plan, however, the applicant was reluctant to expend funds on the 25-foot setback requirements and rejected the design. Mr. Stevens will continue to work with the applicant.

8. Oral Communications – Members of the audience. Anyone wishing to address the City Council on an item not on the agenda. No action or discussion shall be undertaken on any item not appearing on the posted agenda. Speakers may be subject to a time limit as may be determined by the chair.

1) San Dimas Sheriff's Captain Don Slawson reported that on May 14, 1922, 90 years ago today, Constable William Funkhouser was shot and killed attempting to apprehend a burgler in the hills of San Dimas.

In response to Councilmember Ebner, Captain Slawson replied that Constable Funkhouser was the elected Constable under the Sheriff Department.

There were no members of the public present. Mayor Morris opened communications to members of the staff.

2) Councilmember Templeman said he invited Mr. Duran to join him for lunch with the restaurant owners in Pasadena.

9. Mayor Morris adjourned the Retreat meeting at 8:19 p.m. The next meeting of the City Council is 6:00 p.m., May 22, 2012 for a Study Session, in the City Hall City Council Chambers Conference Room.

Respectfully submitted,

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Ina Rios, CMC, City Clerk