MINUTES OF THE WILLOWS CITY COUNCIL SPECIAL MEETING HELD May 17, 2011

1. The meeting was called to order at 7:02 p.m. by Mayor Hansen.

2. **PLEDGE OF ALLEGIANCE:** Stino Bassetti led the Pledge of Allegiance.

3. **ROLL CALL:**

Present: Yoder, Cobb, Hobbs, Holvik & Hansen
Absent: None

4. **Agenda Review:**

a) It was **moved** by Council Member Yoder and **seconded** by Council Member Holvik to accept the Special City Council Meeting Agenda for May 17, 2011, as presented. The motion unanimously passed.

5. **Consent Agenda:**

It was **moved** by Council Member Yoder and **seconded** by Council Member Holvik to accept the Consent Agenda as presented. The motion unanimously passed and the following items were approved/adopted:

a) Approval of Minutes of the Regular City Council Meeting held April 12, 2011.

b) Approval of Minutes of the Regular City Council Meeting held April 26, 2011.

c) Approval for the renewal of the 2011/2012 Contract for Services between the City of Willows and 3CORE, Inc.

d) Adoption of a Resolution extending the Professional Services Agreement with Wildan Engineering to provide General Planning & Environmental Services to the City of Willows throughout Fiscal Year 2011/2012.

6. **Public Hearings:**

a) Public Hearing to seek public input and consider adoption of a Resolution approving an application for funding & the execution of a grant agreement and any amendments thereto from the General Planning & Technical Assistance (PTA) allocation of the State CDBG program for a Senior Needs Assessment Study:

b) Public Hearing to seek public input and consider adoption of a Resolution approving an application for funding & the execution of a grant agreement and any amendments thereto from the General Planning and Technical Assistance (PTA) allocation of the State CDBG program for a Tower Theater Commercial Renovation/Reuse & Revitalization Strategy:

Senior Planner Karen Mantele presented the staff report for the two Public Hearings. The State of California Department of Housing & Community Development administers a Federal program

known as the State Community Development Block Grant (CDBG) Program. The Department receives funds annually from the Federal Department of Housing & Urban Development (HUD). The Department sets aside part of each annual funding allocation received from HUD for Planning and Technical Assistance (PTA) grants.

The State Housing and Community Development Department's 2010-11 CDBG PTA grants can assist with a wide range of studies, pre-development, design and engineering costs, including economic development and revitalization efforts.

In issuing this Notice of Funding Availability, the Department is announcing the availability of funding under the 2010-2011 CDBG PTA General & Economic Development applications. The allocations provide funding in the form of grants to small cities and rural counties for planning and feasibility studies related to CDBG eligible activities and project specific activities such as affordable housing, public improvements and public facilities. This is a combined application for general and economic development activities, where each applicant can request funds for up to three activities, including no more than two general or economic development activities. These grants are generally awarded on a "first come – first serve" basis and applications will be funded until the available funding is exhausted. Applications will be accepted May 25, 2011 through June 16, 2011, on a continuous basis. As long as funds are available, all the applications received will be considered for funding. Jurisdictions will be notified when all PTA funds have been awarded or by June 30, 2011, whichever date occurs first.

Limits on Grant Applications are up to $35,000 for one or more non-project specific studies. One application will be for $35,000 to conduct a Senior Housing Needs Assessment Study and the second application will be for $35,000 to conduct a Tower Theater Commercial Renovation/Reuse and Revitalization Strategy. State CDBG statute requires each applicant to contribute a percentage of cash match. Commitment of the required cash match must be included in the authorizing resolution. The approval of the resolutions this evening commits the City to $4550, or 13%, of the total project cost of each grant application. The funding commitment of the City if both grants were to be approved would be $9100 and the source of funding is available through Community Discretionary Funding that the City has available for such purposes.

With that, Ms. Mantele requested that the Mayor conduct the Public Hearings, and upon conclusion, consider adopting the proposed Resolutions to allow the submission of the grant applications.

