



**MINUTES
CITY OF NORCO**

CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
FEBRUARY 16, 2011

CALL TO ORDER: Mayor Hanna called the meeting to order at 5:02 p.m.

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

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

City Attorney Harper – **Present**

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

Section 54957.6 – Conference with Labor Negotiator

Negotiating Parties: City Manager Groves and Deputy City Manager/Director of Finance Okoro

Employee Organizations: Management
Middle Management, Professional, and Confidential Service
Norco Battalion Chiefs Association
Norco Firefighters Association
Norco General Employees Association
Norco Public Works & Parks Maintenance Workers Association

RECONVENE PUBLIC SESSION: With nothing to report from Closed Session, Mayor Hanna reconvened the meeting at 7:00 p.m.

PLEDGE OF ALLEGIANCE: Council Member Sullivan

INVOCATION: Grace Fellowship Church
Pastor Vernie Fletcher

MAYOR PRESENTATIONS: Eagle Scout Court of Honor
Andrew Stephen Curp
Sean Andrew Pokryska

Mayor Hanna presented certificates to Mr. Curp and Mr. Pokryska and congratulated them for their achievement of reaching the rank of Eagle Scout. Certificates were also presented as provided by the office of Assemblyman Jeff Miller.

Presentation of a Certificate by Council Member Sullivan: **Council Member Sullivan presented a certificate to Mr. Paul Loock, in memory of his wife, Lois “Granny” Loock.**

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

1. CRA CONSENT CALENDAR ITEMS:

M/S Bash/Azevedo 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, NEWTON, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- A. CRA Minutes:
Regular Meeting of February 2, 2011
Recommended Action: Approve the CRA Minutes (City Clerk)

2. CRA PUBLIC HEARING:

- A. Approval of the Redevelopment Agency’s 2009/10 through 2013/14 Five-Year Implementation Plan

Assembly Bill 1290 (AB 1290), entitled the Community Redevelopment Law Reform Act of 1993, took effect on January 1, 1994, and added Section 33490 to the Health and Safety Code. Section 33490 mandates that each redevelopment agency adopt a five-year implementation plan commencing with the initial plan for projects adopted prior to January 1, 1994; to be adopted that calendar year. The Five-Year Implementation Plan for Fiscal Years 2009-10 through 2013-14 is the fourth Implementation Plan adopted by the Norco Redevelopment Agency.

Recommended Action: Adopt CRA Resolution No. 2011-___, approving the 2010-2014 Five-Year Implementation Plan. (Urban Futures, Inc.)

Economic Development Specialist Grody presented the public hearing item and introduced David Gruchow, from Urban Futures Inc., who presented additional information regarding the Five-Year Implementation Plan.

Mr. Gruchow presented an overview of the Implementation Plan noting the accomplishments, goals and objectives of the Norco Redevelopment Agency. He stated that the focus of the Implementation Plan is on community development and housing compliance. The key financial assumptions were presented noting that there has been a diminishing Fund Balance and there are limited opportunities for discretionary projects and programs. The recommendations were also provided to face the financial challenges faced by the Agency.

Agency Board Member Newton asked Deputy City Manager/Director of Finance Okoro what measure would be taken if the tax increment revenues do not increase as projected. Deputy City Manager/Director of Finance Okoro stated that it would be addressed at that particular point if it would happen. Agency Board Member Newton asked what Agency CIP projects would be considered to defer and also asked would it be a benefit to pay down the debt service. Deputy City Manager/Director of Finance Okoro stated that one of the things that this Implementation Plan does not do is segregate the funds, noting that the funds available to pay for CIP projects are bond proceeds and not tax increment funds. He added that he does not believe that funds on tax increment side are available to pay down any existing debts. Deputy City Manager/Director of Finance Okoro also stated that if all CIP projects were cancelled as earmarked, he is not sure if we could use that money to pay down the debt. City Attorney Harper added that this would not really solve the problem, but would probably create problems.

