

**CITY OF WOODLAND
CITY HALL COUNCIL CHAMBERS
300 FIRST STREET
WOODLAND, CALIFORNIA**

MINUTES

**CITY COUNCIL
SPECIAL/CLOSED SESSION**

DECEMBER 14, 2010

5:00 P.M.

CLOSED SESSION - COUNCIL

At 5:00 p.m. Council held a Closed Session to confer with Real Property Negotiators pursuant to Section 54954.5 on a portion of Conaway Ranch and Water Resources. The Agency Negotiators were City Manager Deven and City Attorney Morris. The Negotiating Parties were the City of Woodland, the Woodland-Davis Clean Water Project Joint Powers Authority and Conaway Preservation Group. Under negotiation were the price and terms of payment. In attendance as this session were Mayor Pimentel, Vice Mayor Davies, Council Members Dote and Marble, City Manager Deven and City Attorney Morris.

**JOINT SPECIAL CITY COUNCIL/
WOODLAND FINANCE AUTHORITY/
REDEVELOPMENT AGENCY BOARD**

REGULAR SESSION

6:00 P.M.

CALL TO ORDER

At 6:00 p.m. Mayor Pimentel called the Joint Special City Council/Woodland Finance Authority/Redevelopment Agency Board meeting of the City Council to order.

CLOSED SESSION ANNOUNCEMENT

Mayor Pimentel stated that Council had met in closed session regarding property negotiation and had given direction to the Property Negotiator.

updated a/o 3/7/2012



PLEDGE OF ALLEGIANCE

Mayor Pimentel invited all in attendance to join in the Pledge of Allegiance led by Interim Fire Chief Sander.

ROLL CALL

Council Members Present: Skip Davies, Martie Dote, William Marble, Artemio Pimentel

Council Members Absent: Jeff Monroe

Staff Members Present: Mark Deven, Andrew Morris, Ana Gonzalez, Greg Meyer, Rick Sander, Dan Bellini, Lynn Johnson, Kim McKinney, Cynthia Shallit, Roberta Childers, Jamie McLeod, Paul Siegel, Cindy Norris, Heather Muller

COMMUNICATIONS-PUBLIC COMMENT

Leo Granados Gersalia said the rooms at the Community Senior Center are not affordable to most citizens.

Bobby Harris commented on the success of the flower baskets on Main Street, crediting Carla Bohon and her parents. He feels that Council allocations of the Measure E funds are incorrect that Council should reconsider those allocations. He said that Paul Petrovich as raised the rent at the Hoblit-Haynes building and that is typical for Mr. Petrovich.

Paul Petrovich said that Mr. Harris is incorrect and that he has not raised the rent at the Hoblit-Haynes building.

COMMUNICATIONS-COUNCIL/STAFF STATEMENTS AND REQUESTS

Vice Mayor Davies thanked everyone who put the Christmas parade together and it was a very successful event. Since the last Council meeting on December 7th he attended a LAFCO meeting.

Council Member Dote said she attended the Christmas parade and a meeting of the Woodland-Davis Clean Water Agency.



Council Member Marble reported that he and City Manager Deven had attended a League of California Cities meeting regarding problems facing California Cities and the challenges ahead of us. In March is the next Division meeting and there will be a discussion regarding Pension Reform. He thanked those who made the Christmas parade possible. He did attend the Woodland-Davis Clean Water Agency meeting where the Agency reemphasized their commitment to transparency in this process. The Multi-Party Agreements will be posted on the website and there will be an Open session meeting next week.

Mayor Pimentel also thanked everyone who helped out with the Christmas parade and commended the organizers.

MINUTES

On a motion by Council Member Dote, seconded by Council Member Davies and carried by the Members present, Council adopted the minutes of the July 6, 2010 City Council Reorganization meeting, the July 20, 2010 Regular City Council meeting, the August 19, 2010 Special City Council Closed Session and the August 24, 2010 Regular Adjourned City Council meeting as presented.

PRESENTATIONS

RESOLUTION OF COMMENDATION – CONCEPCION JOSE MOSQUEDA

On a motion by Council Member Dote, seconded by Council Member Marble and carried by the Members present, Council adopted a Resolution of Commendation honoring Concepcion Jose Mosqueda on achievement of his 100th birthday.

CONSENT CALENDAR

On a motion by Council Member Dote, seconded by Council Member Marble and carried unanimously, Council adopted the following Consent Calendar items as presented:

MONTHLY STATUS REPRT – FIRE DEPARTMENT

Council received the Monthly Status Report from Fire Department for October 2010.



