Woodland City Council Meeting City Hall, Council Chambers 300 First Street Woodland, California

#### **MINUTES**

# CITY COUNCIL SPECIAL/CLOSED SESSION

FEBRUARY 27, 2007

5:00 P.M.

# **CLOSED SESSION**

At 5:02 p.m. Council held a conference with the Labor Negotiator pursuant to Section 54957.6. The Agency Designated Representative was Phillip Marler. The Employee Associations discussed were the Woodland City Employees' Association and Woodland Professional Firefighters' Association. Present at this session were Mayor Flory (arrived at 5:30), Vice Mayor Davies, Council Members Marble, Monroe, and Pimentel, City Manager Kirkwood and Assistant City Manager Marler.

# SPECIAL CITY COUNCIL MEETING

6:00 P.M.

# **CLOSED SESSION ANNOUNCEMENT**

Vice Mayor Davies announced that Council had met in Closed Session at 5:00 to hold a conference with the Labor Negotiator regarding the Woodland City Employees' Association and the Woodland Professional Firefighters' Association and had provided direction to the negotiator.

## CALL TO ORDER

At 6:13 p.m., Vice Mayor Davies called the special meeting of the Council to order.



## PLEDGE OF ALLEGIANCE

Vice Mayor Davies invited all in attendance to join in the Pledge of Allegiance led by Fire Chief Cahill.

# **ROLL CALL**

COUNCIL MEMBERS PRESENT: Marlin Davies, William Marble, Jeff Monroe,

Artemio Pimentel, David Flory

COUNCIL MEMBER ABSENT: None

STAFF MEMBERS PRESENT: Rick Kirkwood, Phil Marler, Ann Siprelle, Mike

Cahill, Sue Vannucci, Joan Drayton, Barry Munowitch, Gary Wegener, Bob MacNicholl, Greg Meyer, Carey Sullivan, Paul Miller, Loida Osoteo, Mark Hierholzer, Jamie McLeod, Gus Bush, Liz

Houck, Paul Hanson

OTHERS PRESENT: Contract Planner Joe Croush

## COUNCIL/STAFF STATEMENTS AND REQUESTS

City Manager Kirkwood asked that Council set March 5 or March 7 as a meeting on the recruitment process for City Manager and Assistant City Manager. Council concurred to hold a special Council meeting on Monday, March 5, 2007 at 6:00 p.m.

Public Works Director Wegener announced that an unknown orange substance has been found in the Waste Water Treatment system. It appears that an unknown substance is being dumped into the sanitary sewer system. This material has been of a volume that it could not be adequately treated at the Plant and has caused a discharge into the Tule Canal, which may be a violation of the Clean Water Act. The City has been attempting to determine the source and nature of the material without success thus far. A reward of \$2,000 has been authorized for information leading to the identification and conviction of the person or persons responsible.

Council Member Pimentel indicated he attended an Infrastructure Committee meeting today. One issue under discussion was the Pilot Flood Control Program discussed at the February 20, 2007 Council meeting and the other was the Pacific Coast Producers lease issue. Further information had been provided on both issues.



Council Member Monroe attended the City/Woodland Joint Unified School District/Woodland Community College 3 x 2 x 2 meeting where the East Gibson overcrossing was the primary topic of discussion. The District indicated they were unaware that financing for the project was already in place, the design had been changed and the Spring Lake greenbelt will connect. The Principal of Pioneer High School indicated students would be directed to utilize this over-crossing and staff would be present to so direct. The football field is continuing and the District is committed to installing the bleachers.

Council Member Marble said he and Vice Mayor Davies had attended the City/Chamber of Commerce 2 x 2 this morning. They discussed formation of a Storm Drainage Advisory Committee. This Committee will hold their first meeting on March  $\mathbf{1}^{\text{st}}$  at the County Administrative Building in Room 106. They are open for recommendations on storm water.

Council Member Marble asked that Council agree to put in place the funding for the Pilot Program with the County and Yolo County Flood Control and Water Conservation District on flood protection. Vice Mayor Davies said as he and Council Member Marble voted for the program originally, it was not proper procedure for either of them to request the item to return for consideration.

Vice Mayor Davies said the Principal of Pioneer High School is committed to placing someone at the over-crossing to solve the problem of students at the intersections.

