

MINUTES OF THE WILLOWS CITY COUNCIL REGULAR MEETING HELD

February 26, 2013

1. Mayor Cobb called the meeting to order at 7:00 p.m.
2. **PLEDGE OF ALLEGIANCE:** Kerri Warren, Planning Commission Chair, led the Pledge of Allegiance.
3. **ROLL CALL:**

Present: Domenighini, Taylor-Vodden, Mello, Spears & Mayor Cobb
Absent: None

4. **Agenda Review:** It was **moved** by Council Member Domenighini and **seconded** by Council Member Taylor-Vodden to approve the February 26, 2013 agenda as presented. The motion unanimously passed.
5. **Presentations & Proclamations:**

Acting Police Chief Dahl presented awards for "Officer of the Year" to all of the Officers and Support Staff currently serving in the Willows Police Department. He also presented Summer Berglund with the award for "Explorer of the Year", and George Bowman with the award for "VIP of the Year".

6. **Public Comment/Written Communications:** None
7. **Consent Agenda:**

Motion by Council Member Domenighini, **second** by Council Member Taylor-Vodden to approve the Consent Agenda as presented. Jeff Williams, of the audience, requested that the Council pull item 7 (d) from the Consent Agenda, which was an item to approve appropriations reviewed by the Council during the February 20, 2013, Special Mid-Year Budget Review meeting. He requested that this item be acted on by the Council at a future meeting. Finance Director Tim Sailsbery and members of the Council inquired of Mr. Williams why he was requesting this item be pulled, as it has already been fully vetted at the Mid-Year Budget Review Meeting in which he was in attendance and did not state any objections at that time. Mr. Williams indicated that there was a group of interested people that were not able to attend the Mid-Year Budget Review Meeting who wanted to review this item prior to its passage. Council Member Taylor-Vodden then clarified that all this item was doing was simply transferring departmental funds that were previously agreed upon at the Mid-Year Budget Meeting and the Council was not passing anything else regarding any budgetary items. Council Member Taylor-Vodden also told Mr. Williams that she would be happy to sit down and personally meet with him to discuss any questions that he may have about the City Budget. Mr. Williams then stated that he misspoke and he stands corrected and he didn't know that was all that was being acted on tonight. It was the consensus of the Council not to remove item 7(d) from the Consent Agenda. With a motion and second on the floor, the Mayor asked for a vote and the motion unanimously passed 5/0 and the following items were approved/adopted:

- a) Approval of the General Check Register.
- b) Approval of the Payroll & Direct Deposit Check Registers.

- c) Adoption of a Resolution appointing Coastland Civil Engineering as the Engineer of work for the City of Willows Lighting and Landscape Assessment District and direct the completion of the annual Engineer's Report for Fiscal Year 2013/14.
- d) Approve appropriations reviewed by the Council during the February 20, 2013, Special Mid-Year Budget Review Meeting to transfer \$18,000 from the City Council Departmental Budget to the City Attorney Departmental Budget and a Pass-through of Literacy Grant funds for literacy projects undertaken by Glenn County Office of Education in the amount of \$37,024 (The actual grant amount was not known at the time the budget was adopted).

8. Public Hearings:

- a) Review and Acceptance of Final Report – Willows Tower Theatre Commercial Renovation/Reuse & Revitalization Strategy – funded by Community Development Block Grant (CDBG) Planning and Technical Assistance Grant # 11-PTEC-7647:

Mayor Cobb opened the Public Hearing at 7:19 p.m. The City Manager introduced this item, stating that this is a project that commenced nearly two years ago. In May of 2011 the City Council held a Public Hearing in which Staff was requesting approval of submittal of two grant applications – one for a Senior Housing Needs Assessment and one for a Reuse and/or Revitalization Feasibility study for the Tower Theatre building. Staff received Council approval to submit both grant applications and was ultimately successful in receiving the grant for the Feasibility Study for the Theatre but not for the Senior Housing Needs Assessment. Once the grant was awarded, the City went out to bid for a consultant and the City used 3CORE in a sub-recipient agreement to conduct the entire project for the City. Present at the meeting were Sherri Nix, representative of 3CORE, as well as Jonathan Hammond, the consultant that was hired to complete the study. The City Manager then invited Mr. Hammond to present the findings of the Feasibility Study. The purpose of this Public Hearing is for the Council to hear the report and accept the report as complete which will allow Staff to close out the grant documents.

