



MINUTES

REGULAR MEETING OF THE HEMET CITY COUNCIL

May 13, 2014

6:00 p.m.
City of Hemet Council Chambers
450 E. Latham Avenue

www.cityofhemet.org
Please silence all cell phones

Call to Order

Mayor Smith called the meeting to order at 6:00 p.m.

Roll Call

PRESENT: Council Members Krupa, Wright and Youssef, Mayor Pro Tem Milne
and Mayor Smith

ABSENT: None

Closed Session

Notice of Opportunity for Public Comment

There were no public comments presented at this time.
The City Council recessed to Closed Session at 6:01 p.m.

1. Conference with Labor Negotiators
Pursuant to Government Code section 54957.6
Agency designated representatives: City Manager Hill
Employee organization:
Hemet Fire Fighters Association
Hemet Non-Sworn Police Employees Association
Service Employees International Union (SEIU) General Employees
 2. Conference with Legal Counsel - Anticipated Litigation
One matter of significant exposure to litigation pursuant to Government Code section
54956.9(d)(2) & (3)
-

REGULAR SESSION

7:00 p.m.
City of Hemet City Council Chambers
450 E. Latham Avenue

Call to Order

Mayor Smith called the meeting to order at 7:03 p.m.

Roll Call

PRESENT: Council Members Krupa, Wright and Youssef, Mayor Pro Tem Milne and Mayor Smith

ABSENT: None

Invocation

Invocation was given by Andrea McKenna, Hemet-San Jacinto Interfaith Council

Pledge of Allegiance

Pledge of Allegiance was led by Mayor Smith

City Attorney Closed Session Report

3. Conference with Labor Negotiators

Pursuant to Government Code section 54957.6

Agency designated representatives: City Manager Hill

Employee organization:

Hemet Fire Fighters Association

Hemet Non-Sworn Police Employees Association

Service Employees International Union (SEIU) General Employees

The City Council voted 3-2 to declare impasse with the Hemet Fire Fighters Association. Council Members Krupa and Wright voted No. There was no additional reportable action.

4. Conference with Legal Counsel - Anticipated Litigation

One matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

This discussion was continued to the end of the Regular Session.

City Council Business

Wally Hill, City Manager, requested that the City Council consider adding an urgency item to the Consent Calendar that came up subsequent to the preparation of the agenda and requires approval prior to the next Regular Meeting amending Resolution No. 4568.

Council Member Krupa moved and Council Member Wright seconded a motion to add Item No. 8.A to the Consent Calendar. Motion carried 5-0.

Consent Calendar

5. **Receive and File** – Warrant Register

- a. Warrant registers dated April 17, 2014 in the amount of \$1,621,910.20 and April 22, 2014 in the amount of \$2,297,836.05. Payroll for the period of March 31, 2014 to April 13, 2014 was \$617,729.92.

6. **Receive and File** – Investment Portfolio as of February 2014
7. **Recommendation by City Manager** – Amend Deputy City Manager/Administrative Services Job Description and Posted Salary
 - a. Approve an amended job description for the Deputy City Manager/Administrative Services position and approve a posted salary of \$165,000, with authority for the City Manager to negotiate a salary up to \$175,000, if necessary.
8. **Recommendation by Fire Department** – 2014 Riverside County Community Health Agency Grant (CHOG)
 - a. Accept the grant from the Riverside County Department DOPH Public Health Emergency Preparedness and Response in the amount of \$67,000 for the period of August 29, 2013 through February 28, 2015; and
 - b. Amend the budget in the Public Safety Grant Fund #232 to reflect the award amount of \$67,000 to cover the cost of training and the purchase of hazardous material mitigation equipment.
- 8.A **Recommendation by City Manager** – Revised Resolution Proclaiming the Existence of a Local Emergency
 - a. Adopt a revised resolution confirming the City Manager/Director of Emergency Services, proclamation of the existence of a local emergency.

Resolution No. 4569

Wally Hill, City Manager, requested that the resolution be amended to remove the words “continue that said Local Emergency shall be deemed to” from the first Resolved Further.

Council Member Krupa, asked how the Emergency will be terminated.

Eric Vail, City Attorney, the City Council will have to declare continuation of the Emergency, otherwise it expires.

Item No. 7 was removed from the Consent Calendar. **Council Member Youssef moved and Mayor Pro Tem Milne seconded a motion to approve the remaining Consent Calendar Items. Motion carried 5-0.**

Item No. 7

Mayor Smith, asked if this position is unique to Hemet or there are comparable positions in other cities.

Wally Hill, City Manager, the position is not unique except for the Chief Negotiator duties. This addition to the position will reduce City Attorney fees. The City accepted applications but did not interview any of the candidates.

Mayor Smith, asked when the position would be filled.

