

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
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Cynthia Sterling	Councilmember
	Larry Westerlund	Councilmember
	Blong Xiong	Acting Council President
	Henry Perea	Council President

Andrew T. Souza, City Manager
 James Sanchez, City Attorney
 Becky Klisch, City Clerk
 Cindy Bruer, Deputy City Clerk

Invocation by Pastor McGensy from Family Community Church and President Perea led the Pledge of Allegiance.

CEREMONIAL PRESENTATIONS:

PROCLAMATION OF "BE KIND TO ANIMALS WEEK" AND PRESENTATION OF SPCA PET OF THE MONTH – MAYOR AUTRY AND COUNCILMEMBER DUNCAN

Read and presented.

RECOGNITION OF ECONOMIC DEVELOPMENT DEPARTMENT FOR AWARDS RECEIVED – PRESIDENT PEREA & MAYOR AUTRY

Read and presented.

PROCLAMATION OF "OLDER AMERICANS MONTH" – COUNCILMEMBER STERLING

Read and presented.

APPEARANCE BY PARKER, THE FRESNO GRIZZLY MASCOT, PROMOTING CITY OF FRESNO EVENING AT THE GRIZZLIES SCHEDULED FOR JUNE 1ST

Appearance not made. The above item was re-scheduled for May 15, 2007.

APPROVE MINUTES OF MAY 1, 2007:

On motion of Councilmember Dages, seconded by Councilmember Westerlund, duly carried, RESOLVED, the minutes of May 1, 2007, approved as submitted, by the following vote:

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

APPROVE MINUTES OF APRIL 30, 2007 SPECIAL SESSION OF THE CENTRAL CALIFORNIA JOINT POWERS HEALTH FINANCING AUTHORITY

Council Accepted the minutes of the April 30, 2007, Central California Joint Powers Health Financing Authority, as submitted. Brief discussion ensued regarding how the public could access the meeting with City Attorney Sanchez and City Clerk Klisch stating the meeting location was identified, posted, noticed and published in accordance with the Brown Act requirements, adding the City of Clovis conducted the same process.

COUNCIL MEMBER REPORTS AND COMMENTS:

COUNCILMEMBER DUNCAN: Congratulated Mayor Autry and City Manager Souza for the hiring of the New Deputy Mayor Jeff Ebin, adding he looked forward to having him as part of the team.

COUNCILMEMBER CALHOUN: (1) Expressed concern with consent item 1-D relating to Granite Park, advising the development had been delayed, adding it would be appropriate for staff to provide an update since it had come before Council twice. (3) Stated he had attended a symphony at Saroyan Theatre and complimented staff for the improvements made to the Theatre. (4) Concurred with Councilmember Duncan on the appointment of Jeff Ebin, noting the title needed to be changed to reflect an assistant position and requested staff provide a copy of the job description to each Councilmember. He noted the City Charter prohibited anybody acting on behalf of the Mayor other than the Council President who would act as Mayor Pro Tempore, and questioned what alternatives Council would have to change the title with City Attorney Sanchez providing several options to amend the Position Allocation Resolution (PAR) and Salary Resolution on a legislative level which would either de-fund the position under the Salary Resolution or eliminate the position under the PAR.

COUNCILMEMBER DAGES: (1) Stated Peach Avenue railroad had been completed, noting Clovis Avenue would be closed Wednesday and Thursday at Clovis Avenue and the California alignment between Butler and Jensen Avenue, adding Maple Avenue would begin repairs in the near future. (2) Thanked staff for repairing the fence at Mosqueda Center (3) Stated a home in Southeast Fresno had removed their garage door and his office had received several complaints, noting the Code Enforcement Division could not enforce the reinstallation of the door and requested staff provide information to resolve the situation. (4) Expressed concern with Fiesta Foods, located on Tulare and First Street, not submitting a plan for shopping carts, noting Fiesta Foods shopping carts were being left at Kirkhoff Avenue and requested staff direct Fiesta Food to comply with the shopping cart ordinance. (5) Expressed concern with flower vendors at Kings Canyon and Chestnut Avenues, noting Mother's Day was this weekend. He stated the vendors were located at Ventura and 6th Streets, advising he had notified Code Enforcement Division and the Police Department and requested staff provide direction. (6) Stated No Neighborhood Left Behind for the area of Adler and Kings Canyon should have been completed in April and requested staff provide a status report. (7) Stated Fresno Calwa Community Outreach had a block party where a water slide had always been supplied by the Police Department, noting this year the Department was unable to deliver the slide due to lack of staff and expressed concern with not being notified as his office would have made arrangements with volunteers to deliver the slide. (8) Stated this week was Teacher Appreciation Week and encouraged people to thank a teacher.

