Woodland City Council City Hall – Council Chambers 300 First Street Woodland, CA 95695

MINUTES

CITY COUNCIL SPECIAL/CLOSED SESSION

NOVEMBER 29, 2005

6:00 P.M.

CLOSED SESSION

Council held a Closed Session to discuss a Public Employee Performance Evaluation of the City Attorney pursuant to Section 54957. Present at this session were Mayor Rexroad, Vice Mayor Flory, Council Members Peart and Pimentel, and City Attorney Siprelle. Council Member Monroe was absent for part of the discussion.

Council also held a conference with the Real Property Negotiator pursuant to Section 54956.8 for the property on East Street (Dana/Woodland Mobile Home Parks) Casa del Sol. The Agency Negotiators were Mayor Rexroad and Vice Mayor Flory; the Negotiating Parties, the City and Community Housing Opportunities Committee. Under negotiation were price and terms of payment. Present at this session were Mayor Rexroad, Vice Mayor Flory, Council Members Monroe and Pimentel, City Manager Kirkwood, Assistant City Manager Marler, City Attorney Siprelle, Agency Attorney Quinn, Community Development Director Stevens and Redevelopment Manager Ross. Absent from this discussion was Council Member Peart.

CITY COUNCIL SPECIAL/STUDY SESSION

7:00 P.M.

CLOSED SESSION ANNOUNCEMENT

Vice Mayor Flory announced that Council had met in Closed Session to discuss a Public Employee Performance Evaluation for the City Attorney and received a report on real property negotiations provided direction.



CALL TO ORDER

Vice Mayor Flory called the special/study session meeting of the City Council to order at 7:04 p.m.

PLEDGE OF ALLEGIANCE

Vice Mayor Flory invited all in attendance to join the Council in the Pledge of Allegiance led by City Manager Kirkwood.

ROLL CALL

COUNCIL MEMBERS PRESENT: David Flory, Jeff Monroe, Neal Peart, Art Pimentel,

Matt Rexroad

COUNCIL MEMBER ABSENT: None

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

Vannucci, Dan Gentry, Karl Diekman, Gary Wegener, Joan Drayton, Carol Beckham, Jamie McLeod, Lance Lowe, Dan Rice, Susannah Reinhart, George Ahlgren, Katie Wurzel, Kent Perkes, Greg Meyer, Wendy Ross, Cindy Norris

COUNCIL/STAFF COMMENTS

Council Member Peart reminded Council and Staff of a Sacramento Local Agency Formation Commission meeting on December 7, 2005 regarding the proposed annexation to the Sacramento Municipal Utility District and urged Council to attend and speak in support of the issue.

REPORTS OF THE CITY MANAGER

COMMUNITY SERVICE AWARDS NOMINATING COMMITTEE MEMBERS

Council appointed the following members to the Community Services Awards Nominating Committee:

Mayor Rexroad - Lucinda Talkington and Jesse Ortiz

Vice Mayor Flory - Becky Holland



Council Member Monroe - Chris Monroe

Council Member Peart - Will provide in next few days

Council Member Pimentel - Rogilio Villagrana

PROPOSED MEASURE TO EXTEND ½ CENT SALES TAX; ADVISORY MEASURES, TERM OF EXTENSION; ORDINANCE

City Manager Kirkwood said the City has been working on this process for nearly one year. There have been many meetings on these issues and public input received. Further input is needed to craft the language of the Measure and Advisory Measures. The City Attorney has provided a proposed Resolution and Ordinance. The Advisory Measures are those that have been before the Council over the past several months. A 51% passage rate is needed and the Advisory Measures are not binding. Advisory Measure "A" would be for the repair and rehabilitation of roads; "B" for the Phase II of the Community/Senior Center and Sports Park; "C" for renovation and improvements of the parks, pools and relocation of Buchignani Field should the Fairgrounds relocate; "D" for the expansion of the Library, Civic Center (City Hall) book budget and literacy program. At the November 15th meeting Council made some tentative changes to the proposals to increase funds to the roads, eliminate the expansion of City Hall, fully fund the Woodland Opera House construction, and fund the neighborhood and community enhancements. Some conditions on the extension include a sunset of 12 years and an annual report on the revenue and expenditures as has been done with the first Measure. It is anticipated that between \$5M and \$5.7M will be realized each year. In an effort to show the commitment of the Council and Staff to the need for this extension, he recommended a unanimous approval of the Measure and Advisory Measures.