Mr. Hill, it will be posted for 30 days. Given the necessary time for the interview process and possible relocation it will be 2 to 3 months before the successful candidate would be on board

Mayor Smith, asked if relocation expenses have been budgeted.

Mr. Hill, the lapsed salary savings will be used if necessary.

Mayor Pro Tem Milne, expressed concern with the salary, but noted that the ACM was abolished and the duties will be consolidated.

Mr. Hill, confirmed that the ACM position is currently budgeted for and will be abolished, saving over \$200,000 a year.

Council Member Youssef, expressed concern that the position will be hard to fill given the need for experience in three different career tracks.

Mr. Hill, the position will attract someone that is ambitious, wants to take on more duties and wants to be a City Manager someday. This is a common cluster of responsibilities and grouping of duties in the public sector.

Council Member Krupa, expressed concern with the salary range and ability to negotiate additional.

Mr. Hill, I will not pay more than I have to, but I do want the ability to negotiate if necessary.

Mayor Smith, also expressed concern with the need to go up to \$175,000. I hope the \$10,000 isn't a deciding factor for the applicant.

Mayor Pro Tem Milne moved and Mayor Smith seconded a motion to approve this item as presented. Motion carried 5-0.

Approval of Minutes

9. April 22, 2014

Council Member Krupa, noted that Item No. 9 states that Mayor Pro Tem Smith seconded the motion and Mayor Smith voted No. Council Member Krupa requested that the minutes be corrected.

Mayor Pro Tem Milne moved and Council Member Krupa seconded the motion to approve the minutes as amended. Motion carried 5-0.

10. May 5, 2014

Council Member Krupa moved and Council Member Wright seconded a motion to approve the minutes as presented. Motion carried 4-0. Mayor Pro Tem abstained.

Public Hearing

11. Appeal No. 13-002 (Conditional Use Permit No. 13-004 – Valero Gas Station Alcohol Sales) – Community Development Director Elliano

- a. Conduct a public hearing; and
- b. Deny the Appeal and affirm the Planning Commission's denial of Conditional Use Permit No. 13-004 by adopting City Council **Resolution No. 4570**;

OR

- c. Grant the Appeal and overturn the Planning Commission's denial of Conditional Use Permit 13-004 (CUP 13-004), **and** Provide the required findings for the granting of CUP 13-004, **and** Direct staff and the City Attorney to return with an appropriate Resolution granting approval of CUP 13-004, including approval Conditional of Approval.

Council Member Youssef, recused himself due to a possible conflict of interest with a potential business interest.

Deanna Elliano, Community Development Director, gave the City Council a powerpoint presentation regarding Appeal No. 13-002. Conditional Use Permit (CUP) No. 13-004 was submitted on June 11, 2013 by Nick Patel to sell beer and wine at the existing Valero gas station & mini mart located at 1701 West Florida Avenue. The Planning Commission conducted public hearings in September and October 2013 and denied the CUP, based on the City's new ordinance regarding alcohol sales and the required findings. The Applicant filed an