COUNCILMEMBER WESTERLUND: (1) Stated last night a multiple shooting occurred near the Fresno State College campus where one person was killed, noting he had received updates from Police Chief Dyer, stressing the circumstance was beyond comprehension and extended prayers to the families involved. (2) Stated he attended the Cinco De Mayo Celebration last weekend on the Fulton Mall, noting the event was well attended.

COUNCILMEMBER STERLING: (1) Requested a status report for the portable restrooms, trash containers and the County mobile health unit to assist the homeless with City Manager Souza stating last week Councilmember Duncan requested the status of a temporary solution where the staff was providing temporary restrooms at the current location while they were in the process of completing the permanent plans, noting there may be liability issues staff needed to work out. (2) Stated she had contacted County Administrative Officer Bohn's Office, who stated he was waiting for the City Manager's Office to set a date for a joint meeting to discuss the homeless situation, adding she heard the Board of Supervisors were in the process of scheduling a joint meeting to discuss public safety and working with the Chamber of commerce and the City to address the gang issue, expressing concern she had made the request for the meeting in order to take the necessary steps to make the improvements for the homeless, with City Manager Souza stressing the last discussion Council had was the Council President sent a letter to the Chairman of the Board of Supervisors, noting there was no request for the administration to get involved in the process. Mr. Souza stated the second joint meeting with the Chamber of Commerce was for the purpose of continued discussion of the consolidation of public safety, noting he was not aware of a meeting being scheduled up for the gang issue. Councilmember Sterling, requested for the record, that staff move forward with setting a date for the joint meeting with the County of Fresno. (3) Thanked Feed My Sheep Ministry for a great car and horse show at Holmes playground; adding the Sole Brothers held their annual motorcycle run;

attended the re-fueling event with the United States Air Force KC 135, noting it was an experience of a life time; attended an anniversary for Reverend Paul Binion for his 30 years of services at Westside Church of God; attended the Art LeBeau Show at the Convention Center and concurred with Councilmember Calhoun on the renovations of the structure.

City Manager Souza stated the job specifications were amended for the Deputy Mayor due to the old job specifications read the Deputy Mayor may “act” in the absence of the Mayor, noting the intention was for the Deputy Mayor to attend informal setting of ribbon cuttings and present proclamations in the Mayor’s absence, adding the job specification was amended to read the Deputy Mayor may “represent” the Mayor in his or her absence, stating staff would provide copies to Council.

COUNCILMEMBER WESTERLUND: Stated he had met with Interim Economic Director Johnson and Economic Development Manager Bowness regarding the downtown river feasibility study and requested the item be scheduled for June 12, 2007, for further discussion and direction, noting he would work with the City Manager’s Office on providing material.

PRESIDENT PEREA: (1) Concurred with the renovation of Saroyan Theatre and thanked staff. (2) Requested a memorandum regarding the status report on the No Neighborhood Left Behind (NNLB) Program, noting there was concern among the neighborhoods that the neighbors were being notified that a sidewalk would be installed on only one side of the street and also the residents had heard NNLB’s budget was getting too low to complete the project. **(2-0)** Advised he also attended the Re-fueling mission with Councilmember Sterling, stating it was an opportunity to witness the Air National Guard in action, adding Acting President Xiong was also in attendance.

