



MINUTES CITY OF NORCO

CITY COUNCIL/COMMUNITY REDEVELOPMENT AGENCY
REGULAR MEETING
CITY COUNCIL CHAMBERS – 2820 CLARK AVENUE
AUGUST 3, 2011

CALL TO ORDER: Mayor Hanna called the meeting to order at 6:00 p.m.

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

City Attorney Harper recommended that one (1) Existing Litigation (§54956.9) be added to Closed Session -- Case Name: CACERF Norco, LLC vs. City of Norco; Case Number: RIC 10010637.

M/S Bash/Newton to add one (1) Existing Litigation (§54956.9) Case Name: CACERF Norco, LLC vs. City of Norco; Case Number: RIC 10010637, to the Closed Session portion of the agenda. The motion was carried by the following roll call vote:

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

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

Section 54956.8 – Conference with Real Property Negotiator

Street Address or Assessor Parcel Number: Portion of APN 156-030-001

Negotiating Parties: City of Norco, Kosmont Companies and Mr. Di Tommaso

Points Under Negotiation: Price and Terms of Payment

Section 54956.9 – Conference with Legal Counsel – Existing Litigation

Case Name: CACERF Norco, LLC vs. City of Norco

Case Number: RIC 10010637

RECONVENE PUBLIC SESSION: Mayor Hanna reconvened the meeting at 7:00 p.m.

REPORT OF ACTION(S) TAKEN IN CLOSED SESSION (§54957.1): City Attorney Harper stated that one existing litigation item was added to Closed Session regarding CACERF Norco, LLC vs. City of Norco (Wyle Lab lawsuit) and is pleased to announce that the court denied the petition, adding that in layman's terms the City wins. He further stated that the next step for them would be to appeal if they so choose to do that.

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Bash

INVOCATION: Louis Davis, Southern California Edison

PRESENTATION: Riverside Transmission Reliability Project
Riverside Public Utilities

Mayor Hanna introduced George Hanson, Engineering Manager of the Riverside Public Utilities, who presented a brief overview of the Riverside Transmission Reliability Project.

Mr. Hanson presented information on the public comment process and also on the review process that will follow. In response to questions asked by the City Council, he stated that there will be a mixture of towers and poles, with only poles located in the small section in Norco. In response to the concerns regarding the Hidden Valley Wildlife Preserve, Louis Davis, representing Southern California Edison, stated that Edison will look at all of the comments and concerns during the review period. Mr. Davis also stated that the poles will be similar to the ones currently located on Hamner Avenue. Additional information can be found on the project website at www.riversidepublicutilities.com/rtrp.

Dave Henderson. Mr. Henderson commented on the trails surrounding the Pedley Substation and asked if the footprint of the Substation itself would be changed or interfere with the trails that provide access to the Hidden Valley Wildlife Preserve. In response, Mr. Hanson stated that any trails and access roads located there now will remain.

INTRODUCTION: Mayor Hanna introduced Mayor Laura Roughton of Jurupa Valley.

REGULAR COMMUNITY REDEVELOPMENT AGENCY (CRA) AGENDA AS FOLLOWS:

1. CRA CONSENT CALENDAR ITEMS:

M/S Bash/Azevedo to approve the CRA Consent Calendar item. 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 July 20, 2011
Recommended Action: Approve the CRA Minutes (City Clerk)

2. OTHER CRA MATTERS: No other CRA matters.

ADJOURNMENT OF CRA: 7:19 p.m.

REGULAR CITY COUNCIL AGENDA AS FOLLOWS:

3. CITY COUNCIL CONSENT CALENDAR ITEMS:

Council Member Azevedo pulled Item 3.C.

M/S Bash/Newton 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 July 20, 2011
Recommended Action: Approve the City Council Minutes (City Clerk)
- B. Procedural Step to Approve Ordinance after Reading of Title Only.
Recommended Action: Approval (City Clerk)
- C. Resolution Accepting a Grant in the Amount of \$155,970 from the California Office of Traffic Safety and Increasing Revenue, Appropriation and Expenditure. **Recommended Action: Adopt Resolution No. 2011-63, and designate the Sheriff's Lieutenant as "the authorizing official" to execute the agreement with the California Office of Traffic Safety. PULLED FOR DISCUSSION**
- D. Extension of an Agreement for Building Plans Examining Services.
Recommended Action: Approve the Amendment No. 3 to extend the Agreement for Building Plans Examining Services with Willdan Engineering through December 31, 2011. (Director of Public Works)

4. ITEMS PULLED FROM CITY COUNCIL CONSENT CALENDAR:

- 3.A. Resolution Accepting a Grant in the Amount of \$155,970 from the California Office of Traffic Safety and Increasing Revenue, Appropriation and Expenditure. **Recommended Action: Adopt Resolution No. 2011-___, and designate the Sheriff's Lieutenant as "the authorizing official" to execute the agreement with the California Office of Traffic Safety.** (Lt. Cooper)

Council Member Azevedo asked Lt. Cooper if this grant funding could be used to support the City's UNLOAD committee and further asked if the UNLOAD committee will still be meeting following the budget cuts made. Lt. Cooper responded that the UNLOAD committee still exists and will continue to meet, but this type of grant will not fund any of those activities.