Appeal of the denial. Ms. Elliano displayed the zoning map for the area around the location, as well as, an aerial site map. The surrounding land use is: Valero Gas Station and Convenience Store – Zoning C-2 (General Commercial) and General Plan – CC (Community Commercial); North of Project Site – Shell Gas Station and Convenience Store – Zoning C-2 (General Commercial) and General Plan – CC (Community Commercial); South of Project Site – Shopping Center – DD’s Discount and Super Dollar Plus – Zoning C-M (Commercial Manufacturing) and General Plan – CC (Community Commercial); East of Project Site – Walgreens Drug Store – Zoning C-1 (Neighborhood Commercial) and General Plan – CC (Community Commercial); and West of Project Site – Shopping Center – CitiBank and Fallas – Zoning C-1 (Neighborhood Commercial and General Plan CC (Community Commercial). Ms. Elliano displayed an Aerial Map including the surrounding area, as well as, street views from Florida Avenue and Lyon Avenue. The business includes one 2,811 square foot stand-alone building. The Convenience Store hours are 5:00 a.m. to midnight. The gas pumps are available 24 hours. There is one manager or assistant manager on duty at all times. The proposal is to allot 45 square feet of shelf space to the sale of beer & wine. A letter from the Applicant’s agent indicates that the Beer & Wine License for Valero Gas will be purchased from Castle Liquor, located at 4290 East Florida Avenue. However, if this transfer fails, the Applicant will seek another license from elsewhere, likely outside of the City limits. On January 22, 2013, the City Council adopted Ordinance No. 1858 amending the City’s code for alcohol sales. The new regulations require a CUP for this project because: the site is a mini-market and proposed alcohol sales; and there is a proposed premise-to premise transfer of an existing ABC license; and the subject site is in an area of “Undue Concentration” of alcohol licenses per the ABC. The following findings are required to grant a CUP: 1) Conditional Use Permit Findings; 2) Findings to Grant Alcohol Sales; and 3) Findings for Public Convenience or Necessity (due to Undue Concentration). The Planning Commission was not able to make all of the findings to support the proposal, and therefore recommended Denial of the CUP. The Planning Commission findings for each topic are included in the staff report. ABC sets the threshold for the number of alcohol beverage sales licenses within a Census Tract: each type of ABC license is generally allowed one per 2,500 people living in the Census Tract; or when considering mixed licenses, e.g. Type 20 and Type 41, the “general retail license” threshold is one ABC license per 1,250 people in a tract; and when a tract is over-concentrated, findings must be made to approve all types of ABC licenses. The project site is in Census Tract 435.03. Staff evaluated existing ABC licenses issued within Census Tract 435.03. This Tract has a total of 21 ABC licenses: Type 40 & 41 = on-sale (restaurants) (6); Type 20 & 21 = off-sale licenses (11); and Other types = 4. A maximum of two Type 20 (beer & wine) licenses and two Type 21 (general liquor) licenses (4 total off-sale) are allowed before being considered over-saturated. There are currently 2 Type 20 and 9 Type 21 licenses within the Census Tract, and 6 on-sale licenses. A map was displayed showing ABC Census Tracts in Hemet. Based on ABC established thresholds for the number of alcoholic beverage sales licenses within a Census tract, the following information applies to the Tract in which the project is located, and the immediately adjacent Tract: Census Tract No. 434.05 population of 4,217 and 14 ABC Licenses (2 – Type 20, 3 – Type 21 and 5 - Type 41) with an allowable concentration of 3; Census Tract No. 435.03 population 4,112 and 21 ABC Licenses (2 – Type 20, 7 – Type 21 and 6 – Type 41) with an allowable concentration of 3. The existing locations where patrons may purchase alcoholic beverages within walking distance of the Valero gas station include: Off-Sale: Walgreens Drug Store 1661 W. Florida Avenue; Lyon’s Market 1690 W. Florida Avenue; and Shell Gas Station 1704 W. Florida Avenue. On-Sale: Angie’s Diner 1770

W. Florida Avenue; Mimi's Café 1778 W. Florida Avenue; and Red Robin 199 W. Florida Avenue. The following are the Hemet Police Department calls for service in the vicinity of the project. From 11/11/2012 through 10/14/2013, there were 149 calls for service for alcohol related matters between 1399 E. and 1899 W. Florida Ave. 26 calls were in the 1600 Block of West Florida Avenue. 18 calls were in the 1700 Block of West Florida Avenue. To date in 2014: 396 overall calls for service in the area for a number of criminal behavior and complaints. On April 21, 2014, the Applicant submitted supplemental information: 1) Written statement by Applicant, with photographs, stating why Valero Gas is better suited for alcohol sales than other existing Shell and Lyon's Market, regarding security and lighting; 2) Written statement, with photographs, stating that Shell location is not as safe as Valero for sales of alcoholic beverages; 3) Written statement, with photographs, stating that Lyon's Market location is not as safe as Valero for sales of alcoholic beverages; and 4) Petition for support of CUP Approval with 406 signatures. The project was denied by the Planning Commission for the following reasons: the number and nature of police calls to the area, the sale of alcohol at this location would serve to exacerbate the problem and calls for service; the sale of alcohol would be detrimental to the public health and welfare; the proposed location is in an area of over-concentration for alcohol sales already; and an additional outlet for alcohol sales is not needed at this location for the convenience of the public due to the number of other existing off-sale establishments in the immediate area. There are two possible Actions before the City Council: B) Deny the Appeal of CUP 13-004, affirming the Planning Commission's decision on the project, and adopt City Council resolution; or C) Overturn the Planning Commission's denial of CUP 13-004, approving CUP 13-004, and direct staff to return with an appropriate City Council resolution, appropriate findings and conditions of approval for consideration.

Mayor Smith declared the Public Hearing opened at 7:36 p.m.

Laksman Koka, Hemet, personally I not crazy about more ABC licenses however I'm also a businessman and understand the need to be competitive. There is a responsibility to make sure residents are safe and also to make sure business owners are given the opportunity. Staff does an awesome job and I concur that each situation should be considered on a case by case basis. Mr. Patel has been a responsible business owner and has ensured that the necessary safety measures are in place. Mr. Koka recommended that the City Council consider this request with possible terms in the Conditions of Approval or even on a temporary basis.

Nick Patel, Valero Gas, I have been a business owner in Hemet for over 7 years, first business was a dollar store in east Hemet. We run our businesses responsibly and try to provide what the consumers need. Some of our customers drink and smoke, if we do not provide that for them they will go elsewhere for gas. We upgraded the facility to include more security for the safety of our customers. We will follow any conditions that will be required.