City Manager Groves noted that this is a required document to bring accountability and responsibility to the Agency and is used as a planning document. She added that if the tax increment does not come to these levels, the budget would be presented and recommended differently.

City Attorney Harper added that that there are substantial funds in the Low and Moderate Income Fund and there is no prohibition from the Agency borrowing from that Fund.

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

Vern Showalter. Mr. Showalter asked if this Plan is reviewed every year. City Manager Groves stated that this is a part of the budget process and the review of those revenues is a part of that process. She added that a mid-term update of the Implementation Plan is also provided as required.

Chairman Hanna CLOSED the public hearing.

M/S Bash/Newton to adopt CRA Resolution No. 2011-04 approving the 2010-2014 Five-Year Implementation Plan. The motion was carried by the following roll call vote:

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

3. JOINT CRA/CITY COUNCIL ACTION ITEM:

A. Mid-Year Budget Amendments to Fiscal Year 2010-11 Annual Operating Budget

This item provides recommended mid-year revisions to the City and Redevelopment Agency Operating budget by Fund for FY 2010-2011. The recommended adjustments to the General Fund will result in a net decrease of \$178,943 to revenues and a \$277,266 net decrease to expenditures. Water Fund revenues are recommended to be decreased by \$644,077 while expenditures are recommended to be increased by \$601,550. For the Redevelopment Agency Operating Fund, the recommended revisions will result in a net increase of revenue estimate by \$348,994 while expenditures will be increased by \$212,278. Redevelopment Agency Housing Fund revenues are recommended to be increased by \$735,000 while expenditures are recommended to be increased by \$960,000.

Recommended Actions:

1) That the Norco Redevelopment Agency Adopt CRA Resolution No. 2011-___, approving various mid-year amendments to the Fiscal Year 2010-11 Annual Budget and authorizing changes in appropriations and revenues thereto; and

2) That the City Council Adopt Resolution No. 2011-___, approving various mid-year amendments to the Fiscal Year 2010-11 Annual Budget and authorizing changes in appropriations and revenues thereto. (Deputy City Manager/Director of Finance)

City Manager Groves introduced the item and noted that this is as a mid-year reconciliation of the current budget.

Deputy City Manager/Director of Finance Okoro presented an overview of the mid-year budget amendments to the Fiscal Year 2010-11 Annual Operating Budget. He noted that the budget process for the upcoming fiscal year begins in March and some of these numbers go back to March of last year based on information available at that time. Revenue and expenditure items for the City and the Norco Redevelopment Agency were reviewed by line item.

Council Member/Agency Board Member Newton asked about the (\$23,000) due to non-payment of franchise fees. Deputy City Manager/Director of Finance Okoro stated that this is as a result of the new contract that the Corona-Norco Unified School District entered into with a new franchise waste hauler and that amount was not received and is still being negotiated.

Council Member/Agency Board Member Azevedo asked if there will be additional adjustments recommended before the end of this fiscal year. Deputy City Manager/Director of Finance Okoro noted that if there are any significant changes, those recommendations will be brought back to the Council/Agency.

Mayor/Chairman Hanna asked about increase in miscellaneous revenues. Deputy City Manager/Director of Finance Okoro noted that two items resulted in this increase of \$82,000: \$67,000 was received as a reimbursement from PERMA based on the claims paid; the remaining amount pertains to adjusted increases in penalties from various fines.

M/S Sullivan/Bash to adopt CRA Resolution No. 2011-05, approving various mid-year amendments to the Fiscal Year 2010-11 Annual Budget and authorizing changes in appropriations and revenues thereto. The motion was carried by the following roll call vote:

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

M/S Sullivan/Bash to adopt Resolution No. 2011-07, approving various mid-year amendments to the Fiscal Year 2010-11 Annual Budget and authorizing changes in appropriations and revenues thereto. The motion was carried by the following roll call vote:

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

4. OTHER CRA MATTERS: No other matters

ADJOURNMENT OF CRA: 8:07 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

5. CITY COUNCIL CONSENT CALENDAR ITEMS:

Mayor Hanna pulled item 5.G. for discussion.