RESOLUTION 5155 – EXTENDED PRODUCER RESPONSIBILITY

Council adopted Resolution 5155, a “Resolution of the City Council of the City of Woodland Supporting Extended Producer Responsibility”, which provides that the producers of products and inducing these producers to implement better produce design and production methods that reduce the toxicity and volume of the waste stream and ensure more efficient collection opportunities.

RESOLUTIN 5156 – YOLO ENERGY WATCH

Council adopted Resolution 5157, a “Resolution of the City Council of the City of Woodland Supporting the Yolo Energy Watch Program and Introducing the Program to the Woodland Community”, whereby a partnership between the County of Yolo, Cities of Yolo County and Pacific Gas and Electric cooperatively design and implement a plan to increase energy efficiency and save money on utility bills throughout the County.

RESOLUTION 5157 – BEACON AWARD PROGRAM

Council adopted Resolution 5157, a “Resolution of the City Council of the City of Woodland to Participate in the Beacon Award Program of the Institute for Local Government”, which provides for the California Climate Action Network to recognize California Cities and Counties for energy savings, greenhouse gas emissions reductions and the adoption of policies and programs to address climate change and promote sustainability.

ANNUAL MEASURE E REPORT – YEAR ENDING JUNE 30, 2010

Council approved the Annual Measure E Report for the Fiscal Year ending June 30, 2010 and directed Staff to publish the required excerpts of the Report.

PUBLIC HEARINGS

RESOLUTION 5158 – PARKING VIOLATION PENALIES

Police Chief Bellini said Council is being asked to adopt a Resolution to amend the parking penalties in an attempt to standardize and more closely align with those fines collected by neighboring Cities and recover State surcharge costs. We have not updated our fees since May of 2003. In January of 2009 the State



implemented the \$3.00 surcharge requiring Cities to transmit those funds to them. In December of 2010 the State mandated an additional \$3.00 surcharge. The Resolution recommendation would take into consideration these surcharges from the State.

Council Member Dote said you mentioned the surcharged from the State and asked if they are participating in any of the paperwork for this ticketing process. Chief Bellini said they are split up with some of them to the County, to the City and to the State. The State portion is for the construction of Courthouses and for a Trial Court Trust Fund.

Council Member Marble said it is intriguing that the California Vehicle Code is asking us to set comparable rates for these fees within each County.

Mayor Pimentel said that in relation to the Vehicle Code for citations and the ones that are in place now within our own Ordinances, how much will the new fines be raised? Chief Bellini said the spreadsheet indicates they range from \$5 to \$10. To be consistent with the other Cities we brought it up to \$5.00 rather than the full \$6. Mayor Pimentel said now for one hour parking it is \$30 and for two hours it is \$40 and asked if that will remain the same. Chief Bellini said the one hour parking will go to \$40, and two hours will be at \$45. Mayor Pimentel said he feels that these fines are hefty and asked how much the City receives. Chief Bellini does not know how much of the citation actually comes back to the City but he can provide the figure to you. However, these fines are divided into the three entities so it cannot be much. At no time are our fees greater than the other Cities.

At 6:31 p.m. Mayor Pimentel opened the Public Hearing. With no comments received, Mayor Pimentel closed the Public Hearing at 6:31 p.m.

On a motion by Council Member Marble, seconded by Council Member Dote and carried by the Members present, Council adopted Resolution 5158, a "Resolution to Amend Parking Violation Penalties" to update the fines to more closely align with those collected by neighboring Cities and recover State surcharge costs as described.

RESOLUTIONS 5159 AND 5160, ORDINANCE INTRODUCTION - CAL WEST INVESTORS – SPRING LAKE PLAN AMENDMENT

Principal Planner Norris said this item incorporates several actions, a rezone, a relocation of land uses, the elimination of an elementary school and an increase of 84 units. The project is located at on the West of Harry Lorenzo



Drive, East of Highway 113 and North of Farmers Central Road in somewhat of a triangular shaped piece of property.

Some of the highlights of the proposal include a Specific Plan amendment that would move the 8 acre park and 2 acre neighborhood commercial area to the Northwest corner of Harry Lorenzo Avenue and Farmer's Central Road and eliminate the elementary school. The other change would be to eliminate the R-5 zoning and increasing the R-8 and R-15 acreages.

Relating to the Financing Plan, the project includes 113 single family residential units and 60 multi-family units. The change would add 76 dwelling units to the project area.

In the original Community Facilities District this project site was not included. It is strongly recommended that this project now be included in the CFD. Should that option not be included, the City would be required to place additional restrictions on the area such as timing and use of fee credits, payback of first release and additional surcharge for utility connections.

