

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

Councilmember Dages gave the invocation, and President Perea led the Pledge of Allegiance.

PRESENTATION OF SPCA PET OF THE MONTH – COUNCILMEMBER DAGES

A male German shepherd approximately three years old was showcased.

PRESENTATION OF A RESOLUTION OF COMMENDATION – CITY MANAGER’S OFFICE

Read and presented.

PRESENTATION OF QUARTERLY PROMOTIONAL CEREMONY – PERSONNEL SERVICES DEPT. (*RECEPTION IMMEDIATELY FOLLOWING*)

Presented.

BREAK – 9:06 A.M. – 9:11 A.M. (Councilmembers Westerlund and Sterling arrived shortly thereafter.)

APPROVE MINUTES OF APRIL 10, 2007:

On motion of Councilmember Dages, seconded by Councilmember Duncan, duly carried, RESOLVED, the minutes of April 10, 2007, approved as submitted.

COUNCIL MEMBER REPORTS AND COMMENTS:

COUNCILMEMBER DAGES: (1) Questioned the overspending and piece-mealing of contracts for various projects and requested a committee be established to review with City Attorney Sanchez stating staff could develop a bigger picture of the contracting practices associated with consulting contracts under \$50,000.00, advising another option would be to have the newly appointed Council Finance Subcommittee gather information on contracting and return to Council. Councilmember Dages stated he objected to the increased amount from \$25,000 to \$50,000 for Council approval. President Perea noted Councilmember Westerlund was recently appointed as Chair of the Finance and Audit Committee. Councilmember Westerlund stated he had already had a discussion with the City Attorney’s Office regarding the matter and the Committee would return to Council with recommendations, stressing the information needed to be aired publicly. (2) Expressed concern with the possibility of 30 temporary employees being laid off at Pilobos Park and City Manager Souza stated he would check into the matter.

COUNCILMEMBER WESTERLUND: (1) Commended the employees who were promoted, stating it was an opportunity to recognize their hard work. (2) Questioned the City’s sexual harassment policy and training and requested staff provide the information. (3) Questioned why there had been no appointment of an Interim Director to the Information Services Department

and City Manager Souza request personnel matters be discussed privately. (4) Questioned potential trips to address issues with the State Legislature and requested possibly arranging a schedule that would not conflict with the Brown Act.

COUNCILMEMBER CALHOUN: (1) Requested staff return to Council with information regarding the removal of the position of Deputy Mayor. (2) Requested staff provide the Council with the expenses dealing with the purchase and implementation of Kronos and Cognos, stressing it should be public information. **(2-0)** (3) Questioned the status of the “quiet zone” for train horns and requested staff provide the finalized report on the cost and implementation and if feasible, requested the inclusion of the issue in the upcoming budget.

ACTING PRESIDENT XIONG: Thanked the City Manager’s Office for resolving an issue regarding notices of some boundaries change to the residents in his District. (2) Stated in December, 1984 Council approved the installation of a temporary fence on Hedges Avenue between Calaveras and Blackstone and requested staff provide a report as to whether the fence was still needed.

CITY MANAGER SOUZA: Stated all the material surrounding the purchase of Kronos and Cognos was provided to the City Attorney’s Office last summer, advising he would provide the same information to Council. Mr. Souza stated he had not seen the final version of the “quiet zone” report, noting if it was available he would provide the information. He requested Council contact his office where there was a situation regarding the Public Records Act.

COUNCILMEMBER STERLING: (1) Expressed concern with the possible lay off of temporary employees in Parks and Recreation. (2) Thanked President Perea for starting the process of creating a legislative body to pursue opportunities to participate in the initiatives and programs for more funding for the City, stressing the manner should be done in a way not to infringe on the Brown Act.

APPROVE AGENDA:

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

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

ADOPT CONSENT CALENDAR:

B. RESOLUTION NO. 2007- 140 – AUTHORIZING ONE-YEAR REQUIREMENTS CONTRACT WITH TWO (2) ONE-YEAR RENEWALS FOR TWENTY CLEAIRE LONGVIEW EXHAUST AFTER-TREATMENT DEVICES FROM CUMMINS WEST INC. OF FRESNO, CA. IN AN AMOUNT NOT TO EXCEED \$430,769.60 FOR YEAR ONE WITHOUT ADVERTISED COMPETITIVE BIDDING – GENERAL SERVICES DEPT./FLEET MGMT.

C. * RESOLUTION NO. 2007-141– CONSENTING TO AND AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND (LAIF) IN THE CUSTODY OF THE STATE TREASURER FOR PURPOSES OF INVESTMENT, AND AUTHORIZING CERTAIN FINANCE OFFICERS IN CONNECTION THEREWITH – FINANCE DEPARTMENT

D. ITEM REMOVED FROM THE AGENDA

E. * AWARD A CONTRACT IN THE AMOUNT OF \$277,200 TO MADCO ELECTRIC, INC. OF SELMA FOR THE MODIFICATION OF AN EXISTING TRAFFIC SIGNAL FOR LEFT TURN PHASING AT THE INTERSECTION OF MAPLE AND SHIELDS AVENUES – PUBLIC WORKS DEPT. (LOCATED IN DISTRICT NO. 4)

F. RESOLUTION NO. 2007-142- APPROVING THE SUMMARY VACATION OF A PORTION OF AN EASEMENT FOR FUTURE STREET PURPOSES LOCATED IN PARCEL “A” OF PARCEL MAP NO. 71-19 LOCATED EAST OF ARMSTRONG AVENUE NORTH OF DAKOTA AVENUE – (LOCATED IN DISTRICT NO. 4) - PUBLIC WORKS DEPARTMENT

G. ITEM REMOVED FROM THE AGENDA

H. * RESOLUTION NO. 2007- 143 – 67TH AMENDMENT TO AAR NO. 2006-283 APPROPRIATING \$3,800 IN THE GENERAL FUND FROM A DONATION FROM CHUKCHANSI GOLD RESORT AND CASINO TO PURCHASE SUPPLIES AND AWARDS FOR THE INAUGURAL MAYOR'S CUP CO-ED SOFTBALL TOURNAMENT (*REQUIRES 5 AFFIRMATIVE VOTES*) – PR&CS