The Chamber of Commerce Executive Committee did vote to support the round about at Kentucky Avenue and County Road 98.

Mayor Flory announced the Grand Opening Ceremonies of the new Community and Senior Center will be held at 10:00 a.m. on Saturday, March 3, 2007.

#### CONSENT CALENDAR

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) 45 ACCOUNTING-POST EMPLOYMENT BENEFITS AND IMPLICATIONS ON THE CITY'S FINANCIAL HEALTH

Council Member Marble said the City is familiar with the changes in retirement benefits in the funding between public and private business. It costs the State \$50-\$70 billion for the retirement benefits which is an unfunded



liability. He requested the Council and City to take a stance on reporting this liability one year earlier than the mandate.

At 6:34, Council Member Pimentel left the Chambers and returned at 6:35.

Council Member Marble would like this City to be in the forefront of the issue. Director Drayton said the City has hired an Actuarial firm already and should be able to put the information into a report this year. Council Member Monroe said he does not want the City to retreat on this issue. He would also like to know if the proposals for development at Interstate 5 and West Street and at State Route 113 and County Road 25A would bring in more money to the City to help fund the liability. City Manager Kirkwood said this possible revenue source would be addressed with the budget item later in the meeting.

On a motion by Council Member Pimentel, seconded by Council Member Monroe and carried unanimously, Council received the report on the GASB 45 issues and provided comments to the staff.

## REPORTS OF THE CITY MANAGER

## 2007-08 BUDGET SCHEDULE AND GUIDANCE

Finance Director Drayton went through the schedule for budget workshops, discussions and adoption. The major areas of concern are the Storm Drain Operations with an annual deficit of \$600,000 and an annual need for Capital Replacement and Repair of \$1.2 million. The cumulative deficit is \$10.1+ million. The second issue is that of Fire Engine Company 4 funding. The \$1.2 million in temporary funding was set to expire on June 30, 2006 but was extended to June 30, 2007. The other major issue is that of the GASB 45 post-employment benefits as discussed earlier on the Agenda.

Council Member Monroe asked why the City is not going to extend the Engine 4 funding. Director Drayton said one of the issues was the delay in the Spring Lake Specific Plan and commercial development did not occur as anticipated. It will take eight years to recover from the Spring Lake as they continue to pull permits. There is not the capacity in SLSP to cover the cost but Council has authorized funds from Stonehaven and West Wood to assist. The 1,111 unit triggers the need and it will be discussed further in Item 4.



Council Member Pimentel asked if Spring Lake is fully supporting the services they need to operate. Director Drayton said the fiscal impact study shows the revenues are adequate, but Spring Lake is behind by about three years. They should have about 750 units in place at this time but there are only 550, with 250 actually occupied due to the slow down in the housing market.

Vice Mayor Davies said the Fire situation and equipment funding is separate. If the houses become occupied the funding and the taxes will cover the needs. Until that time, there is a deficit. The \$771 fee is for those permits drawn in the previous two years and does not continue on. Director Drayton said the \$771 will continue to be charged but the obligation to cover the advance operations for the 4<sup>th</sup> Company were approved for two and one-half years. The Fiscal Impact Study does show the population generates the General Fund revenue which requires a certain level of services from the City. The Study shows those services will cover the costs for that population. At total build out the total cost is not anticipated to ever cover the full cost of an Engine Company. It does show that 85% of the Company is the obligation or the nexus to the Spring Lake Specific Plan. Phase II will need some of the services as well when in place, but we cannot implement 85% of an Engine Company.

Council Member Pimentel said when it was extended in 2004 it was anticipated there would be more housing in place and the commercial property to be developed would have helped. Should the fee have been extended for another year? Director Drayton said the original deadline was January 2007 and Council took action to extend an additional six months to expire on June 30, 2007. At that time she was concerned because the assumption had been commercial revenues or other additional revenues in Spring Lake would be available. That decision was based on what was happening at that time in the real estate market, which was in 2005.

