

CALL TO ORDER/ROLL CALL

Mayor Pro Tempore Leary called the regular City Council meeting of July 11, 2007 to order at 6:04 p.m.

Present: Mayor Pro Tem Leary, Council Members Davis, Hume,
and Scherman

Absent: Mayor Cooper

Mayor Pro Tem Leary led the Pledge of Allegiance.

Mayor Pro Tem Leary asked that a moment of silence be observed.

APPROVAL OF AGENDA

Motion: M/S Scherman/Hume to approve the agenda as submitted. The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Cooper)

CLOSED SESSION

None.

PRESENTATIONS/ANNOUNCEMENTS

A presentation was given by Elk Grove Community Food Bank Services and Kaiser Permanente representatives honoring the participants of the Fit Fusion Challenge.

Howard Sihner, President of the Old Town Foundation, announced that the Elk Grove Summerfest event will be held on August 4.

PUBLIC COMMENT (Matters Not on the Agenda)

Elizabeth Pinkerton congratulated the City on its 7th Anniversary of incorporation. She encouraged Councilmembers and staff to keep journals of their respective experiences.

Michael Monasky enumerated his disappointments with the City Council: poor condition of **e-tran** vehicles and transit service; erosion of civil rights; restricted use by the public of the computer and display equipment; confidentiality agreements with private contractors; rampant residential development; lack of employment opportunities; frivolous expenditures and “sweetheart” deals; traffic congestion, air and light pollution; privatization of the City’s workforce; lack of green waste composting program; loss of farm land and open space; City Council is reactive to developers, ignorant to and rejects the needs of residents.

Janet Toppenberg, representing the Elk Grove Chamber of Commerce, presented plaques congratulating the City on its 7th anniversary of incorporation and thanked the City for supporting the Red, White and Blue celebration.

Joel Archer, representing the Arden-Arcade Incorporation Committee, congratulated the City on its anniversary. He provided a short overview of the Committee’s efforts and obstacles to incorporate as a city.

Ken Allred, on behalf of the Board of Directors of the Elk Grove Economic Development Corporation, provided comment on agenda items. Relative to the Grant Line Road/SR 99 interchange, Mr. Allred noted that the project is progressing smoothly as recognized by the Chamber of Commerce’s Industrial Roundtable, affected businesses and the general public. Relative to the Swainson’s Hawk fee agenda item, Mr. Allred noted that flexibility in adjusting fees such as the hawk fee, are key to success, economic growth, and a healthy business community. Mr. Allred also promoted a “buy local” policy. He questioned why the City of Elk Grove was not represented at the National Association of Industrial and Office Properties (NAIOP) Annual Mayor’s forum luncheon held yesterday in Sacramento. Mr. Allred encouraged the City to participate in these events to promote the City’s economic development.

Cody Tubbs responded that staff alerted the NAIOP to scheduling conflicts. The invitation was closed to only the Mayor or Mayor Pro Tem.

CONSENT CALENDAR ITEMS

Public Comment (Consent Calendar)

Michael Monasky addressed the following consent items: 6.1, 6.3, 6.5, 6.6, 6.7, 6.8, (photos displayed relative to Agenda Item No. 6.6). Mr. Monasky challenged the amount of money expended operating the **e-tran** system and characterized recently purchased buses as unsafe, in poor condition, and needing extensive refurbishing. Regarding Agenda Item No. 6.3, Mr. Monasky challenged the ordinance finding of no significant adverse effects to the environment, and addressed increased vehicular traffic congestion and resulting air pollution.

Referring to Agenda Item No. 6.5, Mr. Monasky characterized the City's allocation to the Economic Development Corporation (EDC) as corporate welfare. He asked that funding for the Sinclair contract not be approved and alleged contract provisions (6.5, 6.8) privatize records and is a violation of the California Public Records Act. Mr. Monasky opposed the expansion of service to Rancho Cordova.

