

**MINUTES OF THE CITY COUNCIL
REGULAR MEETING
Wednesday, January 23, 2008**

CALL TO ORDER/ROLL CALL

Mayor Davis called the regular City Council meeting of January 23, 2008 to order at 6:05 p.m.

Present: Mayor Davis, Vice Mayor Hume, Council Members Cooper, and Scherman

Absent: Council Member Leary

City Clerk Peggy Jackson led the Pledge of Allegiance.

Mayor Davis asked that a moment of silence be observed.

APPROVAL OF AGENDA

Motion: *M/S Cooper/Scherman to remove Item No. 8.5 and approve the remainder of the agenda as presented. The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Leary)*

CLOSED SESSION

None.

PRESENTATIONS/ANNOUNCEMENTS

Agenda Item No. 4.1: On behalf of the Council, Council Member Scherman presented a Certificate of Recognition to Mica Mione, Crisis Services Manager, and Michelle Coleman, Associate Director of WEAVE (Women Escaping a Violent Environment) acknowledging its 30th Anniversary.

Agenda Item No. 4.2: Mayor Davis introduced Elk Grove Economic Development Corporation Executive Director Steve Czarnecki.

Agenda Item No. 4.3: Deputy City Manager Frank Oviedo introduced Jeannine Seher, newly appointed Human Resources Manager. Finance Director Rebecca Craig announced the transfer of and presented Troy Brown as the City's new Budget Manager.

PUBLIC COMMENT

Linda Ford recalled that, at Elk Grove Community Connection's (EGCC) first summit in August 2006, the top three concerns were graffiti, growth, and gangs. She presented a proposed street gang prevention ordinance and implementation plan on behalf of the EGCC (filed). She explained that the ordinance will allow the Police Department and landlords to be able to utilize the court system to expedite the eviction of known gang members from residences. It allows police, business owners, and residents to pursue civil cases that could result in the seizure of property and assets gained or used in a crime. Other critical components of the ordinance include parental control and responsibility, loitering, and forfeiture of contraband property.

In reference to the proposed street gang prevention ordinance, **Kathy Lee** explained that its intent is to seek the eradication of criminal activity of street gangs by focusing upon patterns of criminal gang activity and upon the organized nature of street gangs.

Steve Detrick read the proposed street gang and prevention ordinance.

Connie Conley stated that the proposed ordinance was a collaborative effort between citizens, the Elk Grove Police Department Gang Unit, and Mayor Davis. She urged Council to schedule consideration of this ordinance on a future agenda. She acknowledged the assistance of Lieutenant Art Olsen and Sergeant Tim Albright in drafting the ordinance, which she stated was dedicated in the memory of Sacramento County Sheriff's Detective Vu Nguyen who was killed in the line of duty by a gang member.

Mayor Davis and Council Members Cooper and Scherman voiced support for the proposed ordinance.

Barbara Lemar thanked those responsible for realigning Grantline Road interchange streets for better traffic flow. She expressed support for the proposed street gang prevention ordinance. She hoped that the economic downturn would not negatively affect the new mall.

In reference to Item 7.2, **Kathy Lee** commended commercial developer Lux Taylor for working with east area residents and felt that, if early intervention was undertaken with citizens as he had done, projects would move forward in a more positive fashion. She supported the signage program outlined in Item 7.2.

CONSENT CALENDAR ITEMS

Motion: M/S Cooper/Hume to approve the Consent Calendar, removing Agenda Item No. 6.13. The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Leary)

Agenda item No. 6.1: Ordinance No. 1-2008 adopted amending Chapter 23.70.040 of the City of Elk Grove Zoning Code related to distance requirements governing certain specified uses applicable to adult-oriented businesses (**Second Reading**)

Agenda Item No. 6.2: Ordinance No. 2-2008 adopted amending the City of Elk Grove Zoning Map from AG-20 to RD-5 and RD-7 consistent with the Laguna Ridge Specific Plan for the Madeira South Project (APN: 132-0050-090) (**Second Reading**)

Agenda Item No. 6.3: Received October 2007 Treasurer's Report

Agenda Item No. 6.4: Approved General Warrant No. 34079 through 34768 dated December 1 – 28, 2007 and Electronic Fund Transfer 2008056 through 2008068

Agenda Item No. 6.5: Approved City Council Special and Regular Meeting Minutes of January 9, 2008 as presented

Agenda Item No. 6.6: Received report on City Manager approved purchases and contracts authorized by City Purchasing Ordinance, filed through January 16, 2008

