

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

|          |                  |                          |
|----------|------------------|--------------------------|
| Present: | Brian Calhoun    | Councilmember            |
|          | Paul Caprioglio  | Councilmember            |
|          | Mike Dages       | Councilmember            |
|          | Jerry Duncan     | Councilmember            |
|          | Henry Perea      | Councilmember            |
|          | Cynthia Sterling | Acting Council President |
|          | Blong Xiong      | Council President        |

Andy Souza, City Manager  
 James Sanchez, City Attorney  
 Becky Klisch, City Clerk  
 Yolanda Salazar, Assistant City Clerk

Pastor Natalie Chamberlain, United Christian Church, gave the invocation, and President Xiong led the Pledge of Allegiance.

**PROCLAMATION OF "FRESNO CULTURAL ARTS MONTH" - MAYOR AND CITY COUNCIL**

**PROCLAMATION OF "FRESNO EMBLEM CLUB NO. 125 DAY" - COUNCILMEMBER PEREA**

The above proclamations were read and presented.

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**APPROVE MINUTES OF SEPTEMBER 16 & 23, 2008:**

On motion of Councilmember Caprioglio, seconded by Acting President Sterling, duly carried, RESOLVED, the minutes of September 16 and 23, 2008, approved as submitted.

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**COUNCIL MEMBER REPORTS AND COMMENTS:**

COUNCILMEMBER DAGES: (1) Comments on the October 1<sup>st</sup> opening of the Big Fresno Fair along with the ribbon-cutting for the new Kings Canyon entrance, thank you to staff for clean up around the fairgrounds, and city employees being allowed to enter free weekdays from 11 am to 2 pm for lunch; and (2) announcement of the governor signing SB 1561 relating to bus driver/passenger safety and thank you to Council for their support.

COUNCILMEMBER CALHOUN: (1) Request for update/status on the Blosser property; and (2) strong disappointment/concern expressed with the recent "inaccurate/one-sided" Fresno Bee article on the city's general plan and growth/planning issues.

COUNCILMEMBER PEREA: Restaurant owner's plan to expand and request for information on the high fees alleged to be charged, with City Manager Souza responding and requesting information be submitted to him for a staff meeting with the owner.

PRESIDENT XIONG: (1) Thank you to staff for radio outreach on city jobs; (2) congratulations to Chief Bruegman and his department on their grand-opening; (3) commendation to the economic development department and Steve Geil and the EDC for the Billion Dollar Tour; and (3) reports on attendance at the Fresno Interdenominational Refugee Ministries' 15<sup>th</sup> anniversary celebration, the Porter Tract neighborhood meeting, and the first ever Asian-American Mayoral Forum at Yokomi Elementary School and thank you to all the volunteers and the mayoral candidates.

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**APPROVE AGENDA:**

(10:15 A.M. #1) CONTINUED TEFRA HEARING ON THE PROPOSED ISSUANCE OF TAX-EXEMPT REVENUE BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO FINANCE PHASE II RENOVATIONS TO THE FRESNO METROPOLITAN MUSEUM OF ART AND SCIENCE LOCATED AT 1555 VAN NESS AVENUE (FRESNO BEE BUILDING) (**REMOVED -- To be re-noticed**)

Removed from the agenda as noted.

(9:00 A.M. 'A') **SCHEDULED COMMUNICATION:** APPEARANCE BY MICHAEL BUMGARNER RELATING TO CONCERN WITH THE PARKING AND STORAGE OF AUTOS, RVs, COMMERCIAL VEHICLES AND BOATS IN CITY NEIGHBORHOODS

Removed from the agenda -- to be rescheduled.

(2:00 P.M. #2 'A') RESOLUTION - 5<sup>TH</sup> AMENDMENT TO THE AGENCY CONTRACT WITH THE CITY AND COUNTY HOUSING AUTHORITY, FOR THE MAJOR/MINOR REHABILITATION AND INFILL/BOARDED-UP HOUSING PROGRAM, TO EXTEND THE CONTRACT BASE YEAR FROM JULY 1, 2008, THROUGH JUNE 30, 2011, WITH AN OPTION TO EXTEND THE AGREEMENT ON AN ANNUAL BASIS FOR UP TO TWO (2) ADDITIONAL YEARS (**AGENCY ACTION**)

City Clerk Klisch advised this was a joint resolution of the City Council and Agency Board. So noted.

(9:30 A.M. "D") BILL FOR INTRODUCTION - AMENDING THE FRESNO MUNICIPAL CODE RELATING TO REGISTRATION OF VACANT FORECLOSED PROPERTIES

**-and-**

(9:30 A.M. "C") BILL FOR INTRODUCTION - AMENDING AND ADDING SECTIONS/SUBSECTIONS TO THE FRESNO MUNICIPAL CODE RELATING TO BLIGHTED BUILDINGS

City Clerk Klisch advised staff was removing Item "D" from agenda and it would be rescheduled, whereupon Councilmember Duncan requested related Item "C" also be removed and brought back with "D".

(9:30 A.M. "B") RESOLUTION - AMENDING THE IMPLEMENTING POLICIES FOR THE CITYWIDE REGIONAL STREET AND NEW GROWTH AREA MAJOR STREET IMPACT FEES PREVIOUSLY ADOPTED BY RES. NO. 2007-291

Removed from the agenda by staff.