I. * AWARD A ONE-YEAR REQUIREMENTS CONTRACT WITH PROVISIONS FOR TWO ONE-YEAR EXTENSIONS TO UNIVAR USA, INC. IN THE AMOUNT OF \$327,207.44 FOR BULK SODIUM HYDROXIDE (CAUSTIC SODA) – DEPARTMENT OF PUBLIC UTILITIES

J.* AWARD A ONE-YEAR REQUIREMENTS CONTRACT WITH PROVISIONS FOR TWO ONE-YEAR EXTENSIONS TO BOC GASSES IN THE AMOUNT OF \$146,258.62 FOR BULK LIQUID OXYGEN - DEPARTMENT OF PUBLIC UTILITIES

K. RESOLUTION NO. 2007-144 - APPROVE APPLICATION FOR AND ACCEPTANCE OF STATE OF CALIFORNIA DEPARTMENT OF HOMELAND SECURITY URBAN AREA SECURITY INITIATIVE GRANT AWARD FOR \$620,400 AND AUTHORIZE THE FIRE CHIEF TO COMPLETE ALL REQUIRED DOCUMENTS – FIRE DEPARTMENT

1. * RESOLUTION NO. 2007-145 - 71ST AMENDMENT TO AAR NO. 2006-253 APPROPRIATING \$620,400 OF FY 2004 GRANT FUNDS TO THE FIRE DEPARTMENT TO PROVIDE HAZARDOUS MATERIALS TEAM EQUIPMENT AND HAZARDOUS MATERIALS RESPONSE VEHICLE (*REQUIRES 5 AFFIRMATIVE VOTES*)

L. * APPROVE A LEASE TO PROVIDE FOR THE RELOCATION OF THE FIRE DEPARTMENT ADMINISTRATIVE HEADQUARTERS FROM 450 “M” STREET TO 903 “H” STREET AND AUTHORIZE THE CITY MANAGER TO SIGN THE LEASE – FIRE DEPARTMENT

M. RESOLUTION NO. 2007-146 - APPROVING APPLICATION FOR RETROACTIVE AMENDMENT AND EXPANSION OF FRESNO ENTERPRISE ZONE TO INCLUDE AGI PUBLISHING, INC., FROM AND AFTER JULY 22, 1997 (APN: 49 429 404) (1850 N. GATEWAY BLVD.) AND APRIL 18, 2003 (APN: 49 429 403) (1900 N. GATEWAY BLVD.) ALLOTMENT OF EXPANSION ACREAGE, AND AUTHORIZING SUBMITTAL TO THE STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT OF DOCUMENTS AND INSTRUMENTS, AND RATIFICATION OF THE RELATED PREVIOUSLY APPROVED/CERTIFIED AGI EMPLOYEE HIRING CREDIT VOUCHER UPON APPROVAL OF THE AGI APPLICATION BY HCD - ECONOMIC DEVELOPMENT DEPARTMENT

N. BILL - (*FOR INTRODUCTION*) – AMENDING SUBSECTION 12-306-N-56 TO THE FRESNO MUNICIPAL CODE RELATING TO THE DEFINITION OF MEDICAL MARIJUANA DISPENSARIES AND COOPERATIVES – PLANNING AND DEVELOPMENT DEPT. (*CONTINUE TO APRIL 24, 2007*)

On motion of Councilmember Westerlund, seconded by Councilmember Dages, 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 MR. ROBERT LEE MORRIS TO DISCUSS A PROPOSAL OF NEW CITY ORDINANCE REQUIRING BUSINESSES WHO PROFIT FROM SELLING ADULT MATERIAL TO KEEP SUCH CONTENT COVERED AND OUT OF VIEW TO THE PUBLIC

Not present when called. (Appeared later in the meeting.)

(9:15 A.M. A) * RESOLUTION – TO DIRECT STAFF TO INSTALL AND MAINTAIN, FOR A PERIOD OF NINE (9) MONTHS, TWO (2) TEMPORARY PORTABLE RESTROOMS AND A TRASH DUMPSTER AT THE HOMELESS CAMP UNDER THE MONTEREY STREET OVERPASS ON “H” STREET AT THE SOUTHERN PACIFIC TRACKS – COUNCILMEMBERS DUNCAN AND STERLING

Councilmember Duncan stated his appreciation for the support of the resolution to the homeless situation and acknowledged by working together more things get accomplished. City Manager Souza stated over the last couple of weeks staff had been working with the Poverello House, the Fresno Rescue Mission and Fresno County to identify a holistic approach to the homeless situation and noted a solution had been reached but could not go into detail at the present time, advising the City would continue to work with the County for a long term solution.

Councilmember Duncan stated significant progress had been made and Mayor Atry and Supervisor Waterston would be holding a press conference this afternoon to announce a program. Councilmember Duncan noted he would pull the item from the agenda because it was no longer needed.

Councilmember Sterling thanked staff for addressing the concerns of the homeless and requested action take place within 30 days with Mr. Souza responding. She stressed the importance of meeting with the County to address a permanent solution available to the homeless, noting the necessity of a good Master Plan.

Councilmember Calhoun expressed concern with listening to public testimony due to the item being removed from the agenda. Councilmember Duncan stated the item had not yet been withdrawn, noting it would be removed from the agenda after public testimony. City Attorney Sanchez stated there had been no formal action to withdraw the item and therefore the public was entitled to comment on the resolution and the discussion by Council. Councilmember Calhoun stated it was unfair because there was information being withheld that was going to be announced this afternoon, advising it would be appropriate to withdraw the item, have the press conference and at that time Council address the issue. Councilmember Duncan recommended removing the item from the agenda after listening to public testimony. Councilmember Calhoun reiterated his concern with the discussion being unfair due to the lack of information.

Councilmember Duncan stated Council needed to listen to the public, advising after testimony he would make a motion to continue to item to 2:30 p.m. for discussion after the press conference.