M/S Sullivan/Bash 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, NEWTON, SULLIVAN
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

- A. City Council Minutes:
Regular Meeting of February 2, 2011
Recommended Action: **Approve the City Council Minutes** (City Clerk)
- B. Recap of Actions Taken at the Planning Commission Regular Meeting of February 9, 2011. **Recommended Action: Receive and File** (Planning Director)
- C. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval (City Clerk)
- D. Approval of Lease Agreement between T-Mobile West Corporation, a Delaware corporation, and the City of Norco to Construct a Telecommunications Facility at Wayne Makin Sports Complex.
Recommended Action: Approval (Parks, Recreation and Community Services Director)
- E. Fiscal Year 2011 Second Quarter Budget Performance Report.
Recommended Action: Receive and file the report. (Deputy City Manager/Director of Finance)
- F. Extension of the Term of the Declaration of a Local Emergency Dated December 22, 2010. **Recommended Action: Extend the term of the declaration of the existence of a Local Emergency two weeks, to March 2, 2011.** (City Manager)
- G. Request for Ratification of the Increase in Expenditures for the Rehabilitation of Well No. 14. **Recommended Action: Ratify an expenditure increase in the amount of \$55,000 for the rehabilitation of Well No. 14.** (Director of Public Works)

6. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 5.G. Request for Ratification of the Increase in Expenditures for the Rehabilitation of Well No. 14. **Recommended Action: Ratify an expenditure increase in the amount of \$55,000 for the rehabilitation of Well No. 14.** (Director of Public Works)

Mayor Hanna asked Public Works Director Thompson if one of the water lines would be shut down for 30 days. Director Thompson noted that the water line would be shut down because of the brine that has reduced the flow.

M/S Hanna/Azevedo to ratify an expenditure increase in the amount of \$55,000 for the rehabilitation of Well No. 14. The motion was carried by the following roll call vote:

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

7. LEGISLATIVE MATTERS -- SECOND READING: *(No new evidence will be heard from the public as the public hearing has been closed regarding all items listed.)*

- A. **Ordinance No. 930, Second Reading.** City-Initiated Proposal to Amend the Norco Municipal Code Adding Chapter 5.10 Establishing Regulations for Filming Permits (Code Amendment 2011-01). **Recommended Action: Adopt Ordinance No. 930 for Second Reading.** (City Clerk)

M/S Azevedo/Bash to adopt Ordinance No. 930 for Second Reading. The motion was carried by the following roll call vote:

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

8. CITY COUNCIL PUBLIC HEARING:

- A. Annexation 24; General Plan Amendment 2010-02; Specific Plan 90-01 – Amendment 9; and Zone Change 2010-02; Proposals to: Amend the General Plan by Annexing 2.01 Acres with a Land Use Designation of Specific Plan on 1.81 Acres, Amend Specific Plan 90-01 (Gateway Specific Plan) by Adding 1.81 acres to the Industrial Land Use District, and Pre-Zone 1.81 Acres as Specific Plan located on the Southwest side of Parkridge Avenue, North of Cota Street (APN 119-070-013)

The recommended motions are being proposed to accommodate the transfer of 2.01 acres from the City of Corona to the City of Norco located on the southwest side of Parkridge Avenue, north of Cota Street. The acreage being considered consists of 1.81 acres of isolated vacant property and .2 acre of street right-of-way. There is no development that staff is aware of being proposed at this time.

