

**PINOLE CITY COUNCIL
MINUTES
MAY 19, 2015**

1. CALL TO ORDER & PLEDGE OF ALLEGIANCE IN HONOR OF THE US MILITARY TROOPS

The Regular Pinole City Council Meeting was held in the Pinole Council Chambers, 2131 Pear Street, Pinole, California. Mayor Murray called the meeting to order at 6:06 PM and led the Pledge of Allegiance.

2. ROLL CALL, CITY CLERK'S REPORT & STATEMENT OF CONFLICT

A. COUNCIL MEMBERS PRESENT

Mayor Peter Murray
Council Member Phil Green
Council Member Debbie Long

Council Member Tim Banuelos and Mayor Pro Tem Roy Swearingen were absent and excused. The voting record reflects their absence.

B. STAFF PRESENT

Belinda Espinosa, City Manager
Hector De La Rosa, Assistant City Manager
Benjamin T. Reyes, City Attorney
Dean Allison, Development Services Director
Neil Gang, Police Chief
Fire Chief, Rob Piper
Sandra Sato, Interim Finance Director
Winston Rhodes, Planning Manager
Patricia Athenour, City Clerk

City Clerk Athenour announced the agenda was posted on May 14, 2015 at 4:00 P.M. and all legally required notice was provided. Following an inquiry by the City Clerk, the Council members stated there were no conflicts on any item on the Agenda.

City Clerk Athenour entered the following items into the record, provided subsequent to the publication of the Agenda:

- Item 8A - PowerPoint Presentation Documents

3. CONVENE TO A CLOSED SESSION

At 6:08 p.m., Mayor Murray convened the Noticed Closed session.

- A. CONFERENCE WITH LABOR NEGOTIATOR - Pursuant to GC §54597.6**
City Labor Negotiators: Belinda Espinosa, City Manager; Hector De La Rosa, Assistant City Manager; and Labor Negotiator Bruce Heid, IEDA
Employee Organizations: Local 1 and AFSCME

- B. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION
Pursuant to GC Section 54956.9(d)(4) (One Matter)

4. RECONVENE IN OPEN SESSION TO ANNOUNCE RESULTS OF CLOSED SESSION

At 7:06 p.m., Mayor Murray reconvened the meeting in open session. He announced there were no reportable actions.

5. RECOGNITIONS / PRESENTATIONS / COMMUNITY EVENTS

- A. Proclamations
- B. Presentations / Recognitions
 - 1. Declare Fire Season Open – Chief Piper

Chief Piper announced officially that fire season was open. With the grass higher than usual and less water resources, the State is already averaging a higher number of fires. He noted that Santa Clara banned all outside burning and Pinole is following suit. He solicited the public's help, by being aware and reporting. Chief Piper provided several websites with information and tips for preparing your home for fire season.

Council Member Green asked if he has put together a plan for Station 74 to be reopened on a permanent basis. Chief Piper responded that he had provided an operational plan that is dependent on how the Council votes on the status of the station in the budget.

Mayor Murray said he had noticed that some homeowners are letting their yards go to weeds, which are vulnerable to fire from cigarettes and asked if efforts were being directed to toward weed removal. Chief Piper confirmed they were. He encouraged citizens to report conditions to the Fire Department. They investigate all complaints and depending on the severity, have the ability to remove the weeds and charge the property owner.

Council Member Long said she heard in the past that the City did not have the right type of equipment to fight a fire in Duncan Canyon, and asked if that was correct. Chief Piper said the resources include one four wheel drive engine and have other resources at our avail from the surrounding communities, and Cal-Fire. He said likely bulldozers would be used in that area.

- C. Community Announcements and/or Events

Recreation Manager Rochelle Johnson updated Council on the Wine Tasting fundraiser on June 6th at the Senior Center. This year they have added a VIP section for decadent desserts and donated art which will be auctioned. Tickets are \$25 and available on line, at the Senior Center, and will be sold at the door.

6. CITIZENS TO BE HEARD (Public Comments)

The following citizens addressed the Council:

Earl Randy Gertz, VFW Post 1525 & Boy Scouts Troop 86, addressed Council regarding the Memorial Day Service on May 25th at 11 am at Fernandez Park He invited members of the public to attend and the invitation also included presenting a wreath. Boy Scout Troop 86 would be celebrating their 25th anniversary, and Mr. Gertz invited any previous members of Troop 86 to join the ceremony and the BBQ.

