



CITY OF OCEANSIDE

JOINT MINUTES OF THE:

CITY COUNCIL SMALL CRAFT HARBOR DISTRICT BOARD OF DIRECTORS COMMUNITY DEVELOPMENT COMMISSION

JULY 16, 2008

REGULAR MEETING 4:00 PM **COUNCIL CHAMBERS**

**4:00 PM - OCEANSIDE CITY COUNCIL (COUNCIL),
HARBOR DISTRICT BOARD OF DIRECTORS (HDB), AND
COMMUNITY DEVELOPMENT COMMISSION (CDC)
- REGULAR BUSINESS**

Mayor
HDB President
CDC Chair
Jim Wood

Deputy Mayor
HDB Vice President
CDC Vice Chair
Rocky Chavez

Councilmembers
HDB Directors
CDC Commissioners
Jerome Kern
Jack Feller
Esther Sanchez

City Clerk
HDB Secretary
CDC Secretary
Barbara Riegel Wayne

Treasurer
Rosemary Jones

City Manager
HDB Chief Executive Officer
CDC Executive Director
Peter Weiss

City Attorney
HDB General Counsel
CDC General Counsel
John Mullen

For this regular and joint meeting, the Council sat as all 3 governing bodies [Council, HDB and CDC] simultaneously but took action as the respective agency for the jurisdiction covered by each item. Council titles only will be used for brevity throughout the entire meeting.

The regular and joint meeting of the Oceanside City Council (Council), Small Craft Harbor District Board of Directors (HDB) and Community Development Commission (CDC) was called to order at 4:01 PM, July 16, 2008 by Mayor Wood.

4:00 PM - ROLL CALL

Present were Mayor Wood, Deputy Mayor Chavez and Councilmember Kern. Councilmembers Feller and Sanchez arrived at 4:02 PM. Also present were City Clerk Wayne, City Manager Weiss and City Attorney Mullen.

**NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL**

CITY ATTORNEY MULLEN titled the following items to be heard in closed session: 2 A) 1-4; and 2 B). Closed session and recess were held from 4:02 pm to 5:00 PM with the following reports out of closed session:

CITY COUNCIL, HDB, and CDC CLOSED SESSION ITEMS

Closed Session to discuss litigation, property acquisition, labor relations and personnel matters

1. **[CONFERENCE WITH LABOR NEGOTIATOR ON STATUS OF NEGOTIATIONS PREVIOUSLY AUTHORIZED IN OPEN SESSION (SECTION 54957.6)]**

CONFERENCE WITH LABOR NEGOTIATOR – Negotiator: City Manager; employee organizations: Oceanside Police Officers’ Association (OPOA), Oceanside Firefighters’ Association (OFA), Oceanside Police Management Association (OPMA), Management Employees of the City of Oceanside (MECO), Oceanside City Employees’ Association (OCEA), Oceanside Fire Management Association (OFMA), Western Council of Engineers (WCE), and Unrepresented]

No closed session was held.

2. **LITIGATION OR OTHER ADVERSARY PROCEEDING (E.G., ADMINISTRATIVE HEARING, ARBITRATION) (SECTION 54956.9)**

A) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (SECTION 54956.9(a))

1. Mission Vista HOA v. City of Oceanside et al., Superior Court Case No. GIC849929-1
2. City of Oceanside v. TG Oceanside LP (not yet filed)
3. Alvis et al. v. City of Oceanside, Superior Court Case No. GIN050178
4. County of San Diego v. City of Oceanside et al., Superior Court Case No. GIN036570

Items 1-4 above were discussed; there was no reportable action.

B) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (SECTION 54956.9(b))

1. Initiation of litigation by City pursuant to Subdivision (c) of Section 54956.9: one case

In closed session, Council authorized the filing of a complaint for preliminary and permanent injunctions, civil penalties and other equitable relief to abate a public nuisance against Earl Michael Enriquez.