On motion of Councilmember Duncan, seconded by Councilmember Dages, duly carried, RESOLVED, the **AGENDA** hereby approved, *as amended*, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : None  
Absent : None

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**ADOPT CONSENT CALENDAR:**

(1-A) ADOPT THE PROPOSED SPENDING PLAN OF \$777,000 FOR FY 2008-09 STATE OF CALIFORNIA SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUNDS (SLESF)

**1. RESOLUTION NO. 2008-249** - 16<sup>TH</sup> AMENDMENT TO THE AAR 2008-162 APPROPRIATING \$242,000 INTO THE POLICE DEPARTMENT FY 2009 BUDGET FOR AN AUTOMATED CITATION SYSTEM

(1-B) **RESOLUTION NO. 2008-250** - 471<sup>ST</sup> AMENDMENT TO THE MFS RES. 80-420 INCREASING GREEN FEES AT AIRWAYS MUNICIPAL GOLF COURSE IN ACCORDANCE WITH THE EXISTING CONTRACTUAL AGREEMENT

(1-C) AUTHORIZE ACCEPTANCE OF SURRENDER OF THE LEASE WITH DIANA K. DRAPER AND CAROLE L. SALAS, EFFECTIVE SEPTEMBER 30, 2008, FOR LOTS 2, 4, 6 AND 8 AT CHANDLER EXECUTIVE AIRPORT

(1-D) AMEND THE INCENTIVES PROGRAM FOR DOMESTIC AIRLINES OPERATING AT THE FYI AIRPORT TO ENCOURAGE THE SUBSTITUTION OF LARGER AIRCRAFT (UPGAUGING) ON ESTABLISHED FLIGHTS

(1-E) AUTHORIZE INCREASED SPENDING FOR THE CONSOLIDATED RENTAL CAR PROJECT AT THE FYI AIRPORT  
**1. RESOLUTION NO. 2008-251** - AUTHORIZING THE CITY MANAGER TO APPROVE CONTRACT CHANGE ORDERS NOT TO EXCEED THE AGGREGATE AMOUNT OF \$350,000 AND 120 WORKING DAYS FOR THE PROJECT  
**2.** APPROVE AMENDMENT NO. 1 TO THE AGREEMENT WITH HARRIS AND ASSOCIATES IN THE AMOUNT OF \$150,000 FOR INSPECTION SERVICES

(1-F) AWARD A CONSTRUCTION CONTRACT TO CAL VALLEY GENERAL ENGINEERING IN THE AMOUNT OF \$279,184 FOR THE FYI PERIMETER SERVICE ROAD RECONSTRUCTION PROJECT

(1-G) **RESOLUTION NO. 2008-252** - INTENT TO ANNEX FINAL TRACT NO. 5358 AS ANNEXATION NO. 31/CFD NO. 2

(1-H) **RESOLUTION NO. 2008-253** - 475<sup>TH</sup> AMENDMENT TO MFS RES. 80-420 INCREASING GREEN FEES AT RIVERSIDE MUNICIPAL GOLF COURSE IN ACCORDANCE WITH THE EXISTING LEASE AGREEMENT

(1-I) APPROVE CONTRACT WITH THE FRESNO COUNTY OFFICE OF EDUCATION TO PROVIDE UP TO \$11,500 FOR THE PARCS DEPARTMENT TO CONDUCT A COLLABORATIVE AFTER-SCHOOL RECREATION PROGRAM AT WILSON ELEMENTARY SCHOOL RUNNING THROUGH JUNE 3, 2009, AND AUTHORIZE THE PARCS DIRECTOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY

(1-J) REJECT ALL BIDS TO REMOVE AND REPLACE DOMESTIC HOT WATER AND WATER SOFTENER SYSTEMS AT THE FRESNO CONVENTION AND ENTERTAINMENT CENTER (FCEC)

(1-K) **RESOLUTION NO. 2008-254** - AUTHORIZING SIGNATURE OF A FUNDING AGREEMENT AND RELATED DOCUMENTS FOR A PROPOSITION 50 GRANT IN THE AMOUNT OF \$655,115 THROUGH THE WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH PROTECTION ACT OF 2002 FOR A MEMBRANE BIOFILM REACTOR DEMONSTRATION PROJECT AT WELL SITE 180-2, AND AUTHORIZE THE PUBLIC UTILITIES DIRECTOR OR DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS

(1-L) APPROVE A CONSULTING AGREEMENT WITH PARAGON PARTNERS TO PROVIDE PROFESSIONAL REAL ESTATE SERVICES FOR THE DEPARTMENT OF PUBLIC UTILITIES WATER DIVISION, IN AN AMOUNT NOT TO EXCEED \$168,638, AND AUTHORIZE THE PUBLIC UTILITIES DIRECTOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY

(1-M) **RESOLUTION NO. 2008-255** - 22<sup>ND</sup> AMENDMENT TO THE AAR NO. 2008-162 RE-APPROPRIATING \$292,200 OF CDBG FUNDING FOR REHABILITATION PROJECTS PREVIOUSLY ADOPTED BY COUNCIL