Mr. Hammond presented an overview of the Renovation/Reuse and Revitalization Study. The report is an analysis of the Tower Theatre building located at 326 West Sycamore Street. Specifically, the purpose of the report was to analyze the suspected presence of hazardous materials in the building; the structural status of the building; the commercial economic opportunities for the site; and the potential future uses, if any, for the site. Based on the findings in the report it appears there is an urgent need to address the building. The site is blighted and presents a stagnant space in the Commercial District. Recently local citizens have become concerned that the building may be hazardous and leaking toxic materials into the area, putting peoples' health at risk.

The first priority of the report was to complete hazardous materials and structural engineering studies. In addition, an economic analysis to assess the best use of the site and an architectural study to determine how various uses could be fit onto the site were undertaken. As to the ownership status of the property, the current owner inherited the property which had previously been purchased "sight unseen". The current owner has indicated that she may not have the financial resources needed to address the problems detailed in the report. After permission was obtained by the owner, structural and hazardous materials evaluations were undertaken.

A preliminary structural evaluation was carried out and findings indicate that the building is in an extreme state of disrepair. It is recommended that the wooden roof structure be demolished and strongly

recommended that braces be placed on the side walls of the main theatre to provide the redundancy needed to ensure the stability of the walls.

A hazardous materials evaluation to determine if hazardous conditions were present in the building was undertaken. The evaluation noted dilapidated conditions including water intrusion inside the building due to a failing roof. Tests for asbestos and lead were conducted, as well as tests for other possible hazardous materials. It was found that asbestos is present inside the building both in place and in a pile of rubble on the theatre floor. Lead paint was also found to be present inside the building and in the exterior paint.

There were three courses of action recommended that would mitigate the current situation at the site and estimates preliminary costs for toxic remediation. The first option would be to secure and stabilize the building as is, with toxic materials left in place for later cleanup. This option involves stabilizing exterior paint material, repairing the roof structure and membrane and preventing further entry. Stabilization of paint is estimated to be \$50,000-\$60,000; cost for roof repair is estimated at \$500,000, therefore the option to stabilize the structure and defer cleanup costs to a later date would cost approximately \$560,000.

A second option would be to abate hazards and restore the building's structural elements for future use. This option involves stabilizing exterior building hazards, demolition and removal of interior hazards, and salvaging and restoring existing structural elements for reuse on-site. Cost of stabilizing and removing hazards is estimated at \$250,000-\$350,000, plus an additional \$45,000 for abatement oversight and an additional \$500,000 to repair the roof, therefore this option would cost approximately \$850,000.

The third option would be to demolish the existing building to allow future use of the site. This option would include disposal of all hazardous materials and is estimated at \$250,000-\$350,000, an additional 5,000 for abatement oversight, and an estimated \$80,000-\$120,000 for building structure demolition. New construction on the site to accommodate future use cannot be estimated at this time. This option would cost approximately \$375,000-\$515,000.

An Economic Analysis was undertaken and it was found that current market opportunities indicate that redevelopment of the site for a commercial use is unlikely. However, the analysis noted that the 2012 Senior Housing Needs Assessment Study prepared for Glenn County establishes the need for Senior Housing in Willows. A small senior housing development could be developed on the site.

Possible funding sources for site remediation were also investigated and findings showed that most available funding would require that the site be controlled by a government agency or non-profit organization. It should be noted that the current owner of the property accepted ownership of the building without knowledge of any problems and liabilities and she has expressed a willingness to cooperate with the City to facilitate remediation of the site and further, has expressed a desire to Quit Claim Deed the property to the City Government.

The Architectural Study portion of the report came up with three possible options and proposed site plans for future uses for the site. The first option and site plan presented was for a Senior Housing facility with 20+ units in 2 two-story buildings on site. This scenario would offer generous parking and open space and full demolition of the existing facility would be required. The second option and site plan presented was for Commercial Development and a Community Plaza. This could be for either retail or office development. This scenario requires site cleanup, but retains the existing building's salvageable structure as well as addition additional commercial space and a public plaza. The third option and site plan presented was for a Community Park and Farmers' Market which would consist of a small park and a

permanent site to hold the Willows Farmers' Market. This scenario would involve site cleanup and full demolition of the existing building.

Council discussion ensued. The Council discussed the various courses of action presented, along with the options for future use that were presented. Council also discussed potential future funding options, grants, possibly obtaining title to the property by way of Quit Claim by the current owner, etc. No formal action on the course of action or the future use of the site needs to be acted on by the Council at tonight's meeting. The only formal action that the Council was being asked to take at this meeting was to accept the report as final.