Councilmember Hume responded that the contract proposed for approval under 6.5 is the first step to implement the audit proposed by Councilmember Davis (approved by Council relative to city services delivery). He clarified that Agenda Item No. 6.5 is not related to the EDC.

Mr. Monasky prolonged his presentation beyond the time permitted.

Susan Roberts, Transportation Coordinator, State of California Franchise Tax Board, addressing Agenda Item No. 6.7, supported expansion of **e-tran** commuter services to accommodate approximately 1,000 Elk Grove residents and employees of the Tax Board working at its Rancho Cordova site. Ms. Roberts noted that the service would decrease traffic congestion and air pollution.

Stephen Chelini, an employee of the Franchise Tax Board and resident of Elk Grove, supported expanding the service to the Rancho Cordova area.

Motion: M/S Scherman/Hume to approve the Consent Calendar. The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Cooper)

Agenda Item No. 6.1: Approved General Warrant No. 29914 through 30694 dated June 1, 2007 through June 29, 2007 and Electronic Fund Transfer 2007124 through 2007135, and Automatic Clearing House

Agenda Item No. 6.2: **Ordinance No. 20-2007** adopted levying and apportioning the special tax in territory annexed to Community Facilities District No. 2006-1 (Maintenance Services) Annexation No. 6

Agenda Item No. 6.3: **Ordinance No. 21-2007** adopted amending the City of Elk Grove Zoning Map from Agricultural-80 acre minimum (AG-80) to Low Residential-4 units/acre (RD-4), Low Density Residential-5 units/acre (RD-5), and Open Space (O) for Franklin Crossing Project No. EG-04-727

Agenda Item No. 6.4: **Ordinance No. 22-2007** adopted amending the City of Elk Grove Zoning Map from AR-5 to AR-2 for Home Mark Homes Project No. EG-05-915, APN 127-0030-019

Agenda Item No. 6.5: **Resolution No. 2007-151** adopted authorizing the City Manager to execute a contract in the amount of \$80,000 with Sinclair & Associates for Development Services Delivery Review

Agenda Item No. 6.6: **Resolution No. 2007-152** adopted authorizing the City Manager to execute an agreement with Trapeze Software Group to purchase Transit Enterprise Solutions Software for Fixed Route Services in the amount of \$53,181, in addition to annual support costs

Agenda Item No. 6.7: Authorized staff to expand e-tran commuter bus service to Rancho Cordova and other Sacramento County areas when customer demand, fleet, and other City resources allow, and adopted **Resolution No. 2007-153** authorizing the Transit Manager to request necessary authorization from Sacramento Regional Transit District

Agenda Item No. 6.8: **Resolution No. 2007-154** adopted authorizing the City Manager to execute a construction contract with Hedman Drilling in the amount of \$82,000 for the destruction of domestic water wells in preparation for the Sheldon Road/State Route 99 Interchange Reconstruction Project and authorizing the City Engineer to approve expenditures of up to \$26,000 in contingency funds as needed to address unforeseen subsurface conditions

Agenda Item No. 6.9: **Resolution No. 2007-155** adopted authorizing the Mayor to execute an Acquisition Agreement with Reynen and Bardis for privately-constructed public facilities within the City of Elk Grove Community Facilities District No. 2003-1 (Poppy Ridge)

Agenda Item No. 6.10: Received report on City Manager approved purchases and contracts authorized by City Purchasing Ordinance, filed through June 30, 2007

Agenda Item No. 6.11: Approved City Council Minutes of the June 13, 2007 Regular Meeting and the July 5, 2007 Special Meeting as presented.

PUBLIC HEARINGS

Agenda Item No. 7.1: A continued public hearing to consider the introduction of an ordinance amending the City of Elk Grove Zoning Code (Article 23 of the Elk Grove Municipal Code) pertaining to Big Box Retail / Discount Superstores

RECOMMENDATION:

Introduce and waive the full reading, by substitution of title only, an ordinance amending the City of Elk Grove Zoning Code (Article 23 of the Elk Grove Municipal Code) pertaining to Big Box Retail / Discount Superstores.