(1-N) AUTHORIZE THE FIRE CHIEF TO NEGOTIATE A JOINT OPERATIONAL PLAN AGREEMENT WITH THE FRESNO COUNTY FIRE PROTECTION DISTRICT (FCFPD), SUBJECT TO MODIFICATIONS OUTLINED IN THE STAFF REPORT AND CITY ATTORNEY APPROVAL AS TO FORM

**1. DIRECT STAFF TO EXPEDITE ANNEXATION/DETACHMENT OF FCFPD SERVICE ISLANDS**

On motion of Councilmember Dages, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : None  
Absent : None

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**RECESS - 8:54 A.M. - 9:00 A.M.**

**(9:00 A.M. 'B') UNSCHEDULED COMMUNICATIONS:**

Josyphine Fabela spoke to how she and her son became acquainted with Congressman Coehlo, to how the congressman helped her when her son was missing in action in Vietnam, and to how he called on her when he wanted her help with a developer.

George Beberian, owner of Checker Taxi Company, expressed frustration with his attempts to contact city officials and airports

staff on problems he has experienced at the airport and spoke to other airport issues/concerns.

Sherry Smith, 4724 W. Swift, spoke to modern technology and to how safety services for neighborhoods have been and are being minimized resulting in emergencies/accidents/death.

Paula Savino spoke in support of the governor vetoing the bill that would ban dogs and other animals from a driver's lap/seat, and spoke in opposition to greyhound races and related animal abuse.

Paul Hurlbut spoke to the mutual aid agreement with the Fresno County Fire Protection District and related issues, and questioned why city was competing with ambulance companies.

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**(9:15 A.M. "A") PRESENTATION BY THE DOWNTOWN ASSOCIATION ON THE INTERNATIONAL DOWNTOWN ASSOCIATION'S JUNE 7-10, 2008, VISIT TO FRESNO REGARDING THE DEVELOPMENT OF A DOWNTOWN FRESNO PROPERTY-BASED BUSINESS IMPROVEMENT DISTRICT (PBID) - ACTING PRESIDENT STERLING**

Dan Doyle, CEO for Central Valley Community Bank and chair of the Fresno Downtown PBID Partnership, gave an update on the current status of the PBID effort **(2 - 0)**, and Jan Minami with the Downtown Association gave a PowerPoint presentation entitled International Downtown Association Advisory Panel PBID Recommendations for Downtown Fresno which included What is a PBID?, Strengths and Opportunities, Weaknesses and Threats, PBID Recommendation: The "Low Hanging Fruit", Success/Decisions/Window of Opportunity, and Take Advantage of the Momentum!

Steve Geil with the EDC, speaking as a property owner, spoke in support stating this was a very important step forward and added this was going to be a difficult road because people were going to be asked to put up money to raise the level of services.

Ms. Minami and Mr. Doyle responded to questions and/or comments of Acting President Sterling and Councilmember Duncan relative to contributions to the Downtown Association and where that money will go, request the DTA meet with council members individually to answer questions/address issues, a PBID being successful only if property owners vote to assess themselves, what kind of feedback has been received from property owners, number of property owners involved, how long the partnership has been working on this effort, how difficult the process could be to determine support, request the partnership provide a list of the property owners including those the organization has talked to, and how this effort will affect the Fulton Mall application for national historic designation and request information on that be provided along with the property owner information. President Xiong thanked Mr. Doyle and Ms. Minami for the information and presentation and there was no further discussion.

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**(9:30 A.M. "A") RESOLUTION NO. 2008-256 - OPPOSING THE PASSAGE OF PROPOSITION 5 - THE NONVIOLENT OFFENDER REHABILITATION ACT (NORA)**

Chief Dyer gave an in-depth review of the issue, all as contained in the staff report as submitted, and recommended approval. Councilmember Duncan made a motion to approve staff's recommendation, which was seconded by Councilmember Dages.

Councilmember Calhoun stated Council was hearing only one side of the issue which was unfortunate and presented questions/comments relative to whether proponents were notified of this, if Council had a responsibility to invite the other side so both sides could be heard, if this was time sensitive, and request for a one week delay to invite the proponents to appear, with Chief Dyer responding. Upon question, Councilmember Duncan stated he did his research on the proposition, he strongly disagreed with the opposition, he did not need to have a show at City Hall to establish his position, and he was very comfortable with his strong support for the Chief and his opposition and would leave his motion as is. Councilmember Calhoun stated he would abstain as both sides needed to be heard, and President Xiong thanked Chief Dyer for providing his perspective.

**152-102**

**9/30/08**

On motion of Councilmember Duncan, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2008-256 hereby adopted, by the following vote:

Ayes : Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : None  
Absent : None

Abstain : Calhoun

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**RECESS - 9:51 A.M. - 10:00 A.M.**

**(10:00 A.M.) HEARING ON TEXT AMENDMENT APPLICATION NO. TA-08-01 AND ENVIRONMENTAL FINDINGS, INITIATED BY THE PLANNING & DEVELOPMENT DIRECTOR, TO AMEND THE TEXT OF THE ZONING ORDINANCE RELATING TO THE USE OF DECORATIVE FLAGS AS ON-SITE SUBDIVISION SIGNS**

**1. BILL NO. B-51 - INTRODUCTION OF BILL ADOPTING TEXT AMENDMENT APPLICATION NO. TA-08-01**

President Xiong announced the time had arrived to consider the issue and opened the hearing.