APPROVE AGENDA:

(1-B) * AWARD A CONTRACT TO GRAHAM PRUETT, INC, FOR \$120,138.50, RE-ROOF HOLMES NEIGHBORHOOD PARK (REBID) – GENERAL SERVICES DEPARTMENT

(1-H) AUTHORIZATION TO PROCEED WITH THE FORMATION OF A UTILITY ADVISORY COMMITTEE – DEPARTMENT OF PUBLIC UTILITIES

The above noted items were removed from the agenda. City Manager Souza advised a resolution needed to be included with the staff report on item 1-H and would return to Council on May 15, 2007.

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

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

ADOPT CONSENT CALENDAR:

(1-A) * APPROVAL OF A JOINT POWERS AGREEMENT BETWEEN THE CITY OF FRESNO AND COUNTY SUPERVISORS OF CALIFORNIA (CSAC) REGARDING EXCESS WORKERS’ COMPENSATION INSURANCE – PERSONNEL SERVICES

(1-C) * APPROVE AGREEMENT WITH EVERGE GROUP OF TEXAS, LTD. IN THE AMOUNT OF \$539,008 TO PROVIDE PROFESSIONAL CONSULTING SERVICES TO UPGRADE THE PEOPLESOFT HUMAN RESOURCES/PAYROLL APPLICATIONS AND IMPLEMENTATION OF SELF SERVICE APPLICATIONS- INFORMATION SERVICES DEPARTMENT

(1-D) RESOLUTION NO. 2007-172 - APPROVING THE SUMMARY VACATION OF A PORTION OF A PUBLIC UTILITY EASEMENT LOCATED IN PARCEL MAP NO. 2002-13 ON THE EAST SIDE OF CEDAR AVENUE BETWEEN DAKOTA AVENUE AND HAMPTON WAY (*PROPERTY LOCATED IN COUNCIL DISTRICT 4*) – PUBLIC WORKS DEPARTMENT

(1-E) * APPROVE SUBSTITUTION OF SUBCONTRACTOR FOR THE FRESNO YOSEMITE INTERNATIONAL AIRPORT OFFICE REMODEL, AIRPORT PUBLIC SAFETY OFFICE RELOCATION; PROJECT ID NO. AC00178 – PUBLIC WORKS DEPARTMENT

(1-F) RESOLUTION NO. 2007-173 - APPROVING THE FINAL MAP OF TRACT NO. 5477 ACCEPTING DEDICATED PUBLIC USES THEREIN; AUTHORIZE THE PUBLIC WORKS DIRECTOR, PUBLIC UTILITIES DIRECTOR AND PLANNING AND DEVELOPMENT DIRECTOR TO EXECUTE THE NECESSARY DOCUMENTS (*PROPERTY LOCATED IN COUNCIL DISTRICT 5*) – PLANNING AND DEVELOPMENT DEPARTMENT

(1-G) * APPROVE LEASE AGREEMENT WITH THE NORTH CENTRAL FIRE PROTECTION DISTRICT OF THE USE OF FIRE STATION NO. 45, LOCATED AT 7285 W SHIELDS AVENUE – FIRE DEPARTMENT

(1-I) *AWARD A CONTRACT IN THE AMOUNT OF \$244,802 TO GRANITE CONSTRUCTION COMPANY FOR THE INSTALLATION OF STREET INFRASTRUCTURE IN NO NEIGHBORHOOD LEFT BEHIND AREA 58 (*PROPERTY LOCATED IN COUNCIL DISTRICT NO. 5*)

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

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

(9:00 A.M.) PUBLIC COMMENT PERIOD - SCHEDULED COMMUNICATION:

1. APPEARANCE BY WILLIAM R. MILTON SR. – REGARDING THE NEED FOR WATER METERS

Mr. Milton stated the City was delaying the reading of water meters, noting new houses had meters, which would not be read until the year 2010, stressing this year was a drought year. He noted the Friant Dam water which came from Millerton Lake would be cut 50% for the current year. He expressed concern why the Fresno Green Plan did not include water meters, stating water was as vital as air, adding the Fresno Bee had quoted water as “liquid gold.” Mr. Milton stressed the need to take action on people wasting water, adding if those people had water meters they would have to pay for it.