Diana Manangan, Hemet, spoke in support of Mr. Patel and recommended that the City Council consider allowing him to the opportunity to show that he is very responsible. Ms. Manangan recommended that the City Council consider issuing with conditions or on a temporary basis.

Palala Tajni, San Jacinto, spoke in support of Mr. Patel. Ms. Tajni expressed concern that all other similar businesses near Valero have a liquor license making it difficult to be competitive. Ms. Tajni recommended that the City Council confirm with PD that the calls for service to Valero are low.

Mayor Smith declared the Public Hearing Closed at 7:45 p.m.

Council Member Krupa, I do buy my gas at Valero. My concerns regarding the issuance of a liquor license has nothing to do with Mr. Patel being a good business person or responsible.

The concern is the over concentration and the high volume of police calls in that area. If we had the authority we might consider revoking licenses in that area. One of the components of the ROCS program is to reduce the number of businesses that sell alcohol.

Council Member Wright, I understand from a business perspective, however, the number of licenses in that area are a concern. The Walgreens to the east has a number of issues that are of concern to the PD. The City Council needs to be consistent with goals that were set with the ROCS program.

Mayor Pro Tem Milne, I am a very strong free market girl and agree that another liquor license will not make more alcoholics or hang out on that corner because he began selling beer and wine. My concern is the PD's high volume of calls in that area and the over saturation. Mayor Pro Tem Milne recommended that the issuance of the CUP be considered on a temporary basis then revoked if it doesn't work.

Eric Vail, City Attorney, temporary CUP's do not exist in California. Once a CUP is issued they are vested and it runs with the land. Revocation with cause process requires a public hearing and a very lengthy due process rendering the revocation almost impossible even if the applicant does not meet the Conditions of Approval.

Mayor Smith, previously there was a house of worship near the property location. Mayor Smith expressed concern that the issuance of a license would hinder future nearby uses.

Ms. Elliano, the separation requirements limits the encroachment of the ABC license on certain existing uses, but would not hinder those uses from located nearby.

Mayor Smith, expressed concern with the calls for service and over concentration. The businesses owner's responsibility is not the issue. This is a concern and part of the ROCS program.

Council Member Krupa moved and Council Member Wright seconded a motion to approve Item No. 11.B denying Appeal No. 13-002. Motion carried 4-0.

12. **Zoning Ordinance Amendment (ZOA) No. 14-003 (Temporary Sign Regulations)** – Community Development Director Elliano

- a. Conduct a public hearing; and
- b. Introduce, read by title only and waive further reading of an ordinance amending Article XXXVI (Signs Generally) of Chapter 90 (Zoning) of the Hemet Municipal Code. **Ordinance Bill No. 14-022**

Deanna Elliano, Community Development Director, gave the City Council a powerpoint presentation regarding Temporary Sign Regulations. The purpose was to re-evaluate the types of temporary signs currently permitted and offer new options for signage for the benefit of business owners and consumers, and create new performance standards for temporary signage. Strike a balance between being "business friendly" and community values regarding aesthetics. Staff has met with private business owners and members of the Hemet-San Jacinto Chamber of Commerce. Planning Commission held four work study sessions and one Public Hearing. During the work study sessions the following issues were raised by business and property owners: design of existing centers creates poor visibility into site; not enough panels on existing monument signs for all tenants; perimeter and right-of-way landscaping blocks existing signs; prime locations for temporary signage are often prohibited for placement of temporary signs; additional temporary signage will make businesses more visible; and extend time limits for display of temporary signs. The proposed Zoning Ordinance Amendment considers more types of signage than currently allowed and more clarity in performance standards (number and size of signs, location of signs and permit required or

exempt). Staff reviewed sign ordinance for the cities of Corona, Moreno Valley, Murrieta, Ontario, Rancho Cucamonga, San Jacinto, Temecula and the County of Riverside. A visual glossary of sign types was displayed and each sign type and its specific regulations were explained in detail to the City Council. Ms. Elliano noted that hand held signs that are currently prohibited, in 2009 the City Council at the time put a stay on the enforcement of them due to the downturn in the economy. In summary, the amendment will add new and amended definitions. Existing "sign" sections were changed to "Permanent Signs". The Municipal Code was reorganized into 4 general categories: General Provisions, Permanent Signs, Temporary Signs, and Enforcement. The amendment creates new categories of Temporary Signs. It also establishes performance criteria for each type of temporary sign. The Planning Commission unanimously recommended approval on April 15, 2014. Staff is recommending that the City Council conduct a public hearing and introduce, read by title only and waive further reading of the ordinance approving ZOA 14-003.

Mayor Smith, thanked Council Member Wright for attending the Planning Commission meetings.

The City Council and staff discussed the hand held signs. The term "Hand Held" refers to all signs held by a human. Free speech signs are not regulated.