The Development Agreements (DA) for this area are stipulated by the Spring Lake Specific Plan to have certain elements. When the DA were originally approved there were no stipulations requested, such as that for a Tentative Map. Once the request for a Tentative Map is received, the DA will need to be amended to include requirements to join the Community Facilities District and the Maintenance Facilities District and to act as a potential replacement site should a shortfall of units from Heidrick Ranch 1A and 1B be realized.

Council Member Marble asked if within this Agreement are they joining the CFD. Planner Norris said the applicant is agreeable to the conditions of approval.

Mayor Pimentel said the point of the commercial and school site going away. The Map, however, does not appear to indicate the R-5 zoning elimination. Planner Norris said the "D5" map has the existing and proposed. The commercial is remaining it is just moving. Mayor Pimentel said one of the Planning Commission concerns was that the R-15 was too close to the freeway. Is staff addressing that concern? Planner Norris said the Commission was less concerned about the closeness to the freeway but wanted it very closely scrutinized and evaluated for the buffering and the design of the buildings to minimize impacts.

At 6:39 p.m., Mayor Pimentel opened the Public Hearing.

David Taormino representing the Cal West Investors said they are generally in agreement with the proposal but want to discuss the bonds. His understanding that joining the Mello Roos District is that there will be financing.



There have been struggles with the LaNarr and want to be able to fund the project. They would like to get the Maps approved in January and to the Council sometime in March. By next fall we could then be actively marketing.

At 6:41 p.m. Mayor Pimentel closed the Public Hearing.

On a motion by Council Member Dote, seconded by Council Member Marble and carried by the Members present, Council adopted Resolution 5159, a "Resolution of the City Council of the City of Woodland Adopting CEQA EIR Addendum #7 to the Turn of the Century EIR and Approving the Spring Lake Amendment to the Spring Lake Plan"; Resolution 5160, "A Resolution of the City Council of the City of Woodland Amending the Sprung Lake Specific Plan Land Use Designation for Cal West Investors Project".

REDEVELOPMENT AGENCY REPORTS

DOWNTOWN THEATER PROJECT

Redevelopment and Housing Manager Shallit said the Request for Proposal was released on May 5, 2010 and received two proposals. One was from Petrovich Development Company for a project at 801 Main Street and the other was from RCI Development for the site of the existing State Theater at 322 Main Street. Neither proposal was as complete as necessary. The Selection Sub-Committee reviewed the proposals more carefully primarily due to financing. Petrovich Development Company has since withdrawn their proposal. Cinema West has informed the City they wish to purchase the 801 Main Street and construct their own facility without Agency or City financing. This sale would be contingent upon their ability to obtain entitlements. This would be a multi-plex facility. A full application has been received by the Community Development Department. The application must be processed. It meets all of the requirements under the various applicable codes. The two areas that need to be considered are the site plan and review and possibly an Environmental Impact Report. This process usually takes about 5 months to complete. Council will need to look at any recommendations from the Planning Commission and any request to alter any parking requirements.

It is anticipated that the Hoblit car dealership at that site may request some assistance to relocate their facility. We have no legal obligation to assist by the Council or Agency may wish to assist to keep them local. The cost help them relocate could be up to \$200,000.

Based upon these newly identified issues, the recommendation is to suspend the RFP process while the plan application process moves forward.



Pending the outcome of the process, Staff would return to the Council/Agency for direction. There has been a great community outpouring on behalf of the State Theater. It is therefore recommended that Staff work with the owners of the State Theater to restore that site for a viable use. An alternative would be to continue to look at the application for the 801 Main Street project, as well as, negotiate with RCI should the Cinema West application stall or fail to proceed. The third alternative is to terminate the downtown theater process and to cease processing the application from Cinema West.

The Agency started out with two excellent proposals for the downtown theater project and feel that the RFP was successful. Since one proposal has been withdrawn and the application has been legally filed, we are bound to process that application. The State Theater is a community asset and should be fully restored and utilized.

The Alternatives proposed are as follows with the Sub-Committee recommending Alternative 1:

1. Suspend the Downtown Theater Selection Process pending the outcome of the Cinema West project application and direct staff to work with the Friends of the State Theater and other interested parties to develop a plan to restore and reuse the State Theater.
2. Process the Cinema West application and direct staff to draft an Exclusive Negotiating Agreement with RCI that would be returned to the Agency Board for consideration in the event that a condition occurs that causes the Cinema West application to stall.
3. Terminate the Downtown Theater Selection Process and continue the required work on the Cinema West application.