Pastor Jana Adamson, a member of "Glenn Communities Working Together" and "Citizens for Senior Housing" asked if the report indicated what the value of the land is that the Theatre sits on is, and if not, she wondered if the City had any idea what the value of the land might be. The City Manager guessed that the land may be worth somewhere in the neighborhood of \$40,000. She then spoke to the potential of this property ultimately being turned into Senior Housing. She stated that in the Senior Housing Needs Assessment Study that was done through the County, it states in the report that the City needs more than 20 units. Additionally, it has been her experience that it would be difficult to get developers to come in to complete a project if it is only for 20 units because it would not provide the kind of return or support management that a developer seeks.

Reverend Phil Zabell, Pastor of First Lutheran Church in Willows and St. Paul's Church in Artois, as well as Executive Director of "Glenn Communities Working Together", thanked Mr. Hammond for a well prepared report. He was happy to see that there were three identified options for future use. If the option is to eventually turn this land into Senior Housing, he reiterated what Ms. Adamson said that the size of the project is below that of what the Senior Needs Assessment Study indicated would be appropriate for this community. He stated that the project that 'Pacific Companies' plans to build at the corner of Sycamore Street and Humboldt Avenue will pretty much take care of the affordable or subsidized types of Senior Housing. But what is still needed and not addressed is the Market Rate, and at this point the community needs somewhere in the range of 40 to 50 units of Market-Rate Senior Housing. He then announced that the "Citizens for Senior Housing" group would be having a meeting tomorrow at 12:00 p.m. at the Senior Nutrition Center to talk about how to move forward and how they might interest a developer in actually coming in and building something in the community. He said in terms of the Senior Housing and the Tower Theatre property, if it is ultimately decided to use the land to develop Senior Housing he looks forward to talking to the City further.

Doug Ross stated that he would recommend complete demolition to the structure and he would like to see it turned into a vacant lot, as the structure is of no value.

The City Manager then reminded Council that no action needs to be taken tonight regarding the possible future acquisition of the property by the City, potential funding mechanisms, plans of action, etc. All of those details would come before the Council for direction/approval at a future time. Tonight's meeting is simply for the Council to accept the report as final so Staff can close out the grant.

Mayor Cobb closed the Public Hearing at 8:00 p.m. It was the consensus of the Council to accept the report as final. The City Manager then stated that he would follow-up with Mr. Hammond as well as the property owner or the owner's representative, and he will prepare something to come back before the Council at a future meeting seeking direction from the Council how to move forward.

9. **Ordinances:** None

10. **Items introduced by City Council or Administrative Staff for discussion purposes only:**

The City Manager stated that during the last meeting the Council tabled the item for moving the downtown bus stop located at Sycamore & Butte Streets to tonight's meeting. Unfortunately, the Public Works Director is out of town and couldn't be in attendance tonight to present this item to the Council so the item will be placed on the agenda for the March 12 Council Meeting.

Council Member Spears stated that at the Mid-Year Budget Review meeting the Council discussed the possibility of a review or a study dealing with vehicle allowances and there was never any resolution by the Council whether they wanted to examine that issue. He isn't proposing an alteration of the current configuration of this, but the City is heading toward a new budget year, so he wanted to bring it back up to the Council to look at having Staff conduct some type of vehicle mileage log system for a few months so the Council knows what kind of mileages they are looking at. Since the last meeting he has been asked again by members of the public how much driving the employees do or don't do, and he has no idea. He believes that some type of study or logging system would give the Council some concrete information when that question is brought to any member of Council or to Staff.

Council Member Mello added that he believes this is an unresolved issue and he wants it to be gone so the Council can move onto more important things. He stated that he has been conducting some research on his own and he is looking at the cost of gas and the cost of inflation and he would like to know what is better for the employees and what is better for the community. He just wants to make sure employees are being compensated fairly for their mileage.

Council Member Domenighini stated that he agrees with Council Member Mello to finish up this issue. He would also like more information because this is dealing with public funds and it is not a cut and dried issue.