Planner Stiglich reviewed the issue, all as contained in the staff report as submitted, and recommended approval.

Mike Prandini of the Building Industry Association stated his organization worked with staff for several months on this issue and stated his support.

Upon call, no one else wished to be heard and President Xiong closed the hearing.

Councilmember Duncan requested this be sent back to staff stating when this was previously discussed he expressed significant disappointment that this was targeted only at one industry, clarified he did not have a problem with the real estate industry flying flags to promote their properties but stated there was also a significant problem with apartments trying to promote their empty units and businesses trying to promote their business, and stated it was inappropriate for this text amendment to address only one narrow industry and reiterated his request to send it back to staff or he could not support this.

Councilmember Calhoun stated Councilmember Duncan raised some legitimate concerns, added it was his understanding there was already a provision in place for flags at apartments, etc., and advised of issues in his district where flags and signs were out front and upon checking further found out they had a right to be there, stated he was unclear how that differed from this issue and felt the broader universe of how to differentiate between new housing and apartments needed to be discussed, and stated another issue that needed to be addressed was fees since staff time/work was involved and upon his question Mr. Stiglich stated there was a fee involved in this with department or site plan review and costs were being recovered.

Mr. Stiglich responded to questions and comments of Councilmember Perea relative to whether there was a provision for apartments in this ordinance, amount of staff involved to begin the initiation /review/study processes and bring something back to Council, and agreement with Councilmember Duncan and there being a need to attach moving forward with the other industries with this action so everyone has the opportunity to benefit from the code changes.

Councilmember Dages stated staff did exactly what they were asked to do, made a motion to introduce the ordinance bill, and stated if other council members wanted something else to come back that direction could be made, and presented questions relative to permitted banners for special events, with Mr. Stiglich responding. The motion was seconded by President Xiong.

Councilmember Calhoun stated he did not want to vote on this in isolation, this needed to be looked at in the context of what was being done with signage for apartments, residences, etc., he was not prepared to vote on this until he sees the full picture and suggested a workshop be held to answer questions, and made a motion to lay the matter over one week and direct staff to bring this back along with a report containing information on how this ordinance ties into existing ordinances dealing with apartments, businesses, etc. Upon call, the motion died for lack of a second.

**152-103**

**9/30/08**

President Xiong stated Councilmember Dages was correct that previous discussion was very specific and stated a request should have been made to staff at that time to return with information for a discussion on the bigger picture, and upon his question, after hearing Council's comments, Councilmember Dages stated he would amend his motion to introduce the bill and, in addition, direct staff to return with information on the issues of concern.

On motion of Councilmember Dages, seconded by President Xiong, duly carried, RESOLVED, (1) the above entitled Bill No. B-51 introduced before the City Council and laid over, and (2) staff directed to return with a report containing information on how this

ordinance ties into existing ordinances dealing with flags/signs at apartments and businesses, by the following vote:

Ayes : Caprioglio, Dages, Perea, Sterling, Xiong  
Noes : Calhoun, Duncan  
Absent : None

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**(10:15 A.M. #2) RESOLUTION NO. 2008-257 - APPROVE THE SECOND EXTENSION OF TERMS OF THE EXISTING LOAN GUARANTY AND RELATED DOCUMENTS WITH THE METROPOLITAN MUSEUM OF ART AND SCIENCE (THE MET), AND AUTHORIZING EXECUTION AND DELIVERY OF THE AGREEMENTS AND RELATED DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTION RELATED TO THE TRANSACTIONS, CONSISTENT WITH THE RESOLUTION**

City Manager Souza reviewed the issue, all as contained in the staff report as submitted, and recommended the city join with United Security Bank in extending the loan agreements 120 days. Jon Carroll, Director of Development for The Met, spoke further to the challenge they faced in getting the bonds to market and issued due to the meltdown in the financial and credits markets, stated the financing would not impact the November 13<sup>th</sup> opening of the museum and gave an update on the project, and spoke to the loan reserve account that would make interest payments with the extension.

Councilmember Dages made a motion to approve (which was seconded by Acting President Sterling) and thanked United Security Bank and Mr. Carroll for keeping Council informed. **(3 - 0)** Councilmember Calhoun echoed the compliments and appreciation to United Security Bank and Met staff for working diligently and keeping staff apprised of what has been happening, spoke to the issue of risk and stated he has questioned whether it was the business of the city to backstop non city enterprises and explained, upon his question Mr. Souza stated in the worst care scenario the city would have to identify funding to pay off the construction loan and would become owners of the downtown building if The Met was unable to take out financing and the bank could no longer carry the loan. Councilmember Calhoun presented additional questions relative to whether the city’s reserve fund could be used, if a lump sum would have to be paid, what “the hit” would be on the city’s reserve, how next year’s budget would be impacted, and if the city would face the same challenges as The Met in terms of bonding, with Mr. Souza responding throughout. Councilmember Calhoun stated with a 120 extension his successor would have to deal with this issue and he felt it was incumbent upon himself to take one more look at this matter before he leaves office, and made an amended motion to extend the terms for 60 days instead of 120 and added at that time another extension could be requested if needed. Upon call, the motion died for lack of a second.