Chairperson Pimentel would like to hear from the Sub-Committee and Vice Chairperson Davies said they were trying to get to the financial issues. There were moneys available but there were local matches required. There were opportunities for tax credits, escrow issues and none of that has ever come before the Sub-Committee. In the midst of all that, a clear project without any State, local or public funds involved so we must legally let the application move through the process. The Sub-Committee recommendation is Alternative 1, to "suspend the Downtown Theater Selection Process pending the outcome of the Cinema West project application and direct staff to work with the Friends of the State Theater and other interested parties to develop a plan to restore and reuse the State Theater". He would like to assist in those efforts but is not ready to go further at this time.



Board Member Dote said it was difficult to compare the two proposals. We had difficulty in receiving appropriate information. The submission of the Cinema West proposal has changed the scope. We cannot deny the proposal and if it does go ahead without requesting funding or variance, we will have no future input into that process. She would like to pull back and ask Staff to work with Mr. Caceres and others to find a use for that site and restoration.

Tim Kelly, Consultant, said he has been involved in the project from the beginning. His firm has had several years of work in this type of project for downtown theater projects. The RFP process was done well and received two very good responses. One of the first questions we asked was if there was a market for a movie theater. The response was that there was a need for a new state of the art theater in the City. The next step was to receive business proposals. The City/Agency needed to know what the proposals provide regarding the facility, parking, financing with a clear statement that this was the initial proposal. Both sites are good and the State has a strong emotional tie to the City. The 801 Main site is also a good site because it is in the heart of the downtown. Board Member Dote asked if the other proposal at 801 Main had stayed in the mix, were we at a point where a decision could have been made or a recommendation could have been made. Mr. Kelly said at the meeting in July they were not ready to make a recommendation.

Jim Hilliard, President of the Woodland Chamber of Commerce, said the Chamber 2 x 2 Committee has met with Council and agree with the Sub-Committee findings and urge the Council to accept them. The proposal is very viable. The Chamber would like to be involved in the State Theater process as well.

Bernadette Murray of Woodland said one of the entities involved is involved in negotiations with Chase Bank and wished that they had been willing to provide the same terms as they do for their loans. She understands there are significant economic issues to look at. There was an Advisory Committee to the Redevelopment Agency to look at an Implementation Plan for 2010-2014. They put many hours into the process and it was adopted. We are nearly halfway through the Plan timeline and have still not put a project together to use those funds. We want to use public money to address areas that are blighted. We are not being effective, efficient, or proactive in using the funds as approved. She is disappointed getting to this point as we have had two good proposals that are being stalled. People had volunteered to serve on an Advisory Committee and their recommendations are not being considered or utilized as approved.

Bill Hollingshead of Davis is with the Friends of the State Theater. He was born and raised in Woodland. He is here for historical research and for the support of the Theater. He wrote an article about the disappearing of the old



downtown. He listed many buildings that have been lost over the years. He would like to maintain the State Theater and stop some of those losses. He also has business experience in entertainment venues. He was to master plan, pull attractions into all portions of the facility. When he was growing up Main Street started at East Street and ended at West Street. Things progressed and we moved the designation from West Street out to Brown's Corner (Road 98). With the direction the City is moving now, Main Street will be from Elm Street and end at the chrome horse at the Gateway Shopping Center so everything is shifting East. We need to consider whether we want to save the historic elements of the City in the core downtown and support the local businesses there or shift our focus more toward the East portion of the City.

David Wilkinson advocates that the Agency adopt a modified Option 2 of the Sub-Committee. He would like the Agency to agree to enter into an Exclusive Negotiating Agreement with Mr. Caceres and give him four to six months to put together detailed information, to consolidate the five parcels of land. The Redevelopment Agency has done nothing to help him in that effort. There is no assurance by the City that the project can forward. That Agreement will give him more money to put together information. All that the City has asked for costs money and he does not have any agreement from the City. The other application will clearly they will request something of the City. There is no parking identified and our in lieu fees are \$5,000 a parking space, which could easily cost the Agency in the form of a waiver over \$1 million. The City is already talking \$200,000 to relocate Hoblit Motors. Mr. Caceres has found another site for the Chase Bank at Main and Cleveland. He has learned also by bringing in a tax consultant that he could potentially bring in another \$2 million to his deal which would considerably reduce the loan from the Agency. When reviewed, it could easily be seen that the other application costs could exceed what the loan would be to Mr. Caceres. The applicant, Cinema West and Mr. Petrovich are joined and applied together for the project. The application is legal but is it ethical.