Speaking in support: Diane Corbin, 4843 N. Thesta Street discussed the rights of the homeless and questioned why there were no non-religious facilities or programs for the homeless and questioned if the City had applied for any funding for assistance; Leonard Adams, 217 W. Kearney Blvd. stated he was homeless several years ago and offered his assistance; Sandy Perry, 80 S. 5th Street, Cham Deliverance Ministry, San Jose, spoke of housing and health care; Sara Hedgepeth-Harris, 5445 E. Lane, Fresno Housing Alliance and League of Women Voters, stated there was a multitude of reasons why people were homeless and they deserved shelter and basic services; Jose Luis Barraza, 4243 E. Thomas, spoke in support of helping the homeless with mental health issues, Satish Chambenker, 605 Mayfair Avenue; Chuck Kruegman, 1237 F Street, stated he had seen a major decrease in assisting the homeless, adding providing shelter for people in need during the freeze was a positive move; Juliardo Togotogo, Community Homeless Alliance Ministry, San Jose, spoke of being homeless 5 years ago due to becoming disabled, noting providing portable restrooms was a good starting point in assisting the homeless; Giselle Cantu, 933 S. Thorne, spoke of police negligence.

Councilmember Duncan stated the City was working with the County to schedule a joint meeting which was the first step to obtain Proposition 1-C funds which was a community based strategy.

A motion to continue the item was acted upon after discussion.

Councilmember Westerlund stated he had distributed an article to Council from the Urban Land Institute Magazine regarding a longer term strategy where Portland Oregon had opened a twelve-story, 81,000 square feet, transition affordable housing project and elaborated.

(3-0) On motion of Councilmember Duncan, seconded by Councilmember Sterling, duly carried, RESOLVED, the above entitled agenda item continued to 2:30 p.m. for further discussion, by the following vote:

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

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

Franz Weinschenk, 4515 E. Pico, stated Earth Day would be celebrated this Saturday, noting he had appeared before Council last year requesting the City join the U.S. Mayor's Climate Protection Agreement, advising the City became the number 405th City to do so and reviewed several projects occurring to reduce greenhouse gas emissions. Councilmember Westerlund noted the Council approved solar power for the Airport and reviewed a consent item Council approved today to purchase 20

Claire Longview Exhaust After-Treatment devices to reduce emissions from diesel on City trucks. Councilmember Sterling noted a greenhouse was just dedicated in the City and stated the City was well on their way to keeping the City healthy.

(9:15 A.M. B) DISCUSSION REGARDING APPOINTMENT OF A JOINT FRESNO CITY AND COUNTY COMMITTEE FOR THE PURPOSE OF ESTABLISHING A LITTLE HOOVER COMMISSION FOR EFFICIENCY IN GOVERNMENT – COUNCILMEMBER CALHOUN

Councilmember Calhoun stated the City was continuing to grow, noting 15 years ago the Little Hoover Commission was formed and the recommendations that came out of the process was advantageous. He requested the County and City appoint a committee to establish a commission for efficiency in government services as well as air and water quality. Councilmember Calhoun read the staff report, reviewed the tasks of the commission and noted a correction needed to be made to replace Senator Jim Costa with Assemblyman Juan Arambula and Mike Villines. He noted the City would need to approve the resolution first, then submit it to the County for approval, and if approved, a committee would be nominated and in turn they would make the appointments to the commission and would work very closely with the Council and Board of Supervisors.

Councilmember Duncan advised past problems have been resolved jointly with the County, noting this was a logical next step and stressed if this was to move forward, the City needed support from the County prior to the City's action on the resolution. Councilmember Dages questioned whether the County knew about the resolution with Councilmember Calhoun stating the County had not been informed yet. Acting President Xiong questioned whether there was an evaluation since the last commission was established with Councilmember Calhoun responding. President Perea spoke in support of the resolution.

Brief discussion ensued regarding moving forward with the item. Councilmember Westerlund stated there had been past issues between the City and County and the governance, noting he did not find any significance in the resolution, advising there had been a joint effort on the consolidation of certain services of the Sheriff's Department and the Police Department, and with the Fresno Unified School District, noting the City would be meeting with the County to discuss the homeless issue, stating without a big desire on the Board of Supervisor's part to move forward, he could not support the resolution. He expressed concern with the County not being contacted yet. Councilmember Calhoun stressed the importance of public input, noting he had heard no disagreement from the County regarding the resolution and advised he would take the opportunity to approach the County for their approval.

(3-0) On motion of Councilmember Calhoun, seconded by President Perea, duly carried, RESOLVED, staff directed to return to Council on April 24, 2007, with a resolution regarding the appointment of a joint Fresno City and County Committee for the purpose of establishing a Little Hoover Commission for efficiency in government and return to Council for approval, by the following vote:

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

(9:15 A.M. C) DIRECT CITY MANAGER TO IMPLEMENT A MEDIAN ISLAND ADOPTION PROGRAM TO ENABLE BUSINESSES TO ADOPT A MEDIAN ISLAND – COUNCILMEMBER DAGES

Councilmember Dages stated a shopping center owner in southeast Fresno questioned whether the people who took care of his shopping center could also maintain the median island, and after discussions with the City Attorney's Office was advised, due to legal issues, the City could not allow it. Councilmember Dages stated he had had discussions with Assistant City Manager Ruiz, who created a solution to allow the owner to have his landscape crew maintain the median island on a weekly basis, and in turn, the City would put up a sign as to who was maintaining the median island. Councilmember Dages stated the owner would take care of the maintenance, re-planting and the sprinkler repair with the stipulation the timers would be left alone. Mr. Ruiz stated he would continue to work on spreading the pilot program to the entire City. Councilmember Dages stated a resolution would be brought forward in the near future. Councilmember Westerlund concurred with the program, stating it would be a better program to not only maintain the islands, but to invest money into upgrading the median islands. Councilmember Dages withdrew his direction.

(9:15 A.M. D) RESOLUTION NO. 2007-147 - SUPPORTING SB59, THE RELIABLE WATER SUPPLY BOND AND FINANCING ACT OF 2008 AS WELL AS ADDITIONAL SAN JOAQUIN RIVER SURFACE WATER STORAGE (THE TEMPERANCE FLAT DAM PROJECT) – COUNCIL PRESIDENT PEREA

President Perea gave a brief overview of the resolution, stating he had taken a trip to Sacramento to lobby on behalf of SB 59, and the Friant Water Users Authority requested it be placed on the City's agenda as the first committee hearing on the bill would be held next week. Councilmember Dages spoke in support and emphasized water was a very important commodity with Councilmember Duncan concurring, stating the City needed alternatives and stressed the importance of finding a way for more storage and distribution systems.

On motion of President Perea, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Resolution No. 2007-147 hereby adopted, by the following vote:

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

(9:55 A.M.) PROVIDE AN UPDATE ON THE ROTARY PLAYLAND/STORYLAND BY BARRY FALKE, DIRECTOR – COUNCILMEMBER STERLING

Councilmember Sterling stated there had been numerous improvements and developments that had taken place and recognized the good job of the Parks Department.