Acting President Sterling thanked Mr. Carroll for keeping her informed, relative to Councilmember Calhoun’s request advised she and Mr. Carroll discussed a 60 day extension and upon her request Dennis Woods, President and Chief Executive of United Security Bank, explained why 60 days in the current market was not realistic and why the bank was supportive of the 120 day extension. Acting President Sterling requested Council be kept informed and updated in the coming months.

Paul Gibson, member of the Metropolitan Board of Trustees, spoke to the active, fast-paced fund-raising effort that was currently going on that would get The Met through the end of the year, and stated January would be a better month to consider the refinance and explained. Mr. Carroll confirmed a 60 day extension was originally looked at but it was determined 120 days was the best way to proceed and advised of the process and time line to issue the bonds. President Xiong stated he appreciated the optimism but he questioned if 120 days was going to be enough, and thanked everyone involved.

On motion of Councilmember Dages, seconded by Acting President Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2008-257 hereby adopted, by the following vote:

**152-104**

**9/30/08**

Ayes : Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : Calhoun  
Absent : None

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**RECESS - 10:40 A.M. - 2:00 P.M.**

**(2:00 P.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY**

The City Council recessed at 2:00 p.m. and convened in joint session with the Redevelopment Agency.

APPROVE AGENCY MINUTES OF SEPTEMBER 16 and 23, 2008

On motion of President Xiong, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the Agency minutes of September 16 and 23, 2008, approved as submitted.

**(‘A’) JOINT COUNCIL/AGENCY RESOLUTION NO. 2008-258/1730 - 5<sup>TH</sup> AMENDMENT TO THE AGENCY CONTRACT WITH THE CITY AND COUNTY HOUSING AUTHORITY TO EXTEND THE CONTRACT BASE YEAR FROM JULY 1, 2008, THROUGH JUNE 30, 2011, WITH THE OPTION TO EXTEND THE AGREEMENT ON AN ANNUAL BASIS FOR UP TO TWO (2) ADDITIONAL YEARS, FOR THE MAJOR/MINOR REHABILITATION AND INFILL/BOARDED-UP HOUSING PROGRAM**

Project Manager Wakefield reviewed the issue, all as contained in the staff report as submitted, and a Housing Authority representative spoke further to the issue and program stating the changes were very important and thanked staff for all their work. Executive Director Murphey added this program would help staff advance the goals in the Housing Element, specifically the goals for housing rehab, preservation of affordable housing stock, and neighborhood improvements.

Barbara Hunt expressed concern stating this process was illegal.

Councilmember Calhoun stated he has supported this program in the past but he disagreed with the increase in the amount for Major Rehabilitation, stated he would like to see these dollars used as widely as possible by expanding the service area, stated \$30,000 was a reasonable amount to spend on someone’s home but \$40,000 was going beyond the Agency’s responsibility by doing more than what is needed on a home, and stated starting contractor’s would love to have these contracts and would get huge mileage out of \$30,000 and made a motion to adopt the resolution, as amended, to keep the Major Rehabilitation single loan amount at \$29,500. Upon call, the motion died for lack of a second.

On motion of Councilmember Dages, seconded by Acting President Sterling, duly carried, RESOLVED, the above entitled Joint Resolution No. 2008-258/1730 hereby adopted, by the following vote:

Ayes : Caprioglio, Dages, Perea, Sterling, Xiong, Duncan  
Noes : Calhoun  
Absent : None

**(‘B’) REQUEST FOR INFORMATION REGARDING POTENTIAL LOSS OF REDEVELOPMENT FUNDS DUE TO THE STATE BUDGET AND \$250 MILLION RE-BUDGET - ACTING PRESIDENT STERLING**

Acting President Sterling introduced the item and acknowledged receipt of staff’s written informational report, and upon her request Executive Director Murphey gave an update since her last report in September and commended her staff for their fast work in preparing the report to the county required by AB 1389. Ms. Murphey responded briefly to questions of Acting President Sterling relative to the special reporting, time lines, and payment due dates. There was no further discussion.

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The joint bodies adjourned their meeting at 2:19 p.m. and the City Council reconvened in regular session.

152-105

9/30/08

**UNSCHEDULED COMMUNICATION:**

President Xiong noted there was a request by a council member to go back to “Unscheduled Communications” due to a unique circumstance in that an individual wishing to speak would have challenges coming back to another Council meeting.

Eric Wardwell recognized and commended Parking Manager Estabrooke, Code Enforcement Specialist Oldham, and Peggy Hineman with 621-CITY for their work and assistance.