Bill Brewster of Woodland has noticed the conflicting agendas between the Agency and the Planning Department. How is it possible that the RFP could include a vacant lot by the State Theater and the Planning Department is fast tracking the application to build the Chase Bank on the same site at the same time. The Bank design does not meet the Downtown Specific Plan guidelines. The RFP process was circumvented by the Cinema West application and appears to be a trick to get their proposal through. These two proposals cannot compare. The Cinema West is not a mixed use approach. They do not have the retail included. The alternative courses of action as written should not be compared to each other because the same process was not followed. He feels the Cinema West proposal should take a back seat until the RFP process is finalized. He believes that ultimately the Cinema West proposal will request



funding from the City. The uniqueness of the State Theater proposal is such that a historical theater combined to make a multi-plex theater.

Ron Caceres of Woodland said in January or February of this year he heard about the situation with the State Theater and that it might be available for sale. He has seen the downtown core change dramatically over the years. The economy has affected many businesses. Should the Agency choose to suspend the RFP at this time, you are telling businesses to follow the rules and spend your money, but the City may just change the rules as they see fit. The City chose to put out the RFP and he responded in good faith. He assumed that the City had a vision. The process was narrowed down to two sites and would be assessing the applications equally based upon their merit. Why would the City now favor the one who has pulled out of the RFP process? My competition is saying basically, "I don't like your rules so I am going to make up my own". They have not acted in good faith by dropping out of the RFP process and proceeding in an alternative way because it was the path of least resistance. They have further acted in bad faith by doubling the rent of their tenant. You are now rewarding them for bad behavior and punishing me for following the rules. By suspending the RFP tonight are you saving money for the Redevelopment Agency. What about saving history. The Agency has the purpose to help blighted areas of the City and save historical structures. Should the RFP process be ceased, we will put in a competing application as well for the Agency to process. We cannot compete with the Opera House. The City has asked that we put forth the complete parking, site acquisition etc. before the process is at that stage. He has succeeded in some of the property issues but is under a confidentiality agreement at this time and cannot disclose any details.

Dave Corkill said that Cinema West has more than played by the rules. We started in 2004 to buy the property where Chase Bank is seeking to locate, put money in escrow with Richard Mann, the owner of the State Theater and offered him another property so that we could operate the State Theater. We contacted surrounding neighbors who told us that we were not wanted as they did not want people using a large theater complex parking in front of their houses. We went away and went down the street to the Gillette property and also spoke to Mr. Petrovich regarding his property. We can begin to build quickly and are not asking for anything from the City. This is the real deal. Mr. Mann has indicated he is willing to work with us to do something with the State Theater that is acceptable to those who currently support the Theater. We have purchased two of Mr. Mann's buildings and renovated them. Contrary to what has been said here tonight our expanded theater projects have really happened. We would like to work with the State Theater should it not work out with the current developer. It causes more financial pain for a project to move forward without support from the City. We explored the new market tax credit for another project and is available to us. Indicating that you are going to work with



the other project in that vein sends a message to us that you will not fully support our project. There is a retail project and we need the City support for that as well.

Kim Wirth said she feels a clandestine arrangement was made four years ago in a back room with Mr. Petrovich and that people here are setting up smoke and screens and have put things in motion, then repealed them so that the City can fulfill a deal with Mr. Petrovich. He does not care about this City. She feels the Council does not care and made a deal with Mr. Petrovich years ago and are putting us all through the motions to try and show you are doing it right and you have not.

Ray Resler feels Mr. Petrovich is one of our municipal treasurers. He has developed several parcels in this town when before, we had very little happening here. He encouraged consideration of Alternative 2. There are risks to asking Cinema West to stand by while we give Mr. Caceres and opportunity to refine his plan, but he feels it is a risk we should take.

Bobby Harris said the performance standards in the Downtown Specific Plan outline a criteria that if met guarantees an automatic approval. That is not correct and the City does still have discretion and can place conditions that require a use permit. Council is presenting a hoax, stating that their hands are tied and saying there is no option of denying the project or putting it through a use permit. He would like to ask the City Attorney to present documents stating otherwise. This project is railroading and abusing an alternative interpretation. His has discussed with professionals that agree that the City does have discretion.

Anna del Castillo of Woodland said that Mr. Petrovich will have many more projects. The State Theater project is ours and we want it. There is a passion going through the City right now. It is called renovating the State Theater. It is about us. She asked that the Agency think about not just what you are doing to the State Theater, but what you are doing to us.