Bob Kopp, Pinole citizen, reported the following:

- June 13th - Community Service Day and the projects planned
- September 12 – 3rd Annual Dumpster Day
- September 13 – BBQ for the Soldiers – Inviting 50 families

7. CONSENT CALENDAR

Council Member Long removed Item A for minor to change on Page 11 for clarification and Item 7C. Council Member Green noted a change on page 6.

ACTION: Motion By Council Members Green/Long, The City Council Approved the Consent Calendar Items, With Corrections to 7A As Noted to Page 11.

Vote: Passed 3-0-2
Ayes: Green, Long, Murray,
Noes: None
Abstain: None
Absent: Banuelos, Swearingen

- A. Approved the Minutes of the Meeting of May 5, 2015
- B. Received the May 2 – 15, 2015 List of Warrants and the May 8, 2015 Payroll in the Amount of \$327,426.06
- C. Received the 3rd Quarter Investment Report [**Council Report 2015-35; Receive Report (Lee/Johnson)**]

Council Member Long removed it from the agenda to ask for clarification on laddered maturity.

Interim Finance Director Sato explained that the investments mature at different intervals and provide cash flow as needed. She discussed the investments that also were never touched.

Council Member Long said she was under the assumption that the incremental tax revenue was used for cash flow. She asked Ms. Sato to clarify the \$20 million in investments.

Ms. Sato said that was correct and an additional cash flow resource was maturing securities. To the second matter, Sato said those investments were held in safekeeping at US Bank. Most of the \$9.8 million is held in trust for reserve for our Successor Agency bonds, as that money will go back to the bond issue.

Council Member Long said she wanted the public to understand that the City really did not have \$20 million dollars to spend. Ms. Sato concurred that was a correct statement.

Anthony Gutierrez, Pinole citizen, asked if the joint powers authority pool, is that part of the sewer fund or is it something different.

Ms. Sato said that is an investment pool, almost like a LAIF and the City can also invest monies in that pool.

- D. Adopted **Resolution 2015-36**, Approved Use of State Customer Premise Equipment Funds to Purchase Airbus to Upgrade 911 Telephone System [**Council Report No. 2015-36; Action: Adopt Resolution Per Staff Recommendation (Krieger/Janke)**]
- E. Adopted **Resolution 2015-37**, Approved / Ratify the City Manager's Emergency Purchase of New Blowers at Water Pollution Control Plant [**Council Report No. 2015-37; Action: Adopt Resolution Per Staff Recommendation (Tobey)**]

8. PUBLIC HEARINGS

- A. Approve the 2015-2023 Housing Element Update [**Council Report No. 2015-38; Action: Adopt Resolution Per Staff Recommendation (Rhodes)**]

Winston Rhodes, Planning Manager presented Council Report 2015-38 including the Housing Element Update into the record. He turned the presentation over to Veronica Tam, the consultant who prepared the Housing Element Update.

Veronica Tam, Veronica Tam & Associates, addressed Council and explained that the Housing Element was part of the General Plan, and contains an eight year strategy that establishes goals, policies, and programs. The Housing Element must be reviewed by the State Department of Housing and Community Development for compliance with State laws.

Ms. Tam discussed the needs assessment which provides an assessment of both current and future housing needs, and performed an online community needs survey and interviewed housing stakeholders regarding the constraints and opportunities in Pinole in order to develop the Housing Needs Report. The report discussed demographic changes between 2000 and 2010 which relate to housing needs. Senior housing is needed to allow citizens to age in place. Assistance is also needed to allow necessary repairs and to make homes more assessable.

Tam addressed the properties that will have deed restrictions retiring in the next ten years, and the need to preserve those 113 existing affordable units at risk to convert to market rate.

She referred to the Housing Issues Report reviewed by the Council in July 2014, and the recommendations of the Finance Subcommittee presented to Council where they identified three housing priorities to be outlined in the Housing Element update, as outlined in the staff report:

- Work to preserve the 113 affordable units at risk to convert to market-rate
- Provide assistance to homeowners to improve housing conditions and accessibility
- Acquire and rehab foreclosed/distressed properties for affordable housing

The Regional Housing Needs Allocation (RHNA) cites 297 units are needed in Pinole over the next eight years, explaining this was not a production policy or a construction obligation but a goal to accommodate housing needs through land use policies and zoning. Production is based on the market and any financial capacity the City might have.

Ms. Tam identified the Housing Element Update process and the timeline. The State HCD issued a review letter on November 12, 2014. HCD does a second review of the adopted Housing Element to confirm how their comments on the draft document are addressed. The Element must be adopted within 120 days from January 31, 2015 (May 31, 2015). If the deadline is missed, the approval would be for four years, instead of eight.