Mayor Hansen opened a Public Hearing at 7:11 to receive public comments about the General Planning & Technical Assistance (PTA) allocation of the State CDBG program for a Senior Housing Needs Assessment Study grant application:

Phillip Zabell, Pastor of the First Lutheran Church and Executive Director of Glenn Communities Working Together, Darlene Thur, and Leon Thur all spoke in strong favor of the grant application to conduct a Senior Needs Assessment Study and believed it is a very worth while application and they encouraged the Council to approve the application and continue to move forward with looking at the needs of Seniors. They indicated that there is a strong support

in the community for housing for Seniors who may need extra care and for those who can no longer fully care for themselves without assistance, so they don't have to relocate to another City in order to receive that type of care. No additional comments were made and Mayor Hansen closed the Public Hearing at 7:19 p.m.

It was **moved** by Council Member Holvik and **seconded** by Council Member Yoder to adopt a Resolution allowing a 2010/2011 Grant Application for funding and the execution of a Grant Agreement from the Planning and Technical Assistance General Allocation of the State CDBG Program for Senior Housing Needs Assessment Study and to commit to the $4550 cash match towards the project costs. The motion unanimously passed.

Mayor Hansen then opened a Public Hearing at 7:22 p.m. to receive public comments about the General Planning & Technical Assistance (PTA) allocation of the State CDBG program for a Tower Theater Commercial Renovation/Reuse and Revitalization Strategy grant application.

Rick Thomas, Barbara Gummow and Karen Roberts spoke during the public hearing in opposition of the City applying for the project. Although they all seemed to be in agreement that the building is nothing more than an eyesore to the downtown district, Mr. Thomas believes the City's cash match of $4550 would be better served to be spent on the development and operation of an Economic Development Commission or for some other Economic Development project. At best, Mr. Thomas believed if the City were to apply for the grant, the property owner should be responsible to pay the cash match amount. He believes the owner should be notified and be given an order to abate the environmental hazards. Mrs. Gummow agreed that the owner of the property should be the responsible party to abate the nuisance and hazards. Mrs. Roberts indicated that her son had an interest in purchasing the building some time in the past and he hired a special inspector to assess the condition of the building and was told that the structure contained asbestos and all persons within a 1 mile radius could potentially be affected and are in danger. The quote her son received in order to remove the asbestos was between $250,000 and $300,000. Mrs. Roberts also agreed that something definitely needs to be done with the building, but she agreed with Mr. Thomas and Mrs. Gummow that it should be the responsibility of the property owner and not the City to solve the problem.

The Mayor closed the Public Hearing at 7:29 p.m. The City Manager addressed the concerns brought up by Mr. Thomas, Mrs. Gummow and Mrs. Roberts, stating that the Fire Chief has inspected the building and he has found that there is no substantial risk of asbestos being a danger. The building has been boarded up by the City on more than one occasion, as squatters and transients have been known to use this building as a shelter. It has also been broken into by children and teenagers having parties. He added that the Owner has had at least one serious offer to purchase the property, and perhaps more than one, but the interested party did not believe the property was worth what the owner was asking and therefore the sale never came to fruition. The owner has expressed no interest in spending any money to make any improvements to the building, so the building just sits as a vacant eyesore in the middle of the historic downtown business district. The City Manager believes that unless the City makes some effort to have a study to reuse or revitalize the building, it will just continue to sit there for years to come. If the study were conducted and it was determined that the property could be revitalized or re-used, it may very well spark more of an interest in people wanting to purchase the building for

commercial use. If the study determined that the building had asbestos to the extent that it was a public health hazard and needed to be removed, then at that time the City could seek grants for that type of project. The first step though is to have a verifiable study of the building conducted so that the City at least has a starting point to build from.

Lengthy discussion ensued among the Council and Council Members Cobb, Holvik and Mayor Hansen all stated that they believed the grant would be advantageous and that the City needs to do something about the building since the property owner appears to be doing nothing.

Council Member Yoder agreed with Mr. Thomas' comments and he doesn't like the idea of a grant for "Reuse or Revitalization" of the building and believes it should simply be abated. Council Member Hobbs also stated she was having difficulty with the way the grant is worded with the use of the words "Reuse or Revitalization" of the property.