The General Fund assumptions include a six year forecast, with Council guidance on the existing level and balance of City services and staying within the Memoranda of Understanding parameters. Fire Engine Company #4 will become a General Fund obligation. With the Spring Lake revenue, the nexus study indicates \$74,000 for Police, \$74,000 for other services and \$455,000 for Fire services. The anticipated Gateway revenues are at \$280,000, with the anticipated shortfall at \$750,000. The City had gone out for a Fire Assessment District to help with these costs but it did not pass. It would not want be prudent to use Reserves at this time. Gateway in 2008 should provide approximately \$650,000 over the \$280,000 which should help us cover this problem. The shortfall is at \$750,000 because the funding expires as of June 30, 2007. The Engine Company cost and services are a General Fund obligation so it



will transfer to the General Fund. The expenditures then bump up to \$1.2 million. Additional revenue is coming from Spring Lake to cover their proportionate share of Fire Services. The anticipated revenue is \$450,000, which then brings the need down to \$750,000. There was an existing gap for Fire services in the community prior to Spring Lake and the Fire Chief could approve Spring Lake moving forward without the fourth Engine Company in place. The alternative temporary measure required Spring Lake to pay for the first two years of operational cost. In November of 2005 it became apparent there would be a delay in residential and commercial development in the plan area. Because of that delay, the temporary funding requirement was extended for six months, which expires in June, 2007. City Manager Kirkwood said the City will continue to collect the \$771 per unit but it will be paying for the two and one-half years of advance funding. Director Drayton said all of the funds have come from borrowing from internal funds.

Council Member Pimentel asked if we could increase fees for future residents to cover the shortfall. Director Drayton said it could be done but would need to happen in the form of an assessment district. The other option would be to add to Development Agreements of those developers who have not yet finalized their Agreements with the City. There are previous Development Agreements that cover the area, but those that have not yet been processed could increase the fee. As well, development in the City that is not in the Spring Lake area could have the \$771 applied. In 2009 there will be a greater population to generate more revenue. The deficit should be \$390,000 in 2010, \$358,000 in 2011 and at build out it reduces to \$180,000. She uses conservative projections and the City may realize more revenue. The Gateway in the second year should generate \$600,000+ in additional revenue. As this deficit does decrease over time, the recommendation is to use funds realized by one time budget savings from unfilled vacancies in the amount of \$750,000. This savings would help the 2008 deficit. Last year the savings in unfilled vacancies and constraining of costs by each Department was seen. It is between 3% and 5% per year. The looming storm drain deficit also needs strong attention. The City has worked very hard to increase the reserve balance to a sufficient level, as per Council direction. It needs to be at 14% to be prudent with our funds. Mayor Flory said if there is no revenue and Council does not want to make cuts, the reserve is our only option. Director Drayton said the Gateway funds have very little cost of services associated with it. They are just General Fund revenues. Council could use those revenues however they so choose.

City Manager Kirkwood said the staff anticipates a 7% vacancy rate in the City. One of the tools in controlling operating expenditures is the timing and use of staffing and he needs to maintain that flexibility. Timing of the market is a



consideration that may delay recruitment. Some of the General Fund positions need to be backfilled with contract services to get the work done, which are more expensive than current employee costs.

Council Member Monroe asked for an updated COSTCO and Target opening date. Director Munowitch said the project infrastructure should start around April with COSTCO slated to open in November, 2007. The remainder of the businesses should open next Spring.

Director Drayton said the \$750,000 is not an ongoing savings, but a one time only. She has received Council direction on GASB 45 and the City can advance the disclosure on our financial statements.

Council Member Marble asked what Council would need to do to get the GASB 45 in motion. City Manager Kirkwood said it would be included in the 2007-08 budget. The second issue is to advance the economic development opportunities in the City. Vice Mayor Davies said the two issues of importance are when Gateway will be forthcoming and the population in the Spring Lake Plan area. The only issue under City control at this time is the filling of current vacancies within the City. Council Member Pimentel mentioned the utility issues and asked if the Pacific Gas and Electric Franchise could be renegotiated. Assistant City Manager said he is unsure of the City's ability to renegotiated the franchise fee, such as has been done in the City of West Sacramento, but staff will explore that option and return to Council with a response at some future time. Council Member Pimentel said that would be a form of increased revenue and Council concurred to have information return to Council on this issue.

On a motion by Mayor Flory, seconded by Council Member Pimentel and carried unanimously, Council affirmed the budget schedule, provided the guidance on the budget preparation for the Fiscal Year 2007-08 Capital Budget and approve the savings of \$750,000 to be utilized to help reduce the burden of the \$1.2 million for the fourth Engine Company next year.