Agenda Item No. 6.7: Resolution No. 2008-18 adopted accepting the Bruceville Road / Kindercare Frontage Improvements and the Elk Grove Boulevard Widening adjacent to Sabrina Lane Project as complete and authorizing the City Engineer to prepare a Notice of Completion and the City Clerk to file the Notice of Completion with the Sacramento County Recorder

Agenda Item No. 6.8: Resolution No. 2008-19 adopted authorizing the City Engineer to call for bids for the East Stockton Boulevard Bikeway Project

Agenda Item No. 6.9: Resolution No. 2008-20 adopted authorizing the City Engineer to call for bids for the Elk Grove (Old Town) Library Project

Agenda Item No. 6.10: Resolution No. 2008-21 adopted waiving the competitive bid process and authorizing the City Manager to execute a two-year contract with MuniFinancial in an amount not to exceed \$227,000 to provide services for financing district administration, arbitrage rebate, municipal disclosure, district annexation, delinquency management, and financial consulting

Agenda Item No. 6.11: Resolution No. 2008-22 adopted authorizing the City Engineer to call for bids for the Traffic Signal Improvements Project, Franklin Boulevard – Percheron Drive and Franklin Boulevard - Blossom Ridge Drive

Agenda Item No. 6.12: Resolution No. 2008-23 adopted authorizing the City Manager to execute a reimbursement agreement with Sacramento County Water Agency for the West Stockton Boulevard at Laguna Creek Bridge Replacement Project and amend the Fiscal Year 2007-08 project budget to reflect \$95,000 from Sacramento County Water Agency

Agenda Item No. 6.14: Resolution No. 2008-24 adopted authorizing the City Manager to execute a three-year contract in an amount not to exceed \$293,259 with Able Building Maintenance Company for janitorial services for City-owned facilities

NOTE: Item 6.13 was heard out of order as listed below.

Agenda Item No. 6.13: Resolution No. 2008-25 adopted authorizing the City Manager to execute a three-year contract in an amount not to exceed \$66,000 with Coast Landscape Management for landscape services at city-owned facilities

Council Member Hume noted that Coast Landscape Management is headquartered in Napa. He favored implementing a bidding process that gave weighted consideration to local companies.

Council Member Scherman concurred with Mr. Hume's suggestion.

City Attorney Susan Cochran reported that staff is currently working on an amendment to the City's Purchasing Ordinance that would include a local preference, as well as objective criteria used to apply it, which would be known in advance to all who participated in the bid process. She anticipated the ordinance to be presented to Council within the next month.

Mayor Davis asked staff to include the list of bidders in future staff reports of this type.

Motion: M/S Cooper//Hume to approve staff's recommendation. The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: Leary

PUBLIC HEARINGS

Agenda Item No. 7.1: A public hearing to consider approval of a Circulation Element General Plan Amendment to indicate a future interchange at Whitelock Parkway and State Route 99

RECOMMENDATION:

The Planning Commission recommends that the City Council adopt a Resolution certifying an Addendum to the General Plan Environmental Impact Report, amending Figure CI-2 of the General Plan, and adding Policy CI-11-Action 2 to the Circulation Element of the General Plan to indicate a future interchange at Whitelock Parkway and State Route 99. Development of the interchange, including timing of construction, specific location, and construction plans, are not proposed or considered at this time.

Mayor Davis declared the public hearing open.

Jessica Shalamunec, Special Projects Manager, provided an overview of the staff report and recommendation. She recalled that, in November 2007, Public Works requested Planning to consider amending one of the figures in the General Plan to indicate a future interchange at Whitelock Parkway. Staff realized that an additional policy should be added to the circulation element to establish the City's intent for the interchange. This action will afford the City Council to consider an interchange in that location in the future, perhaps 10 to 15 years from now. It is consistent with other General Plan policies related to traffic planning.

PUBLIC COMMENT:

None.

Mayor Davis declared the public hearing closed.

Council Member Hume noted that the interchange would connect Elk Grove Regional Park to Stonelakes National Wildlife Preserve and hoped that it would include a bikeway path component.

Motion: ***M/S Hume/Cooper*** to adopt **Resolution No. 2008-26** certifying an Addendum to the General Plan Environmental Impact Report, amending Figure CI-2 of the General Plan, and adding Policy CI-11-Action 2 to the Circulation Element of the General Plan to indicate a future interchange at Whitelock Parkway and State Route 99. ***The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Leary)***

Agenda Item No. 7.2: A public hearing to consider a Zoning Code amendment to establish a mandatory onsite noticing/signage program requirement for pending private development projects

RECOMMENDATION:

The Planning Commission recommends that the City Council introduce and waive the full reading of an Ordinance amending Article II, Section 23.14.040 of the Zoning Code to establish a mandatory onsite noticing requirement for pending private development projects.