Christopher Jordan, Planner, provided an overview of the staff report and recommendation.

Mayor Pro Tempore Leary declared the public hearing open at 7:30 p.m.

Public Comment:

The following persons provided comment for consideration prior to Council action: **Janet Toppenberg** (CEO, Chamber of Commerce), **Glen Hansen**, **Michael Monasky**, **Steve Detrick** (Elk Grove Coalition Advocating Proper Planning [EGCAPP] [handout-filed]), **Linda Ford**, **Jim Wiley**, (representing Calvine/99 SPA interests [handout filed]).

In relation to the Calvine/99 SPA, Mr. Wiley concurred that the applicant is amenable to application of the various impact analyses as identified by the proposed ordinance.

Mayor Pro Tempore Leary closed the public comment opportunity and declared the public hearing closed at 7:16 p.m.

In response to **Councilmember Davis'** query relative to an alleged unwarranted reference to the Development Agreement applicability exclusion, **Interim City Attorney Jonathan Hobbs** responded that developers gained vested rights under existing law as a result of the agreement. The language in question was placed in the ordinance to clarify that vested rights exist consistent with the agreement.

Councilmember Davis recommended the addition of definitional points (consistent with a handout provided by EGCAPP representative Steve Detrick) as follows: 1) analyze whether the proposed superstore will result in a net increase or decrease of jobs, segregating by job types; and 2) require an analysis of the effects of the proposed superstore on retail sales and whether or not there will be a net increase or decrease overall on the net retail sales of the City.

Mayor Pro Tem Leary, referring to the site map, questioned the necessity of the regulation given the limited number of sites on which a superstore might be able to locate.

Councilmember Scherman reiterated her position to oppose ordinance language to ban or prohibit business development.

Councilmembers Davis and **Hume** expressed expectations to the Calvine/99 SPA area developer that working with the community to gain project buy-in is critical.

Motion: **M/S Hume/Davis** to introduce and waive the full reading, by substitution of title only, **Ordinance No. 23-2007** amending the City of Elk Grove Zoning Code (Article 23 of the Elk Grove Municipal Code) pertaining to Big Box Retail / Discount Superstores, exempting the Calvine/99 SPA (Section 2: Interpretation/Application), and adding language to the Economic/Fiscal Impact Analysis (Table 23.32-1 Notes:

14.B. to require an analysis of whether the proposed superstore will result in a net increase or decrease of jobs in the City, segregating by job types; and require an analysis of the effects of the proposed superstore on the retail sales and whether there will be a net increase or decrease in retail sales in the City. ***The motion passed by the following vote: Ayes: 3; Noes: 1 (Scherman); Absent: 1 (Cooper)***

Agenda Item No. 7.2: A public hearing to consider the financing agreement regarding regional mall, fees, and infrastructure with Elk Grove Town Center, L.P.

RECOMMENDATION:

Adopt resolution approving the financing agreement regarding the regional mall, fees, and infrastructure with Elk Grove Town Center L.P. (GGP), and authorize the City Manager to execute the financing agreement in substantially the form presented, subject to approval by the City Attorney, and to prepare and execute all documents and take all action reasonably necessary to implement the financing agreement.

Jim Estep, Assistant City Manager, provided an overview of the staff report and recommendation. Mr. Estep reported if approved, the proposed agreement would fulfill the Developer's obligation to submit a finance implementation plan, will settle the eminent domain proceedings between the parties, would clarify the original development agreement, define the purchase of right of way, create a license agreement and set forth required time lines for the opening of the mall.