John Murphy of the Parks, Recreation, Community Services and Urban Forestry Commission asked that full consideration be given to the needs of the Parks as for each dollar the City provides, \$2 are received from the Park Development Fees.

Council Member Peart indicated other projects under consideration on the list also have income from Development Fees. Council Member Pimentel supports the extension to 12 years as discussions he has had with citizens indicate their support. He also supports the staff recommendations as outlined in the Staff report, but does not support these funds being allocated to the Woodland Opera House. The City does not own this building and should not be providing money to construct additions. The renovation of City Hall meets the needs of the citizens, not only the Staff. City facilities need to be adequate to provide services to the public. The book budget is not a capital expense and should be funded elsewhere.



Mayor Rexroad said the roads should be increased by \$2.5M per year. The book and literacy needs are not capital improvements and if we are looking at non-capital items, the employee base in Fire and Police should be increased. He also would like some of the storm water issues addressed.

Vice Mayor Flory said it takes four votes to put this on the ballot and Council needs to be totally behind the issues. He would like to return to the proposals to which Council tentatively agreed upon at the last meeting (page three of the Communication). Storm drain issues are ongoing and the shortfall will not be met with the Measures. Director Wegener said the Measures may not be the appropriate vehicle for the storm drain needs. The Clean Water Act requirements should be addressed and there may not be adequate funds with the sales tax to cover all needs. The public would need to be asked to fund. The public will support a fee to address the requirements of the Act. The need will continue on even after the 12 year term expires. The cost to cover the storm drain issues may need to become part of the General Fund. The last two rate increases had very little comment by the public. The roads are a more important issue at present. Council Member Monroe asked if it could be combined and should an emergency arise, the Staff could make the decision to utilize these funds to cover that storm drain issue. Director Wegener said it could go to the ballot process as the citizens would then have the opportunity to vote on the issue.

Council Member Pimentel asked if any consideration had been heard on extending the Measure to 15 years and funding the storm drain. Director Wegener said there are some items that are the cost of ownership and will continue even without the income from the sales tax.

Council Member Monroe left the Chambers at 7:36 and returned at 7:37.

Council Member Peart said the items to be funded need to be those that are highly visible so the citizens can easily see where the funds are actually spent. Storm drains are not glamorous and visible. Books and literacy are not capital items and should be funded from other sources. The funds could go to neighborhood and community enhancements. The \$1.4M went to roads from the last Measure.

Council Member Monroe said the last Measure did not provide as much income as was anticipated. Council had to decide whether to finish specific projects. Vice Mayor Flory and Council Member Monroe support the revised recommendations on page three.

City Manager Kirkwood said the \$2.25M could go to roads to bring it to \$27M; \$5.3 to Phase II of the C/SC, \$6.6 to Sports Park, \$10M to Parks, and



\$10.6M to the Library and Civic Center and that leaves \$2.2M that could go toward roads, or, it could be called roads and storm drains at a total of \$30M. There would then be three Advisory Measures.

Vice Mayor Flory said the \$10M collected for the Civic Center had been presented as adequate for the needs. Director Wegener said it was actually \$5M in development fees at that time. Increased costs, such as those experienced with the Fire Station and other facilities not just locally, but State-wide, the cost is now at \$20M.

Mayor Rexroad left the Chambers at 7:48.

Vice Mayor Flory said it is not the intent of Measure H to relieve the pressure on the General Fund.

Mayor Rexroad returned to the Chambers at 7:49.

Director Wegener said funds for the City Hall were for renovation, not expansion. ADA upgrades, a ground floor Council Chambers, safety issues, seismic upgrades and structural improvements are all included in this proposal. Vice Mayor Flory said the Measure would relieve other funds so that money could be taken from them to cover this expense. Council Member Peart said spending money as a band aid and moving into the old Police facility was still not going to be adequate or cost effective. ADA, sprinklers, more space for effective customer service are the issues.

Council concurred to combine roads and storm drains into one measure.

Mayor Rexroad said agreement had been made on the issues on page 3 and roads should be left at \$30M minimum.

Council Members Peart and Pimentel support the chart on page 4. Council Member Monroe feels with the Civic Center on the ballot, it will fail. Council Member Pimentel feels the Civic Center issue is one of pride to the City. Other Cities have placed this issue on the ballot and have been extremely successful. Input indicates it will be overwhelmingly approved. Mayor Rexroad said should individual Advisory Measures on the ballot receive less than 50% of the vote, that money should be allocated to road improvements.