Council Member Sullivan asked about the 52 patrol shifts focused on DUI enforcement and further asked if that is separate from the DUI checkpoints and how many hours will that require. Lt. Cooper responded that yes, it is separate from the DUI checkpoints and will be scheduled for 8 hour periods of time with one extra patrol deputy focused on drunk drivers.

Council Member Newton commended Lt. Cooper for the receipt of the grant and asked if this grant will help to enforce the Sheriff's Department's efforts when they go to the resident's home to check if they are driving. Lt. Cooper responded that they will continue to attempt to catch these individuals and added that the goal is to save the lives of persons that obey the law and don't drive drunk.

M/S Bash/Sullivan to adopt Resolution No. 2011-63, and designate the Sheriff's Lieutenant as "the authorizing official" to execute the agreement with the California Office of Traffic Safety. The motion was carried by the following roll call vote:

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

5. CITY COUNCIL ACTION ITEM / PUBLIC HEARING:

- A. Approval of Documents Declaring and Determining that the City of Norco will Comply With the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in Order to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Norco

The California Legislature enacted and the Governor signed companion bills AB 1X 26 and AB 1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments. AB 1X 27 states that if a city or county intends to enact the ordinance, it shall indicate that intention by adopting a nonbinding resolution of intent to that effect prior to October 1, 2011, and notify the Department of Finance, the Controller, and the county auditor before October 1, 2011, concerning the resolution. The proposed

resolution declares the City of Norco's intent to enact an ordinance pursuant to Health and Safety Code Section 34193, authorizing the continued existence of redevelopment agencies. Staff is also proposing that the City Council adopt an ordinance determining that it will comply with the Voluntary Alternative Redevelopment Program in order to permit the continued existence and operation of the Norco Redevelopment Agency.

CITY COUNCIL ACTION ITEM

Resolution Declaring the City Council's Intent to Enact an Ordinance Pursuant to Health and Safety Code Section 34193, Authorizing the Continued Existence of Redevelopment Agencies. **Recommended Action: Adopt Resolution No. 2011-___.**

CITY COUNCIL PUBLIC HEARING ITEM

Ordinance Determining that the City of Norco will Comply With the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of Division 24 of the California Health and Safety Code in Order to Permit the Continued Existence and Operation of the Redevelopment Agency of the City of Norco. **Recommended Action: Adopt Ordinance No. ___ for first reading.**
(City Manager and Deputy City Manager/Director of Finance)

City Manager Groves stated that the item before the Council is to assist in determining the short-term future of the Norco Redevelopment Agency. She briefly commented on Assembly Bills 26 and 27, noting that the amount of continuation payment for FY 2011-12 for the Norco Redevelopment Agency is \$3,225,646. Questions still remain as to the legality of the Assembly Bills and how they will be implemented and the City needs to make a decision on whether to continue the Norco Redevelopment Agency and if the City has the financial ability to make the continuation payments.

Deputy City Manager/Director of Finance presented the estimated financial resources available in the Norco Redevelopment Agency and the use of those funds. He noted that if the Norco Redevelopment Agency continues, it is likely that recommendations will be brought back to the Agency Board to make adjustments to current projects. Funds to pay for the FY 2011-12 continuation payment can be made with a combination of Housing Funds (\$2,825,000) and RDA Operating Funds (\$400,646). He noted that the City's ability to make future continuation payments is unknown at this time and if the City is unable to make future continuation payments, the Agency will dissolve.

City Manager Groves commented on what "dissolution" or "continuation" would mean for the Norco Redevelopment Agency, noting that it is unknown at this time who the successor agency would be and what obligations they would assume upon a dissolution. She added that the number one purpose of the successor agency would be to pay off debt. City Manager Groves stated that the City does not have enough information at this time and will continue to watch this closely as there is pending legislation that could impact the future of all redevelopment agencies.

Council Member Sullivan commented on the "likely" general fund obligation to fund agency obligations. City Manager Groves noted concern if the borrowed housing money should become a General Fund liability, as that is still unknown. She added that each

year during the budget process, a decision would need to be made regarding the Norco Redevelopment Agency continuation. Council Member Sullivan commented on the debt service and asked how many years it would take to pay off. Deputy City Manager/Director of Finance responded that the schedule reflects the year 2030 when that debt service is paid off.

Council Member Azevedo commented on the projects paid for by bond proceeds and any existing debt that will be encumbered and managed by the successor agency. She asked if the City makes payments for City Hall. In response, Deputy City Manager/Director of Finance Okoro stated that this is a very minor amount and is paid out of the Capital Projects Fund based on any impact fees money collected.

Council Member Newton commented on the “non-committed” funds and the money that would be available to do additional projects and programs if the City continues the Norco Redevelopment Agency. Deputy City Manager/Director of Finance Okoro stated that there would be approximately \$2.6 million on the operating side for economic activities and about \$1.6 million to use for additional housing programs. City Attorney Harper noted that in addition, there would be an estimated \$3.6 million of Tax Allocation Bond Proceeds available for projects.