Council Member Taylor-Vodden stated that she doesn't feel that this type of discussion is appropriate in this environment. She doesn't feel that talking about employee issues and employee benefits is proper as a discussion item because they are talking about details that were negotiated either contractually or as a benefit, as opposed to other wage negotiations. She really feels it is proper that this issue should be discussed in Executive Session and she would like to have it discussed as an Executive Session item so the employees have an opportunity to respond, which she doesn't believe they feel comfortable doing in this setting, and properly so. This is an employee issue and something that the previous Council had approved in Executive Session, therefore, she requests that if this item comes back before Council, that it be put on the agenda as an Executive Session item and that the Council brings those employees to the table.

Mayor Cobb stated he concurred with all of the Council Members and he thinks there is a lot of information to look at that the Council doesn't have the totality of at this time. He stated that he is not really even sure which employees they would be discussing, because some of these are contract items and some are not. He asked if Staff had any comments.

The City Manager stated that he personally took some exception to the discussion that took place at the Mid-Year Budget Review Meeting, however, the meetings are a public forum and staff members are public employees and certainly everybody has an opportunity to make those comments about public

employees. He stated that he has always wanted to defend his staff to the very end and he believes that they do an outstanding job for this organization. He doesn't believe that the few employees that are the recipients of this benefit that was granted by previous Councils deserved the bashing that took place at the Budget Review Meeting so he believes this would be an appropriate conversation to have during Executive Session. The employees that receive these benefits are unrepresented, meaning they represent themselves, therefore he believes it would be most appropriate to meet and discuss this with them privately. Ultimately, the Council's decision would have to be disclosed in a public session, but he thinks the discussions about an employee's benefit package really should be conducted in more of a confidential setting. He stated that Staff would be happy to add this to the next agenda as an Executive Session item.

Mayor Cobb stated that he is hesitant to speak any more about this topic in a public setting because it is a Personnel issue and he also believes the discussion should take place in a private setting.

Council Member Domenighini concurred and believes that this is a Personnel issue and it is unfair to the employees for the Council to be discussing this in public. Even though this is dealing with Public Funds, the Council is getting into that Personnel area and they could potentially shoot themselves in the foot.

Mayor Cobb then added that he is a bit reluctant to even ask Staff at this point to generate logs and history until the Council discusses this in Executive Session and decides if that is what they want or don't want to do.

Council Member Spears stated that he fully concurs but he just believes everybody sitting at the dais has a question mark and nobody knows if it is good for the employee, not good for the employee, good for the City, not good for the City, etc. He wanted to reemphasize that at no time did he say the Council should change this, but they should just find out what it is.

It was the unanimous consensus of the Council to direct staff to place this item as an Executive Session item on the agenda for the next City Council Meeting.

Council Member Spears then stated that he just wanted to note that he did receive from Staff a copy of the previously proposed complaint procedure form that was discussed at the February 12 meeting. He stated that he has some specific comments and thoughts on the proposed form and that he was looking for guidance as to what would be the most appropriate way to disseminate his thoughts and comments as a follow-up to what was received, either to the Council or to the Staff, without violating any Brown Act laws.

The City Manager stated that the most appropriate thing to do would be to have the individual Council Members draft their comments on the form and return the comments to the City Manager's Office. Staff will then assimilate all of the comments in a draft format and redistribute the updated draft to each member of the Council for them to review and provide any additional comments they may have. This may take a few exchanges before a final product is brought back before the Council for final approval. He believes that would be the most appropriate way to proceed and it poses the least amount of risk of violating any Brown Act laws and the revised drafts will not identify whose edits were whose when they are redistributed back to the Council for review.

Council Member Spears inquired at what point this document would become a document for citizen review. The City Manager stated that as long as it is still a "working document" and as long as the Council and the City Manager are exchanging drafts, it would not be considered a public record under the

California Public Records Act. Once a final draft is established and it is agendized for Council review, it would then become a public record.

Council Member Spears stated that one final item he would like to bring up is something that was discussed at a previous meeting dealing with getting approval to have items placed on an agenda. As he recalls, at that meeting the Council was told that the matter was going to be referred to the City Attorney and that there would be a meeting set up between the City Attorney, Mayor Cobb and himself to review this section of the Municipal Code. He stated that he hasn't been notified of any meeting that has been arranged and he wondered if anything has transpired with this issue. The City Manager stated that there has not been anything communicated back to the City Council regarding this issue. He has started putting together the history of what took place when this section of the Municipal Code was last changed in March of 2011 and chronology of what transpired. He stated that once he receives a completed set of draft Minutes of the January 12, 2013 meeting when this was first discussed, he will take those minutes, along with all of the history that he has gathered and submit them to the City Attorney and ask for the review to take place and for a legal opinion to be provided. Once a legal opinion is provided, a meeting between the Attorney, the Mayor and Council Member Spears will then be scheduled.