City Manager Kirkwood said the groupings of the Advisory Measures is important to the success of the entire Measure. Combining roads and storm drains make sense. The Community/Senior Center, Pools and Sports Park should also be combined. The Library and Civic Center should be combined because it is part of the governmental complex. The City has a zero general obligation



debt. The City Hall expansion and renovation would not likely be approved should a General Obligation Bond be the option.

Vice Mayor Flory offered a suggestion of \$7M for the Civic Center and \$3M for the Woodland Opera House as a compromise. Mayor Rexroad said \$3M is entire cost to build without any other obligation for funds from other sources.

Council Member Peart left the Chambers at 8:02.

Council Member Pimentel asked if \$7M would be adequate to fund the Civic Center. Director Wegener said decisions will be necessary on what components would be eliminated.

Council Member Peart returned to the Chambers at 8:04.

Mayor Rexroad would like language included that the maximum funds would be allocated to the Advisory Measure that received the most votes so it would be protected from moving funds elsewhere and a unanimous vote of the Council. He asked how the forecast of funds needed was determined. City Manager Kirkwood said the \$5.6M per year is the present value number and is very conservative. It is expected there will be more revenue but he want to be cautious. Council passed by Resolution last time that a 4/5 vote was needed to change the allocations. The language may need to be in the Ordinance or in the Measure itself. Mayor Rexroad would like language that makes it unanimously required to change allocations. Vice Mayor Flory said the 4/5 vote was required to use the money for something other than the Advisory Measures. Council Member Pimentel asked if this could be broken down into percentages and for language to say that if the pie grows, the money grows by percentage. Director Wegener reminded Council of the cash flow issues that may affect which projects go before others.

City Attorney Siprelle said there could be language that a maximum amount be placed on each Advisory Measure to assure that money would go to that Measure. Roads would have the minimum of \$30.2M and not less than 44.94%.

City Manager Kirkwood recommended unanimous vote from the Council on the issues as follows:

Measure "A"	Roads and Storm Drains	\$30.2 million
Measure "B"	Phase II-Community/Senior Center	5.3 million
	Sports Park	6.6 million
	Parks and Pools Renovations	10.0 million



Measure "C" Carnegie Library Expansion 5.1 million
Civic Center Expansion 7.0 million
Woodland Opera House Construction 3.0 million
\$67.2 million

As part of the consensus, language is also to be included to assure that Roads/Storm Drain would receive not less than \$30.2M or 45% of the available funds received. Council unanimously agreed to the above for the extension of the $\frac{1}{2}$ cent sales tax measure.

AFFORDABLE HOUSING POLICY

Director Stevens said the City has been diligent in providing affordable housing. Further input from Council regarding dispersion and variety of affordable house on each of the projects before the City is requested. The location and design criteria for the clusters and whether land dedications and inlieu fee options or on-site housing options be available also warrant input and direction from Council. Council is also asked to consider a Moderate Income component to the Plan.

Redevelopment Manager Ross said the program was begun in the mid-1980's in response to the State Bonus Density Law. The Overall Inclusionary Housing program for single family units was started as a goal, adopted as part of the Spring Lake Specific Plan in 2001 and is a City-wide requirement in 2004. Council Member Pimentel asked for clarification on the first time homebuyer program 10 year requirement. Manager Ross said there is a 30 year requirement with a covenant period of 10 years. The regulatory period may require a longer time. When refinancing, the City will subordinate for a better interest rate. The property owner cannot refinance for a cash out. It must be for home improvement elements and the City monitors carefully. There are approximately 800 units that are monitored at present.

Vice Mayor Flory left the Chambers at 8:34.

Planner Lowe said the Spring Lake Specific Plan Affordable Housing Plan options are on-site construction, affordable clusters, land dedications, in-lieu fees, and on-site multi-family units.

Mayor Rexroad asked if the goal is to have adequate units. Planner Lowe said the City must have a regional fair share of affordable units. Ten percent of the 4,000 homes in the SLSP are required to meet that goal. The in-lieu fees provide the option if there are no other means available.



Vice Mayor Flory returned to the Chambers at 8:38.

Mayor Rexroad said a City inventory on properties available has been conducted and asked if these units could be placed elsewhere as a more desirable option. Director Stevens agreed and said there is an off-site, in-lieu at \$1,110 per unit for 74 units. Mayor Rexroad asked if more units were be placed elsewhere by the developer and the number of units increased thus the project would then increase in size and Director Stevens said that is possible. The overall goal is to have more disbursed units in SLSP and throughout the City.

