

**LANCASTER CITY COUNCIL/REDEVELOPMENT AGENCY
MINUTES
February 23, 2010**

CALL TO ORDER

Mayor/Chairman Parris called the regular meeting of the City Council/Redevelopment Agency meeting to order at 5:00 p.m.

ROLL CALL

Present: Council Members/Agency Directors: Mann, Marquez, Sileo; Vice Mayor/Vice Chairman Smith, Mayor/Chairman Parris

Staff

Members: City Manager/Executive Director; Deputy City Manager/Deputy Executive Director; City Attorney/Agency Counsel; City Clerk/Agency Secretary; Assistant to the City Manager; Planning Director; Public Works Director; Parks, Recreation & Arts Director; Finance Director; Economic Development Director; Housing Director; Human Resources Director

INVOCATION

Pastor John Meadors – Christian Life Assembly

PLEDGE OF ALLEGIANCE

Council Member/Agency Director Sileo

PRESENTATION

The City Manager explained the broad based community program in which the community may submit comments regarding the staff of Lancaster. Over 500 comments were received; many awards were given out to the different departments. The major award went to the Housing and Revitalization Department and the entire staff was recognized. This is a large group that does an incredible job. From the foreclosed home program, literally saving neighborhoods; neighborhood impact homes; neighborhood building; working with the faith based community to help keep children out of gangs; this City looks better because of the incredible efforts by Code Enforcement. The Housing Director stated that it is a real team effort and everyone works together as a team everyday to make changes to this community. They are all truly dedicated, it is what they want to do, they are excited to do this job and watch the positive changes take place in the community. Mayor Parris stated that this staff makes Lancaster livable; it is a whole different City because of them; people feel safe taking walks again; can't wait to see what the department does next and thanked them.

AGENDA ITEMS TO BE REMOVED

None

Agency Director Mann stated that he would need to recuse himself from Item Nos. RCC 4 and RCC 6 due to the proximity of the projects to property that he owns.

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APPROVAL OF AGENCY CONSENT CALENDAR

On a motion by Vice Chairman Smith and seconded by Agency Director Marquez, the Redevelopment Agency approved the Agency Consent Calendar with the exception of Item Nos. RCC 4 and RCC 6, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

RCC 1. MINUTES

See CC 2 for the approval of the Regular Redevelopment Agency Meeting minutes of February 9, 2010.

RCC 2. ACQUISITION OF REAL PROPERTY

Approved the agreement for the acquisition of real property between the Lancaster Redevelopment Agency and Stephen Magiera and Cheryl Magiera for property (vacant land) located at 10th Street West and West Avenue H-8, Lancaster, California. Funds will be appropriated from the Housing Bond proceeds.

RCC 3. ACQUISITION OF REAL PROPERTY

Approved the agreement for the acquisition of real property between the Lancaster Redevelopment Agency and Stephen Magiera and Cheryl Magiera for property (vacant land) located at 13th Street West and Avenue I, Lancaster, California. Funds will be appropriated from the Housing Bond proceeds.

At this time Agency Director Mann recused himself from Item Nos. RCC 4 and RCC 6 and left the dais.

On a motion by Vice Chairman Smith and seconded by Agency Director Marquez, the Redevelopment Agency approved Item Nos. RCC 4 and RCC 6 by the following vote: 4-0-1-0: AYES: Marquez, Sileo, Smith, Parris; NOES: None; RECUSED: Mann; ABSENT: None.

RCC 4. ACQUISITION OF REAL PROPERTY

Approved the agreement for the acquisition of real property between the Lancaster Redevelopment Agency and Nena J. Connor for property located at 44078 Beech Avenue, Lancaster, California.

RCC 5. ACQUISITION OF REAL PROPERTY

Approved the agreement for the acquisition of real property between the Lancaster Redevelopment Agency and The Bank of New York Mellon f/k/a The Bank of New York, as successor to JPMorgan Chase Bank, National Association, f/k/a JPMorgan Chase, as trustee under the Pooling and Servicing Agreement, dated as of November 1, 2003, among Credit-Based Asset Servicing and Securitization LLC, Financial Asset Securities Corp., Litton Loan Servicing LP and JPMorgan Chase Bank, C-BASS Mortgage Loan Asset-Backed Certificates, Series 2003-CB6 for property located at 45003-13 Division Street, Lancaster, California.

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RCC 6. ACQUISITION OF REAL PROPERTY

Approved the agreement for the acquisition of real property between the Lancaster Redevelopment Agency and Leslie M. Payne, Jr. and Casandra J. Payne, Co-Trustees, or their Successors in Trust, under the Payne Family Trust, dated August 9, 1999 for property located at 44660 Beech Avenue, Lancaster, California. Funds will be appropriated from Housing Bond Proceeds.