Recommended Action: Adopt the following documents individually:

- a. **Resolution No. 2011-___, approving Annexation 24 and authorizing that an application be initiated with the Local Agency Formation Commission (LAFCO);**
- b. **Resolution No. 2011___, concurring in the transfer of property tax revenue from that area proposed to be detached from the City of Corona and Annexed by the City of Norco in Annexation 24;**
- c. **Resolution No. 2011-___, consenting with an application initiated by Fuscoe Engineering, Inc. requesting that the Riverside County Local Agency Formation Commission take proceedings for a minor Sphere of Influence Amendment and Boundary Reorganization to include the annexation of about 2.01 acres all of which will be detached from the City of Corona in Annexation 24;**
- d. **Resolution No. 2011-___, approving General Plan Amendment 2010-02;**
- e. **Resolution No. 2011-___, approving Specific Plan 90-01 (Gateway Specific Plan) – Amendment 9; and**
- f. **Ordinance No. ___, approving Zone Change 2010-02 (Pre-Zone).**
(Planning Director)

Planning Director King presented the public hearing item.

Mayor Pro Tem Bash asked about the map and noted that it states Yuma Avenue and not Hidden Valley Parkway. Planning Director King noted that it has been changed on the zoning map.

Mayor Hanna OPENED the public hearing, indicating that proper notification had been made and asked for the appearance of those wishing to speak. With no one wishing to speak, Mayor Hanna CLOSED the public hearing.

Council Member Newton complimented Planning staff, noting that this was a lot of work.

M/S Bash/Azevedo to adopt Resolution No. 2011-08, approving Annexation 24 and authorizing that an application be initiated with the Local Agency Formation Commission (LAFCO). The motion was carried by the following roll call vote:

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

M/S Azevedo/Bash to adopt Resolution No. 2011-09, concurring in the transfer of property tax revenue from that area proposed to be detached from the City of Corona and Annexed by the City of Norco in Annexation 24. The motion was carried by the following roll call vote:

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

M/S Bash/Sullivan to adopt Resolution No. 2011-10, consenting with an application initiated by Fuscoe Engineering, Inc. requesting that the Riverside County Local Agency Formation Commission take proceedings for a minor Sphere of Influence Amendment and Boundary Reorganization to include the annexation of about 2.01 acres all of which will be detached from the City of Corona in Annexation 24. The motion was carried by the following roll call vote:

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

M/S Azevedo/Sullivan to adopt Resolution No. 2011-11, approving General Plan Amendment 2010-02. The motion was carried by the following roll call vote:

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

M/S Bash/Newton to adopt Resolution No. 2011-12, approving Specific Plan 90-01 (Gateway Specific Plan) – Amendment 9. The motion was carried by the following roll call vote:

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

M/S Bash/Azevedo to adopt Ordinance No. 931 for first reading, approving Zone Change 2010-02 (Pre-Zone). The motion was carried by the following roll call vote:

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

9. CITY COUNCIL ACTION ITEM:

A. Appointment to the Planning Commission

On December 13, 2010, the City Council appointed Greg Newton to fill the vacant seat of Council Member Malcolm Miller for a term of office beginning on December 15, 2010. As Mr. Newton served on the Planning Commission, that seat was then vacated. Therefore, the Council is requested to make one appointment to the Planning Commission to complete the term of Greg Newton, which expires in June of 2014. Eight applications were received for the Council's consideration.

Recommended Action: Staff recommends that the City Council make one appointment to the Planning Commission to fill the vacated seat to complete the term expiring in June of 2014. (City Clerk)

Mayor Hanna stated that eight applications were received for consideration and the Council is recommended to vote to make one appointment to the Planning Commission. He asked if any applicants wished to speak.

Robert Leonard. Mr. Leonard commented on his promotion of the lifestyle of the City of Norco and added that his experience would aid the Planning Commission in making decisions.

Barry Mileski. Mr. Mileski stated that there are eight people that want to help the City and all are good candidates to serve the City of Norco.

James Wilson. Mr. Wilson stated that he loves this town and it needs support. He added that he previously served on the Planning Commission for 14 years.

The City Council Members were asked to complete Ballot Number One voting for one person to serve on the Planning Commission, resulting in the following vote read aloud by the City Clerk:

First Ballot:

Mayor Hanna voted for Robert Leonard
Mayor Pro Tem Bash voted for Robert Leonard
Council Member Azevedo voted for Robert Leonard
Council Member Sullivan voted for Robert Leonard
Council Member Newton voted for Robert Leonard

Robert Leonard was appointed to the Planning Commission by a unanimous vote of the City Council.