Mr. Estep reviewed key points of the agreement: General Growth Partners will construct a regional mall and will include at least twelve tenants from Exhibit A and at least 30 from Exhibit B (ref: exhibits to agreement); tenants are required to be open within one year of the opening of the mall; the mall will be open no later than March 2009 (goal is to open by October, 2008). Dates assume permits will be issued by August 1, 2007; if not, they must be open within two years of obtaining the necessary permit. The developer will pre-pay the roadway fees at the rate that was specified in the development agreement. Approval of the license agreement allows the City to acquire the right of public use of the private mall parking lot. License fees may be used by the developer to fund the project condition for the public infrastructure improvements. The payments are tied to sales tax generation (incentive for the mall to be profitable). The sooner more sales tax is generated, the sooner the license agreement can be terminated. The total license cost will not exceed 90% of the actual cost of the non-reimbursed public infrastructure improvements (approximately \$9 million). The agreement provides for the purchase of property rights (ref: settlement of eminent domain litigation in relation to the Grant Line/SR 99 interchange with payment of approximately \$2.5 million for right-of-way, paid from the roadway fund). Developers must fund up to \$250,000 annually for the maintenance of access roads to the mall until such time roads are

permanently completed. The total sum of payments, including necessary infrastructure and right of way will not exceed \$18.6 million.

Addressing fiscal impacts, Mr. Estep reported that the estimated sales tax generated by the mall at \$3.6 million once fully opened for the first year. Staff recommends the roadway fund be fully backfilled from general fund reserves for any payments made as a result of the agreement.

Staff recommends Council approval and subsequent implementation of the agreement.

Mayor Pro Tempore Leary declared the public hearing open at 7:30 p.m.

Public Comment:

The following persons provided public comment for consideration prior to Council action: **Michael Monasky, Janet Toppenberg** (Chamber of Commerce), **Steve Foster** (Fire Chief, Cosumnes Community Services District); **Barbara Lemar, Osha Meserve** (Adams, Brodwell, Joseph, Cardozo), representing the Building Trades Craft Coalition; **Lisa Dixon**.

Mayor Pro Tempore Leary closed the public comment opportunity and declared the public hearing closed at 7:53 p.m.

Interim City Attorney Jon Hobbs offered an additional finding to be incorporated into the resolution proposed for adoption relative to environmental impact. He noted the same statement is applicable to the next item (Agenda Item No. 7.3).

As a result of this item, there have been no substantial changes to the project, there have been no substantial changes to the circumstances under which the project was undertaken, and there is no new information which was not known or could not have been known at the time of the certification of the prior Environmental Impact Report (EIR), which is the 2001 EIR for the Lent Ranch Project, that would require preparation of a subsequent or supplemental EIR.

Motion: **M/S Scherman/Davis** to adopt **Resolution No. 2007-156** approving the financing agreement regarding the regional mall, fees, and infrastructure with Elk Grove Town Center L.P. (GGP), and authorize the City Manager to execute the financing agreement in substantially the form presented, subject to approval by the City Attorney, and to prepare and execute all documents and take all action reasonably necessary to implement the financing agreement, with the added finding to wit: *there have been no substantial changes to the project, there have been no substantial changes to the circumstances under which the project was undertaken, and there*

is no new information which was not known or could not have been known at the time of the certification of the prior EIR, which is the 2001 EIR for the Lent Ranch Project, that would require preparation of a subsequent or supplemental EIR **The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Cooper)**

Agenda Item No 7.3: A public hearing to consider the Elk Grove Promenade Development Plan Review. The project site is located at the northwest corner of Grant Line Road and State Route 99 in the Lent Ranch Special Planning Area (APN 134-0220-078; EG-05-878).

RECOMMENDATION:

The Planning Commission recommends that the City Council adopt a resolution approving the Elk Grove Promenade Development Plan Review Project No. EG-05-878, subject to the findings and conditions of approval and a recommendation to have a review of historical elements and the landscape plan based on Planning Commission discussion on May 31, 2007

Mayor Pro Tempore Leary declared the public hearing open at 8:51 p.m.

Jessica Shalamunec, Special Projects Manager, provided an overview of the staff report and recommendation.

Relative to the location of the detention basin, **City Engineer Fritz Buckman**, noted that the basin is planned to be located on the adjoining property (Sterling Meadows Project). The secondary location is within the Lent Ranch Special Planning Area (SPA), within the study footprint of the EIR completed for the Lent Ranch SPA.

Louis Bucksbaum, Senior Vice President of Development, General Growth Properties, provided a lengthy presentation. Rod Bannon and Nicole Spreck, G.G.P., addressed various project features. Matt Spokely (Wood Rodgers) addressed drainage questions.

Public Comment:

The following persons provided comments in support of and in opposition to the project for consideration prior to Council deliberation: **Constance Conley, Michael Monasky, Janet Toppenberg (under 7.2), Mark Mendenhall** (Elk Grove Trails Committee), **Terry Gau, Jim Collins, Lynn Wheat, Norm De Young, Barbara Washburn** (Laguna Creek Watershed Council—handout filed), **Lisa Dixon, Sylvia Ruiz** (Service Workers Union), **Rebecca Lewis, Barbara Lemar, Jackie Collins, Osha Meserve** (Adams, Brodwell, Joseph, Cardozo), representing the Building Trades Craft Coalition (letter filed).

Robert Grupe, Conrad Davis, Eileen Peterson, Rueda Sekhan, Nathaniel Doli

Manider Sekhan, Maria Hercules, submitted request to speak cards in support of the mall, but were not available when called upon.

The Council recessed at 9:21 p.m. and reconvened at 9:30 p.m. with the following members present: Leary, Davis, Hume, and Scherman (Absent: Cooper).

The applicant offered no rebuttal to public comment.

Mayor Pro Tem Leary closed the public comment opportunity and declared the public hearing closed at 9:21 p.m.

Motion: Hume/Scherman to waive the Rules of Procedure relative to considering items after 10 p.m. and continue Agenda Item Nos. 8.1, 8.4 and 8.5 to the September 12, 2007 City Council meeting. ***The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Cooper)***

During deliberation of Agenda Item No. 7.3, Councilmembers addressed a number of issues with Mr. Bucksbaum including: landscape, shading, transit/pedestrian/bicycle connectivity, storm water detention/treatment, sales tax revenue, retail and construction jobs created, anchor design elevations, the selection of anchors/tenants, pervious and impervious surfacing, selection of mall type (open-air v. enclosed), shopper enticements, accommodations for persons with disabilities, security, youth activities, use of solar energy, on-site recycling, labor, wine-barrel art work, incorporating representations of the City's history into the project, improvement of the Target Store design, returning the architectural design of the anchor stores to the Council for approval.

Fritz Buchman, City Engineer, confirmed that the proposed drainage plan exceeds standards.

Motion: M/S Davis/Leary to adopt **Resolution No. 2007-157** approving the Elk Grove Promenade Development Plan Review Project No. EG-05-878, subject to the findings and conditions of approval as amended to include a review of historical elements and the landscape plan based on Planning Commission discussion on May 31, 2007, and requiring the architectural review of the retail store anchors to return to the City Council for approval. ***The motion passed by the following vote: Ayes: 3; Noes: 1 (Scherman); Absent: 1 (Cooper)***

REGULAR AGENDA ACTION ITEMS/RECOMMENDATIONS

Agenda Item No. 8.1 was continued to the September 12, 2007 Council meeting without Council consideration.

Agenda Item No. 8.1: Consideration of allowing certain projects subject to Elk Grove Municipal Code Chapter 16.130.040(a) regarding mitigation for the loss of Swainson’s Hawk foraging habitat to provide alternative mitigation and extend the term of the inter-fund loan from the Elk Grove Roadway Fee Program Fund to the Swainson’s Hawk Fund

RECOMMENDATION:
Provide direction regarding alternative mitigation for pipeline and future projects and to extend the term of the inter-fund loan from the Elk Grove Roadway Fee Program Fund to the Swainson’s Hawk Fund by two years.