Councilmember Westerlund requested staff address the status of the water meter issue with Assistant Public Utilities Director Martin stating there were three pilot programs currently in place to ensure all bases were covered when staff began the bid process for the larger projects, noting HDR was doing an analysis that would provide what a metered rate should look like, adding the project needed to be completed by the year 2013.

(9:00 A.M.) PUBLIC COMMENT PERIOD - UNSCHEDULED COMMUNICATION:

Tom Lang, 5541 Columbia Drive, Executive Director of Aquarium Aquarius Institute, thanked the City Council for adopting the resolution dated April 10, 2007, in opposition of SB 931, stating he took the resolution and letters to Sacramento where the two amendments were adopted, noting the importance of presenting the resolutions and letters, adding other local institutions would now be able to apply for grant funds. President Perea stated he would send a thank you note to the Senator for approving the City Council’s resolution.

Sara Hedgepeth-Harris, 5445 E. Lane, League of Women Voters, reviewed the Redevelopment Plan for the Regional Medical Center, where the plan identified sources of replacement housing for the low-income people who were displaced after surrounding buildings were demolished, noting Hotel Fresno was one of the sources of replacement housing, and questioned whether other sources of housing had been identified in the event the hotel was to be demolished. Ms. Harris added if the City continued with not providing replacement housing, the goals of the 10X10 Committee would not be met. Councilmember Sterling recommended Redevelopment Agency Executive Director Murphey meet with Ms. Harris and requested the Council be kept informed.

(9:30 A.M. A) * APPROVE A DEVELOPMENT AGREEMENT WITH LENNAR FRESNO, INC. TO CONSTRUCT A WATER TREATMENT AND STORAGE TANK FACILITY IN SOUTHEAST FRESNO AND REIMBURSE LENNAR FRESNO, INC. FOR COSTS FOR ENVIRONMENTAL SERVICES, DESIGN AND CONSTRUCTION. THE CURRENT FY06-07 BUDGET RETAINS \$5,672,100 FOR THIS PROJECT; THE TOTAL PROJECT COST IS ESTIMATED TO BE \$6,190,000

Assistant Public Utilities Director Martin gave a brief overview of the staff report, stating this was an excellent project for Southeast Fresno, advising the project would bring a 3-million gallon reservoir which would allow maximizing the water supply during off-peak demand which in turn could be used for fire protection to the community during peak hour and peak water usage. Mr. Martin stated the agreement was designed to allow for reimbursement and the funding for the project was in the Southeast Fresno Bond Fund Project within the Water Division Budget, noting due to the project nearing completion, the bonding may not take place.

A motion was made and acted upon after discussion.

Mr. Martin responded to questions by Councilmember Westerlund relating to package plants, bonding of the project, impact fees and the need for infill of the tentative tracts not used. Councilmember Calhoun questioned the "peak demand usage", noting people needed to pay closer attention to water usage and recommended providing an education campaign, adding if people continue using water during peak demand more facilities would need to be constructed.

On motion of Councilmember Dages, seconded by Councilmember Westerlund, duly carried, RESOLVED, a Development Agreement with Lennar Fresno, Inc. to construct a water treatment and storage tank facility in Southeast Fresno and reimburse Lennar Fresno, Inc. for costs for environmental services, design and construction; the current fiscal year 06-07 budget retains \$5,672,100 for this project with the total project cost estimated to be \$6,190,000 hereby approved, by the following vote:

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

(9:30 A.M. B) * RESOLUTION NO. 2007-174 - AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF CITY OF FRESNO AIRPORT REVENUE BONDS, TAXABLE SERIES 2007 BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL INDENTURE, BOND PURCHASE CONTRACT, CONTINUING DISCLOSURE CERTIFICATE, FINANCIAL GUARANTY AGREEMENT, OFFICIAL STATEMENT AND RELATED DOCUMENTS, AND AUTHORIZING CERTAIN OTHER ACTIONS AND THE EXECUTION OF CERTAIN OTHER DOCUMENTS IN CONNECTION THEREWITH

Transportation Director Widmar reviewed the features of the project, landscaping; the architectural structure and the bid process. Mr. Widmar stated the project would begin in July, 2007, and be completed in December, 2008.