5:00 P.M. – ROLL CALL

Mayor Wood reconvened the meeting at 5:00 PM. All Councilmembers were present. Also present were City Clerk Wayne, City Treasurer Jones, City Attorney Mullen and City Manager Weiss.

INVOCATION- Pastor Carl Souza

PLEDGE OF ALLEGIANCE– Oceanside Breakers

PROCLAMATIONS AND PRESENTATIONS

Proclamation – National Parks & Recreation Month

Proclamation – National Aquatics Week

Presentation – Mayor’s Youth Sports Recognition and Appreciation Award—Oceanside Breakers

Presentation – Employee Service Awards were presented to the following employees:

<u>20 year award</u>	<u>Department</u>	<u>Hire Date</u>
Kimberly Rainwater	OPD	4/22/1988
Tom Aguigui	OPD	4/22/1988
Vaughn Murphy	Public Works	5/23/1988
Donald Salazar	Public Works	5/29/1988 (absent)

<u>25 year award</u>	<u>Department</u>	<u>Hire Date</u>
Glen Morgan	OFD	4/17/1983 (absent)

<u>35 year award</u>	<u>Department</u>	<u>Hire Date</u>
Paul Pace	Development Services	1/28/1973

<u>45 year award</u>	<u>Department</u>	<u>Hire Date</u>
Robert Cotton	Fire	7/08/1963

Presentations were made; George Buell, the City's new Development Services Director was introduced. He started Monday morning and will be responsible for the overall management and direction for our Development Services Department, which is comprised of our Planning, Building and Engineering Divisions right now.

CLOSED SESSION REPORT

- 3. Closed Session report by City Attorney
See closed session items for reports.

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the City Council/HDB/CDC on matters in this category unless it is determined that an emergency exists or that there is a need to take action that became known subsequent to the posting of the agenda.

Advance written request to reserve time to speak: **None**

- 4. **Communications from the public regarding items not on this agenda**

REX MARTIN, 306 Benevente Drive, announced his candidacy for the City Council and gave a brief review of his background.

MARY KAZUNGU, Senior Management Analyst—Fire Department, invited everyone to the celebration and dedication of the new Fire Station 7, Saturday July 19, at 3350 Mission Avenue.

CONSENT CALENDAR ITEMS [Item 5-13]

All items listed on the Consent Calendar are considered to be routine matters or formal documents covering previous City Council/HDB/CDC instructions. The items listed on the Consent Calendar may be enacted by a single vote. There will be no separate discussion of any Consent Calendar items unless requested by members of the City Council/HDB/CDC or the public through submittal of Request to Speak form prior to the commencement of this agenda item.

COUNCILMEMBER SANCHEZ removed Item 7 from the Consent Calendar for discussion.

- 5. City Council/Harbor/CDC: Approval to waive reading of the text of all ordinances and resolutions considered at this meeting and provide that ordinances shall be introduced after a reading only of the title(s)