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**RECESS - 2:22 P.M. - 2:30 P.M.**

**(2:30 P.M.)** TEFRA HEARING AS REQUIRED BY THE 1986 INTERNAL REVENUE CODE TO CONSIDER INFORMATION CONCERNING THE PROPOSED SEVEN STATE PLAN OF FINANCE AND RELATED ISSUANCE OF HEALTH FACILITY REVENUE BONDS BY THE MICHIGAN STATE HOSPITAL FINANCE AUTHORITY AND/OR THE INDIANA FINANCE AUTHORITY, IN ONE OR MORE SERIES OF HOSPITAL REVENUE BONDS IN AN AMOUNT NTE \$2,100,000,000, PURSUANT TO A PLAN OF FINANCE FOR VARIOUS CAPITAL FACILITIES, INCLUDING AN AMOUNT NTE \$130,000,000 WITH RESPECT TO CAPITAL FACILITIES IN THE CITY. PROCEEDS TO BE USED LOCALLY TO (i) FINANCE OR REIMBURSE THE COSTS OF ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF CERTAIN HEALTH FACILITIES IN AN APPROXIMATE AMOUNT OF \$50,000,000 (COLLECTIVELY "THE PROJECT"), and (ii) REFUND CERTAIN BONDS IN THE AMOUNT OF APPROXIMATELY \$80,000,000 ISSUED BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AND/OR THE CITY OF FRESNO (HEALTH FACILITY CONDUIT REVENUE BONDS - HOLY CROSS HEALTH SYSTEM CORPORATION). THE BONDS RELATE TO HEALTH CARE FACILITIES OWNED AND OPERATED BY TRINITY HEALTH d.b.a. SAINT AGNES MEDICAL CENTER

**1. RESOLUTION NO. 2008-259** - APPROVING THE ISSUANCE OF THE MICHIGAN STATE HOSPITAL FINANCE AUTHORITY AND THE INDIANA FINANCE AUTHORITY REVENUE AND REFUNDING BONDS (TRINITY HEALTH CREDIT GROUP), IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NTE \$130,000,000 TO FINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF HEALTH CARE FACILITIES OWNED AND OPERATED BY SAINT AGNES MEDICAL CENTER, AND CERTAIN OTHER MATTERS RELATING THERETO

President Xiong announced the time had arrived to consider the issue an opened the hearing.

Interim City Controller Bradley reviewed the issue, all as contained in the staff report as submitted.

Barbara Hunt spoke in opposition.

Upon call, no one else wished to be heard and President Xiong closed the hearing.

On motion of Councilmember Duncan, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the above entitled Resolution No. 2008-259 hereby adopted, by the following vote:

|        |   |  |
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| Ayes   | : | Calhoun, Caprioglio, Dages, Duncan, Perea, Sterling, Xiong |
| Noes   | : | None   |
| Absent | : | None   |

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**RECESS - 2:35 P.M. - 2:40 P.M.**

**(2:40 P.M.)** CONTINUED HEARING ON RESOLUTIONS RELATED TO THE DESIGNATION OR NON-DESIGNATION OF PROPERTIES TO THE LOCAL REGISTER OF HISTORIC RESOURCES

- 1. RESOLUTION - DESIGNATING** THE FRESNO PHOTO ENGRAVING BUILDING AT 748-752 FULTON STREET TO THE LOCAL REGISTER
- 2. RESOLUTION - DESIGNATING** THE LIBERTY LAUNDRY BUILDING AT 1830 INYO STREET TO THE LOCAL REGISTER

**152-106**

**9/30/08**

- 3. RESOLUTION - DESIGNATING** THE EMERALD THRIFT STORE AT 717 VAN NESS AVENUE TO THE LOCAL REGISTER
  - a. ALTERNATIVE RESOLUTION - NOT DESIGNATING** THE EMERALD THRIFT STORE
- 4. RESOLUTION - DESIGNATING** THE AMERICAN VINTAGE THRIFT STORE AT 727 VAN NESS AVENUE TO THE LOCAL REGISTER
  - a. ALTERNATIVE RESOLUTION - NOT DESIGNATING** THE AMERICAN VINTAGE THRIFT STORE
- 5. RESOLUTION - DESIGNATING** THE (FORMER) W. J. O'NEILL AND COMPANY BUILDING AT 740 "H" STREET TO THE LOCAL REGISTER
  - a. ALTERNATIVE RESOLUTION - NOT DESIGNATING** THE ABOVE
- 6. RESOLUTION- DESIGNATING** THE BASKIN'S AUTO SUPPLY SIGN AT 729 BROADWAY TO THE LOCAL REGISTER
- 7. RESOLUTION - NOT DESIGNATING** THE (FORMER) EHRMAN BROTHERS GARAGE AT 712 FULTON STREET TO THE LOCAL REGISTER

**8. RESOLUTION- *NOT DESIGNATING* ZAPP'S TRANSPORTATION COMPANY AT 752 "H" STREET TO THE LOCAL REGISTER**

**a. ALTERNATIVE RESOLUTION - *DESIGNATING* THE ABOVE**

**9. RESOLUTION- *NOT DESIGNATING* THE EDWARD T. JOHNSON USED CAR AND AUTO REPAIR FACILITY 727 FULTON STREET TO THE LOCAL REGISTER**

Upon question of President Xiong, City Attorney Sanchez confirmed public comment was closed last week and testimony was on the record, and clarified Council was at the deliberation stage, a motion made last week was on the floor to approve Resolution #1, and an independent review of the historic viability of each structure was required and each property needed to be evaluated based on the code criteria unrelated to other land use entitlements or projects in the area with an individual vote taken on each item.