Mayor Davis declared the public hearing open.

Jessica Shalamunec, Special Projects Manager, provided an overview of the staff report and recommendation. She noted that, at Council's next regularly scheduled meeting, staff would return with a resolution establishing a fee for the onsite noticing requirement of \$250 for installation and \$100 for maintenance.

Council Member Cooper judged the proposed fees to be somewhat excessive.

Attorney Jonathan Hobbs asked that a correction in the ordinance be made changing the word "cost" to "fees" in following sentence: "*The cost for developing and establishing the on-site notice shall be established by Resolution of the City Council.*"

PUBLIC COMMENT:

**Note: See Item 5 Public Comments.*

Mayor Davis declared the public hearing closed.

Motion: M/S *Hume/Cooper* to introduce and waive the full reading of **Ordinance No. 3-2008** (with typographical correction noted above) amending Article II, Section 23.14.040 of the Zoning Code to establish a mandatory onsite noticing requirement for pending private development projects. ***The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Leary)***

REGULAR AGENDA ACTION ITEMS/RECOMMENDATIONS

Agenda Item No. 8.1: Sphere of Influence Amendment

RECOMMENDATION:

As directed by Council, staff has solicited comments on the proposed Sphere of Influence prior to submitting an application to the Sacramento Local Agency Formation Commission. Staff recommends that the City Council review the public comments, requests, and alternative boundaries for the proposed Sphere of

Influence and provide direction on the boundaries and the timing for application submittal.

With the aid of an overhead presentation (filed) **Taro Echiburu**, Project Manager, provided an overview of the staff report and recommendation. He explained that a Sphere of Influence (SOI) is a plan for the probable physical boundaries and service area of a local government. A SOI defines the primary area where urban development is encouraged, serves as a tool to combat sprawl and provide efficient development patterns, and gives appropriate consideration to preserving agricultural and open space lands. The SOI should be amended where consideration for future growth was anticipated in the study areas identified in the General Plan. Other reasons to amend the SOI include jobs/housing balance, open space and agricultural land preservation within the city limits, delineating the ultimate City boundary, and creating a permanent greenbelt. He clarified that the staff report implied that 19,500 acres were needed outside the city limits to accommodate projected future growth of the City; however, it has been acknowledged that only a portion of the growth would be outside the city limits. He explained that amending the SOI now would allow for proper planning while there were no immediate growth pressures. Once Council provides direction as to what the SOI lines should be, staff will proceed with an application to amend the existing SOI boundary with the Sacramento Local Agency Formation Commission (LAFCO), which is a six to nine month process. Once the boundary line is approved, Council can provide additional direction to begin the land use master planning of the area, which can take several years. When the annexation is complete, review of development can begin. Mr. Echiburu reviewed outreach efforts and public comments received to date. He reported that County staff has urged that SOI boundary lines do not cut across parcels. The County recommends that land within the 100-year flood plain be excluded, additionally they supported agricultural operations, and noted that the SOI should only include the area the City intends to urbanize, as opposed to including open space. Staff also met with LAFCO representatives who asked that the City include direction and commitment to limit urbanization as part of its SOI application. Mr. Echiburu reviewed a series of maps (filed).

PUBLIC COMMENTS:

Liz Zainasheff submitted a letter to the City Council (filed). She asserted that there should have been more opportunities for public participation in the process and alleged that an overwhelming majority of people who submitted comments at the workshop were against expansion of the SOI. She asked to know what the validation process was for the survey. She encouraged Council not to take action on this item based upon outdated population projections. She felt that there should be M-1 and M-2 manufacturing industrial zones.

Craig Ledbetter, landowner of 3,500 acres, asked to be added to the study area. He mentioned that John Bates had contacted Council about this matter; however, he was unable to attend the meeting. Mr. Ledbetter noted that there eventually will be a large expressway on Grantline Road connecting Interstate-5 to Highway 50. Grape vineyards comprise a majority of the property in this area.

Rich Hardesty stated that citizens were not listened to at the SOI meeting. He felt there should be an appeal process of Council's decision regarding this matter. He asked that farmers on the west side of Highway 99 be allowed to remain in the County. He believed that, if wetlands were created near his property, it would ruin its value.