Barry Falke stated the process was started ten months ago; advised the importance of the mission of these types of parks was to provide affordable entertainment for families; thanked Council for approving the funding last year and stating a new vision had been created due to several significant changes being completed which had increased park attendance and revenue. He advised staff was working very hard on fund raising efforts, noting the \$100,000 match by the City had assisted and the park had submitted over \$52,000 to be matched thus far this year. Mr. Falke stated during off season staff continue to create a world class guest service experience for anyone entering Storyland/Playland, noting the park was in a great location. **(4-0)** He stated staff was going to get ready to launch a serious capital campaign to raise several million dollars and requested Council consider a City match program in the next budget year. Mr. Falke stated the park was not asking for insurance money or operating expenses, that the match would provide for capital expenses to make the park a destination and advised the Master Plan would be completed by June, 2007.

Councilmember Sterling expressed concern with people being turned away during a holiday season due to the park being at full capacity, stating the incident could be good and bad, with Parks, Recreation and Community Services Director Cooper advising the holiday was Mother's Day and staff was looking into how to better handle crowds of that nature, noting it involved amending the Master Plan and the cost issues involved. Mr. Cooper noted people waited an hour and a half to enter the zoo for the sting ray exhibit.

Councilmember Dages commended the theme of "destination point" for tourism and thanked Councilmember Duncan for bringing the match program to Council for approval. Councilmember Duncan questioned the corporate sponsorship and recommended working on sponsors for all the rides and exhibits. President Perea commended staff for a great job and spoke in support of the continued match program.

**(10:00 A.M.) HEARING TO CONSIDER REZONE APPLICATION NO. R-06-19, AND ENVIRONMENTAL FINDINGS, FILED BY QUAD KNOFF, ON BEHALF OF TEAM 5 PROPERTIES, PERTAINING TO APPROXIMATELY 2.3 ACRES OF PROPERTY LOCATED ON THE EAST SIDE OF N. CHESTNUT AVENUE BETWEEN E. TEAGUE AND E. SHEPHERD AVENUES (*PROPERTY LOCATED IN DISTRICT 6*) – PLANNING & DEVELOPMENT DEPARTMENT
**A. CONSIDER AND ADOPT ENVIRONMENTAL ASSESSMENT NO. R-06-19/T-5581/C-06-63, DETERMINATION OF INITIAL STUDY TO FILE A FINDING OF CONFORMITY TO MEIR 10130 FOR THE 2025 FRESNO GENERAL PLAN
B. BILLNO. B-36 – ORDINANCE NO. 2007-36 – AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT PROPERTY FROM THE R-A/UGM(SINGLE FAMILY RESIDENTIAL-AGRICULTURAL/URBAN GROWTH MANAGEMENT) ZONE DISTRICT TO THE R-1/UGM(SINGLE FAMILY RESIDENTIAL/URBAN GROWTH MANAGEMENT) ZONE DISTRICT (*INCORRECTLY SHOWN AS SUBJECT TO MAYOR'S VETO ON AGENDA*)****

President Perea announced the time had arrived to consider the issue and opened the hearing. Planning Manager Unruh advised the staff report as submitted was complete and there was no new information to add.

Susan Glading, Quad Knopf, Inc. provided enlarged photographs of the project and also a colored photograph of the site. Councilmember Duncan stated this was an incredible project which provided 14-units, all unique and individual on only 2.3 acres.

Councilmember Westerlund stated the design was by Peter Calthorpe and suggested this same type of project for the 15 miles of the southeast growth area. President Perea stated these types of projects set the standard for other projects, noting if a similar project was built in higher densities it would most likely be approved.

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

On motion of Councilmember Duncan, seconded by Councilmember Westerlund, duly carried, RESOLVED, the finding for the above entitled E.A. hereby approved, and the above entitled Bill No. B-36 adopted as Ordinance No. 2007-36 by the following vote:

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

(10:10 A.M.) HEARING TO CONSIDER REZONE APPLICATION NO. R-06-38, AND ENVIRONMENTAL FINDINGS, FILED BY YAMABE AND HORN ON BEHALF OF LEROY KRUM, PERTAINING TO APPROXIMATELY 19.4 ACRES OF PROPERTY LOCATED ON THE NORTHEAST CORNER OF E. BUTLER AND S. ARMSTRONG AVENUES (PROPERTY LOCATED IN DISTRICT 5) – PLANNING & DEVELOPMENT DEPARTMENT

(A.) CONSIDER AND ADOPT ENVIRONMENTAL ASSESSMENT NO. R-06-38, DETERMINATION OF INITIAL STUDY TO FILE A FINDING OF CONFORMITY TO MEIR 10130 FOR THE 2025 FRESNO GENERAL PLAN

(B.) BILL NO. B-37 - ORDINANCE NO. 2007-37– AMENDING THE OFFICIAL ZONE MAP TO REZONE THE SUBJECT PROPERTY FROM THE AE-20(SINGLE FAMILY RESIDENTIAL/URBAN GROWTH MANAGEMENT) ZONE DISTRICT TO THE R-1/UGM(SINGLE FAMILY RESIDENTIAL/URBAN GROWTH MANAGEMENT) ZONE DISTRICT (INCORRECTLY SHOWN AS SUBJECT TO MAYOR’S VETO ON AGENDA)

President Perea announced the time had arrived to consider the issue and opened the hearing. Planner Singh advised the staff report as submitted was complete and there was no new information to add.

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

On motion of Councilmember Dages, seconded by Councilmember Westerlund, duly carried, RESOLVED, the finding for the above entitled E.A. hereby approved, and the above entitled Bill No. B-37 adopted as Ordinance No. 2007-37, by the following vote:

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

(10:15 A.M.#1) HEARING – BILL (FOR INTRODUCTION) – TEXT AMENDMENT APPLICATION NO. TA-06-03A, AND ENVIRONMENTAL FINDINGS, INITIATED BY THE PLANNING AND DEVELOPMENT DEPARTMENT DIRECTOR, RELATING TO NOTICING HEARINGS FOR REZONE APPLICATIONS

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

Project Manager Unruh stated the proposed code amendment was in conjunction with the City’s effort to embark on proactive annexation and rezoning programs and was developed on the advice of the City Attorney’s Office based on provisions of State law on mass noticing of larger rezoning. Mr. Unruh stated this was being proposed as a reasonable strategy, advising there were concerns about this type of noticing. Project Manager Stiglich gave a brief review of the staff report, stating the proposed text amendment states if there were 1,000 property owners affected, the alternative method would be to publish three consecutive days in the local newspaper, advising if there were more than 500 people and less than a 1,000 the hearing would be published twice in the paper and elaborated. Mr. Stiglich stated in order for more access to the notice, staff could also post the notice near a place where there was heavy foot travel, such as a library.