Mayor Smith declared the Public Hearing opened at 8:20 p.m.

Andy Anderson, Hemet-San Jacinto Chamber of Commerce, thanked the City for allowing the Chamber to participate in this initiative. The business community felt that there was a lot of gray area in the sign ordinance and that it was a disadvantage to have a business in Hemet. Mr. Anderson on behalf of the Chamber thanked Deanna Elliano for her effort. There is a need to strike a balance and this is a great step toward doing that. This ordinance offers new advertising opportunities and clarification for the businesses.

Mayor Smith declared the Public Hearing closed at 8:34 p.m.

Mayor Smith, this is one of the most debated sections in the Hemet Municipal Code. As a previous business owner on Florida Avenue, I wanted the biggest sign possible.

Council Member Wright, incredible effort it took to compromise on difficult issues. This ordinance considers both community values and business promotion. The discussions at the Planning Commission were long but everyone was very considerate of each other. Council Member Wright expressed appreciation to the business community and city staff for their efforts. I hope we can continue this type of relationship.

Council Member Youssef, staff has done a great job. This was not an easy task the last time either. Council Member Youssef thanked the Chamber for their participation.

Council Member Krupa, thanked staff and the Chamber. Council Member Krupa asked that the Chamber and press help get the information out that the ordinance offers new opportunities for businesses to advertise.

Mayor Pro Tem Milne, appreciated that the Chamber worked with the City. Issues like these are not static forever.

Mayor Smith, thanked Deanna for putting the players together and the Planning Commission for their input. Mayor Smith recommended that human signs be discussed again in the near future.

Council Member Wright moved and Mayor Pro Tem Milne seconded a motion to approve this item as presented. Motion carried 5-0.

Ordinance was read by title only.

13. **Zoning Ordinance Amendment No. 14-001 (Updates to the Agriculture Zone, Open Space zone and Animal Keeping provisions)** – Community Development Director Elliano
- a. Conduct a public hearing; and
 - b. Introduce, read by title only and waive further reading of an ordinance amending portions of the Hemet Municipal Code Chapter 90 (Zoning) to update Article VII (Agriculture Zones), Article XXXIII (Open Space Zone), and Article II, Section 90-77 (Animal Regulations and Keeping Requirements) to achieve compliance with the Hemet General Plan as part of the City’s General Plan Consistency zoning program. **Ordinance Bill No. 14-014**

Deanna Elliano, Community Development Director, this zoning ordinance amendment update certain zoning and development regulations in the agriculture zones, open space zones, and animal keeping regulations to achieve consistency with the City’s adopted General Plan accordance with State law. The Planning Commission recommended minor revisions to the proposed animal keeping regulations and incorporated the proposed amendments. The proposed updates to Article VII (Agriculture Zones) is to combine the A (Agriculture) and A-1-C (Light Agriculture) zones into an A-1 Zone (Light Agriculture) and remove the C which was from the previous county designation when annexed. The A-2-C would become A-2 again removing the C. Proposed updates to Article XXXIII (Open Space Zones) is to create two zones to correspond with the General Plan designations: OS-G (Open Space – General) for the preservation of natural resources, and OS-R (Open Space – Recreation) for outdoor recreation. ZOA 14-001 proposed to appeal and replace Section 90-77 (Animal regulations and keeping requirements) consolidating categories of animals and clarify existing standards. The proposed amendment recommends reducing the minimum lot size for hens from one acre to 20,000 square feet. The Planning Commission recommended applying the County standard of five equine animals per acre up to a maximum of twenty to ensure that residents who currently meet the County standard would be compliant with the City standard in the event of incorporation. A-1, A-2, RA and R-1-40 zones were amended to incorporate the County standard.

Mayor Smith declared the Public Hearing opened at 8:36 p.m.

There were no public comments presented at this time.

Mayor Smith declared the Public Hearing closed at 8:36 p.m.

Mayor Pro Tem Milne, suggested that the regulations on chickens be re-considered.

Ms. Elliano, most communities grapple with the appropriate size lot and number of chickens allowed.

Council Member Youssef moved and Council Member Krupa seconded the motion to approve this item as presented. Motion carried 5-0.

The ordinance was read by title only.