Finance Controller Rousseau introduced the Bond Finance Team, reviewed the Customer Facility Charge (CFC), noting if the CFC were not adequate to meet the debt service coverage, the participating rental car companies was obligated to pay 50% of the difference; reviewed the process of changing the language of the bid process; stating the team was able to reduce the bond insurance for the deal by 35 bases points.

Speaking to the issue was: Brett Todd, Regional Vice President of Enterprise Rent-A-Car, 4995 E. Clinton Way, who spoke in support of the project.

Councilmember Calhoun questioned the bidding process and the baggage issue with Mr. Widmar responding. Councilmember Calhoun advised the process was unusual due to the project going out to bid prior to obtaining the bonds, adding he spoke in support of the project due to it providing an increased level of service and encouraged the completion of the baggage project.

A motion was made and acted upon after brief discussion.

(3-0) Councilmember Westerlund questioned the ready return from the southeast entry, the port -of-entry, coverage of the bond debt service, Customer Facility Charge (CFC), requested an explanation of the 50% coverage by the car rental companies, with Mr. Widmar responding. Councilmember Westerlund stated the re-bidding process for the contractors were appropriate and recommended a similar template be used for the Public Works Department. Mr. Widmar thanked staff for their hard work, stating the rental car companies were very cooperative throughout the project. Councilmember Westerlund questioned the bond issuance being an enterprise fund noting the project did not affect the General fund, questioned the City's bond rating with Mr. Rousseau stating the Airport's rating was Triple B and the City's General Fund was A-, with brief discussion ensuing on insuring of the bonds.

President Perea welcomed Planning and Development Director Yovino back to work.

Councilmember Dages stated the amount of the bonding was \$25 million and the construction cost was \$22.2 million, questioning the different amounts with City Manager Souza stating it was based on the interest rate and if the interest rate went up, the project had some flexibility, noting it was historical practice that the authorization was slightly more than the actual project amount. Brief discussion ensued regarding the 6.75 % interest with Mr. Rousseau responding. Councilmember Dages questioned of the \$1.2 million the \$1million payment would come from the consumer facility charge (CFC) with Mr. Widmar stating the Airport car rental involved approximately 10,000 cars per month

President Perea questioned the ready return lot and whether there was an ordinance that required tree shading in parking lots with Mr. Widmar stating the planting of trees would interfere with the solar system, advising staff had chosen landscaping which would intensify the perimeter of the lot. President Perea requested a construction and demo waste recycling program be in place at the beginning of the project to divert as much recycling material from the landfill as possible.

On motion of Councilmember Calhoun, seconded by Councilmember Westerlund, duly carried, RESOLVED, the above entitled Resolution No. 2007-174 hereby adopted, and authorize the execution and delivery of all documents, and the taking of all necessary actions relating to the financing, by the following vote:

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

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(10:00 A.M. HEARING) - (BILL NO. B-44 - FOR INTRODUCTION) - TEXT AMENDMENT APPLICATION NO. TA-06 04, AND ENVIRONMENTAL FINDINGS, INITIATED BY THE PLANNING AND DEVELOPMENT DEPARTMENT DIRECTOR, AMENDING THE TEXT OF THE FRESNO MUNICIPAL CODE (ZONING ORDINANCE). THE PROPOSED TEXT AMENDMENT WILL AMEND THE “ADULT BUSINESS” SECTION OF THE FRESNO MUNICIPAL CODE (SECTION 12-306-N-30) TO PROHIBIT NEW ADULT USES FROM LOCATING WITHIN 1,000 FEET OF NONCONFORMING SINGLE AND MULTIPLE-FAMILY RESIDENTIAL DWELLINGS REGARDLESS OF THE ZONE DISTRICT IN WHICH THE RESIDENTIAL DWELLINGS ARE LOCATED – PLANNING AND DEVELOPMENT DEPARTMENT

Supervising Planner Sanchez reviewed the staff report and requested approval.

President Perea announced the time had arrived to consider the issue and opened the hearing. Upon call, no one wished to be heard and President Perea closed the hearing.