Mayor Hanna commented on the “committed” funds and asked if the resolution and ordinance would need to be passed in order to continue those projects. Deputy City Manager/Director of Finance Okoro stated that projects that have awarded contracts can proceed and are safe. City Attorney Harper added that theoretically this is true, but none of this is known and time will determine the outcome.

Mayor 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 is a year-to-year event and how these payments are made on an annual basis. City Manager Groves responded that as long as the annual payment is made, the Norco Redevelopment Agency can stay in business.

Karen Leonard. Ms. Leonard stated that it makes sense to continue as is in order to keep staff and complete projects.

Mayor Hanna CLOSED the public hearing.

M/S Bash/Sullivan to adopt Resolution No. 2011-64. 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 Ordinance No. 936 for first reading. The motion was carried by the following roll call vote:

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

6. PUBLIC COMMENTS OR QUESTIONS:

Bill Detillion. Mr. Detillion commented on the RFD-TV show that aired highlighting Horsetown USA. He further commented on what makes Norco different from other towns, that being horses. He noted that people are concerned about what is happening in the City and there should be some concern regarding how the horses will be affected. Mr. Detillion commented on the increase in speeders in the city, noting that someone could get hurt. He also commented on the brick pavers that have been installed in the past few weeks and also voiced his displeasure with the parking situation at Ingalls.

Lisa Butler. Ms. Butler commented on the dirt and rock haulers that add to the traffic on Sixth Street, adding that she witnessed a speeding truck that could not stop for a red light. She requested that Lt. Cooper remind the drivers on Sixth Street what the speed limit is.

Pat Overstreet. Ms. Overstreet noted that she is thrilled with the court ruling on Wyle Labs, noting that the Norco Regional Conservancy is researching grants for that property.

Norvah Williams. Ms. Williams noted that there is one week left to complete the project in front of the elementary school.

Danny Azevedo. Mr. Azevedo stated that he is proud of the Council for making the hard decisions that come before them as the future of Norco relies on the Council keeping Norco as "Norco."

7. OTHER MATTERS – COUNCIL:

Council Member Newton:

- ✚ Inquired when the sub-committee was going to meet to discuss roosters. City Manager Groves responded that she would check with staff to find out when they will be meeting.
- ✚ Commented on the most recent Concert in the Park, noting that there was a good turn out and it was a good concert.

Mayor Pro Tem Bash:

- ✚ Stated that a donation in the amount of \$5,000 was received by the Lake Norconian Club Foundation for the upcoming event highlighting the anniversary of the Navy in Norco.
- ✚ Inquired on the status of the rock by the old power house. Public Works Director Thompson responded that a meeting was held with Edison where they stated that they would check into it let the City know what the status is.

- ✚ Asked that Mayor Laura Roughton of Jurupa Valley come forward to make a few comments. Mayor Roughton stated that it is exciting to be a new City in Riverside County and added that she enjoys the meetings held with the neighboring mayors.

Council Member Azevedo:

- ✚ Commented on the tour of the new drains that were installed and located in LMD No. 4 following the last rain and noted that maybe only six of them will need corrections. She added that there were some issues with the drains installed by the residents as they were impacting the trails.
- ✚ Stated that the last Concert in the Park will be the one everyone will talk about.
- ✚ Reported on the WRCOG Executive meetings she attends and noted that the state decisions are impacting the entire region.

Council Member Sullivan:

- ✚ Commented on the fence around the George Ingalls Equestrian Event Center and noted concerns from residents regarding parking and riding issues.
- ✚ Recommended that Lt. Cooper apply for another grant to fund one motor officer. Lt. Cooper noted he will look into this, adding that these grants are difficult to get.
- ✚ Stated that donations have been received to fund the breakfast at the Senior Center, noting money received from Council Members, the Norco Firefighters Association and Norco residents.

Mayor Hanna:

- ✚ Commented on the Mayor's breakfast he attended where they discussed regional issues including the Hamner Bridge and the revamping of the Limonite/I15 Interchange.
- ✚ Reported on the Riverside County Transportation Commission meeting he attended where they unanimously approved the EIR for the Perris Valley Metrolink Line.
- ✚ Stated that the Day of the Cowboy event went well and thanked the committee and volunteers that assisted.
- ✚ Noted that an appreciation party was held by Canidae for the sponsors that took part in the Best of America by Horseback event in Norco.
- ✚ Asked Public Works Director Thompson when the Second Street project would be complete. Director Thompson responded that he hoped that the street would be completed and striped by August 15th.

8. OTHER MATTERS – STAFF:

City Manager Groves:

- ✚ Stated that she received word during the Council meeting that the City of Corona approved the agreement for Battalion Chief services with the City of Norco.
- ✚ Stated that one proposal was submitted from CAL FIRE in response to the RFP sent out for Fire Protection and Emergency Services in the City of Norco. She added that a few clarifying questions were sent to CAL FIRE and staff will be bringing an update on that proposal to the Council at the next meeting.

9. ADJOURNMENT: There being no further business to come before the City Council, Mayor Hanna adjourned the meeting at 8:34 p.m.

BRENDA K. JACOBS, CMC
CITY CLERK

/bj-79093