Discussion/Action Item

14. **HOME Consortium Sponsored by Riverside County** – Community Investment Director Jansons
- a. Adopt a resolution authorizing membership in the HOME Consortium and Authorize the City Manager to execute all documents pertaining to membership in the Consortium, including the “Consortium Agreement”.
- Resolution Bill No. 14-027**

John Jansons, Community Investment Director, on April 8, the City Council heard a presentation from Riverside County staff regarding the Home Consortium proposal. The purpose of the proposed Consortium of Riverside County is to pool HOME funds to provide affordable housing activities for four main areas: 1) home buyer assistance; 2) owner-occupied rehabilitation; 3) acquisition, rehabilitation, or new construction of affordable rental housing; and 4) tenant-based rental assistance programs. The cities of Lake Elsinore, Hemet, Indio, Temecula, Palm Springs and Palm Desert are all being asked to participate. Hemet is not eligible for direction allocation. Cities that do not qualify for individual allocations can join neighboring localities and form a Consortium. By not joining the Consortium, any funds calculated for Hemet are returned to the State to be included in a competitive grant pool. By joining the Consortium, Hemet's un-awarded allocation would be included in the pool of funds. Award of HOME funds by the County to a project or activity will be conducted on a first come, first served basis. Consideration of the proposal raised additional concerns: 1) the contract permits any and all HOME eligible activities and is not restricted to Down Payment Assistance; 2) there is no guarantee that the funds will be used for the betterment of Hemet or its residents; and 3) membership in the Consortium precludes Hemet from applying directly for HOME funds for the three year term of the Agreement. Previously Hemet received directed HOME awards totaling \$7 million by demonstrating qualifying need and capacity. However, direct awards require a ready project and matching funds which were previously provided by the RDA and personnel no longer available. The City is able to edit the agreement we were successful in our request for mutual indemnification. Staff is recommending consideration. Adopting the Resolution and authorizing the City Manager to sign the agreement will approve participation in the Consortium.

Council Member Krupa, asked if there would be funding available for low or affordable housing and first time buyer programs that Hemet would qualify for. Council Member Krupa expressed concern with the funds being used for rental assistance.

Mr. Jansons, there are no funds available for these programs. The County's 5-year consolidated plan does lay out their proposed activities. The plan calls for 1/3 of the funding to be used for new unit construction, 1/3 of the funding will be used for down payment assistance and the remaining 1/3 is to be other housing assistance. In reality the funds available to the consortium is limited. Large amounts of new low income housing will not be constructed with these limited funds.

Council Member Krupa, expressed concern that the City would not have any say on development being senior low income housing as opposed to just low income housing.

Mr. Jansons, the best way to influence the use of the funds is to advertise and market the program to our residents.

Council Member Youssef, expressed concern with the ability to use the funds for new affordable housing. This was not discussed during the previous workstudy. If the funds are pooled together and the criteria is "first come first served" the funds should be used and marketed as we see fit. It is my recommendation that these funds be marketed to and benefit professional residents. Council Member Youssef expressed concern that the requirements are not stringent enough.

Mr. Jansons, the recipient's income level must be 80% or lower of the low to moderate income level. Specific group of residents can't be targeted at the expense of other groups. Young professional at the onset of their careers might qualify depending on their family size. The City can focus their outreach through the hospital and the Chamber of Commerce.

Eric Vail, City Attorney, the contract will allow us to market the program anyway. The County is the sole administrator of the program and they will have to administer it according to the guidelines set forth by US Department of Housing. All applications received will have to be considered in a non-discriminatory manner.

Council Member Youssef, the median income in Hemet is considerably lower so the qualifications will be lower. Council Member Youssef asked what will keep residents from getting down payment assistance and then selling the house.

Mr. Jansons, the program requires and monitors owner occupancy. If the buyer sells before the 15 years, they will have to pay back a pro-rated amount. The applicant must meet the criteria for home ownership. Lower income residents will not have the required match, the necessary income or credit score to qualify. A typical scenario is that a resident working with a lender for pre-qualification finds out about this program from the City, the County or a lender. The City's Home Buyer Workshops have helped some great families that are lower earners and ready to become homeowners.

Stephany Adams, County of Riverside EDA, the recipient can sell the home before the 15 years, they will have to pay back a pro-rated portion of the money. The property must be owner occupied or sold. Previously the County has not experienced a problem with the First Time Home Buyer program most recipients stay in the home for the duration.

Council Member Wright, asked the population threshold to become an independent recipient of funding.

Ms. Adams, was not sure of the population requirement and noted that several factors are taken into consideration when allocating funds.

Council Member Wright, asked if there is a cost to the City of Hemet to participate and if the allocation is based on the number of cities that participate in the Consortium.

Ms. Adams, there is no cost to participate and allocation is not based on the number of cities that participate. The cities of Indio, Palm Springs and Palm Desert have joined. Lake Elsinore and Temecula are considering tonight.

Council Member Wright, asked about the administrative fees.

Ms. Adams, 10% of the allocation can be used for administration of the program.

Mayor Smith, confirmed that the funds are distributed on a first come first serve basis and asked for an explanation of the process. The City must commit to participate in the program for three years.

Ms. Adams, it is based on the applications received. Applications are processed in the order that they are received. Typically the Council allocates 50% to new construction and rehabilitation and 50% to First Time Home Buyers. The County does have the ability to reallocate the funding.

Council Member Krupa, asked if the 50% requirement for new units can be used to rehabilitate Mobley Lane.