Councilmember Sterling questioned whether there was some type of concession made by the Planning and Development Department that allowed a 25% adult usage in this particular area and expressed concern that her office was not advised with Mr. Sanchez stating the request was presented to Council in November, 2006, and at which time it was denied. Mr. Sanchez stated there was a provision in the code that allowed the business owner to operate his business with less than 25% adult products, noting the owner could not openly advertise on-site, and could only access the business through the main entrance way, adding staff would investigate the business to ensure it was in compliance. Councilmember Sterling expressed concern with not being informed of the situation and requested staff keep her office informed as to whether the business was advertising, noting if a similar issue arose again, Council needed to be informed due to the residents in the involved area did not want this type of business.

A motion was made and acted upon after discussion.

Councilmember Dages stated he saw the store on the news, noting it looked like there was 100% adult usage, with Mr. Sanchez stressing the importance of the investigation. Acting President Xiong questioned the 25% adult usage in industrial sites, with Planning and Development Director Yovino stating an important rule for the 25% adult usage was that the 75% use had to be allowed by the underlining zone district, noting the particular area was in the M-2 which did not allow much retail uses, emphasizing there was a further restriction in this case due to the industrial zoning. Mr. Yovino advised if Council elected to amend the 25% adult usage because it affected many businesses City-wide, it would require extensive analysis.

Councilmember Westerlund thanked staff for the colored maps and the analysis, noting the report stated the City would sustain a 4% adult business in the properly zoned industrial areas, noting it would keep these types of establishments from being around housing, noting this particular business owner did not get a required Conditional Use Permit and was still attempting to operate his business near homes, adding he wanted to be kept informed of the results from the investigation.

On motion of Councilmember Sterling, seconded by Councilmember Westerlund, duly carried, RESOLVED, the finding for the above entitled Bill No. B-44/laid over, by the following vote:

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

CLOSED SESSION

(10:10 A.M. A) CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE SECTION 54957.6,
1. CASE NAME: DIRECTION ON POTENTIAL LABOR IMPACTS ON PROPOSED PUBLIC SAFETY JOINT POWERS AGREEMENT FOR THE SIX BARGAINING UNITS; (1) STATIONARY ENGINEERS LOCAL 39 - UNIT 1; (2) FRESNO CITY EMPLOYEES ASSOCIATION (FCEA) - UNIT 3; (3) FRESNO POLICE OFFICERS ASSOCIATION (FPOA BASIC) - UNIT 4; (4) FRESNO POLICE OFFICERS ASSOCIATION (FPOA MANAGEMENT) - UNIT 9; (5) CITY OF FRESNO PROFESSIONAL EMPLOYEES ASSOCIATION (CFPEA) - UNIT 13; (6) CITY OF FRESNO MANAGEMENT EMPLOYEES ASSOCIATION (CFMEA) - UNIT 14

(10:10 A.M. B) CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (A) (1) CASE NAME: JULIAN VINTON V.CITY OF FRESNO (VPT) (2) CASE NAME: CITY OF FRESNO V. RAPS FRESNO, LLC (CMH) (3) CASE NAME: CITY OF FRESNO V. BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY, ET AL. - SUPERIOR COURT CASE NO. 07CECG01148 (ORAL REPORT ONLY)

The City Council met in closed session in Room 2125 at the hour of 10:45 a.m. to consider the above matter and reconvened in regular session at 11:01 a.m.

(11:00 A.M.) COUNCIL DISCUSSION AND DIRECTION REGARDING ESTABLISHING A POLICY OR ORDINANCE CHANGES TO PROHIBIT INDIVIDUALS OR ENTITIES WITH CODE VIOLATIONS IN THE CITY OF FRESNO FROM RECEIVING PROPERTY BASED PUBLIC INCENTIVES FROM THE CITY OF FRESNO OR REDEVELOPMENT AGENCY (RDA) – COUNCILMEMBERS CALHOUN AND DUNCAN

Councilmember Calhoun read the report and recommended approval.

A motion by Councilmember Calhoun, seconded by Councilmember Duncan was made and acted upon after discussion.