11. New Business:

- a) Consider adoption of a Resolution approving the use of Mini-Grant Downtown Façade Improvement Funds for Carissa Gokay for new signage for her business located at 130 N. Butte Street:

In June of 2008 the City Council adopted a Resolution which provided Façade Improvement funding assistance to property and business owners in the Central Commercial District. This Resolution and funding implemented a community goal of the 2000 Community Vision and Action Plan which was to establish a Downtown Façade Improvement Program to support downtown revitalization efforts. The program was seeded by the Wal-Mart project conditions of approval, and funds were committed and deposited with the City to which a portion has been set aside for this program. Mini Grant Funding is available up to a maximum of \$1200.00 per project with no "matching funds" required. Mini Grants are subject to all Façade Improvement Program criteria and are subject to approval by City Staff and/or Planning Commission as required.

Recently a Mini-Grant application was submitted to the City by Carissa Gokay, owner of Studio F.I.T, a business located at 130 N. Butte Street, Suite K, for two new signs; one new sign above the entrance to her business and one new sandwich board sign. The total cost of construction for both signs per the submitted invoice from Ms. Gokay is \$616.69. Staff is requesting that Council consider approving this Mini-Grant funding request.

Motion by Council Member Taylor-Vodden, **second** by Council Member Mello to adopt a Resolution approving the use of Mini-Grant Downtown Façade Improvement Funds for Carissa Gokay for new signage for a business located at 130 N. Butte Street in the amount of \$616.00. The motion unanimously passed.

- b) Consider approval Consider accepting the Annual Housing Element Progress Report:

City Planner, Karen Mantele, stated that this is an annual report that comes before the Council after it has been reviewed and approved by the Planning Commission. This report was taken before the Planning

Commission at their February Meeting and the Commission had no changes to the report, however, she was made aware of an error on Table B of the Report that she will correct. She stated that the City hasn't issued any Certificates of Occupancy between April 1, 2012 and March 31, 2013, which is what the number of reported housing units are based on. This will be the last report submitted within the current planning cycle, as each cycle runs for seven years and this cycle ends in 2014, so the numbers in the tables will change next year and they should be much lower than they have been for the past seven years. The numbers have been quite high for meeting the different income levels and throughout the whole state they were high for the last planning period, which was 2007 – 2014. The City's numbers were to a total of 487 units and at the end of 2013 the City has had 36 completed. Throughout the whole state nobody has been able to meet these high numbers. The Regional Housing Needs Allocation numbers that are being passed down to the City of Willows for the next planning cycle are drastically reduced; she believes the number will be 63 the next time, so the City will have a much easier time meeting the numbers. She stated that if the Council approves the report, she will forward the report to the Governor's Office of Planning and Research and to the State Department of Housing and Community Development as required by Section 65400 of the State of California Code.

It was **moved** by Council Member Domenighini and **seconded** by Council Member Taylor-Vodden to accept the Annual Housing Element Progress Report and to direct Staff to forward the report to the Governor's Office of Planning and Research and the State Department of Housing and Community Development as required by Government Code 65400. The motion unanimously passed.

12. Council Member Reports:

Council Member Taylor-Vodden reported that on February 21 she attended the Cities & County Economic Development Commission meeting at the Human Resource Agency along with Council Member Mello and the City Manager. She also announced that the Joint Cities & County Meeting scheduled to take place on March 20 has been cancelled and will be rescheduled.

Council Member Spears reported that he and Council Member Domenighini attended the Transit Committee & Transportation Commission meetings in Orland on February 21 and he was appointed to be the Vice Chair of both the Committee and the Commission.

13. Executive Session: Pursuant to California Government Code Sections 54950 et seq., the City Council held a Closed Session at 8:43 p.m. More specific information regarding this closed session is indicated below:

a) CONFERENCE WITH LABOR NEGOTIATOR(S) pursuant to Section 54957.6

Agency Negotiators: City Manager Steve Holsinger
Finance Director Tim Sailsbery

Employee Organization(s): Willows Employees Association

14. Report out from Closed Session: The Meeting reconvened to open session at 9:16 p.m. with Mayor Cobb reporting that direction was given to Staff.

15. Adjournment: Mayor Cobb adjourned the meeting at 9:17 p.m.

Dated: February 26, 2013

NATALIE BUTLER

City Clerk

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