Councilmember Duncan recommended the notice be posted on the City of Fresno’s website on a regular basis as well as the local newspaper .

A motion to approve was acted upon after discussion.

Councilmember Westerlund stated there had been incidents in the last couple of years where affected property owners were just noticed three weeks ago prior to the hearing, expressing concern with the number going up significantly if the hearing was only published on the website and the newspaper two or three times. Councilmember Westerlund requested clarification of notices for vacant parcels and Plan Amendments versus Rezone Applications. Extensive discussion ensued regarding noticing

procedures for larger annexations of 150 acres or more with Deputy City Attorney Phelan stating after the text amendment was adopted if there were more than 500 or 1,000 people involved a mailed notice would not be necessary, only two publications in a local newspaper. Councilmember Westerlund expressed concern with the lack of noticing and stated he could not support the text amendment at the present time. Mr. Unruh clarified Local Agency Formation Commission of Fresno County (LAFCO) would notify the property owners of an annexation, stating the pre-zoning was run independently and the City was now required to pre-zone properties. Councilmember Westerlund requested the item be continued for the purpose of receiving additional clarification.

Councilmember Calhoun stressed the importance of proper noticing to affected property owners, stating it was the City's responsibility, adding he could not support it with President Perea concurring.

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

A motion of Councilmember Duncan, seconded by Councilmember Sterling, to introduce the above entitled Bill failed by the following vote:

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

(10:15 A.M. #2) CONTINUED HEARING TO ANNEX FINAL TRACT NO. 5482 TO THE CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 11, ANNEXATION NO. 16 (PROPERTY LOCATED IN DISTRICT 5) – PUBLIC WORKS DEPARTMENT

A. RESOLUTION NO. 2007-148 - ANNEXING TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 11 AND AUTHORIZING THE LEVY OF A SPECIAL TAX

B. RESOLUTION NO. 2007 – 149 - CALLING SPECIAL MAILED-BALLOT ELECTION

C. RESOLUTION NO. 2007-150 - DECLARING ELECTION RESULTS

D. * BILL NO. B-38 - ORDINANCE NO. 2007-38- LEVYING A SPECIAL TAX FOR THE PROPERTY TAX YEAR 2006-2007 AND FUTURE TAX YEARS WITHIN AND RELATING TO COMMUNITY FACILITIES DISTRICT NO. 11, ANNEXATION NO. 16

President Perea announced the time had arrived to consider the issue and opened the hearing. Chief Technician Witzel advised the staff report as submitted was complete and there was no new information to add.

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

On motion of Councilmember Dages, seconded by Councilmember Westerlund, duly carried, RESOLVED, the above entitled Resolution Nos. 2007-148, 2007-149 and 2007-150 hereby adopted, and the above entitled Bill No. B-38 adopted as Ordinance No. 2007-38, by the following vote:

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

(10:35 A.M. A.) * RESOLUTION NO. 2007-151 – AUTHORIZING AND APPROVING THE BORROWING OF FUNDS FOR FISCAL YEAR 2007-2008; THE ISSUANCE AND SALE IN AN AMOUNT NOT TO EXCEED \$50,000,000 OF A 2007 TAX REVENUE ANTICIPATION NOTE THEREFORE AND PARTICIPATION IN THE CALIFORNIA COMMUNITIES CASH FLOW FINANCING PROGRAM – FINANCE DEPARTMENT

Finance Controller Rousseau gave a brief overview of the staff report and recommended approval.

On motion of Councilmember Westerlund, seconded by Councilmember President Perea, duly carried, RESOLVED, the above entitled Resolution No. 2007-151 hereby adopted, by the following vote:

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

(10:35 A.M. B) RESOLUTION NO. 2007-152 - AUTHORIZING SUBMITTAL OF GRANT APPLICATION AND ACCEPTANCE OF FUNDING UNDER THE FEDERAL LAND AND WATER CONSERVATION FUND (LWCF) FOR THE CONSTRUCTION OF TWO LARGE 40-FOOT SHADED PAVILIONS, SCATTERED PICNIC TABLES/BARBECUES, ASSOCIATED WALKWAYS AND TREES AT THE UNIVERSALLY ACCESSIBLE PARK LOCATED AT GETTYSBURG NEAR POLK AVENUES – PR&CS

Parks, Recreation and Community Services Director Cooper stated the theme was “Destination Fresno” and the park listed above was a universal accessible park which was the only one of it’s kind in the nation where it would join the “Miracle League Destination” in Fresno. Mr. Cooper stated the completion date was December, 31, 2008, and reviewed several companies who were going to donate their services, and showed a diagram of the park. Mr. Cooper distributed a Destination Fresno 59-page power point to Council.

Councilmember Xiong spoke in support of the project and made a motion which was acted upon after discussion. Councilmember Calhoun expressed concern with Council’s adoption of the Chamber of Commerce phrase for Fresno as being the “New Frontier” and questioned why Destination Fresno was being promoted with City Manager Souza stating this was a reference PR&CS used for the services they were providing. Councilmember Calhoun stressed the need to have a common branding theme.

(5-0) President Perea questioned the total development amount of \$7.2 million and whether this project was part the bonding issue brought before Council with Mr. Cooper responding. President Perea recommended providing a line item in the budget for the project and spoke in support. Mr. Cooper stated Destination Fresno was only a mission statement for the Parks Department in order to make Fresno a destination.