Councilmember Duncan stated the item was brought forward to provide a critical step to assist in the revitalization of downtown as well as throughout the City, noting the current process had resulted in a large amount of blight due to buildings being ignored, noting the current process encouraged such activity. Councilmember Duncan stated with the current policy, a person could purchase property, do nothing with it and then when the owner felt the market was right to sell the property, they would come to the City and request assistance in subsidizing the deterioration of the building that the owner had allowed over many years. Councilmember Duncan emphasized the City's need to take steps to inform property owners they had a basic responsibility to maintain their building to at least a minimum standard before the City would work with them, adding this would reduce the taxpayers responsibility to assist in subsidizing the property owner's blighted building.

Speaking to the issue were: Maribel Anaya, 831 Van Ness Avenue, owner of Joe's Steakhouse and Grill, stated her family had made major improvements to the entire building and expressed concern with the deteriorating building next to the restaurant and spoke in support of approving the proposed policy; Steve Geil, Economic Development Corporation, stated this policy would help the City and described several deteriorating buildings throughout the City, stressing property owners needed to take care of their property, adding the proposed policy would make property owners accountable; **(4-0)** Dennis Woods, President of the United Security Bank, stated he owned property next to a blighted building, adding at the present time, the policy allowed the property owner to receive a huge premium for their neglect when the building was condemned, adding at the present time, the incentive was working the wrong way.

Councilmember Westerlund questioned whether this policy was to only bring the building up to the minimum code standard or restore the building with Councilmember Calhoun stating the policy was to give direction to staff to return with a comprehensive ordinance that would make a property owner responsible for making some level of improvement to their building prior to the City providing an incentive for additional buildings they may own. He noted a proposed comprehensive ordinance would be brought forward to Council that would provide an additional incentive-based permit process to assist property owners in refurbishing boarded up buildings. Councilmember Duncan added the proposed policy would inform the property owners that if they choose to own property, they needed to know they could not allow the property to deteriorate and then request the City provide assistance in fixing the building. Councilmember Westerlund expressed concern with the proposed policy not requiring the entire building be refurbished, adding when a subsidy was requested from the Redevelopment or the City of Fresno, it had to

be approved by the Council, and that time, the Council could deny the request. Mr. Geil stressed the importance of supporting the people in business who maintain their property. Councilmember Westerlund stressed the ordinance needed to be designed to focus on the exact requirements.

City Attorney Sanchez responded to questions by Councilmember Dages regarding reimbursement to the City for the demolition of a building. Councilmember Dages expressed concern with the constitutionality of the proposed policy, stating the property owners need to be discouraged from letting their property become blighted and spoke in support of the ordinance. Acting President Xiong concurred with Councilmember Westerlund, stating the proposed policy was bringing up more questions than it was providing solutions, adding the policy needed to contain precise strategies of what the City was requiring. City Manager Souza stated this policy provided awareness to property owners that the position of the City was not to provide assistance when they had a building in a state of repair, adding this was more of a policy issue. Brief discussion ensued regarding the strategies to address the property owners who owned blighted property.

Councilmember Sterling questioned whether Council had received a letter from Jeanette Jurkovich, on file in the City Clerk's Office, where she questioned whether a CEQA analysis was required with this policy with Mr. Sanchez responding. Councilmember Sterling stated it was important to revitalize the downtown area and was interested in reviewing what staff would bring forward.

President Perea stated he was not sure what the basic goal was, stressing the importance of requiring the property owner to rehabilitate the building rather than just bring the building up to code. President Perea stated he would support the policy, advising there was a bigger opportunity for the ordinance to stop blight with Councilmember Westerlund concurring.

Councilmember Calhoun reiterated the Planning and Development Department would be bringing an incentive based program for rehabilitation of boarded-up buildings, noting the program would be addressing President Perea and Councilmember Westerlund's concern regarding how to get the vacant buildings to a higher level which would include a comprehensive process.