10. PUBLIC COMMENTS OR QUESTIONS:

Pat Overstreet. Ms. Overstreet stated that the Relay for Life event will be held on May 14 and 15 at Pikes Peak Park. She and Doris Higgins are serving as the co-chairman for this event representing the City. "Team Norco" will be in memory of Malcolm Miller.

Dave Henderson. Mr. Henderson commented on the water and sewer rate adjustments proposed, noting Section 6(b) of Proposition 218. He further commented on the fees the City charges for the properties that are not connected to the sewer system noting that fees for future use of service are not permitted. He added that the non-connects to the sewer system have been charged for service and this is a potential violation of Proposition 218.

Jodie Webber. Ms. Webber stated that she has been selected to serve on the State's Citizens Redistricting Commission and noted that she cannot be an advocate of Norco, even though she is a resident. She encouraged residents to provide public input throughout the hearing process and added that educational workshops and local meetings will also be held to enable this. She encouraged residents to view the website <http://wedrawthelines.ca.gov> for additional information.

Vern Showalter. Mr. Showalter commented on the City's volunteer code compliance sign program he has been assisting with noting that the Council allowed one sign to be attached to a tree and now the Saddle Sore Riders have a sign at First and Sierra bolted to a tree. He also commented on the traffic problems throughout the City that will be created as a result of the Second Street project beginning on March 1.

Andre Dykhno. Mr. Dykhno asked about the water and sewer rate increases and asked if anything has been done to reduce expenditures. He added that he was reviewing the budget and observed that we are doing a lot of things to control the budget by controlling costs but the City should be more proactive than reactive.

11. OTHER MATTERS – COUNCIL:

Council Member Sullivan:

- ✚ Read a paragraph from a Bakersfield newsletter and noted the “In God We Trust” motto hung in the Council Chambers. He thanked everyone for supporting the motto.

Council Member Azevedo:

- ✚ Stated that the Relay for Life event is a great cause and encouraged participation.
- ✚ Commented on the California high-speed rail system adding that she supports the alignment through Riverside. She noted that the alignment through Norco could take out the City of Norco as it would run along the Hamner corridor. She recommended that a resolution be placed on the next Council agenda opposing the high-speed rail system alignment through the City of Norco.

M/S Azevedo/Bash to place a resolution on the next Council agenda opposing the alignment of the high-speed rail system through the City of Norco. The motion was carried by the following roll call vote:

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

- ✚ Noted that she received a telephone call regarding the Navy process of labeling the buildings on its property for historical purposes. She added that she let Sacramento know that Mayor Pro Tem Bash wrote a book relating to the Navy Base for them to review.

Mayor Pro Tem Bash:

- ✚ Commented that when the Interstate 15 Freeway was completed, it cut the City in half. He encouraged opposition to the high-speed rail system because it would take out Hamner Avenue.

Council Member Newton:

- ✚ Requested that the City Council discuss the development of, and policy for traffic calming measures at its next available study session.
- ✚ Asked Public Works Director Thompson about the synchronization of the traffic lights on Sixth Street and Hamner Avenue. Director Thompson noted that what happens in the “signal world” is that there is only one master and CalTrans is the master and added that all the lights should be synchronized in the next two weeks.

Mayor Hanna

- ✚ Recognized Mike Williams for assisting a person after a fall from a horse.
- ✚ Commented on a RCTC workshop he attended where the proposed alignments of the high-speed rail was discussed. He added that one thing in our favor is the money, as it is too expensive. He noted that the proposed Disney Land/Las Vegas bullet train projects might slow them down because of the federal funding being used for those projects.

12. OTHER MATTERS – STAFF:

City Manager Groves clarified that the \$10 donation for Relay for Life is the minimum donation to walk and the hope is to do better.

13. ADJOURNMENT: There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 9:00 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK

/bj-77856