On motion of Acting President Xiong, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2007-152 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 MR. ROBERT LEE MORRIS TO DISCUSS A PROPOSAL OF NEW CITY ORDINANCE REQUIRING BUSINESSES WHO PROFIT FROM SELLING ADULT MATERIAL TO KEEP SUCH CONTENT COVERED AND OUT OF VIEW TO THE PUBLIC (WAS NOT PRESENT WHEN CALLED EARLIER)

Mr. Morris stated he entered a local liquor store with his young children where explicit adult magazines were openly displayed to the public and expressed concern with the need to cover the material to protect young children. President Perea questioned whether an analysis could be done with City Attorney Sanchez stating his office would return with a report in two weeks. At the hour of 11:56 a.m. Councilmember Calhoun left the meeting and returned at 2:00 p.m. Councilmember Sterling recommended continuing looking at adult book stores and possible inclusion in the Fresno Municipal Code. Councilmember Dages recommended Mr. Morris be kept advised of the next discussion.

LUNCH – 12:00 P.M. – 2:00 P.M.

2:00 P.M. #1 CONTESTED CONSENT CALENDAR

A. * RESOLUTION NO. 2007-153 – 69TH AMENDMENT TO AAR NO. 2006-253 APPROPRIATING \$200,000 FROM THE GENERAL FUND CAPITAL IMPROVEMENT FOR THE REPLACEMENT OF THE 911 COMMUNICATION CENTER RUPS (*REQUIRES 5 AFFIRMATIVE VOTES*) - POLICE DEPT

Acting President Xiong questioned staff's recommendation where it stated "to accept staff's recommendation and appropriate \$200,000," noting the report also stated there was no impact to the General Fund. Police Chief Dyer stated this was only a transfer of funds appropriated for money designated for the completion of the replacement of the Memorial Auditorium roof, noting it was a transfer from the roof project to the Police Department. Acting President Xiong questioned why there was a long period of time between the finding and the request for the purchase with Chief Dyer responding. Chief Dyer emphasized the purchase needed to take place this fiscal year due to there were no replacement parts for the current RUPS system which could run

the risk of damaging the current equipment due to dirty power supply. He advised the RUPS system acted as a filter, noting there was a risk of not being able to get some of the computer-aided calls out to the field in a timely fashion. Acting President Xiong questioned the bid process with City Manager Souza stating the City piggy-backed on Cal Mass, noting \$200,000 was left over from the completion of the Memorial Auditorium roof project and requested Council approve the transfer of funds in order to prevent the risk of the system going down.

Councilmember Calhoun expressed concern with the lack of clarity in the report; stating there needed to be more detail about the bid process and how the funds were coming from Parks Department, advising if more information was provided, the item would not have been pulled for discussion.

A motion to approve was acted upon after discussion.

Councilmember Westerlund questioned whether the system would be a permanent fixture to the building with Chief Dyer stating the system could be transferred as well as enhanced. Brief discussion ensued regarding salary savings, the status of the Police Department's budget and the FPOA contract.

On motion of Acting President Xiong, seconded by Councilmember Dages, duly carried, RESOLVED, the above entitled Resolution No. 2007-153 hereby adopted, by the following vote:

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

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A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION – GOVERNMENT CODE SECTION 54957
TITLE: CITY ATTORNEY

The City Council met in closed session in Room 2125 at the hour of 2:21 p.m. to consider the above matter and reconvened in regular session at 2:52 p.m.

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(2:30 P.M.) * RESOLUTION – TO DIRECT STAFF TO INSTALL AND MAINTAIN, FOR A PERIOD OF NINE (9) MONTHS, TWO (2) TEMPORARY PORTABLE RESTROOMS AND A TRASH DUMPSTER AT THE HOMELESS CAMP UNDER THE MONTEREY STREET OVERPASS ON "H" STREET AT THE SOUTHERN PACIFIC TRACKS – COUNCILMEMBERS DUNCAN AND STERLING (CONTINUED FROM 9:15 A.M.)

City Manager Souza stated a meeting was held at 1:00 p.m. with the City Manager's Office, Councilmembers Duncan, Sterling and Acting President Xiong, and Supervisor Bob Waterston where they discussed identifying a location within the area of the Poverello House and the Rescue Mission to create a safe place where the homeless would have portable restrooms and garbage facilities available to them, noting they were in the process of having a trailer on-site to be staffed for health services to in order to reach a holistic approach to the situation. Mr. Souza added the Rescue Mission and the Poverello House will return within 30 days with a specific plan for implementation, noting staff was working on a plan to address the situation on an immediate basis.

Councilmember Duncan withdrew the item from the agenda due to it no longer being relevant.

Councilmember Westerlund questioned whether there would be fencing around the encampment, the County's Commitment, self-policing and the funding source with Mr. Souza responding, noting recommendations would be brought before Council within 45 – 60 days.

The City Council recessed at 3:01 p.m. and convened in joint session with the Redevelopment Agency.

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(3:00 P.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

APPROVE AGENCY MINUTES OF MARCH 20, 2007

On motion of President Perea, seconded by Councilmember Westerlund, duly carried, RESOLVED, the minutes of February 27, 2007, approved as submitted.

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(A) HEARING TO CONSIDER A RESOLUTION OF PUBLIC USE AND NECESSITY FOR ACQUISITION OF FEE TITLE FOR REDEVELOPMENT PURPOSES OF THE FOLLOWING PARCELS OF REAL PROPERTY REGARDING EMINENT DOMAIN, PROPERTY LOCATED AT 505 AND 525 "N" STREET IN THE CITY OF FRESNO: APN: 468-222-15 & 468-222-16, OWNED BY N STREET PROPERTY, LLC ("CALTRANS BUILDING") (REQUIRES 5 AFFIRMATIVE VOTES) (PROPERTY LOCATED IN DISTRICT 1) (AGENCY ACTION)

1. RESOLUTION NO. 1695 – THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE AND AUTHORIZE EMINENT DOMAIN FOR ACQUISITION OF FEE TITLE FOR REDEVELOPMENT PURPOSES FOR REAL PROPERTY LOCATED AT 505 AND 525 "N" STREET IN THE CITY OF FRESNO; APN: 468-222-15 & 468-222-16 (AGENCY ACTION)

President Perea announced the time had arrived to consider the issue and opened the hearing. Executive Director Murphey gave a review of the staff report, noting staff would continue to negotiate toward a settlement with the property owners and recommended approval.

Bill Brewer, 1690 W. Shaw, representing property owner, requested Council delay adoption of the resolution, stating staff was acquiring the property by June of this year and the property owners understood it to be a much later date, noting a solution could be met as to where the equipment could be stored rather than remove the buildings. Mr. Brewer stated their goal was to relocate the tenants and distributed a memorandum, on file in the City Clerk's Office.