Council Member Pimentel has concerns that one of the objectives is to offer a true mix of affordable housing and it appears the City is going contrary to providing a good mix. A certain population should not be segregated in one area. He does not want the distinction to be set and wants the homes integrated. Council Member Peart said it should be flexible and a project could be somewhere else with utilization of in-lieu fees. Council Member Monroe asked if inclusion means putting affordable houses between very expensive homes. Planner Lowe said that is not feasible within the R-3 and R-4 zones. Council Member Monroe does not want to wait until the division is almost finished and then determine to place affordable housing into the division. Director Stevens said that concern why the discussion is being held at this time.

Planner Lowe said some other considerations are should further dispersion and varied of housing be warranted on a per project basis. Design criteria for the clusters should be determined, whether in-lieu fee and transfers are options and under what circumstances should they be considered, and should the land dedication option be available. Mayor Rexroad asked if design criteria was defined as the sort of housing that would be available. Should the homes fit with the neighborhood in general or should a density number, i.e. single family versus multi-family be the criteria. Planner Lowe said the density is already a goal.

Council Member Monroe left the Chambers at 8:54.

Director Stevens said the KB Home project has a good design in that the homes face into the division and they are part of the neighborhood. Mayor Rexroad feels that the option should be available for those units to be done offsite. There will be clusters no matter where they are placed.

Council Member Monroe returned to the Chambers at 8:55.

Director Stevens said the maximum could be set at 10 units. Mayor Rexroad said the 156 USA home project are all together. Director Stevens said there are still multi-family sites that will be affordable on-site via some land dedication. The projects will be very high quality. There may not be any other



land dedications at all. The 8 clusters are single family detached. Planner Lowe said the size is at 3,000 to 4,000 square foot lots with 900 to 1000 square foot homes. Mayor Rexroad said there will be R-3 next to R-15.

Housing Programs Analyst McLeod said one of the other considerations before Council is that of adding a Moderate Income Affordability component. This would add 2% to the affordability total. Housing costs have increased dramatically and the addition of this element would provide 277 more units. There is presently no mechanism in place to achieve this goal. Moderate income is defined as those households earning between 80-120% of the Area Median Income.

Mayor Rexroad left the Chambers at 9:01.

Housing costs range from \$191,277 to \$286,520 or \$1,300 to \$1,800 per month mortgage payments.

Mayor Rexroad returned to the Chambers at 9:02.

Examples of moderate incomes are \$50,308 to \$70,613 (Construction workers and Civil Engineers respectively).

Council Member Peart asked if Council added the moderate income, could the SLSP project be required to include. Director Stevens said it would apply to all future projects, which would include those not yet begun in Spring Lake. There are other projects within the City as well. Two percent of the units would be designed at moderate. It would have some impact on the financial feasibility of the projects.

Mayor Rexroad would rather add 1% to the low and very low than another level with the moderate. Council Member Pimentel does support and those individuals should have the opportunity to own homes. If a 900 square foot home is not to be placed next to a 3,000 square foot home then it should be located nearby. The component needs to be very diverse and spread about. He asked how people get on the list and Manager Ross said there were 450 people on the last list and through attrition and other reasons, there were only 50 who submitted applications. A new list has been started and a new orientation will be held in December. A list for moderate has been started thinking at some point there may be a program to cover those needs as well. Director Stevens said some parts of the plan could be amended to include those issues of concern expressed by the Council. The intention is to take the funds from the in-lieu fees and also allow building elsewhere.



Council Member Peart said adding the moderate income will then drive up the cost of other housing, which then affects the affordability. Director Stevens said a breakdown on the impact on the other parts of the project will be provided.

Tom Lumbrazo of Russell Ranch Development said Council had said they wanted higher end development that would create homes for business executives which wish to live and bring their businesses here. There was a request not to have Russell Ranch contain any affordable units, but only to hold high-end homes. They have actually put two clusters of affordable units into the Plan anyway and are proposing a third.

Mayor Rexroad does not want a 2% moderate component. Some of the questions will be on a case-by-case basis and in-lieu fees should be avoided. The developer should be required to actually build the units. The Design Criteria should specify that R-3 and R-9 or above should not be located next to the clusters. It should be moved out of the area or somewhere else and there should not be much contrast between the affordable and other units. Land dedication should be on a case-by-case basis.

Council Member Pimentel would like to add the 1% to the low and very low bringing it to 11%. The remainder of the Council would like the percentage to remain at 10%.

Director Stevens feels she has adequate direction from Council to move forward.

ADJOURNMENT

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Respectfully submitted,
Sue Vannucci, CMC, City Clerk