Mr. Vail, the City will not be the property owners if we continue with the process. Mobley Lane will also be rentals. The project would not qualify for these funds.

Mayor Smith, asked why the City would not have the capacity to get individual funds especially since funds have been received in the past.

Mr. Jansons, the loss of the Redevelopment Agency and its capacity to provide the local match. That local match would now be paid from the City's General Fund. The City does not have any shelf ready projects to request funding for, that is an exotic endeavor that requires a large housing staff.

Mayor Smith, asked the down payment assistance is for 100% or if a match is required.

Mr. Jansons, the program will pay for up to 20% of the purchase price. Each application and allocation will be different based on the sale price and the loan type.

Mayor Pro Tem Milne, the Federal Government has no right to loan money. The City should not consider participating in the program. Home buyers need to save for their down payment.

Mayor Smith, I have reservations and concerns, especially if participation in the Consortium keeps the City from participating in other funding programs. There needs to be a buy in by the home buyer or it makes it too easy to walk away.

Council Member Youssef, there are too many unknowns for me. I agree that home buyers need to have some skin in the game. Lenders will approve home buyers for way more money than they can afford to pay back. I'm not satisfied with the requirements.

Council Member Youssef moved and Mayor Pro Tem Milne seconded a motion to deny this item. Motion carried 5-0.

15. **Municipal Code Amendment No. 14-001: Chapter 58 (TUMF Ordinance) – Community Development Director Elliano**

- a. Introduce, read by title only and waive further reading on an ordinance amending Sections 58-70.2 and 58-70.3 of Division 2 "Western Riverside County Transportation Uniform Mitigation Fee Program" of Chapter 58 of the Hemet Municipal Code to include a new exemption for newly construction specially adapted homes for severely disabled veterans. **Ordinance Bill No. 14-025**

Deanna Elliano, Community Development Director, WRCOG has established TUMF which is required of all new construction of single family resident. There are some very limited exemptions. This action proposed an exemption specifically for non-profit organizations that build new homes specially constructed to accommodate severely disabled veterans that were injured in combat. TUMF is usually the biggest hurdle for builders of single family homes this is a huge benefit to provide housing for disable veterans.

Mayor Smith, TUMF drives our developer's nuts but is necessary to mitigate the impact of development. Great way to thank the veterans wounded in combat.

Council Member Krupa moved and Mayor Pro Tem Milne seconded a motion to approve this item as presented. Motion carried 5-0.

Ordinance was read by title only.

16. **Amendment to the Contract between the Board of Administration California Public Employees Retirement System and the City Council of the City of Hemet for Cost Sharing – City Manager Hill**

- a. Introduce, read by title only and waive further reading on an ordinance to allow cost sharing of the Employer Contribution to CalPERS with the "classic" CalPERS members of the Hemet Police Officer's Association (HPOA) and the Hemet Police Management Association (HPMA). **Ordinance Bill No. 14-024**

Wally Hill, City Manager, the employment agreements that you have reached with the two police unions that require them to contribute an additional amount to the employer contribution for their retirement benefit. This action is require to amend the City's contract with CalPERS.

Mayor Pro Tem Milne moved and Council Member Youssef seconded a motion to approve this item as presented. Motion carried 5-0.

Ordinance was read by title only.

Communications from the Public

Paul Raver, Hemet, distributed a letter to the City Council. Mr. Raver read his letter explaining that the cost to contract with CalFire will be greater than retaining Hemet Fire Department and the service level will not increase. Mr. Raver recommended that the City Council stop spending money on attorneys and consultants and diverting staff from their responsibilities by ending the RFP process in favor of retaining Hemet Fire Department.

Kevin Morningstar, Hemet, continues to validate his claim calling Hemet his home. There are a number of first generation resident who have expressed interest in helping. My recent endeavor working with staff like Charles Russell, Chuck Proze, Victor Monz and John Jansons, the City has a great team of employees. The residents don't think that the City cares, but it is clear that you do. Mr. Morningstar recommended again that the City make effort to reach the online critics and engage the naysayers. Small steps lead to big changes.

Josh Pagliaroli, Hemet, asked the City Council for assistance with a request to have a storage container at his place of business. Mr. Pagliaroli was told they are not allowed, but noted that there are at least 50 other businesses that have storage containers in sight.

Mayor Smith, recommended that Deanna Elliano, Community Development Director contact Mr. Pagliaroli regarding his request.

Jenn Purkerson, Hemet, expressed concern that the City has to pay City crews to clean up the dirt from the undeveloped field on the east side of Hemet Street. The homes to the west were affected twice by the recent winds.

Mayor Smith, your contact information will be given to the City Manager to follow up with you.