(6-0) Upon call, no one else wished to be heard and President Perea closed the hearing.

Ms. Murphey reviewed the timing of the construction of the project, relocation of the tenants, the performance schedule of the Master Development Agreement, the Caltrans lease, the market value of the lease, stating the Agency sent out a formal offer which was not conditioned upon any term and noted if the resolution was not approved today the project might be in jeopardy of moving forward.

Councilmember Westerlund questioned the findings of public necessity, and appraisal value with Ms. Murphey responding. He also questioned whether the property owner received an updated appraisal prepared by Larry Hopper from October, 2006, and Ms. Murphey stated the property owner was given the executive summary. Councilmember Westerlund stated his understanding of the Disposition and Development Agreement (DD&A) necessitates the City move forward due to the need to turn the property over to the developer by December, 2007, which left no choice but to move forward and stressed the importance of the parties finding an amicable agreement.

On motion of Councilmember Westerlund, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Resolution No. 1695 hereby adopted, by the following vote:

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

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(C) APPROVE AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A PURCHASE AND SALES AGREEMENT FOR ANGELA'S LIQUOR STORE AT 1438 VENTURA STREET KNOWN AS ASSESSOR PARCEL NUMBER 467-085-17; OWNED BY THE ESTATE OF FLOYD L. WILLIAMS, DECEASED, WITHIN THE CHINATOWN EXPANDED REDEVELOPMENT PROJECT AREA (AGENCY ACTION)

Executive Director Murphey gave a brief overview of the staff report, stated the appraiser determined the widening itself only required 331 feet, a total take was necessary as the cost of improvements was greater than the total value of the remainder, noting to meet the required 331 feet, the building would have to be cut into making it cost ineffective to do anything less than purchase the entire building; reviewed the price of the property and recommended approval.

On motion of Councilmember Westerlund, seconded by President Perea, duly carried, RESOLVED, the Executive Director hereby authorized to enter into a Purchase and Sales Agreement for Angela's Liquor store located at 1438 Ventura Street known as Assessor Parcel Number 467-085-17 owned by the estate of Floyd L. Williams, deceased, within the Chinatown expanded Redevelopment Project Area, by the following vote:

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

(D) APPROVE AN OWNER PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO AND PYRAMID A-ONE, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR THE CONSTRUCTION OF A RESIDENTIAL HOUSING PROJECT AT 1830 "H" STREET (AGENCY ACTION)

Redevelopment Agency Consultant Bleth reviewed the staff report and recommended approval.

Speaking in support was Jeff Roberts, Pyramid A-One LLC, 1396 W. Herndon Avenue, Suite 101, stating the property was currently under construction and loans like this helped the project move forward with better confidence. Mr. Bleth noted there would be twenty-six units constructed and emphasized six of the units would be designated as affordable housing.

Councilmember Westerlund questioned the dollar per square foot for one bedroom versus two bedrooms with Mr. Roberts responding.

A motion to approve was acted upon after discussion. Councilmember Sterling thanked all involved and emphasized the importance of providing housing downtown and for including the affordable housing element.

On motion of Councilmember President Perea, seconded by Councilmember Westerlund, duly carried, RESOLVED, the Owner Participation Agreement between the Redevelopment Agency of the City of Fresno and Pyramid A-One, a California Limited Liability Company, in the amount of \$300,000 to assist in the construction of a residential housing project at 1830 "H" Street hereby approved, by the following vote:

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

(B) DIRECTION TO STAFF TO IDENTIFY A MINIMUM OF 1,000 ACRES OF CURRENT AND POTENTIAL INDUSTRIAL PROPERTY FOR SITE ACQUISITION OR CONTROL TO FACILITATE, SHOVEL, MARKET READY PROPERTY TO ENHANCE INDUSTRIAL SECTOR JOB GROWTH (COUNCIL AND AGENCY ACTION) – COUNCILMEMBER DAGES

Councilmember Dages stated he had met with a Fortune 100 company who was looking for two hundred acres to build a 500,000 square foot building and with the potential of hiring 400 people; stating Roeding Business Park was an ideal location except the City did not own or control the property, noting to identify such property would take an approximately 18 month to two year process to identify and purchase. He stated a small town called Patterson had such property and the City had the potential employees, advising he had discussed this matter with a realtor who stated if the City had 1,000 acres of shovel-ready property, the City could have easily made a sale and requested the Redevelopment Agency identify some property as well as the cost. Councilmember Dages stated the whole process would take at least two years and stressed the need to begin the process.

A motion to approve was acted upon after discussion.

Councilmember Sterling stated she would most likely be off the Council by the time this project was completed, noting if the process was begun it would set the future for the City; advising people looking for such property would also be in attendance at the next ICSC Conference. Executive Director Murphey stated staff would look into property within the Redevelopment Agency boundaries with industrial property potential, long range plans, the potential expansion of RDA areas within the City limits, and also at areas outside the City limits that, when annexed, could be designated as a Redevelopment Agency area.

Councilmember Duncan expressed concerns with the large amount of acreage involved the term "site acquisition and control" and the cost for the land as well as the infrastructure, stating the goal should be to encourage private investment and the importance of ensuring the market potential; advising there was no funding available to complete the Daniel Ronquillo Road.

Councilmember Duncan stated he would be in support if the motion was modified to eliminate the term “site acquisition and control,” with Councilmember Dages stating the City cannot get enough land assembled to accommodate developers because of the private ownership and recommended looking at eliminating the site acquisition, control and private ownership altogether.

Councilmember Calhoun questioned why the item was listed under the Redevelopment Agency, noting this was a broad issue. City Manager Souza stated there were not 1,000 available acres in the Redevelopment area and the City could continue working with the Economic Development Corporation (EDC) to identify acreage and work on how the City would balance the private sector, noting there were several options due to having good relations that the City did not have in the past. Councilmember Calhoun requested scheduling a workshop with the Redevelopment Agency, EDC and the City to provide guidance and direction prior to directing staff to locate acreage.

Councilmember Westerlund advised of being encouraged by the project and recommended the Redevelopment Agency, EDC and the City work together to develop a program to assist the private sector. **(7-0)** He noted the need to set up a shovel-ready program and gave an example of Granville Homes owning 80 acres on Shields and Fowler Avenues, stating this was a great site where the City could develop a program to assist the private sector in certifying this was a ready-shovel site which was pre-zoned, water sources identified, etc., noting this was a general direction that needed to occur, adding more jobs could be made available. Councilmember Sterling encouraged staff to move forward to identify available property.