Jan Cauble said there is a sign as you come into Woodland that says Historic Woodland. What says Historic Woodland more than a multi-plex. There are few here to support the multi-plex but there are many here to support the State Theater. The RPF states a theater would support the heart of the downtown. The heart of downtown is the State Theater. We have some treasures in this City, such as the Opera House and the Gibson Mansion. Mr. Corkill said he could get the theater up fast and cheap. Our treasures were not fast nor cheap. We need to think in the long term with something that might last for the long term. We can visualize what the State Theater would look like



with Mr. Caceres project. There are not that many uses for this theater. We already have the Opera House.

Kris Turner government needs to ask what the people want. They do not want a new theater; they want to keep the one that has been here for the long term.

Board Member Dote asked the City Attorney if this project needs a conditional use permit. The City Attorney's response was in audible.

Board Member Marble thanked Mr. Petrovich and Mr. Caceres for the extraordinary amount of time they spend on the proposals. He hopes that whatever goes forward it does not divide the community. He believes fairness in my mind dictates that Council go forward with two proposals simultaneously. He does not believe based upon what the City Attorney has advised that we can suspend the Cinema West proposal. It is a good proposal. He believes that simultaneously the RFP proposal should forward as well. In that process one of the two is going to rise to the top and proceed. The community input dictates in that we do everything possible that proposal for the State Theater be given a chance to show what they can do. He would not be in favor of suspending the RFP process but should go forward in an equal sense. Cinema West should also be given the full authority that the law provides it and not be hindered in that process. The Woodland Downtown Association favors the State Theater proposal. It is in the City's interest to keep Hoblit as a viable business in the downtown and how far the City goes to support that. If we do support the movement, it inures to the Cinema West proposal. The State Theater as a standalone entity is not financially feasible. Should the Cinema West go forward we should consider the expansion of the Opera House into the State Theater and use that expansion money there.

Chairperson Pimentel the issue to him is about fairness. He was disappointed when Mr. Petrovich dropped out of the process. It is not an appropriate way to do business. He wanted to hear what his colleagues had to say about the proposals and he read the State Galaxy Theater's proposal. There were a lot of questions he had. He did meet with Mr. Caceres and Mr. Wilkinson and in reading their proposals he was concerned because we received three different proposals in a three month period. In questioning staff, they did not exactly know why that happened. There was an originally submitted proposal and then there was another one that increased the cost, properties were exchanged and taken out. That is an area of major concern as we do not have any real financial plan to make the project work. Apart from that the site control to provide for the expansion and the parking. He is taking the recommendation of the Sub-Committee. He believes that Mr. Caceres has had ample time to present a viable plan. Things have change from the October 4th meeting where



Mr. Caceres said he needed at \$2 million loan to now Staff assessment is that we need \$5.9 million in some sort of public funds. We need to forgive half of the tax increment to the City for the development itself. All of those thing cause concern about the proposal and he is not comfortable with it. He would expect the community would want him to question the feasibility of the numbers that have been put before us. Staff does not have answers to the questions. By now we should have answers that the State Theater has the site control, the financial backing or at least they have begun to have the ability to build the project. He does not object to using public funds but the money is being requested at the beginning of the project and it should be at the end. There is no proof that he can raise any portion of the money needed. The State Theater is an important facility in the community and we do need to preserve it. He supports the recommendation of the Sub-Committee, Alternative 1.

Board Member Dote said she has been involved in the process for six or seven months and still has not seen a viable proposal. She asked if the RFP process is still valid as we only have one individual. City Attorney Morris said the process is still acceptable and we just have one applicant. We can suspend the process or we can evaluate the proposal and make a determination. In fairness to Mr. Caceres, I do not think we should have him proceed when in all possibility, the Cinema West project will likely go forward and we cannot support both projects. It is an allowed use and an allowed zoning and if we choose to stop it we are opening the City up to litigation. She stands by the Sub-Committee recommendation.

Vice Chairperson Davies said he does not like the State Theater proposal and never has. The people spent all of their time politicking instead of working on the project.

On a motion by Vice Chairperson Davies, seconded by Board Member Dote and carried by the following vote, the Board approved the suspension of the Downtown Theater Selection Process pending the outcome of the Cinema West project application and directed staff to work with the Friends of the State Theater and other interested parties to develop a plan to restore and reuse the State Theater.