Sean Wirth, representing "Save our Sandhill Cranes," stated that the SOI proposal would break the Urban Service Boundary to the south. When the Urban Service Boundary was adopted, wildlife habitat was taken for development. The land Council is now considering for the SOI, is habitat that is used extensively by Sandhill Cranes in the winter and Swainson's Hawks in the summer. A successful conservation effort focuses on preserving the highest quality land and habitat, while allowing development of the lowest quality habitat. He cautioned Council that, when it grows the City, it grows problems, e.g. increased crime, etc.

Jim Gillum, representing the Kimball family, encouraged Council to look for opportunities to plan practically and adopt a SOI line that provides for open space to occur within the City's boundaries.

Kim Hunt represented property owners who wished to remain farmers in the County of Sacramento. Ms. Hunt stated that she received few answers at the December SOI meeting and was still waiting to find out how the Williamson Act and property tax would be impacted.

Cynthia Garcia asserted that the SOI is to encourage development. The City has a mechanism, through the South County Habitat Conservation Plan, to protect open space without increasing the SOI. She pointed out there will be increased flooding as more land is paved. She suggested that Council not include any areas in the SOI that are not envisioned for urbanization.

Suzanne Pecci expressed disappointment that there were only two public meetings held on the SOI topic. She felt that the staff report did not reflect the opinions of the citizens, voters, or taxpayers within the City of Elk Grove. She asked Council what was driving the SOI amendment and what Council's vision was for the City.

Barbara Lemar agreed with comments made by Ms. Pecci. She reminded Council that residents in east Elk Grove wish to remain rural and do not want City water and sewer. She noted that a 200-year flood plain is being developed now and it ought to be considered in the SOI matter. She asked how many property owners are

included in the proposal before Council and who paid for the map that included them. She urged Council not to approve the SOI amendment.

June Coats pointed out the County of Sacramento stated that the SOI should only include the area the City intends to urbanize. She stated that the general public is of the impression that this matter is developer driven or financially motivated. She did not believe it was appropriate at this time to amend the SOI.

Jim Pacht asked where new development would get its drinking water supply. He stated that Elk Grove's surface water rights come through the County's Zone 40 water contracts, which is limited to land within the Urban Service Boundary. There would be major resistance from the wildlife agencies and Bureau of Reclamation against attempts to take the water south. Groundwater is problematic for south Sacramento County. The Cosumnes River has very little water and the City has no rights to it. Mr. Pacht stated that Elk Grove politics has been known for being divisive and contentious, and operating on its own agenda without regard to what citizens think.

Judith Lamare representing "*Friends of the Swainson's Hawk*" believed that the future success of every city in the region is to close their boundaries and work on the interior to become sustainable cities. She suggested Council have a "telephone town hall" to increase public participation. She recommended, before taking the matter to LAFCO, the City ensure it is in compliance with past commitments and promises regarding Swainson's Hawk mitigation.

Robert Burness introduced himself as a member of the Stonelake's National Wildlife Refuge Association and former Planner of the County of Sacramento with 30 years of experience, including being one of the architects for the Urban Service Boundary. He noted that the Urban Service Boundary, which was created 15 years ago, was a demarcation of very long term growth (50 to 60 years). He believed that the SOI discussion was based upon questionable population growth needs, as well as inconclusive statistics regarding jobs/housing balance. He reminded Council that the County of Sacramento suggested that a thorough discussion of the issues, including growth needs, should occur before proceeding with the SOI.

Rod Blonien addressed his comments to the audience and explained that Council does not have the issue of zoning under consideration for this item. He asked audience members whether they preferred to have the City Council or the County Board of Supervisors making determinations on the usage of this property. He pointed out that Elk Grove citizens can only vote for one County Board Member, whereas they can hold all five of their local elected officials accountable.

Glenda Stewart represented property owners south of Eschinger Road who are in favor of supporting the SOI amendment. She noted that Eschinger Road has the potential of being an important thoroughfare, so it would seem logical to allow north

and south development. She felt there should be a lot of emphasis given to the wishes of landowners in the area.

Connie Conley invited everyone to attend the Mayoral Summit with representatives from the Cities of Elk Grove, Galt, and Lodi on February 26. In reference to the SOI, she asked Council the following questions:

- Why do you want to annex?
- Are we ready?
- Have we proven that we have met the needs of the current residents of Elk Grove before taking on more?

Jack Kautz stated that he represented landowners of 3,500 to 4,500 acres, 60% of which is located in the bottom ground that will remain a “green zone” along the Cosumnes River. He supported the SOI amendment, noting the benefits of having the Planning Commission and City Council deciding what to do with the land, rather than the County.