At this time, Agency Director Mann returned to the dais.

RCC 7. LIST OF CONTRACTORS

Approved the expanded “List of Qualified Contractors and Sub-contractors” for Housing & Neighborhood Revitalization Programs.

RNB 1. AGREEMENT REGARDING ACQUISITION OF OPERATING COVENANT AND RESTRICTIVE COVENANTS

The Economic Development Director presented the staff report regarding this item.

Vice Chairman Smith clarified that this is with the use of redevelopment funds/restricted funds and does not come out of the general fund; discussed tax increments; sales tax.

Addressing the Redevelopment Agency on this matter:

David Paul – in support of this item; important to support the tax base of the City; referred to negative comments on a local blog.

Vice Chairman Smith stated that not only will there be sales tax revenue, the property increments from the Agency; the 77 jobs, this is what the Redevelopment Agency is here for and this is a good and wise decision.

Agency Director Mann stated that this is one of the Chrysler dealerships that was recognized; there were some conversations about dealerships closing. This dealership has a history of 66 years and is considered a premier dealership and taking this action this evening is very important.

On a motion by Vice Chairman Smith and seconded by Agency Director Marquez, the Redevelopment Agency approved the Acquisition Agreement with H.W. Hunter, Inc. and authorized the Executive Director to execute all required documents, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

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APPROVAL OF CITY COUNCIL CONSENT CALENDAR

On a motion by Vice Mayor Smith and seconded by Council Member Sileo, the City Council approved the Council Consent Calendar by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

CC 1. ORDINANCE WAIVER

Waived further reading of any proposed ordinances. (This permits reading the title only in lieu of reciting the entire text.)

CC 2. MINUTES

Approved the Redevelopment Agency / City Council Regular Meeting minutes of February 9, 2010.

CC 3. WARRANT REGISTER

Approved the Check and Wire Registers January 24, 2010 through February 6, 2010 in the amount of \$2,715,306.74.

CC 4. RESOLUTION NO. 10-09

Adopted **Resolution No. 10-09**, approving the application for Statewide Park Program Grant funds.

CC 5. MONUMENTATION WORK

Approved the monumentation work for: Parcel Map No. 67321, located south of Avenue J and east of 20th Street West, Owner: Depot Plaza, LLC, and Tract No. 060887, located on the west side of 16th Street West, approximately 840 feet north of Avenue J, Owner: Tandis Homes, Inc.

CC 6. COMPLETED SEWER SYSTEM

Approved the completed sewer system installed by the developer of Sherwood – MHP, located at 3753 East Avenue I, Owner: Sherwood MHP LLC.

CC 7. ACCEPTANCE OF STREETS FOR MAINTENANCE

Approved the developer constructed streets and accepted the streets for maintenance by the City for Tract No. 061064, located on the northeast corner of Avenue K and 30th Street East, Owner: Western Pacific Housing DBA D.R. Horton.

CC 8. COMPLETED WATER SYSTEM

Approved the completed water system installed by the developer for Site Plan Review No. 06-23, located on the southeast corner of Avenue J and 20th Street West, Owner: Timberline Commercial Management, Inc.

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CC 9. GRANT OF EASEMENT

Approved the Grant of Easement for underground electrical supply systems and communication systems, appurtenant fixtures and other equipment necessary including ingress/egress purposes to Southern California Edison Company across the property identified as APN 3133-029-003; authorized the City Manager to execute all documents necessary to complete the transaction.

CC 10. PROJECT NO. 10-HNRD201

Awarded **Housing and Neighborhood Revitalization Construction Project No. 10-HNRD201, North Downtown Transit Village Pedestrian Project** to FS Construction in the amount of \$270,068.00 including addendums 1 and 2 (plus a 20% contingency); authorized the City Manager, or his designee, to sign all documents.

JPH 1. CONSIDERATION OF A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE LANCASTER REDEVELOPMENT AGENCY AND LANCASTER PROMENADE II, LLC

Mayor/Chairman Parris open the Joint Public Hearing and the Housing Director presented the staff report.

The developer for the project, Scott Ehrlich presented a power point presentation, discussing a luxury theater and book store. The goal is to have the project completed by April, 2011.

The City Attorney stated that the agreement is still evolving; taking care of lender issues; hope to have a finalized agreement in the next few days; this is a very exciting project for Lancaster.

Hearing no further testimony, Mayor/Chairman Parris closed the Joint Public Hearing.