Acting President Sterling thanked staff for providing the Page and Turnbull (P&T) study report to Council, spoke to the properties that had no outstanding issues/concerns and the properties that were being recommended for designation by the Historic Preservation Commission (HPC) and P&T, and stated she hoped Council reviewed the all the information and reconsidered the recommendations of P&T, the HPC and staff.

President Xiong clarified the motion made last week was by Councilmembers Duncan and Calhoun to approve Resolution #1.

**1. RESOLUTION NO. 2008-260 - *DESIGNATING* THE FRESNO PHOTO ENGRAVING BUILDING AT 748-752 FULTON STREET TO THE LOCAL REGISTER**

**(4 - 0)** On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, RESOLVED, the above entitled Resolution No. 2008-260 hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Duncan, Perea, Sterling, Xiong  
Noes : None  
Absent : Dages

**2. RESOLUTION NO. 2008-261 - *DESIGNATING* THE LIBERTY LAUNDRY BUILDING AT 1830 INYO STREET TO THE LOCAL REGISTER**

Councilmember Duncan stated the property had been reviewed and was found to be historic by both the consultant and staff, and made a motion to approve, which motion was seconded by Acting President Sterling.

City Clerk Klisch advised her office received an email last week from property owner John Ostlund opposing the designation and read it into the record.

Councilmember Duncan stated he concurred with the property owner, withdrew his prior motion, and made a motion to deny, which was seconded by Councilmember Dages.

Councilmember Dages stated he was told just yesterday by staff that none of the property owners had a problem and questioned if he misunderstood, which property owners supported designation, and why staff was making designations to the local register against property owners' wishes and rights. Planning Manager Unruh clarified typically these matters only come to Council at the request of the property owners but this was an atypical situation, and stated staff acknowledged at the start that this was not precipitated by property owner request but by the intention to identify within the subject six block area those properties that should be addressed as historic resources. Councilmember Dages stated if a property owner was not on board the city had no right to place these restrictions on them against their will.

Councilmember Calhoun stated he philosophically disagreed with the motion and Councilmember Dages, clarified this was a building that was selected and met the criteria and should be supported for historic status, added Council wearing its preservation hat was the guardian and at issue was whether a building fell under the category of historic, stated by not making these decisions Council was ignoring their mandate and responsibility to the building, and stated owners come and go, he had no idea what Mr. Ostlund planned to do with this building, and strongly encouraged Council to oppose the motion.

Mr. Sanchez and Historic Preservation Project Manager Hattersley-Drayton responded to questions of Councilmembers Perea and Sterling relative to how this made its way to Council when typically they come forth at the request of the property owner, if this process was initiated by the fact that there could someday be a major project in the south stadium area, the different restrictions associated with owning a historical building and if there was an upside to that, if there were special grants/funding streams available to property owners, the awning issue with this building and if timing for improvements starts upon designation, why Mr. Ostlund has not done anything with this building since 2004, if the awning was the only thing the owner was trying to save, if this building could be designated in the future if not designated this date, if the building could be sold once designated, and the understanding that staff had talked with all the owners and why none of the owners were present this date.

A motion of Councilmember Duncan, seconded by Councilmember Dages, to *deny* the designation failed, by the following vote:

Ayes : Dages, Duncan  
Noes : Calhoun, Caprioglio, Perea, Sterling, Xiong  
Absent : None

On motion of Councilmember Calhoun, seconded by Councilmember Perea, duly carried, RESOLVED, the above entitled Resolution No. 2008-261 hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Perea, Sterling, Xiong  
Noes : Dages, Duncan  
Absent : None

**3. RESOLUTION - DESIGNATING THE EMERALD THRIFT STORE AT 717 VAN NESS AVENUE TO THE LOCAL REGISTER**  
*(not adopted)*

**a. ALTERNATIVE RESOLUTION NO. 2008-262 - NOT DESIGNATING THE EMERALD THRIFT STORE**

Councilmember Duncan stated this building did not meet the standards and a clear case was made by the consultant, and made a motion to not designate, which was seconded by Councilmember Dages.

Acting President Sterling advised she and staff received a call from the property owner, even though she did not speak with them, advising this building has been in the family for over three decades and they wanted it considered for designation, and added if this motion is approved the owners will have an opportunity for reconsideration in a year.

On motion of Councilmember Duncan, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2008-262 hereby adopted, by the following vote:

Ayes : Calhoun, Dages, Duncan, Sterling, Xiong  
Noes : Caprioglio, Perea  
Absent : None

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**9/30/08**

**4. RESOLUTION - DESIGNATING THE AMERICAN VINTAGE THRIFT STORE AT 727 VAN NESS AVENUE TO THE LOCAL REGISTER**  
*(not adopted)*

**a. ALTERNATIVE RESOLUTION NO. 2008-263 - NOT DESIGNATING THE AMERICAN VINTAGE THRIFT STORE**

Councilmember Duncan stated he reviewed the record and found this property does not meet the standards and made a motion to not designate.