AYES:	Board Members Davies, Dote, Pimentel
NOES:	Board Member Marble
ABSENT:	Board Member Monroe
ABSTAIN:	None



RESOLUTION 5161 – CASA DEL SOL HELP LOAN EXTENSION

Redevelopment and Housing Analyst II McLeod said this is a request to extend the HELP loan for the Casa del Sol Project that was through the funding mechanism of the California Housing Finance Agency (CalHFA) which the Agency then re-loaned to the developer, Community Housing Opportunities Corporation (CHOC). They have been working on that project and have completed many portions to date. CalHFA and extended the loan to the Agency to September 18, 2013 with the stipulation that the interest amount of \$130,000 be paid by September 19, 2011. CHOC is now requesting an extension as well and Staff is suggesting to make their extension to January 31, 2013 to allow the Agency to identify sources of funds should CHOC fail to meet their obligations.

One of the reasons for extension of the loan will allow CHOC to have 30 new coaches built in Woodland by Skyline which will be occupied by Woodland residents. The rents from the coaches will generate rent which will help determine how CHOC will repay the loan.

Vice Chairperson Davies said as a City we have the responsibility of protecting the environment. Some of the residents of the facility are very worried that prisoner release and opportunities to house some them there will jeopardize the safety of the surroundings and the children who presently live there. Do we have any leverage to make sure that there is a healthy living environment?

Analyst McLeod said that through the Agreement, they are required to have an onsite manager and to screen applicants. CHOC has stated that they do not have a program to receive released prisoners and the intent to not bring in any parolees or people released for special funding for the park.

Board Member Marble said there are a couple of dates in the report that indicate due dates asked of what the economic downside could be if the loans are defaulted. Analyst McLeod said with the addition of the 30 new coaches, the financial issues equal out very nicely. If we do not add the coaches and lease the pads, it would be very difficult to foreclose on that loan because we would be very close to the bottom.

Mr. Shepard from CHOC said he has only heard the rumor about the prisoner release program once in the entire time he has been involved with CHOC. There is absolutely no validity to the rumor. We are closed on all of the funding and the park is 100% leased with one RV pad not leased yet. The only reason the remaining pads are not leased is that we are restricting them from other member of the community that may want to live there. We want to buy the coaches here and have a waiting list of over 100 people waiting to move into



the park in the new coaches. This park has become a successful project and we owe that in a large part to the City. We have closed on the construction piece of it and will convert to a home loan. They are committed to paying the HELP loan.

Board Member Dote said this project has change and gone down from the original three parks to this one. There were to be some double wides purchased for shelter housing and that morphed into the discussion of parolees.

Chairperson Pimentel said this has taken a lot of time with the State to get this project actually moving forward. The project is good for the residents, the City and the region.

On a motion by Vice Chairperson Davies, seconded by Board Member Dote, and carried by the Members present, the Agency approved a Resolution 5161, a, "Resolution of the Woodland Redevelopment Agency Board to Authorize the Extension of the HELP Loan for the Casa del Sol Project", which extends the HELP loan to CHOC until January 31, 2013.

REPORTS OF THE CITY MANAGER

PERFORMANCE REVIEW OF WASTE MANAGEMENT

Public Works Director Meyer said this item came forward to insure that Waste Management got the recognition for their performance and being a cooperative partner with the City. They have been excellent in their efforts for this community.

Mayor Pimentel said they were undercharging many of our customers and we returned funds.

Council Member Marble said one of the things in the report was the lack of a map schedule being posted on their website. He asked if that has been corrected. Director Meyer said it will be worked on to correct.

On a motion by Council Member Marble, seconded by Council Member Dote and carried by the Members present, Council reviewed and accepted the Waste Management Performance Review.

ORDINANCE 1524 – HEIDRICK RANCH II TENTATIVE MAP MODIFICATION

Principal Planner Norris said Council heard this previously and asked that some refinement be made.



On a motion by Davies, seconded by Dote and carried by the Members present, Council adopted Ordinance 1524 "An Ordinance of the City of Woodland Approving the Development Agreement Amendment Between the City of Woodland and Pioneer Investors, LLC to Allow Additional Phasing of the Heidrick Ranch Phase II, Modification of the Affordable Housing Requirement and Modification of conditions to Address Phasing Changes Relative to Property Located Within the Spring Lake Specific Plan Area". On roll call the vote was as follows:

AYES:	Council Member Davies, Dote, Marble, Pimentel
NOES:	None
ABSENT:	Council Member Monroe
ABSTAIN:	None

VACANT COUNCIL SEAT ALTERNATIVES

City Manager Deven Council had been provide with some information on this issue. Council Member Monroe has revised his resignation date to December 18, 2010 to allow the Council further time to take action to replace him within the 30 days from commencement of the vacancy or to call for a special election. A new State law takes effect on January 1, 2011 provides us with a 60 day period. As we already have the vacancy the new law would consider the December 18th date as the beginning of the 60 day period. Thus, the Council would need to make a decision as to the method they so choose by February 15, 2011.