Ms. Tam summarized the key provision of SB 1087 which is not to require circulation to water and sewer providers, but instead, the focus is requiring all water and sewer providers to adopt a policy that says affordable housing will be prioritized for service in the event of rationing. The Planning Commission was concerned that Pinole could not ensure EBMUD and West County Wastewater adopt a policy consistent with SB1087. This triggered further communication with HCD about the language of one of the Housing Element actions. The precise language recommended by the Commission was provided in the presentation exhibit on page 5, and also included in the approved version of the Housing Element document. Staff said that was the only change to the draft report originally provided to the Planning Commission and they were in agreement with that language.

Council Member Green noted that the reference to the Pinole Hercules Water Pollution Control Plan Joint Powers Agreement was incorrect; they are not a Joint Powers Authority.

City Manager Espinosa said the enabling document is titled as a Joint Powers Agreement, but there is no Joint Powers Authority.

Staff asked the Council to open the noticed Public Hearing, take testimony and recommended approval of the Negative Declaration, approval of the General Plan Amendment GPA 14-01 updating the Housing Element, and direct staff to submit the updated Housing Element for final review and certification by the State Department of Housing and Community Development.

Council questions and discussion followed.

Council Member Green sought more information on the units coming due within ten years, asking if they were apartments or single family residences.

Ms. Tam referred the question to be best answered by Planning Manager Rhodes, but said that the large project briefly discussed earlier contained 90 units and the balance are considered "scatter" units.

Planning Manager Rhodes responded that it is the Sunnyview complex which received a loan from the Redevelopment Agency and the owners now wish to sell the development. The affordability covenants and requirements expire in 2016, and the owner wants to transition it to a market rate project.

Council Member Green asked if there was a possibility that the units could be converted into condos and meet the objectives of the Housing Element.

Mr. Rhodes said a condo conversion is a very complicated process. There has not been no indication they want to convert the apartments to condos, and currently the rental market is very strong, and there is a need for rental housing.

Council Member Green said that ownership tends to lend itself to better property maintenance; however he agreed they have done a terrific job at maintaining the project recently. He asked if there was a way to work with the owner for a conversion and open it for dialogue at a future meeting.

Mr. Rhodes responded that the Housing Element does not commit the City to work on any project at this point. The State does not care if they are affordable as rental or owner occupied housing.

Veronica Tam said when it comes to the RENA numbers, credit is not provided for already existing units unless you follow stringent requirements and limitations; they are looking for new units.

Council Member Long said conversion had been discussed at the Planning Commission level in the past, and said it might be more palatable if Pinole was providing a pathway for that to occur. She also questioned why RENA credit would not be considered if existing units are extended, because if they are lost, they cannot be replaced.

Ms. Tam said the RENA numbers apply to new units, not extension of existing units. The minimum extension requirement to obtain RENA credit was thirty years.

Council Member Long asked if housing funds could be used for such a project, and Ms. Tam responded that funding was very highly regulated.

Mayor Murray asked if the State was taking into consideration units changing from affordable to market. Ms. Tam said the State is aware of the circumstances cities are dealing with and are not in agreement with cities losing Redevelopment funds and are now trying to have more efficient funding programs.

Mayor Murray spoke about transit and locating higher density housing near transit sources, and said Pinole does not have BART, but are being required to plan for housing units for low income and moderate, as if they had opportunity for housing near transit.

Ms. Tam explained that at market rate, some of Pinole's housing stock is available to medium income families. Even though the needs assessment cites 297 units, the plan does not identify how that would be met.

Mr. Rhodes said the number was reduced from 333 to 297; there is land zoned for development, but the market dictates what gets developed. The goal is more conservative in this eight year cycle, than it was in earlier Housing Element cycles.

Council Member Long asked the price of a low income residence. Ms. Tam said that the sale price for a low income household would be less than \$200,000.

Council Member Long asked if deed restrictions could be purchased, and provided an example to use Housing Fund money toward a senior property and obtain a deed restriction for twenty to twenty-five years.

Council Member Green asked staff the current Housing Fund balance. City Manager Espinosa said she would research and provide a response to Council.