On motion of Councilmember Calhoun, seconded by Councilmember Duncan, duly carried, RESOLVED, request staff and the Redevelopment Agency Executive Director to return to Council in 60 days with an ordinance to prohibit individuals or entities with code violations in the City of Fresno from receiving property based public incentives from the City of Fresno or the Redevelopment Agency, by the following vote:

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

LUNCH – 11:57 A.M. – 2:00 P.M. (Councilmember Calhoun arrived shortly thereafter)

(2:00 P.M.) PRESENTATION OF FY 2007-2008 BUDGET – MAYOR AUTRY

Mayor Autry stated the 2007-2008 budget was created by a common denominator which was to provide funding from residents benefiting from the No Neighborhoods Left Behind Program to the community's children receiving a quality education and commended each Councilmember for their work in their districts. Mayor Autry stated the proposed budget was well constructed, well thought out, well balanced and fair; adding the independent Police Auditor was included in the budget stressing the Police Auditor would provide trust in the community; **(5-0)** reviewed the \$1.1 million for gang issues; adding the Fresno Green Plan was included with a budget of \$200,000 for a solar rebate program, stressing the program was important in assisting the disabled, seniors and children; \$4.8 million for the homeless situation; and reviewed the graffiti program, noting the City of Livingston modeled the City's program.

City Manager Souza thanked staff for their hard work and introduced the Budget Division.

Extensive discussion ensued regarding Hurricane Sacramento with Mayor Autry stating the City started building its reserve by directing staff cut their department budget 2½%, and reviewed a reserve fund versus a contingency fund. Councilmember Westerlund stated several of the Memorandums of Understanding (MOU) Council approved were now in affect, where the Police Department was fully staffed and expressed the need to form a committee to go to Sacramento to get the funding and to lobby the legislature. Mayor Autry stated he would be bringing forth to Council a Proposition to fund public safety from existing tax revenue that was generated. President Perea concurred with many of the Mayor's statements in terms of working together to move the City forward.

Mayor Autry apologized for the confusion of the role of the Deputy Mayor, advising the former Deputy Mayor never directed a department head. He added it was a title and a position to provide assistance in the Mayor's Office, and welcomed Councilmembers to come to his office to discuss issues of concern. Mayor Autry introduced the new Deputy Mayor Ebin, who stated he was anxious to meet each Councilmember and looked forward to working with the City. President Perea thanked the Mayor and staff for the budget presentation, stating he was looking forward to working as a team.

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CLOSED SESSION

(10:10 A.M. A) CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE SECTION 54957.6,
1. CASE NAME: DIRECTION ON POTENTIAL LABOR IMPACTS ON PROPOSED PUBLIC SAFETY JOINT POWERS AGREEMENT FOR THE SIX BARGAINING UNITS; (1) STATIONARY ENGINEERS LOCAL 39 - UNIT 1; (2) FRESNO CITY EMPLOYEES ASSOCIATION (FCEA) - UNIT 3; (3) FRESNO POLICE OFFICERS ASSOCIATION (FPOA BASIC) - UNIT 4; (4) FRESNO POLICE OFFICERS ASSOCIATION (FPOA MANAGEMENT) - UNIT 9; (5) CITY OF FRESNO PROFESSIONAL EMPLOYEES ASSOCIATION (CFPEA) - UNIT 13; (6) CITY OF FRESNO MANAGEMENT EMPLOYEES ASSOCIATION (CFMEA) - UNIT 14

(10:10 A.M. B) CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION GOVERNMENT CODE SECTION 54956.9, SUBDIVISION (A) (1) CASE NAME: JULIAN VINTON V.CITY OF FRESNO (VPT) (2) CASE NAME: CITY OF FRESNO V. RAPS FRESNO, LLC (CMH) (3) CASE NAME: CITY OF FRESNO V. BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY, ET AL. - SUPERIOR COURT CASE NO. 07CECG01148 **(ORAL REPORT ONLY)**

The City Council met in closed session in Room 2125 at the hour of 2:31 p.m. to consider the above matter and adjourned at 3:13 p.m.

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ADJOURNMENT

There being no further business to bring before the City Council, the hour of 3:13 p.m. having arrived and hearing no objections, President Perea declared the meeting adjourned.

Approved on the _____ day of _____, 2007.

Henry T. Perea, Council President

ATTEST: _____
Cindy Bruer, Deputy City Clerk