Michael Quill, Hemet, suggested that the City Council consider a mural wall similar to the one in Huntington Beach. It is a great outlet for artistic kids. As a former graffiti artist, Mr. Quill also suggested that it would be a great place to catch taggers. The mural project could be coordinated with the Hemet Valley Arts Association.

Mayor Smith, recommended that Mr. Quill put his idea in writing and submit to City Hall.

City Council Reports

17. CITY COUNCIL REPORTS AND COMMENTS

A. Council Member Krupa

1. Traffic and Parking Commission
2. Riverside Conservation Authority (RCA)

Council Member Krupa, attended the RCA Meeting. The Board did not vacate the position of Board Chairperson, however the by-laws were change to remove the positions authority. The non-profit HANS process was tabled and the Board agreed to continue to work with the stake holders.

3. Ramona Bowl Association
4. Indian Gaming Distribution Fund
5. Riverside Transit Agency (RTA)

Council Member Krupa, announced that Natalie Gomez, Clerk of the Board, retired after many years and she will be missed. The Board is working on their FY 14-15 Annual Budget.

6. Watermaster Board

Council Member Krupa, announced that at the Hemet Theater on May 27th through May 30th will be the premier screening of Stephen Savage's movie "Vertical". On May 31st and June 1st there will be a mini Film Festival.

Council Member Krupa, attended SCAG's meeting "Connecting the Dots". Council Member Krupa will be formulating a report to distribute to the City Council.

B. Council Member Wright

1. Park Commission

Council Member Wright, the Park Commission planted a tree in Brubaker Park for Arbor Day.

2. Planning Commission

Council Member Wright, the Planning Commission is still working on the Ramona Specific Plan.

3. Indian Gaming Distribution Fund
4. Riverside County Habitat Conservation Agency (RCHCA)
5. Ramona Bowl Association

Council Member Wright, the City crews did a tremendous job in a short period of time cleaning up after the recent wind storms.

Council Member Wright, met with a film producer that is doing the mini film festival and he is very excited about it. The event in Idyllwild brings in about \$175,000 to the community and will most likely generate more in Hemet.

The mini Film Festival on May 31st and June 1st will include 32 films showing at both the Hemet Theater and DVAC. The event cost is \$20.00 for one day or \$25.00 for a two-day pass.

C. Council Member Youssef

1. Western Riverside County of Governments (WRCOG)
2. Riverside County Transportation Commission (RCTC)

Council Member Youssef, proudly announced that another younger brother is leaving with the 13th Battalion. That means I'll be purchasing another banner.

D. Mayor Pro Tem Milne

1. Library Board

Next meeting, May 16, 2014

2. League of California Cities
3. Riverside County Habitat Conservation Agency (RCHCA)

Next meeting, May 15, 2014

4. Riverside Transit Agency (RTA)
5. Riverside Conservation Authority (RCA)
6. Disaster Planning Commission

Mayor Pro Tem Milne, letters are out and staff is conducting the recruitment.

Mayor Pro Tem Milne, thanked Kevin Morningstar for his help with the recent clean up.

Mayor Pro Tem Milne, Deputy Chief Webb and I are going to CSUSB to talk about the City's Special Needs Registry. The DVAC will be hosting a Special Needs Art Exhibit in the fall.

E. Mayor Smith

1. League of California Cities
2. Riverside County Transportation Commission (RCTC)

Mayor Smith, surprised that very few people were present to make comments on RCTC's annual budget that is between \$1.4 and \$1.5 Billion dollars.

3. Western Riverside County of Governments (WRCOG)
4. Public Safety Update
5. National League of Cities
6. Hemet Community Activities

Mayor Smith, announced that Jersey Mike's opened tonight.

Mayor Smith, I was in Sacramento during the wind storms which gave me the opportunity to meet with State Official's about Hemet situation.

F. Ad-Hoc Committee Reports

1. Crime Stoppers Plus Ad-Hoc Committee
2. West Hemet MSHCP Ad-Hoc Committee
3. Regent Development Agreement Ad-Hoc Committee

G. City Manager Hill

1. Manager's Reports

Wally Hill, City Manager, the State Department has confirmed that the water from the City's two effected wells are fine. Public Works will continue to conduct tests.

The City Council recessed to Closed Session at 9:55 pm.

Continued Closed Session

2. Conference with Legal Counsel - Anticipated Litigation

One matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

City Attorney Continued Closed Session Report

4. Conference with Legal Counsel - Anticipated Litigation

One matter of significant exposure to litigation pursuant to Government Code section 54956.9(d)(2) & (3)

The City Council received an briefing from the City Attorney and gave direction to prepare the necessary documents to repeal HMC Section 46-10, Child Safety Zone Ordinance due to CA Supreme Court Case: People v. Nguyen.

Future Agenda Items

There were no future agenda items requested at this time.

Adjournment

Adjourned at 10:07 p.m. to Tuesday, May 27, 2014 at 7:00 p.m.