Joe Dachling explained that his property is surrounded on three sides by City of Elk Grove development. There is confusion about whether City Police or the County Sheriff’s Department serves the area. He asked that his property be included in the SOI.

Graham Brownstein, Executive Director of the *Environmental Council of Sacramento*, spoke in opposition to an SOI expansion beyond the Urban Service Boundary and across the Cosumnes River. He believed there to be a countywide and regional crisis, due to the loss of farms, ranches, open space, wildlife habitat, downward spiraling housing values, out of balance jobs/housing, public health issues, destruction of water sheds and resources, traffic congestion, poor air quality, etc. Constant, unnecessary and poorly planned speculator-driven sprawl has created many problems. He pointed out that the SOI amendment does not give the City land use authority without annexation. He asserted that, until all the elected officials at the City and County levels enforce current growth boundaries, there will not be rational and realistic discussion about how to grow and develop sustainably.

Leighann Moffitt, staff member with Sacramento County, commented on the process the County had undertaken with the City of Sacramento in the Natomas area and with the City of Folsom regarding its SOI. The agencies are moving forward cooperatively to develop a plan that includes both urbanization and open space preservation in the larger Natomas area. The County and the City of Folsom engaged in a two-by-two process with elected officials regarding property south of Highway 50, outside the County Urban Service Boundary, to negotiate issues in advance so the eventual annexation process would go more smoothly. In the City of Folsom’s situation, there was a large area of oak woodlands in its SOI, about which the County and City agreed that a certain percentage of the area would be designated as open space. She emphasized the benefit of the City of Elk Grove

and the County working cooperatively in advance of the application submittal. Currently, County and City staff are working on the South Sacramento Habitat Conservation Plan (HCP). The HCP is of great importance to the County, the Cities of Elk Grove and Rancho Cordova, the Regional Sanitation District, and the Water Agency, because it is tied to the provision of water to all the agencies. Financing the bonds for the Freeport Water Intake facility is also critical to the HCP. Ms. Moffitt mentioned that City staff had previously shown the County an urbanization map that differed from what was presented this evening.

Katherine Maestas opposed the expansion of Elk Grove's SOI. She felt that priorities should be taking care of the housing crisis, economic challenges, traffic, and public safety. She believed there was already too much development and water issues are not being considered. She favored the Elk Grove City Council making decisions, as opposed to the County; however, she emphasized the importance of listening to the citizens of the community and ensuring proper research and planning is taking place.

Mayor Davis closed the public comment period.

Note: The City Council recessed from 8:10 p.m. to 8:25 p.m.

Vice Mayor Hume reiterated that the Council is not making a final decision tonight; it is asking permission to look at the land. An application will be submitted to the Sacramento Local Agency Formation Commission (LAFCO), which has the ultimate say on "if, when, and how much". Amending the SOI will allow the City to weigh in on how the land will be used. Elk Grove's 2004 General Plan shows the area being considered tonight, as an urban study area. It was necessary to proceed with this amendment because staff working on the South Sacramento Habitat Conservation Plan and the Sewer Agency Master Plan needed to know what Elk Grove's intention was in order to complete their processes, otherwise an assumption would have been made that Elk Grove was not ever going to need services in the area. Mr. Hume explained that the SOI would also include agriculture, passive recreation, commerce, and industry. Currently, areas do not exist in the City that would attract major employers, i.e. property for large office/campus type use. The *Elk Grove – Rancho Cordova – El Dorado Connector* will be a major thoroughfare through Elk Grove from Highway 99 to Interstate-5. Elk Grove has already designated in its General Plan the land to the north of Kammerer Road as office/campus type uses, which he felt would be a compliment to the other side of the Connector. He felt it was not too early to begin the SOI amendment process because of Council's desire to engage the public, have visioning meetings, and conduct long term planning. He explained that landowners have the ability to petition LAFCO directly if they so desired.

Council Member Scherman voiced support for protecting farmers, ranchers, dairies and private citizens who own property along the boundaries. She reiterated

that zoning would be considered at a later time and strongly urged interested persons to attend all future meetings on the topic of the SOI.

Council Member Cooper agreed with comments made by Vice Mayor Hume and Council Member Scherman. He emphasized that more jobs are needed in Elk Grove, which is evident by freeway gridlock problems.

Mayor Davis noted that the SOI process includes intensive public participation and he would consider alternative ways of communicating such as telephone / Internet town hall meetings. He stated that the City must deal with projected population growth, the need for housing and other amenities, as well as wildlife habitat preservation. Elk Grove has a population of 136,000 with only 30,000 jobs, most of which are low paying retail and restaurant positions. Many citizens have complained about frustration from difficult commutes to work. Elk Grove needs 30,000 to 40,000 additional jobs to improve the quality of life for its citizens and provide relief for traffic congestion. Many citizens have expressed a desire for sports facilities, more parks, higher education institutions, etc. which require additional land. Many of the problems now faced in Sacramento County were created from short-term planning practices. Mr. Davis believed that now is an opportune time to embark on the amendment of the SOI process because the market is slow, but demand for services is high. He reminded citizens that the foundation upon which Elk Grove was incorporated was for local control, i.e. the ability to impact five votes, instead of one. Elk Grove's long-term Master Plan needs to address the jobs/housing imbalance, air quality, establish a permanent greenbelt and provide for adequate maintenance of threatened species habitat. The City should work toward real preservation of land and habitat, which could mean placing the land into a third party conservancy that has the ability to retain it in the long-term or keep it in the ownership of farmers. Elk Grove needs a long-term financially stable economic base, otherwise the City will be struggling in the years to come to meet the needs of public safety, road maintenance, etc. He acknowledged that Council's vision is not yet clearly defined, nor should it be, because all Elk Grove citizens need to be part of the process of defining the vision for the future of the community.

Discussion ensued regarding Sphere of Influence boundary options, following which Council consensus was to use Map 3.

Mr. Echiburu asked Council for direction on the property owner requests as outlined in attachment 8 of the staff report (filed).

Council consensus was to make no further amendments to Map 3 and concurred with the timetable as presented in the staff report.

Mr. Echiburu reported that staff would return at a future meeting with a resolution and the LAFCO application packet for Council's consideration.

Vice Mayor Hume suggested that interagency discussions take place prior to consideration of the resolution, to which Council concurred.

Agenda Item No. 8.2: Adopt resolution authorizing a financial commitment of \$171,000 and amending the implementing loan documents and regulatory agreement for the Stoneridge at Elk Grove Apartment Project

RECOMMENDATION:

Staff recommends that the City Council adopt a resolution authorizing a financial commitment of \$171,000 from the City's Very Low Income Housing Trust Fund, and amending loan documents and a regulatory agreement increasing the total City loan to \$8,225,620 in the same substantial form as those attached to the staff report to implement the City's financial commitment for the development of the Stoneridge at Elk Grove affordable housing project.

Jim Carney, Housing Advisor, explained that this matter derived from a request by the developer of the Stoneridge affordable housing project. Last May, Council approved a loan for a 96 unit apartment project that has been constructed. In the Fall, the developer made a request to the City regarding Quimby Act park fees they had not anticipated. The Cosumnes Community Services District has agreed to the City making a partial payment and the developer covering the difference. Mr. Carney stated that this would not change the terms of the loan.

PUBLIC COMMENTS:

None.

Motion: *M/S Cooper/Scherman* to adopt **Resolution No. 2008-27** authorizing a financial commitment of \$171,000 from the City's Very Low Income Housing Trust Fund, and amending loan documents and a regulatory agreement increasing the total City loan to \$8,225,620 in the same substantial form as those attached to the staff report to implement the City's financial commitment for the development of the Stoneridge at Elk Grove affordable housing project. ***The motion passed by the following vote: Ayes: 4; Noes: 0; Absent: 1 (Leary)***

NOTE: Council waived Rule 6 a) of Resolution 2007-107; i.e. No new business of the City Council shall be considered after 10:00 p.m.; and agreed to hear all remaining items on the agenda.

Agenda Item No. 8.3: Laguna Ridge Town Center Update

RECOMMENDATION:

Receive verbal report from staff regarding the Laguna Ridge Town Center project. This item is for informational purposes only.