On motion of Councilmember Duncan, seconded by Councilmember Calhoun, duly carried, RESOLVED, the above entitled Resolution No. 2008-263 hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Sterling, Xiong  
Noes : Perea  
Absent : None

**5. RESOLUTION - DESIGNATING THE (FORMER) W. J. O'NEILL AND COMPANY BUILDING AT 740 "H" STREET TO THE LOCAL REGISTER - Failed adoption**

**a. ALTERNATIVE RESOLUTION - NOT DESIGNATING THE ABOVE (not adopted)**

Councilmember Calhoun stated he felt this property should be designated, clarified even though it was not recommended for designation by the consultant they did note the property may warrant special consideration due to its association with "Vartan Jermagian", added it was recommended for designation by the HPC on a 3-1 vote, the building was 113 years old, and even though integrity was not in its favor the building had other strong characteristics and ethnic history, and made a motion to designate the property, which motion was seconded by Councilmember Perea.

Councilmember Duncan stated had the building not been stuccoed he would possibly agree with Councilmember Calhoun but stated it was his understanding the stucco covering damaged the integrity of the building so much that it was not even possible to remove the stucco to restore the bricks that are behind without destroying the building itself, and upon his questions Page and Turnbull Associate and Architectural Historian Rich Sucre confirmed that was a major reason why P&T did not recommend it for designation and enough changes were made to the structural integrity that the building lost the value of its age. Councilmember Duncan requested Council not designate this building as it would not be able to be historically renovated without rebuilding from scratch and added if it is designated it would probably just sit there until it falls down. Acting President Sterling added she received a call from the property owner who was in support of *not* designating the building as they felt it did not warrant a historic designation.

Upon question of President Xiong, Ms. Hattersley-Drayton stated she disagreed with P&T's position and explained, and reminded Council that fifty plus years ago the city ordered many owners to stucco-wrap their buildings so most of Chinatown was wrapped in stucco and added she hoped Council would not think Chinatown was no longer historic.

A motion of Councilmember Calhoun, seconded by Councilmember Perea, to adopt the above entitled Resolution designating the building failed, by the following vote:

Ayes : Calhoun, Perea, Xiong  
Noes : Caprioglio, Dages, Duncan, Sterling  
Absent : None

**6. RESOLUTION NO. 2008-264 - DESIGNATING THE BASKIN'S AUTO SUPPLY SIGN AT 729 BROADWAY TO THE LOCAL REGISTER**

Councilmember Duncan stated everyone agreed on this designation and made a motion to approve.

On motion of Councilmember Duncan, seconded by Acting President Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2008-264 hereby adopted, by the following vote:

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**9/30/08**

Ayes : Calhoun, Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : None  
Absent : None

**7. RESOLUTION NO. 2008-265 - NOT DESIGNATING THE (FORMER) EHRMAN BROTHERS GARAGE AT 712 FULTON STREET TO THE LOCAL REGISTER**

Councilmember Duncan stated this building did not meet the standards and made a motion to adopt the resolution. Upon question of Councilmember Perea, Ms. Hattersley-Drayton stated staff, the HPC and the consultants all concurred this should not be designated.

On motion of Councilmember Duncan, seconded by Acting President Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2008-265 hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : None

Absent : None

**8. RESOLUTION NO. 2008-266 - NOT DESIGNATING ZAPP'S TRANSPORTATION COMPANY AT 752 "H" STREET TO THE LOCAL REGISTER**

**a. ALTERNATIVE RESOLUTION - DESIGNATING THE ABOVE (not adopted)**

Councilmember Duncan stated this building did not meet the standards and there was universal agreement and made a motion to adopt the resolution.

Mr. Sanchez and Mr. Unruh responded to questions of Councilmember Perea relative to whether staff was presenting the alternative resolution, if there was an official recommendation from anyone to designate the property, and what staff's opinions/thoughts were on this building. President Xiong stated this was a difficult one for him because of the integrity but stated the age played a significant role and he felt this warranted designation.

On motion of Councilmember Duncan, seconded by Acting President Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2008-266 hereby adopted, by the following vote:

Ayes : Caprioglio, Dages, Duncan, Sterling  
Noes : Calhoun, Perea, Xiong  
Absent : None

**9. RESOLUTION NO. 2008-267 - NOT DESIGNATING THE EDWARD T. JOHNSON USED CAR AND AUTO REPAIR FACILITY 727 FULTON STREET TO THE LOCAL REGISTER**

Councilmember Duncan stated everyone concurred this building did not meet the standards and made a motion to adopt the resolution.

On motion of Councilmember Duncan, seconded by Acting President Sterling, duly carried, RESOLVED, the above entitled Resolution No. 2008-267 hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Perea, Sterling, Xiong  
Noes : None  
Absent : None

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**152-110**

**9/30/08**

**ADJOURNMENT**

There being no further business to bring before the City Council, the hour of 3:19 p.m. having arrived and hearing no objection, President Xiong declared the meeting adjourned.

*Approved* on the \_\_\_7th\_\_\_ day of \_\_\_October\_\_\_, 2008.

\_\_\_\_\_/s/\_\_\_\_\_  
Blong Xiong, Council President

ATTEST \_\_\_\_\_/s/\_\_\_\_\_  
Yolanda Salazar, Assistant City Clerk

152-111

9/30/08