At 8:09 p.m., Mayor Murray opened the Public Hearing. The following speakers entered testimony into the record:

Anthony Gutierrez, Pinole citizen, referred to the Planning Commission stating that the City has limited authority over sewer service delivery in Pinole, as he did not find that to be a true statement. He said this was an unfortunate attempt to skirt issues affecting our city. Rationing water and sewer may occur in our City; by waiting a year to do a policy is a disservice to the citizens. He also said that we are about to undergo a \$46 million dollar upgrade to the sewer facility and may be a slight chance that we may lose capacity. He suggested that the City should develop a plan for prioritizing water within three months of adoption of the Housing

Element. In the Housing Element, we can enunciate the EBMUD plan. Gutierrez recommended that the Housing Element not be approved based on his comments.

Mayor Murray said the City was working with EBMUD and they will be present at the June 2nd meeting to address the severity of the drought and to discuss things we can do to address the severity of the drought and how they are preparing for the future by procuring other water resources for the District.

At 8:14 p.m., Mayor Murray closed the Public Hearing.

ACTION: Motion By Council Members Long / Green, The City Council Adopted Resolution 2015-38, Approved the Negative Declaration and Approved the 2015-2023 Housing Element Update, and Directed Staff to Submit It to the State Department of Housing and Community Development

Council Member Long asked if any zoning changes took place to accommodate these recommendations. Mr. Rhodes said this was a lower allocation and no zoning changes are warranted.

Vote:	Passed	3-0-2
	Ayes:	Green, Long, Murray
	Noes:	None
	Abstain:	None
	Absent:	Banuelos, Swearingen

9. OLD BUSINESS
10. NEW BUSINESS

There were no Old or New Business Items.

11. REPORTS & COMMUNICATIONS

A. Mayor Report

1. Announcements
 - a. Responded to a request from citizen, Stanley Grogan, a decorated serviceman to read into the record an article about the American Flag and he paraphrased the reading which was referenced herein in the minutes stating what the American flag means and stands for.
 - b. WCCIWMA narrowed down search for Executive Director to two people and prepared to make an offer.
 - c. WCCIWMA – discussions taking place regarding the County being considered as a voting member. He would bring further information back as the discussion progresses.

Council Member Green said that CCC had a voting membership in a former JPA.

Council Member Long said it seems fair, but thinks the member should be appointed by the supervisors and have no affiliation with the locale as it could become a bias vote based on representation, and the supervisors should appoint someone outside of their positions. Mayor Murray said he would offer that up for discussion. Council Member Green had no problem with it being one of the supervisors.

B. Mayoral & Council Appointments

City Clerk Athenour reported that the filing period for the Planning Commission closed on Thursday, May 14th and four applications were received. She will be contacting the Interview Subcommittee to schedule interviews in the next two weeks pursuant to their availability. Athenour noted that the candidates may be interested in serving either on TAPS or Community Services Commission

Council Member Green agreed to sit in for Councilmember Banuelos if he has a scheduling problem.

B. City Council Committee Reports

Council Member Long reported she and Mayor Murray attended the Waste Water Subcommittee on May 14th and provided a brief status report. The plans are 90% complete and have been reviewed by Carollo.

Development Services Director Allison added the 90% review work was complete; final changes are being made, and final should be complete by mid-June. The next step is to integrate the PLA and the specifications, advertise in August and September, and anticipate being under construction by early 2016.

Council Member Long said the City should have a community meeting soon to get information out to the homeowners. She also asked if there would be an independent inspector of record on the job, such as someone working with Carollo and expertise is in wastewater.

Mr. Allison confirmed that was correct.

D. Council Requests For Future Agenda Items

1. Council Member Long commented, suggesting advertisement of lost animals on the PCTV scroll as a community service and a revenue generator.
2. Arrange an Animal Control presentation from a director regarding the Pinole facility and the issues noted in the unfavorable comments received via email (Murray)

There was Council concurrence.

E. City Manager Report / Department Staff

City Manager Espinosa reported staff was currently working on the FY 2015-16 budget and will be bringing it before Council soon.

F. City Attorney Report

City Attorney Reyes reported on disseminating information from the Attorneys League Conference to staff.

He provided a brief report on Governor Brown's redevelopment trailer bill, which the League has taken a position in opposition due to the severely restricts the amount of agency bond funds. . There have been other big wins in the State of California with the cities of Emeryville and Riverside.

12. ADJOURNMENT.

At 8:47 p.m., Mayor Murray adjourned the meeting to the Regular City Council Meeting of June 2, 2015 in remembrance of Amber Swartz and Helen Skillman, Emily Perez and Phyllis Philips, and all the fallen soldiers to be honored on Memorial Day. Ms. Perez is one of the last of the "Dirty Dozen;" those citizens who opposed the annexation of Fitzgerald Drive to Richmond.

Submitted by:

**Patricia Athenour, MMC
City Clerk**

Approved by City Council: