



**MINUTES
CITY OF NORCO**

CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
NOVEMBER 17, 2010

CALL TO ORDER: Mayor Pro Tem Hanna called the meeting to order at 6:04 p.m.

ROLL CALL: Mayor Pro Tem Berwin Hanna, **Present**
Council Member Kathy Azevedo, **Present**
Council Member Kevin Bash, **Present**
Council Member Harvey C. Sullivan, **Present**

Staff Present: Carlson, Cooper, Groves, Jacobs, King, Okoro, Petree, and Thompson

City Attorney Harper – **Present**

Mayor Pro Tem Hanna recommended that one item be added to the Presentation section of the Agenda whereby Julie Reyes, representing Waste Management, will present information on the most recent Norco Trails Cleanup Day.

M/S Hanna/Azevedo to add the recommended item to the Presentation section of the Agenda. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

THE CITY COUNCIL/CRA RECESSED TO CLOSED SESSION (SECTION 54954) TO CONSIDER MATTERS:

Section 54957 – Public Employee Performance Evaluation

Title: City Manager

RECONVENE PUBLIC SESSION: With nothing to report from Closed Session, Mayor Pro Tem Hanna reconvened the meeting at 7:09 p.m.

PLEDGE OF ALLEGIANCE: Council Member Bash

INVOCATION: Calvary Chapel – Norco
Pastor Louie Montieth

PRESENTATIONS:

Waste Management, Inc. – Julie Reyes
*Follow-up from the Norco Trails Cleanup
Day held on Saturday, November 13,
2010*

Julie Reyes, representing Waste Management, presented follow-up information on the Norco Trails Cleanup Day held on Saturday, November 13th and noted that the funding for the Norco Trails Cleanup Day was provided by money received from the Keep America Beautiful Grant. The results from the cleanup included almost 10 tons of collected green waste. Greg Newton and Glenn Hedges also commented on the cleanup day and provided additional facts. Mayor Pro Tem Hanna presented certificates of appreciation to Waste Management and the Norco Horsemen's Association for their leadership and work in completing the trails cleanup.

Norco Horsemen's Association
Top Ten Trail Improvement List

Bonnie Slager, representing the Norco Horsemen's Association, presented the Norco Horsemen's Association Top Ten Trail Improvement List for 2010 to the City Council.

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

M/S Sullivan/Bash to approve the item as recommended on the CRA Consent Calendar. The motion was carried by the following roll call vote:

**AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE**

1. CRA
 - A. CRA Minutes:
Regular Meeting of November 3, 2010
Recommended Action: Approve the CRA Minutes (City Clerk)

JOINT CRA/CITY COUNCIL AGENDA AS FOLLOWS:

2. JOINT CRA/CITY COUNCIL CONSENT ITEM:

M/S Bash/Sullivan to approve the item as recommended on the Joint CRA/City Council Consent Calendar. The motion was carried by the following roll call vote:

**AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE**

- A. Proposed Cancellation of the January 5, 2011 CRA/City Council Regular Meeting. **Recommended Action: Cancel the January 5, 2011 CRA/City Council meeting.** (City Clerk)
3. CITY COUNCIL ITEM FOR ACTION (taken for consideration out of order and originally Agenda Item 7):
 - A. Economic Incentive Agreement between the City of Norco and Excel Hotel Group

Excel Hotel Group is proposing to build a 96-unit Fairfield by Marriot Inn and Suites in the City of Norco. The proposed project is estimated to generate over \$260,000 (average for the first 10 years) annually in Transient Occupancy Tax ("TOT"). Due to the current difficult economic conditions, securing financing for projects of this nature has become exceedingly hard to justify to lenders. To improve the economic attractiveness of the project to potential lenders, the project owner, Excel Hotel Group, has requested an economic incentive in the form of TOT sharing.

Recommended Action: Adopt Resolution No. 2010-___, authorizing the City Manager to Execute an Economic Incentive Agreement with Excel Hotel Group. (Deputy City Manager/Director of Finance)

Deputy City Manager/Director of Finance Okoro stated that Excel Hotel Group is proposing a development project within the City of Norco on a site they own, located at the northeast corner of Hamner Avenue and Fifth Street. The project consists of a 96-unit Fairfield by Marriot Inn and Suites. The following are the key terms of the TOT agreement:

1. The City will retain the first \$100,000 of Hotel TOT generated by the project every year without any payment to Excel Hotel Group.
2. After the first \$100,000 of annual Hotel TOT, the City will rebate sixty-five percent (65%) of the remaining amount to Excel Hotel Group through the 10th year from the date the Hotel commences operation or until Excel Hotel Group has been paid \$1,081,000, whichever comes first.
3. Beginning from the 11th year, the City will retain all TOT generated from the project.

Jodie Webber. Ms. Webber stated that she is concerned over the financial numbers provided in the report and the time period of the negotiations with the developer. She further stated that based on her calculations, she is concerned with the amount of return to the City.

Deputy City Manager/Director of Finance Okoro responded that the 65% will only come into play after the City receives the first \$100,000. He also clarified the practices in the industry, and noted that, by far, this agreement is the most favorable to the City.

City Attorney Harper stated that each agreement is dealt with individually, including the source of assistance.

Council Member Sullivan commended staff for their work on a tremendous agreement to bring this hotel into Norco.

Council Member Azevedo stated that she agrees with Council Member Sullivan and also complemented the citizens of Norco for increasing the TOT in the City. She added that this hotel will be a great economic boost to the City and will be a fabulous anchor.

Council Member Bash and **Mayor Pro Tem Hanna** both echoed the statements made by their fellow Council Members.

M/S Bash/Azevedo to adopt Resolution No. 2010-66, authorizing the City Manager to Execute an Economic Incentive Agreement with Excel Hotel Group. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

4. OTHER CRA MATTERS: No other CRA matters

ADJOURNMENT OF CRA: 7:36 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

5. CITY COUNCIL CONSENT CALENDAR ITEMS:

Council Member Bash pulled Item 5.G.

M/S Sullivan/Azevedo to approve the remaining items as recommended on the City Council Consent Calendar. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- A. City Council Minutes:
Regular Meeting of November 3, 2010
Recommended Action: **Approve the City Council Minutes** (City Clerk)
- B. Recap of Actions Taken at the Planning Commission Regular Meeting of November 10, 2010. **Recommended Action: Receive and File** (Planning Director)
- C. Acceptance of the Ingalls Park Design/Build of the Equestrian Arena Cover Project as Complete. **Recommended Action: Accept the Ingalls Park Design/Build of the Equestrian Arena Cover Project as complete and direct the City Clerk to file a Notice of Completion with the County Recorder's Office.** (Director of Parks, Recreation & Community Services)
- D. Acceptance of the Reservoir No. 4 Booster Pump Station Project as Complete. **Recommended Action: Accept the Reservoir No. 4 Booster Pump Station as complete and direct the City Clerk to file a Notice of Completion with the County Recorder's Office.** (Director of Public Works)
- E. Award of Contract and Acceptance of Bid for the Fiscal Year 2010-11 Trail Fence Project to Valley Cities Fence Inc. **Recommended Action: Approve Award of Bid and Issue Notice to Proceed to Valley Cities/Gonzales Fence Inc.** (Director of Public Works)
- F. Approval to Declare Various City Assets as Surplus Property. **Recommended Action: Declare various City assets as surplus and authorize the Deputy City Manager/Director of Finance to dispose of surplus assets through appropriate means.** (Deputy City Manager/Director of Finance)
- G. Appointment of One Member to the Economic Development Advisory Council. **Recommended Action: The Economic Development Advisory Council recommends that the City Council appoint Patrick Malone to the Economic Development Advisory Council to fill a vacated seat term through June of 2014.** (City Clerk)

6. ITEMS PULLED FROM THE CITY COUNCIL CONSENT CALENDAR:

- 5.G. Appointment of One Member to the Economic Development Advisory Council. **Recommended Action: The Economic Development Advisory Council recommends that the City Council appoint Patrick Malone to the Economic Development Advisory Council to fill a vacated seat term through June of 2014.** (City Clerk)

Council Member Bash welcomed Mr. Patrick Malone to the EDAC.

M/S Bash/Sullivan to appoint Patrick Malone to the Economic Development Advisory Council to fill a vacated seat term through June of 2014. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

7. CITY COUNCIL PUBLIC HEARING:

- A. Proposed Projects for the Use of Community Development Block Grant Funds (Program Year 2011-2012) Through the U. S. Department of Housing and Urban Development and the County of Riverside Economic Development Agency

Applications for 2011-2012 Community Development Block Grant Funds are due to the Riverside County Economic Development Agency no later than December 2, 2010. City staff has been asked to estimate funding needs based on funding for Program Year 2010-2011, and is presenting funding applications for Council consideration based on an estimate. Final adjustments will be made to selected programs and projects once the actual allocation amount is known.

Recommended Action: The following projects are recommended to be submitted for funding through the Community Development Block Grant Program for Program year 2011-2012:

1. **Norco Party Partners (\$10,000)**
2. **Senior Citizens Recreation and Community Service Leader (\$10,000)**
3. **Ingalls Park ADA Restroom Project (\$110,000)**

(Housing Manager)

Housing Manager DeGrado presented the CDBG funding opportunities for 2011-2012 and explained the allowed uses of these funds.

Council Member Azevedo commented on the restroom project and asked if it will be like the restroom at Parmenter Park.

Director Petree responded that it would be pre-fabricated and similar to the restroom at Pikes Peak Park.

Mayor Pro Tem Hanna OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak.

Jodie Webber. Ms. Webber noted concerns about the Party Partners request for funding and asked for clarification.

Housing Manager DeGrado stated that \$10,000 is the most we can request from the County of Riverside for that project and further explained the breakdown of the funding requirements.

Mayor Pro Tem Hanna CLOSED the public hearing.

Council Member Azevedo commented on the history of Party Partners and noted that the program has proved its merit to the surrounding communities.

M/S Sullivan/Bash to approve the projects as recommended to be submitted for funding through the Community Development Block Grant Program for Program Year 2011-2012. The motion was carried by the following roll call vote:

AYES: AZEVEDO, BASH, HANNA, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

8. PUBLIC COMMENTS OR QUESTIONS:

Mike Box. Mr. Box stated concerns he has regarding an individual that is videotaping the Council meetings and added that he had asked that individual not to film him and his minor daughter at a recent meeting. He noted that what this individual does with the films is not ethical, as he edits them.

Pat Overstreet. Ms. Overstreet commented on the Sixth Annual Horsetown USA Parade of Lights & Winter Festival to be held on Saturday, December 4, 2010, and invited everyone to attend. She noted that this is a great event and is free to the public.

Norvah Williams. Ms. Williams commented on her previous complaints made about Waste Management and "took back" those complaints noting that her current service is great.

Denise Shoemaker. Ms. Shoemaker stated that she did not appreciate receiving the email in regards to the new fee structure for the community room at Fire Station 22, noting that it appeared to be addressed to just a few organizations.

9. OTHER MATTERS – COUNCIL:

Council Member Bash:

- ✚ Commented on the December 7th event and noted that he has been made aware that some of the military personnel serving in Afghanistan are feeling forgotten.
- ✚ Noted that the Norco High School Choir is really incredible and stated that he is hoping that a holiday show can be put together for the Norco Seniors.

Council Member Azevedo:

- ✚ Reported that the UNLOAD Committee has received \$1,000 from the United Way for an upcoming community awareness event.
- ✚ Commented on a grant received from the federal government for the Manure-to-Energy Project and further asked the City Manager to add some additional information. **City Manager Groves** stated that the City was awarded funding for the Manure-to-Energy Project, in partnership with Chevron, for the initial feasibility study and the EIR. She thanked Deputy City Manager/Director of Finance Okoro and Director Thompson for putting this together and added that this does not obligate the City to move forward with the project.

Council Member Sullivan:

- ✚ Stated that Mr. Dick White fell and broke his hip a week ago Saturday. He noted this because of the fact that Mr. White was placed in a rehabilitation center, where he will stay until there is a handicap rail/ramp installed at his house. Council Member Sullivan asked for any volunteers willing to build this ramp for Mr. White.

Mayor Pro Tem Hanna:

- ✚ Complimented the persons that volunteer for the food program in Norco.
- ✚ Thanked staff for putting together the volunteer program in Norco and noted that the certification program for volunteers to assist at the George Ingalls Equestrian Event Center is working very well.

10. OTHER MATTERS – STAFF: Nothing to report from staff.

11. ADJOURNMENT: There being no further business to come before the City Council, Mayor Pro Tem Hanna adjourned the meeting at 8:11 p.m.

BRENDA K. JACOBS
CITY CLERK