Council Member Marble said this Council is transferring the obligation for retiree benefits to future generations and it should be reported and shown as an accounting for this liability. City Manager Kirkwood said the liability would be recorded next year when the budget is adopted.



#### FIRE MASTER PLAN

City Manager Kirkwood indicated much of the necessary discussion on this item was covered during the budget discussion. He directed Council to the summary of the issues on Page 3 of the Council Communication. Chief Cahill said the City is not considering a fifth Engine Company at this time. The real issue is keeping the fourth Engine Company in place.

Council Member Monroe asked when the fourth Station will be built in the SLSP area. City Manager Kirkwood said the Reynen and Bardis item will discuss where it will be placed. It is not reasonable to build without funds for the needed staff and further information needs to be provided for the Engine Company #4 location. Chief Cahill said when the trigger is determined and reached, further discussion will be held. There are some policy issues needing attention prior to making specific recommendations. The General Plan will be asking that Council look at these issues throughout the City. With the current rate of growth in the Spring Lake area, the anticipated additional station is not eminent and will allow us to look at issues surrounding the need in the General Plan and Fire Master Plan review.

At 7:35 p.m. Council Member Monroe left and returned to the Chambers.

#### ECONOMIC DEVELOPMENT MANAGER POSITION

Community Development Director Munowitch said direction is sought to consider Council wishes regarding Economic Development. There are opportunities not receiving attention at this time without the position in place. Director Munowitch summarized the points in the Communication on specific area that should be addressed.

Mayor Flory requested and Council concurred that the Essential Job Duties should not include "organize events and activities to enliven the downtown for potential business enhancement" as that should be part of the Property Based Improvement District responsibility.

On a motion by Council Member Marble, seconded by Mayor Flory and carried unanimously, Council approved the creation of an Economic Development Manager position in the Community Development Department with the changes to the Job Description as mentioned above.



## PUBLIC HEARING

CEQA ADDENDUM #6; ORDINANCE-ZONE CHANGE; SPRING LAKE SPECIFIC PLAN LAND USE DESIGNATIONS; CONCEPTUAL SITE DESIGN LAYOUT; VESTING TENTATIVE SUBDIVISION MAP 4805; PROPOSED FINDINGS; ORDINANCE-DEVELOPMENT AGREEMENT-REYNAN AND BARDIS

Contract Planner Croush said the proposal is to rezone 113 acres from R-1, R-M , C-1, P/QP & OS, to amend the Specific Plan designating these acres elsewhere, amend requirements in Table 2.4, vest the Tentative Subdivision Maps and approve the Development Agreement. He outlined in detail the specific proposed amendments to Table 2.4 and Affordable Housing. The R-14 and R-20 would be changed to accommodate a three story housing project. There would be a decrease in the density range to the R-20 to accommodate the 16.5 units per acre. The rear yard setback would be changed to accommodate the rear-loaded garages. The minimum lot size would be changed as well to accommodate the for sale units. There would be 115 units in the R-5, 292 single family in the R-8, 87 units in the R-15 on the North side and 44 units in the Lot O which is the R-15 affordable. There are 125 in the R-20 and the commercial, park and Fire Station site in the central location. The development is meeting all of the percentages for affordable housing. To accommodate the very low units, they need to be clustered to assure funding and to accommodate rental properties. There are no significant impacts under the CEQA and compliance is in place. The issues on parking came up in the Planning Commission. The R-20 lot is about seven acres. Each unit will have two parking/garage spaces with 50 extra guest spaces. The Code requirement for parking is extremely low, one for each five units, and this project provides almost three per unit. They are almost doubling the current requirements of the City. For the R-15, there are 87 two and three story detached units on smaller lots and setbacks between buildings, with 85 quest parking units on site, also exceeding the current code requirements. The Lot O, R-15 lot will include rentals and will meet the very low income affordable housing requirements.