On a motion by Vice Chairman Smith and seconded by Agency Director Marquez, the Redevelopment Agency adopted **Resolution No. 07-10**, approving the Disposition and Development Agreement and the Promenade II Funding Agreement between the Lancaster Redevelopment Agency and Lancaster Promenade II, LLC for property located on the southwest corner of Fig Avenue and Lancaster Boulevard, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

On a motion by Vice Mayor Smith and seconded by Council Member Mann, the City Council adopted **Resolution No. 10-10**, approving the Disposition and Development Agreement and the Promenade II Funding Agreement between the Lancaster Redevelopment Agency and Lancaster Promenade II, LLC for property located on the southwest corner of Fig Avenue and Lancaster Boulevard, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

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PH 1. VACATION OF A PORTION OF DATE AVENUE – NORTH OF KETTERING STREET AND SOUTH OF JACKMAN STREET

Mayor Parris opened the Public Hearing. The Public Works Director presented the staff report regarding this item. As part of his report, the Public Works Director requested a condition be added to include a utility easement be preserved in the vacated right-of-way. This blanket utility will allow water service into and through the American Heroes Park.

Hearing no further testimony, Mayor Parris closed the Public Hearing.

On a motion by Vice Mayor Smith and seconded by Council Member Mann, the City Council adopted **Resolution No. 10-11**, ordering the vacation of a portion of Date Avenue, located north of Kettering Street and south of Jackman Street, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

JNB. 1 FISCAL YEAR-2010 MID-YEAR BUDGET REVIEW

The Finance Director presented the staff report regarding this item. Discussed assessed valuation; resources; street services; sales tax continues to decline; past statistics on the past quarter; the City Council has been very supportive and pro-active in regards to the budget and this is very much appreciated.

Vice Mayor Smith clarified that the City is not cutting services; balancing the budget; making adjustments; not dipping into the reserves. There are a lot of cities out there that are teetering on bankruptcy and other cities cutting services and laying people off. On the contrary, this report on the mid-year budget is great news.

On a motion by Vice Chairman Smith and seconded by Agency Director Marquez, the Redevelopment Agency adopted the Lancaster Redevelopment Agency proposed Fiscal Year 2009-10 Mid-Year Budget Revenue and Expenditure Adjustments as summarized on the attachment, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

On a motion by Vice Mayor Smith and seconded by Council Member Mann, the City Council adopted the proposed Fiscal Year 2009/10 Mid-Year Budget Revenue and Expenditure Adjustments as summarized on the attachment within the staff report; and adopted **Resolution No. 10-12**, amending Resolution 06-231 establishing a compensation schedule for non-represented and represented employees of the City, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

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NB 1. PROJECT COOPERATION AGREEMENT WITH THE UNITED STATES DEPARTMENT OF THE ARMY

The Public Works Director presented the staff report on this item. The Utility Services Manager presented additional information regarding this major recycling water project.

Addressing the City Council on this matter:

Nicole Parsons – requested clarification on the agreements; history of the project from 7 years ago; recycled water project of 4 years ago; addressed unsustainable water; global warming; astronauts should stay out of space right now because the forces are just too strong; discussed transitional losses; double disinfecting the water; important part of global warming are the gases.

On a motion by Vice Mayor Smith and seconded by Council Member Sileo, the City Council approved the following recommendations, by the following vote: 5-0-0-0: AYES: Mann, Marquez, Sileo, Smith, Parris; NOES: None; ABSTAIN: None; ABSENT: None.

1) Approved Amendment No. 1 to the Project Cooperation Agreement (PCA) with the Department of the Army and authorized the Director of Public Works to sign all associated documents.

2) Transferred and appropriated funds to provide the City's 25% share of construction costs for the Phase 1B Recycled Waterline Extension Project per the PCA with the Department of the Army and to convert City Park to use recycled water.

3) Approved using \$1,520,000.00 from the Waste Discharge Permit Fund (WDPF), funds set aside per the California Regional Water Quality Control Board Lahontan Region Administrative Civil Liability Order No. R6V-2007-0034 identified for construction projects; appropriated \$1,520,000.00 from the WDPF to Capital Improvement Budget Account No. 349-17RW005-924; increased estimated revenues by \$1,520,000.00 in Account No. 349-3301200 for the WDPF, which will be reimbursed after completion of the conversion of City Park to recycled water.

4) Transferred \$890,000.00 from Capital Improvement Budget Account No. 227-17RW006-924 to Capital Improvement Budget Account No. 227-17RW002-924 and increase the scope of the Recycled Water Conversion Project to include City Park.

COUNCIL AGENDA

None

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CITY MANAGER'S / EXECUTIVE DIRECTOR'S ANNOUNCEMENT

The City Manager stated that he talks with the Mayor daily and what struck him today was a conversation he had with the Mayor where he said, if only the economy was better. Mayor Parris stated that this is not what you should wish; creativity comes from adversity. This has stayed with him and we don't sit back waiting for the economy to get better, we are trying to be inventive and creative. As a City, we are able to look for grants; we partner with people; he is very proud to be part of this City.