With the aid of an overhead presentation (filed), **Christine Crawford**, Planning Director, reported that, after the adoption of the Specific Plan in 2005, a design Charette process was conducted with landowners in the Town Center area in an effort to work together on a common vision for the Town Center. A retail market study was prepared. Since 2005, the area set aside for big box establishments has been under option for contract with Panattoni Development, which is moving forward with two major big box tenants. Catholic Healthcare has purchased 30 acres and is currently pursuing rezone for a medical office building with potential of a hospital at the site. The Civic Center has been dedicated over to the City, additionally, park acreage will be forthcoming. The area to the west has been optioned by Panattoni Development. The area to the east is primarily held by Jackson Properties, which is currently considering design schemes. The Elk Grove Promenade Mall will be a major factor in the Town Center because it affects the retail and market opportunity. In 2008, staff asked the retail consultant to update its information. It was determined that, even with the advent of the mall, the Town Center site is still a viable community center opportunity. The local market is strong and will get stronger with population growth. The Town Center needs to be set up as a locally serving Town Center, as opposed to a regional draw. The emergence of the mall to the south creates a different traffic dynamic which changes the trade area. Traffic will be more retail oriented, which makes the Town Center site more desirable for shoppers and retailers. The east-west connection in the main street is no longer feasible because the future hospital cannot allow vehicular traffic through the site. Ms. Crawford suggested that the City take on some of the town center and retail opportunities on to the City site, rather than relying on surrounding developments. She pointed out that, from a timing perspective, this approach would make sense, explaining that Panattoni Development to the west and Jackson Properties to the east are planning on proceeding with plans and designs in the near future, whereas the City will not be ready to move forward on development for quite some time. This would also provide the City with an opportunity to capitalize on growing market demand. Staff is currently reviewing the draft Town Center design guidelines.

Ms. Crawford presented the following policy recommendations:

1. Internalize sub-regional Town Center within City property.
2. Town Center Design Guidelines to ensure all projects are designed to compliment City Hall site as Town Center:
 - In order to create special and desirable customer experiences, the developer will need to attract superior retail, dining and entertainment tenants.
 - The developers will need to offer quality “class A” shopping, dining, entertainment and people gathering experiences within their projects.
 - Retail locations that are judged to offer superior visibility, ingress, and egress, parking, convenient transportation routes to and from the sites, and desirable demographics (population, income, education, etc.) will be important to quality tenants.

- If the developers downplay the importance of any of the above factors, the universe of potential quality retailers will diminish accordingly.
3. Explore creative financing options for the Civic Center site.

PUBLIC COMMENTS:

None.

Vice Mayor Hume asked whether multi-family is still being planned at the southeast corner of the big box center, to which Ms. Crawford replied that it has been reduced to 4.6 acres and once the development takes place it would be reduced further to 3.6 acres. Ms. Crawford noted that staff is considering increasing the densities on multi-family surrounding the CHW property.

In response to the policy recommendations, **Mayor Davis** agreed and emphasized the goal that it be “class A”, upscale, and creative. He was in full agreement with mixed use, creative financing, and felt it should be ensured that significant office space is included in the project. He envisioned a three to four story Civic Center and a hospital building of the same size surrounded by flat land in between, and pointed out that it would be visually advantageous to build upwards.

Agenda Item No. 8.4: 2006-13 Housing Element Update

RECOMMENDATION:

The City’s Housing Element was adopted in November 2003 as part of the City’s first General Plan. As required by housing law, the City is now required to update the Housing Element to reflect the new regional housing needs allocation and new legislation that has been enacted since 2003. The staff report is intended to provide an overview of the Housing Element update process at this time. Staff will return on February 13, 2008 with a focused presentation and request for Council input regarding specific Housing Element policies. No specific action is recommended at this time.

Jim Carney, Housing Advisor, explained that Housing Elements must be updated every five years. Elk Grove’s Housing Element is due to be submitted to the State Department of Housing and Community Development by June 2008. The Sacramento Area Council of Governments has conducted the Regional Housing Needs Allocation (RHNA) process in collaboration with its member jurisdictions, which indicated Elk Grove’s 2006-13 RHNA allocation at 11,314 units. Staff intends to return on February 13, 2008 to discuss and receive policy direction on the Housing Element and the manner in which the City will provide an adequate inventory of sites to accommodate the 2006-13 RHNA. The public review period of the draft Housing Element update will be February 29 to April 20, with City Council adoption to be considered at its June 25 meeting.

PUBLIC COMMENTS:

None.

This item was informational only. No Council direction / action.

NOTE: Item No. 8.5 was pulled from the agenda.

Agenda Item No. 8.5: Developer Deposit Agreement with Reynen & Bardis and Pulte Homes to Advance Fund the Development of Public Fees for the Laguna Ridge Specific Plan Area

Agenda Item No. 8.6: Discuss options regarding Charter City formation, including Charter Committee formation and appointments

RECOMMENDATION:

Discuss options and provide direction regarding Charter City formation, including the composition of a Charter Committee and appointments thereto.

Susan Cochran, City Attorney, provided an overview of the staff report. In response to questions posed by Ms. Cochran, Council concurred with the following:

1. Pursue development of a City Charter
2. The Charter will be drafted by a Charter Commission
3. There will be extensive public outreach and engagement
4. The status of the formulating body will be a "Commission"
5. The Commission will be comprised of seven members; five appointed by individual Council members, two members at-large appointed by the Council.