Council Member Pimentel asked for clarification on the amendments to the Plan as he feels it is vastly different from the original plan. Director Munowitch said it is similar to the original one. The curve in the street in the original plan was significant and the design was flattened to make the street safer. By flattening the curve, the residential areas needed to be adjusted. There was some fine-tuning to the size and location of the R-15, R-20 and R-5. The rough areas did not change. There is a variance of only five units from before and after. Council member Pimentel said there is a significant change from the R-5 to the size of the R-20's. There are many more R-8, R-10 and R-15. Planner Croush said the R-20 did not change but went from 6.25 acres to 7.6 acres. The



R-15 changed to some other locations within the plan. Director Munowitch said the R-20 is slightly larger but the plan was to reduce the density in the R-20 from 20 units to 16-18 per acre. The sizes have shifted a little but the overall number of units has remained roughly the same. Council Member Pimentel said on the original map, the R-15 was R-8, and he feels the R-15 and R-20 significantly increased on the new map. Planner Croush said they did not significantly increase in the total area by changed shape. The R-20 now is slightly larger and faces the park and commercial area. Director Munowitch said the earlier R-20 is more squared typically for apartments where this version is more attuned to an ownership project. The R-15 and R-20 tend to wrap major streets and front on commercial and park areas. At some point there may be a transit stop near the higher density units and access to the park and commercial areas is an advantage. Planner Croush said the residents facing the park would have a better view than perhaps facing a blank wall.

Director Munowitch said the applicant proposed this layout. If the Council wants an ownership project, they need to be a stacked condominium project that looks like an apartment or the two or three flat or townhouse type of project the developer is proposing. The Specific Plan laid out density, not whether it would be rental or ownership and the developer determined they wanted to have an ownership product to meet the density requirements. The narrow lot design was their response to the density requirements of the site. Part of the request is to modify the plan to fit the development proposal. One of the other requests is to allow the R-20 standards to allow development to become R-16 to R-18, reduction of the lot width to 20 feet and a height of 35 feet. The R-5 and R-8 are providing affordable housing in scattered sites within those areas as per previous Council direction. The affordable areas require very low units and to accommodate that it must be done in rental product. Council Member Pimentel has an issue with more clustered affordable housing. There is less parking but more housing in higher density and that is a problem. Director Munowitch said the number of units per zoning designation is roughly comparable to the existing Specific Plan designations. The applicant is proposing sectioning off Lot O, 44 affordable housing units, as a better solution than Terracina which is a 156 unit rental complex in low and very low. Lot O will not be a congregation of affordable units in one place.

At 8:05 on a motion by Council Member Marble, seconded by Council member Pimentel and carried unanimously, Council extended the meeting to 8:30.

Planner Croush said the lot width variation has gone from 26 feet to 20 feet to accommodate the product. The Planning Commission approved this



pending final plan review. They want the homes to have adequate relief and variation to alleviate the lot size visuals. The clustering was approved because of the rental units rather than the for sale units. The Commission wants to see nice designs which were preliminary presented and acceptable to the Commission. The central park site safety and mid-street crossing was discussed and it was determined there are two safe areas but discussion was held on a small fence to help direct the crossing to the signalized intersections.

Vice Mayor Davies said this is a small park and parking is planned in conjunction with the commercial development. He wants to be assured the parking element is included in the plan as there is no parking on the street. Mayor Flory said he would not support the plan unless there is a fence for children to be protected while crossing the street. There are concerns this park does not have adequate facilities for those in the area who would be utilizing the park. Director Munowitch said there is discussion about having a low fence in front of the units as well to protect children who are playing in front of the homes. They will work with Parks and Recreation regarding similar barriers and restriction on the park side also. Vice Mayor Davies said he held discussions with Director Gentry on the park concerns and the developer could be asked to provide the fencing sooner as a protective measure.

Mayor Flory asked when the signalization at the intersections would be added. Engineering Technician Houck indicated there will be a traffic study undertaken on both intersections but there will be a stop light at the Northernmost one. If the City determines an additional stop light is needed, Reynen and Bardis will have one installed.

Council Member Monroe said children should be directed to the intersection. He asked if there would be some type of speed controls in the division. Director Munowitch said the traffic study will look at some traffic calming issues. Vice Mayor Davies would like lights at both intersections.

Mike Winn of Reynen and Bardis said they have consented to all of the Conditions of Approval.

At 8:20, Council Member Monroe left the Chambers and returned at 8:21.

At 8:28, it was moved by Mayor Flory, seconded by Council Member Pimentel and carried unanimously to extend the Council meeting to 9:00 p.m.