The City Manager reiterated that if the study determines that the structure is not suitable for any kind of reuse or revitalization, at that point the City would at least have a valid study to prove that and could move on from there and seek out additional grant funding to assist with removal of the building. On the flip side, if the City has a valid report that states the building could be reused and/or revitalized, the City could seek grant funding for a project to assist to revitalize the structure. Either way it is an advantage to the City and to the property owner.

Council Member Yoder pointed out to Mayor Hansen that it appeared that there were more members of the audience that may want to comment and asked if the Mayor would allow them an opportunity to speak. Mayor Hansen asked if there were any more members of the audience that wished to comment on this topic, they were welcome to do so.

Dean Gummow spoke in favor of the City going through with the Grant application. He believes that the only way to get rid of the building is to apply for the grant, assess the findings of the study and move forward from there.

Rick Thomas, spoke once again in opposition to applying for the grant. He believes that if, as Mrs. Roberts indicated, there is in fact a study that has been conducted on the building that states that there is asbestos in that building, and whether or not their structural engineer says that it is a viable building structurally, that the building will still never be renovated simply due to economics. He believes that if they could obtain a copy of that study that proves there is asbestos in the building, the building could be declared a public health issue and the City could seek immediate grants for removing it based on the asbestos, without having to spend $39,000 of taxpayer dollars to prove what everybody already knows, which is that the structure is not an economical viable building. Everybody is in agreement that something needs to be done about the building, and he would like to see something happen with that parcel, but he doesn't believe that spending $39,000 to conduct a study is the right direction to go.

Council Member Holvik stated that if there was a study that showed there was asbestos in the building and that it was a hazard, something should have been done about it at that time.

The City Manager stated that he respects everything that has been said but he explained that just because a structure contains asbestos, it does not automatically constitute a hazard or emergency. If the asbestos isn't being disturbed or moved, it does not constitute a health risk or a community concern. He stated that there are likely many residences and buildings in the City that contain asbestos, quite possibly City Hall being among them.

Hollie Myers offered her thoughts, stating that she believes the property owner should at least be contacted and asked what her opinion is about the City possibly applying for this grant.

Jeff Williams then inquired why the City can't just go in and abate the property if it is such an eyesore, when City Staff has entered onto other people's properties and performed abatement without the property owners' permission. Council Member Holvik stated that he doesn't believe that the City can just go onto somebody's private property and abate it without their permission. Mr. Williams argued that the City does exactly that as part of the weed abatement process. Council Member Holvik explained that those properties are surveyed and determined to be a nuisance, to which Mayor Hansen added that Weed Abatement is a Health and Safety issue. Council Member Cobb added that it has not been determined that the Tower Theatre is a Health and Safety issue. Mr. Williams asked who makes such a determination. The City Manager responded that it is the Fire Chief that makes the determination whether it is a safety hazard or a risk to the Community and that the Chief has gone out and evaluated the building and it was his determination that it is not a safety hazard or a risk to the community. Mr. Williams expressed that he thought that was amazing.

Once all comments and discussions ceased it was **moved** by Council Member Holvik and **seconded** by Council Member Cobb to adopt a Resolution allowing a 2010/2011 Grant Application for funding and the execution of a Grant Agreement from the Planning and Technical Assistance Economic Development Allocation of the State CDBG Program for a Tower Theater Commercial Renovation/Reuse and Revitalization Strategy and to commit to the $4550 cash match towards the project costs. The motion passed with 3 Ayes (Holvik, Cobb & Hansen) and 2 Noes (Hobbs & Yoder).

7. **Public Comment:** Finance Director Sailsbery announced that at the Budget Meeting prior to this meeting, the Council decided to schedule the next Budget Meeting to take place on June 2, however, he since realized that he has a conflict on that date and suggested the Council meet at 7:00 on June 1. The Consensus of the Council was to change the meeting to 7:00 p.m. on June 1.

8. **Adjournment:** Mayor Hansen adjourned the meeting at 9:50.

Dated: May 17, 2011 NATALIE BUTLER

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City Clerk

The City of Willows is an Equal Opportunity Provider