Ms. Cochran inquired whether Council desired to pursue changing to an elected mayor, which is a process that can be done as a General Law city. Ms. Cochran explained that the California Elections Code sets forth the manner in which the question would be presented to the voters, including whether the term would be two or four years. As a General Law city, Elk Grove is limited to five council members, with the mayor being considered one of the council members. This being the case, if Council pursued this, districts would need to be reduced from five to four, with the mayor elected at large. Ms. Cochran mentioned that Charter cities can have seven council members.

PUBLIC COMMENTS:

None.

Discussion ensued regarding timing, various complexities related to the matter, and whether to proceed separately with the elected mayor issue or allow the Charter Commission to address the issue.

Ms. Cochran reported that the ballot measure question of whether to have a directly elected mayor could be ready in time for the November 2008 General Municipal Election; however, the difficulty lies with the redistricting questions and how it interacts with a potential City Charter. Ms. Cochran stated that she would conduct more research on the issue and at a subsequent meeting, would return with draft resolutions for Council's consideration.

GENERAL ADMINISTRATION INFORMATION

None.

COUNCIL COMMENTS/FUTURE AGENDA ITEMS

Reports on Regional Boards, Commissions, Committees; Travel/Training Expenditures Disclosure (*in accordance with Resolution 2006-295 and Government Code § 53232.3(d)*):

Council Member Cooper met with representatives working on the Greenprint Program, which aims to plant five million trees in the Sacramento Valley within the next 40 years. They are taking aerial photos of each jurisdiction to determine where the trees should be planted. They hope to have cooperation with surrounding cities and counties. Arbor Day will be celebrated on March 8, which will include tree plantings. The Sacramento Area Council of Governments will be getting funding to build the bike bridge over Highway 99 at Elk Grove Creek, in addition to \$1 million for six more e-tran replacement buses, and \$770,000 to rehabilitate and maintain streets.

Vice Mayor Hume encouraged attendance at the January 25 Elk Grove – Rancho Cordova – Elk Dorado Connector Joint Powers Authority Board of Directors meeting. Mr. Hume stated that he would not be able to attend the February 13 City Council meeting. He reiterated past requests regarding potential annexation of an island of County property adjacent to the Elk Grove city limits, and for the Police Department to institute a positive ticketing campaign.

Police Chief Simmons responded that he had a draft of the positive ticketing program, which he would bring forward in the near future.

Council Member Scherman commented on the following topics:

- A meeting has been scheduled for February 5 to address the concerns of citizens regarding vacant and abandoned homes, due to property foreclosures;

- Sacramento Regional County Sanitation District will be raising its fees; a final report on the subject will be presented at its next meeting;
- Attended the Chamber of Commerce Board of Directors installation meeting and the City of Elk Grove annual employee appreciation party;
- Attended the Saturn auto dealership ribbon cutting;
- The Sacramento Public Library Authority Board of Directors will meet on January 24;
- The Elk Grove Senior Center Board of Directors met on January 22 and are considering a policy change regarding whether elected officials can participate on committees;
- Attended the Project R.I.D.E. fundraiser;
- The Elk Grove Historical Society had successful Christmas season tours of its museum;
- Attended the Cosumnes Community Services District new teen center event;

Ms. Scherman asked for a list of unfilled positions in the City. She requested an update regarding the recent storm, to which Public Works Director Cheryl Creson reported that 195 calls for service were received and she would provide a report on the overtime estimate that will be forwarded to FEMA for possible reimbursement. Ms. Scherman noted that home foreclosures have caused some pet owners to abandon their animals, to which Deputy City Manager Code Tubbs stated that he would have Shane Diller, Manager of Code Enforcement and Animal Services, address the issue.

Mayor Davis asked that the Street Gang Prevention Ordinance be brought back for Council consideration. He will be participating in the Mayoral Summit on February 26 with the mayors of Galt and Lodi to discuss common issues and engage the public. He asked Council if there was interest in reviewing the stipend of \$75 per meeting offered to Planning Commissioners, to which Council Members Cooper and Scherman voiced support. Mayor Davis asked staff to research what other cities offer for Planning Commissioner stipends and report back.

ADJOURNMENT

With no additional business to conduct, the January 23, 2008 City Council meeting was adjourned at 10:00 p.m.

Minutes prepared by:



Susan J. Blackston
Chief Deputy City Clerk



PEGGY E. JACKSON
CITY CLERK

ATTEST:



GARY DAVIS, MAYOR