Agenda Item No. 8.2: Establishing Speed Limits on Various Roadway Segments

RECOMMENDATION:
Introduce and waive the full reading, by substitution of title only, an Ordinance establishing the following speed limits:

<u>Roadway Segment</u>	<u>Posted Speed Limit</u>
Calvine Road – Bradshaw Road to Vineyard Road	55 miles per hour
Waterman Road – Rancho Drive to Mainline Drive/Dino Drive	50 miles per hour
Civic Center Drive – Bruceville Road to Elk Grove Boulevard	35 miles per hour
Whitelock Parkway – Bruceville Road to Franklin Boulevard	40 miles per hour
Franklin High Rd. – Whitelock Parkway to Whitelock Parkway	35 miles per hour
W. Stockton Blvd – Laguna Boulevard to Lewis Stein Road	35 miles per hour
Stonebrook Drive – East Park Drive to Winding River Way	25 miles per hour
West Lake Drive – Elberon Way to Nolan Street	35 miles per hour

Guy Nakano, Traffic Engineering, provided an overview of the staff report and recommendation.

Public Comment:

Michael Monasky objected to the speed limits set for Calvine and Waterman Roads and opposed speed limits above 45 miles per hour.

Motion: **M/S Scherman/Davis** to introduce and waive the full reading, by substitution of title only, **Ordinance No. 24-2007** establishing the speed limit on various roadway segments. ***The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Cooper)***

Agenda Item No. 8.3: City of Elk Grove logo, tagline, and positioning statement

RECOMMENDATION:

Adopt a new City of Elk Grove brand, including a 1) logo, illustrates the City's name by graphically combining the "Elk" and the "grove", symbolized by a tree; 2) tagline, "Proud Heritage, Bright Future"; and 3) positioning statement, *From 19th-century stagecoach stop to 21st-century society, Elk Grove is a city where family matters most and opportunity is around every corner. It's a safe, youthful environment where families put down roots, and everyone can learn, play and grow. It's a prosperous business community that offers a diversity of shops, services and promising careers—all surrounded by cultural and natural landmarks. We have small town roots with big dreams, carefully and thoroughly investing in a community that just gets better with age.*

Christine Brainerd, Public Information Officer, provided an overview of the staff report and recommendation (visual presentation filed).

Public Comment:

Michael Monasky proposed his version of a suitable tagline "Rampant growth, congestive gridlock" for the City.

Norm De Young proposed a City motto to honor Veterans, "Welcome Home".

Constance Conley recognized Christine Brainerd's efforts to engage the community in collecting public input on the logo, tagline and positioning statement.

Lisa Dixon recommended resurrecting a motto from the City's history, "Within our boundaries lies a progressive herd". She recommended tagging on Mr. De Young's proposal of "Welcome Home" to the end of the sentence.

Councilmember Scherman offered that when the large park is built in Laguna Ridge, part of the park will be a Veteran's memorial grove, wherein a motto, such as one recommended by Mr. De Young, is appropriate.

Councilmember Davis proposed that the motto might be used on the entry monument signs.

Councilmember Hume stated he would be asking for a future agenda item to address naming streets after veterans. He also corrected that the original statement referenced by Ms. Dixon is, "*Within our boundaries roams a progressive and contented herd*".

Motion: M/S Scherman/Davis to adopt the new City of Elk Grove brand, including a logo, tagline and positioning statement as recommended. *The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Cooper)*

Note: Agenda Item No. 8.4 was continued to the September 12, 2007 City Council meeting.

Agenda Item No. 8.4: Receive report on the stakeholder workshops for the affordable housing loan process and adopt resolutions: 1) approving the Affordable Housing Loan Program Guidelines and an amendment to the Fiscal Year 2007-08 budget; and 2) authorizing the formation of the Elk Grove Affordable Housing Loan Committee

RECOMMENDATION:

Review report on the stakeholder workshops held for the affordable housing loan process and adopt resolutions: 1) approving the Affordable Housing Loan Program Guidelines and amending the Fiscal Year 2007-08 budget by \$5,000; and 2) authorizing the formation of the Elk Grove Affordable Housing Loan Committee and recruitment of appointee candidates and alternate candidates.

Note: Agenda Item No. 8.5 was continued to the September 12, 2007 City Council meeting, with no discussion or action taken during this meeting.