On motion of Councilmember Westerlund, seconded by Councilmember Duncan, duly carried, RESOLVED, staff directed to identify a minimum of 1,000 acres of current and potential industrial property to facilitate, shovel, market ready property to enhance industrial sector job growth, by the following vote:

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

The joint bodies adjourned their meeting at 4:04 p.m. and the City Council reconvened in regular session.

(4:00 P.M.) HEARING TO CONSIDER THE “LAKE VIEW” CONDOMINIUM CONVERSION APPLICATION AND VESTING TENTATIVE TRACT MAP NOS. 5742 AND 5743, FILED BY UNITED DEVELOPMENT GROUP, INC., PERTAINING TO 8.87ACRES OF R-3 (MEDIUM DENSITY MULTIPLE FAMILY RESIDENTIAL) ZONED PROPERTY LOCATED ON THE NORTHWEST CORNER OF N. TEILMAN AVENUE AND W. GRIFFITH WAY (PROPERTY LOCATED IN DISTRICT 1)

A. CONSIDER AND ADOPT CATEGORICAL EXEMPTION FOR ENVIRONMENTAL ASSESSMENT NO. T-5742 AND T-5743

B. RESOLUTION NO. 2007-154 – APPROVING VESTING TENTATIVE TRACT MAP NO. 5742 PROPOSING THE CREATION OF A ONE COMMON LOT CONDOMINIUM MAP; AND THE CONVERSION OF THE “LAKE VIEW” MULTIPLE-FAMILY APARTMENT COMPLEX INTO A CONDOMINIUM OWNER-OCCUPIED COMPLEX

C. RESOLUTION NO. 2007-155 – APPROVING VESTING TENTATIVE TRACT MAP NO. 5743 PROPOSING THE CREATION OF A ONE COMMON LOT CONDOMINIUM MAP; AND THE CONVERSION OF THE “LAKE VIEW” MULTIPLE-FAMILY APARTMENT COMPLEX INTO A CONDOMINIUM OWNER-OCCUPIED COMPLEX

President Perea announced the time had arrived to consider the issue and opened the hearing. Planner Braun reviewed the staff report, provided an aerial view of the project; and reviewed the condominium conversion ordinance and various improvements required for condominiums to meet minimum standards. Mr. Braun stated the tenants were issued a notice to convert in March, 2006, and any tenant who moved in afterward was required to sign a form stating they were aware a conversion was in process as well as receiving a tenant relocation and assistance plan. Mr. Braun reviewed the Department of Housing and Urban Development (HUD) vouchers, noting the HUD contract was scheduled to expire in July 31, 2007, and at that time it would no longer be a HUD project, stressing there was concern the approval of the conversion would cause a displacement of special classes of tenants due to low-income people, and noted a requirement the City made was the developer not evict any of the tenants for at least one year after the HUD contract expired.

Dirk Poeschel, 923 Van Ness, representing the applicant, stated there were two components, one being condominium conversion and explained the conversion would create value for the property after the substantial remodeling was completed and the second being the HUD process, stating extra effort had been taken to make sure all the tenants understood the process. Mr. Poeschel stated a condition was offered to the tenants which was a year’s notice of the conversion in addition to an additional year of no conversion, and submitted a letter, on file in the City Clerk’s Office.

Sara Hedgepath-Harris, 5445 E. Lane, Fresno Housing Alliance and League of Women Voters, provided information regarding Section 8 Housing in Fresno, on file in the City Clerk's Office, and stressed the need for HUD to provide more housing and assistance for the low income, seniors and the disabled.

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

Upon questioning by Acting President Xiong, Mr. Poeschel stated the purpose of the condominium conversion was to create value to be reinvested back into the property, advising there had been meetings with the Housing Authority regarding a relocation and rehabilitation plan and it was agreed HUD would provide a voucher that would allow the tenants to return to the property or relocate to another property.

Ria Peralez, HUD, 2135 Fresno Street, Suite 100, stated once the owner of the property opted out, HUD would no longer be involved and whether or not Council approved the conversion, the tenants may use their enhanced vouchers which would put them in a better position when they move to another area. Dawn Golex, HUD, stated the subsidy the tenants were currently receiving was provided by HUD directly to the apartment owners and when converted, the funds used to subsidize the rent would roll to the Housing Authority where they would issue vouchers and the tenants would have the opportunity to stay at the property and use the voucher as an enhanced voucher.

Acting President Xiong expressed concern with how affordable housing was addressed, the impact on the residents and if the applicant did what they had to do or more than what was required, with Interim Planning and Development Director Bergthold advising the applicant had gone above and beyond the requirements. Mr. Bergthold reviewed some changes needed in the future regarding the same situation and the need to better manage the housing stock.

Extensive discussion ensued regarding the number of units involved, lifetime lease for seniors and the disabled, and enhanced vouchers. (8-0) Councilmember Sterling stated it appeared all the problems had been addressed and with the extension of the increased voucher indicated there were no disadvantages to the tenants. She also requested to be kept informed of the project.

At the hour of 4:48 p.m. Councilmember Duncan left briefly and returned at 4:53 p.m. Councilmember Westerlund questioned what HUD was doing to subsidize housing stock with Section 8 and/or the loan program with Ms. Golex responding. Ms. Peralez explained the process of how Section 202 and 811 housing programs functioned.

A motion to approve was acted upon after discussion.

Acting President Xiong thanked everyone involved in the project and stressed the importance of Council being notified sooner in order to keep and maintain more affordable homes and to be able to work with the owners.

On motion of Acting President Xiong, seconded by President Perea, duly carried, RESOLVED, the finding for the above entitled E.A. hereby approved, and the above entitled Resolution Nos. 2007-154 and 2007-155 hereby adopted, with the additional condition that the applicant/owner permit tenants with Enhanced Housing Vouchers to remain in their unit for a minimum of one year after the termination of the Department of Housing and urban Development (HUD) Housing voucher contract on the project, by the following vote:

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

ADJOURNMENT

There being no further business to bring before the City Council, the hour of 5:01 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

Cindy Bruer, Deputy City Clerk