We have presented three options. The first is to fill the vacancy by appointment. There is no procedure in State or local law that guides the Council on this issue. There are some sections of the Code that provide for filling a vacancy of a Board of Commission and the Council may wish to consider those sections when making your decision. Appointment of an Ad Hoc Committee to screen and interview the applicants would be the process. This is not necessarily done in a public meeting unless the entire Council chooses to meet, screen and make the appointment rather than receive the recommendation of the Ad Hoc Committee and then make an appointment based upon that recommendation.

Option 2 is that Council could hold a special election which has two methods: (1) conduct a regular ballot election, or (2) conduct an entirely mail-in ballot election. Regular ballot elections must be held by the next regular election date and could be very costly as our last consolidated election cost was approximately \$60,000 for our portion. We could also conduct an election entirely



by mail as we are a City of under 100,000 in population. This is a viable option and would cost about \$15,000. Even this expenditure is of concern.

We believe that the best alternative before Council at this time is the appointment process utilizing the process to fill a vacancy on a Board or Commission with an Ad Hoc Committee appointment. We believe Council has the insight to make a decision on the proper person to fill this vacancy.

Council Member Dote asked that since the Council Member sits on the Redevelopment Agency Board is there not a rationalization to share the cost for an election with the RDA. City Manager Deven said we should the use the General Fund for the operation of the government but RDA funds are to be used exclusively for the operation of the Agency programs or bricks and mortar.

Vice Mayor Davies asked staff to check with the local elections board regarding mail in ballot and what the demographics are. If we go that route, he wants to know who is disenfranchised. A General Election is costly to the candidates, as well as, the City. What would be the process to change the term so that this person would be rotated to the longer term? City Attorney Morris said that you cannot change the term, nor can the voters.

Council Member Marble asked who provided the cost of \$15,000 and City Manager Deven said that was a staff estimate based on the cost of the August 2007 Proposition 218 election. It could be more than that as the majority of the cost is for postage and printing.

Bernadette Murray offered an alternative three, in that the Council could take a survey of the Woodland residents and ask them what their preference would be. She believes the public interviews would be the most effective process so they can ask questions of the candidates.

Bobby Harris feels the values of the democratic process compel the City to hold an election. The State favors the election process. There is a nominal cost and it would eliminate any favoritism. The community should participate. He did not get an answer to his question on the Conditional Use Permit.

Council Member Marble asked if the State does favor a process. The City Attorney said the section of the Government Code that provides for the process does not seem to express a preference one way or the other. Any concern about preference would be an inference only. Council Member Marble asked if there would there be any reason to incorporate a procedure into a City Ordinance so that if something like this comes up in the future we would have a specific route to follow. City Manager Deven said this issue does not come up very often. In terms of process, I feel that because it does not happen often, Council should we



retain some level of flexibility. Council Member Marble asked if a mail-in election were held, would the fees assessed to candidates be the same as in a General Election. The City Attorney will research that item and return to Council with information.

Council Member Dote said that surveys are difficult for many reasons. One would be the cost mail. If utilizing an on line method there are those that do not use a computer. Should we put with the utility bill, some people do not pay their own utility bill. A phone survey would to work either as many people do not have residential phones any longer. If we do decide to have an Ad Hoc process, we may wish to ask the League of Women Voters to have a forum for the applicants and ask the questions.

Mayor Pimentel said all of us on the Council are very conscious about our fiscal condition and he believes the best way for us to proceed is have a Sub-Committee to determine how we proceed, develop questions, interview all the applicants that apply and make recommendations of two or three individuals to the Council. Those interviews can then take place publically. People in the community elected us through a democratic process to make some of these decision and I do not believe we need to spend dollars on this issue at this time. He suggested move forward with Option 1, form a Sub-Committee and fill appointment.

On a motion by Vice Mayor Davies, seconded by Council Member Dote, and carried by the Members present, Council approved the formation of a Sub-Committee and appointed Mayor Pimentel and Council Member Marble to that Sub-Committee to establish a process for securing candidates, screening, interviewing and to return to the entire Council with 2 or 3 recommended candidates.

ADJOURN

At 8:47 p.m. Mayor Pimentel adjourned the Joint Special City Council/Woodland Finance Authority/Redevelopment Agency Board meeting.

Respectfully submitted,

SS: Ana B. Gonzalez
City Clerk

Adopted by Council: February 7, 2012