Vice Mayor Davies asked about the market and the backup plan. Mr. Winn said they are feeling comfortable with starting in the Spring of next year. They could do the project in phases. Mayor Flory wants some guarantees that the intersection lighting, the barriers to keep kids from crossing the street midblock and parking for those utilizing the park will be in place. Director Munowitch said Condition #44 could be expanded to address some of the concerns. They could add that the park design would have some type of barrier for the safety concerns. The intersection signal timing is dependent upon the traffic study but it could be done based on the number of units. The park timing could be tied to the number of building permits, i.e., 50 or 100. Vice Mayor Davies would like 100 units to be included to trigger the park construction and the light.

Council Member Monroe wants to be sure the South intersection is also addressed like on Matmor. Council Member Pimentel said Reynen and Bardis had this property for three years. What was the plan for the affordable housing units and how were they going to address. Mr. Winn said the original Plan had the units in other areas and would accommodate the low and very low. The remaining development would accommodate low income units throughout the development. Council Member Pimentel said the changes in the unit designations make it appear it is very congested and very high density. We are increasing the density while only adding five more units to the plan. The impact will be great and he cannot support the amendments. We have in some of the areas where it was 37 acres of R-5 units we now have a change of 24.21 units which is a decrease of 11 acres from R-5 creating higher density into R-8. From 32 acres of R-8 we are increasing it to 41 acres per acreage of building thus increasing the density. It looks dense and that was the opposite of what the City had wanted to do in the Spring Lake Area. In the previous proposal there was no affordable housing site but the component would have been in the 658 units instead of changing the clustering of 44 units separately. The density is increased and we should not be creating more but should be going the opposite direction. Director Munowitch said some of the densities and land areas have changed. The project odes reduce the number of R-5 units by 70 and increased the R-8 units by 34. The multi-family units did increase by 41, the single family decreased by 35, with a net increase of 5 units throughout the whole project, due to the applicant's request to build ownership units in the multi-family rather than rental at 16.5 units per acre. Overall the number of units is about the same. To attain the ownership units, the proposal is to have a lower density produce. Otherwise, it would be a rental product with some single family units with that method.



At 8:43 Vice Mayor Davies closed the Public Hearing.

Planner Crouse said the development is bicycle friendly with bike lanes throughout, there are extensive greenbelts throughout the division, and trails between blocks for access which are scattered throughout the development.

On a motion by Council Member Monroe, seconded by Mayor Flory and carried, Council adopted Resolution 4806, approving the CEOA Addendum #6 together with previously certified Turn of the Century EIR as the appropriate level of environmental review in accordance with the California Environmental Ouality Act; introduced an Ordinance approving the Zone Change designations for Spring Lake Specific Plan Area; adopted Resolution 4807 amending the Spring Lake Specific Plan land use designations and Table 2.4 in accordance with the proposed Reynen and Bardis-Spring Lake Central Development Project; approved the conceptual site design layout for the R-15, R-20, and Lot "O" subject to subsequent Site Plan and Design Review approval by the City of Woodland Planning Commission with the Spring Lake Specific Plan Design Standards: approved the vesting Tentative Subdivision Map (TSM#4805) in accordance with the Conditions of Approval as presented with the following amendments: (1) proper fencing or barricade be added to the park to minimize the ability of children to run freely into the street, (2) the park development be undertaken by no later than the issuance of the permit for the 100<sup>th</sup> unit, (3) the signal at the Southern area intersection be undertaken by the issuance of the 100<sup>th</sup> building permit. The City's traffic engineer will look at additional traffic calming features such as lighted crosswalks, pedestrian actuated crosswalks or other bulb out features that will enhance pedestrian safety, (4) amend the condition #44 in relation to parking at the park so that the parking be provided when the park goes in regardless of the timing of the commercial development; adopted the "Findings" for approval of the CEQA Addendum EIR, Vesting Tentative Subdivision Map No. 4805, Rezone, Conceptual Design Review and Development Agreement as presented in the Findings of Fact and Conditions of Approval; and, introduced an Ordinance authorizing the Mayor to execute the Project Development Agreement as presented. Council Member Pimentel voted to the negative. .

#### **ADJOURN**

Vice Mayor Davies adjourned the specia	I meeting of the City Council at 8:50 p.m.
	Respectfully submitted,
	Sue Vannucci, CMC, City Clerk