Agenda Item No. 8.5: City of Elk Grove Planning Academy

RECOMMENDATION:

Review proposed Planning Academy course outline and provide comment as desired.

Agenda Item No. 8.6: Provide direction to staff regarding potential Neighborhood Services positions

RECOMMENDATION:

Provide direction to staff regarding potential new Neighborhood Services positions.

Frank Oviedo, Deputy City Manager, introduced the item for Council discussion and direction.

Public Comment:

Michael Monasky asked that City Council direct staff to bypass creating the positions, noting the cost at nearly \$500,000. He felt there ought to be more

cooperation between City staff and the School District and/or the Cosumnes Community Services positions. He felt the position should be absorbed by existing staff.

With no additional requests to speak, Mayor Pro Tem Leary closed the public comment opportunity.

Councilmembers favored approval and funding of the youth program manager over the events coordinator at this time.

Council Consensus: Continue developing the position description for youth programs manager, incorporate an outreach coordination component, seek grant funding for the position and related programs, fund immediately, return to the Council at its September 12 meeting.

Agenda Item No. 8.7: Loan request for the Elk Grove Family Life and Fitness Center in the amount of \$2,105,000

RECOMMENDATION:

Provide direction regarding the use of General Fund reserves for economic uncertainty to fund a loan request from the developer of the Elk Grove Family Life and Fitness Center.

Jim Estep, Assistant City Manager, provided an overview of the staff report and requested Council direction.

In response to **Councilmember Hume's** question on the use of an enterprise zone, **Deputy City Manager Cody Tubbs** responded that the project does not meet the qualification criteria.

Project proponent **Jay Smith**, and **Keith Burcham**, Strikes owner in Rocklin, made statements in support of the project and loan approval. Mr. Smith noted that the loan requested would provide funds to purchase bowling equipment.

Council discussion ensued on the ramifications of loaning public funds, e.g., prevailing wage triggers, liability, and questioned what other tools might be used to diminish costs to the proponent, e.g., fee deferrals, tax sharing, sewer fee credits.

Public Comment:

The following persons provided public comment prior to Council deliberation:
Michael Monasky, Lisa Dixon, Constance Conley.

Councilmember Hume noted that there is a larger policy issue of by what means the City can enable projects, such as this, that will enhance the quality of life to residents.

Council consensus: Staff to assess what tools might be used, alternate to the loan, including fee deferral, tax sharing, sewer fee credits, identify the market-rate loan percentage, or project proponent reorganize as a new corporation, to assist bringing the project to fruition.

GENERAL ADMINISTRATION INFORMATION

None.

COUNCIL COMMENTS/FUTURE AGENDA ITEMS

1. Reports on Regional Boards, Commissions, Committees
2. Travel/Training Expenditures Disclosure (*in accordance with Resolution 2006-295 and Government Code § 53232.3(d)*)—**No reports**

Councilmember Scherman

- Requested **Council consensus** to return an item to consider allocation of \$7,000 for an ADA ramp for the Historical Society.
- Reported attending workshop sponsored by District Attorney Jan Sculley relative to the law and sex offenders in the community (Megan's Law).
- Due to a conflict, she was unable to meet with the Mayor and NAACP representatives. The meeting has been rescheduled to August.

Councilmember Hume


- Requested **Council consensus** to return an item on naming streets after veterans for consideration.

Mayor Pro Tem Leary

- Requested staff examine the trees in the median near Elk Grove Boulevard and Fire Poppy where large oak trees appear to be dying.

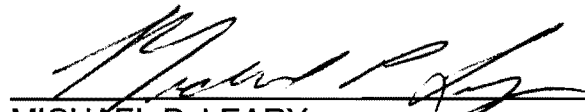
ADJOURNMENT

With no additional business to conduct, the July 11, 2007 City Council meeting was adjourned July 12, 2007 at 12:40 a.m.



PEGGY E. JACKSON
CITY CLERK

ATTEST:



MICHAEL P. LEARY,
MAYOR PRO TEM