The City Manager stated that the City has been invited by Supervisor Antonovich to go to China and the City will be sending a small delegation in mid-March. We are invited to tour a major auto plant and an alternative energy company that is looking to set up shop in the United States. Lancaster will be there at that behest of the Supervisor to pitch Los Angeles County and Lancaster. This will be funded out of the existing travel budget; no additional funds will be needed. Mayor Parris clarified that expenses for the trip by his own staff will be paid by him personally.

The City Manager discussed the Sky Sentinel project; working through some issues and hopes to have a demonstration of this by the end of March and following that, as part of the budget process, it would come before the City Council. The demonstration should be of little or no cost to the City.

CITY CLERK / AGENCY SECRETARY ANNOUNCEMENT

The City Clerk provided the public with the procedure to address the City Council/Redevelopment Agency regarding non-agendized items.

PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS

Addressing the City Council at this time:

Lyle Talbot – discussed pollution; new power plant at Plant 42; Lancaster will be downwind from this plant; displayed a diagram; discussed solar power; fossil fuel; energy sources.

Mayor Parris requested an Air Quality report on this plant.

Darby Hartman – discussed bicycle safety; please direct the Sheriff's Department to write tickets to people who ride after dark without proper safety gear.

David Abber – thanked the Director of Economic Development for responses to his questions.

Raimone Roberts – thanked the City for the lower crime rates over the last couple of years; statistics provide hope to the children; they see hope, they don't have to be a product; thanked the Sheriff's Department; appreciates all efforts; looking forward to good things ahead.

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PUBLIC BUSINESS FROM THE FLOOR - NON-AGENDIZED ITEMS (continued)

David Paul – requested that the City change its course on Measure I; he has faith; quoted verses from the bible; discussed life in biblical times.

Julie Foster – founder and owner of Over-Did-It Massage Therapy; recent negative public perception regarding massage establishments; takes her role and responsibility seriously; hold care of the people in her hands; helps special needs children; elderly; youth; requested support; aware that the Housing Department is trying to bring everyone into compliance.

Jennifer Carter – employed by Over-Did-It; AV News is the only paper that will give them a true voice and give a true interpretation; contribute to society; calling on citizens and the City Council to help support this business.

Fred Hawkins – employed by Over-Did-It; recent media about massage parlors and arrest give legitimate businesses a bad name; visit this facility and see how it operates; they are here to help the public; he upholds values that he wants to be able to pass on to two small children; see us as legitimate professionals

Sarah Odum – employed by Over-Did-It; qualified professional; would like to maintain reputation and move forward in career; please be an active voice for this establishment which provide good quality service.

Christina Pascascio – employed by Over-Did-It; the public only sees the bad; doesn't see the good; this establishment donates to charities; is involved in local events; conducted many free stretch seminars; healthy workers come to work healthy; upholds a high standard in the community.

Upon further discussion, the City Manager stated that staff will meet with this group; assist them in any way possible; possibly featuring them in an e-newsletter in the future.

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CR 1. REPORT ON THE ACTIVITIES OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT

Council Member Marquez presented the following information:

At the February 16, 2010 meeting, the Governing Board adopted and/or discussed the following significant items:

- Set date of March 16, 2010 to conduct a public hearing to consider the amendment of Rule 403 (Fugitive Dust) and approval of CEQA documentation. At this time, Public Works staff is working in coordination with the AVAQMD to update the City's Dust Control Policy and better align with the AVAQMD's forthcoming amended rule.
- The AVAQMD Executive Director has drafted a letter to the Governor addressing local concerns regarding implementation of the Global Warming Solutions Act of 2006. AVAQMD staff feels new State air quality regulations are evolving at an unrealistic pace, and voiced frustration with the insufficient manner in which the Federal Clean Air Act approaches regional issues relative to a high desert environment. Consequently, AVAQMD staff requested the City reinforce a unified regional standpoint by reiterating concerns via a City Council resolution and/or letter to the State. Public Works staff will develop a corresponding Staff Report for the March 23rd City Council Meeting agenda.

Council Member Marquez requested that the City come back with a letter to the State requesting the same and this will be on the agenda in March.

COUNCIL / AGENCY COMMENTS

None

CLOSED SESSION

None

ADJOURNMENT

Mayor Parris adjourned the meeting at 6:30 p.m. and announced that the next regular meeting of the City Council/Redevelopment Agency would take place on Tuesday, March 9, 2010 at 5:00 p.m.

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
CITY CLERK/AGENCY SECRETARY
Lancaster, CA

R. REX PARRIS
MAYOR/CHAIRMAN
Lancaster, CA

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**CERTIFICATION OF MINUTES
CITY COUNCIL/REDEVELOPMENT AGENCY**

I, _____, _____ of the City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original City Council/Redevelopment Agency minutes, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, CA on this _____ day of _____, _____.

(seal)