6. City Council: Approval of a purchase order in the amount of \$49,000 to ComSec of Vista for the purchase and installation of a monitoring and recording system, including hardware and software, to retrofit the existing camera system located at the Oceanside Police Department, to provide the ability to digitally view and record all activity captured by the cameras located on the exterior of both buildings as well as the interior of the holding facility; and authorization for the Financial Services Director, or designee, to execute the purchase order
7. **Removed from the Consent Calendar for discussion**
- [City Council: Approval of Amendment 2 to the Percentage Lease Agreement with Ruby's Diner, Inc., for the use of City-owned real property located at the end of the Oceanside Pier, extending the term of the agreement to June 30, 2013, for minimum total revenue to the City in the amount of \$445,000 for the five-year period; changing the percentage rent structure; and providing for capital improvements to the property; and authorization for the City Manager to execute the amendment]
8. City Council: Approval to accept grant funds in the amount of \$130,000 from SANDAG to update the City Pedestrian Master Plan; approval to appropriate these funds to the project account; approval of a professional services agreement with IBI Group of San Diego in the amount of \$124,849 for the project, and authorization for the City Manager to execute the agreement
- Document No. 08-D0442-1**
9. City Council: Approval of a professional services agreement with RBF Consulting of Carlsbad in the amount of \$321,185 for the preliminary environmental and engineering services to study the potential widening of College Boulevard from Waring Road to Old Grove Road, and authorization for the City Manager to execute the agreement
- Document No. 08-D0443-1**
10. City Council/Harbor: Approval to grant an easement to San Diego Gas and Electric for underground electrical and aboveground transformer facilities for the upgrade of service to the Harbor Village, and authorization for the Mayor to execute the deed
- Document No. 08-D0444-1**
11. City Council: Approval of the Coca-Cola "Opportunities for Youth" and "For Youth by Youth" Mini-Grant allocations totaling \$10,000 for grant funding cycle 2008-09
12. City Council: Acceptance of the improvements constructed by Park West Landscape, Inc., of San Marcos for the Buddy Todd Improvements project located at Mesa Drive and Parnassus Circle, and authorization for the City Clerk to file a Notice of Completion with the San Diego County Recorder
- Document No. 08-D0445-1**
13. City Council: Adoption of a resolution, **Resolution No. 08-R0446-1**, "...authorizing application to the State of California for grants to support recycling of used oil and proper disposal of household hazardous waste," to the State Integrated Waste Management Board, effective July 1, 2008, to June 30, 2013, and authorizing the City Manager, or designee, to execute grant-related documents

COUNCILMEMBER KERN moved approval of the consent calendar (items 5, 6, 8-13). **COUNCILMEMBER SANCHEZ seconded** the motion. **Motion was approved 5-0.**

ITEM 7 -- Removed from the Consent Calendar for discussion

7. **City Council: Approval of Amendment 2 to the Percentage Lease Agreement with Ruby's Diner, Inc., for the use of City-owned real property located at the end of the Oceanside Pier, extending the term of the agreement to June 30,**

2013, for minimum total revenue to the City in the amount of \$445,000 for the five-year period; changing the percentage rent structure; and providing for capital improvements to the property; and authorization for the City Manager to execute the amendment

COUNCILMEMBER SANCHEZ pulled this item because she had received a few emails on it: 1 email in support and several others that were wondering if this was an opportunity to upscale the restaurant. Previously we had a fish house restaurant there. We are in transition and asked staff to review the agreement.

DOUG EDDOW, Real Property Manager, stated the Ruby's lease actually has 3 options that are pretty much unilateral to extend under the same terms and conditions. Since we are amending some of the terms and conditions, we can say no to those, but we cannot say no to the exercise of the option.

COUNCILMEMBER SANCHEZ stated that in 5 years we could have the opportunity to broaden our pool of potential interests at the end of the pier; is there an opportunity to reopen at the end of this extension?

MR. EDDOW responded that if Ruby's wants to change terms again, that would apply; however, if they continue with the same terms, they do not need Council permission.

COUNCILMEMBER SANCHEZ assumed then that since the terms have been changed for this time, we can add something to this that would be mutual for the extension in 5 years.

MR. EDDOW stated it would have to be mutual. We can ask them to add that now.

COUNCILMEMBER SANCHEZ would like to proceed with that because there is an interest and there are changes going on with a hotel, etc. She would like to at least hold that option open. So she would like to include in this contract that this would be mutual in terms of another extension, not just unilateral. She so **moved**.

MAYOR WOOD seconded the motion.

Public input

PAMELA MYERS, North Pacific Street, noted that 10 years ago we had a great fish restaurant there, which was wonderful. Then all of a sudden Ruby's was there, and she wondered how that happened. She was disappointed. She asked Council to not extend their lease. If you do, put provisions in that in another 5 years we could get a fish restaurant. Also, it says the City would provide the tram for them to use. She is concerned that if someone gets hurt, they could come after the City. If it is for Ruby's, they should provide their own tram and be financially responsible if something happens.

Public input concluded

DEPUTY MAYOR CHAVEZ is concerned about the discussion and changes to the lease now. If the maker of the motion would desire to continue this to look into the changes, he would concur, but he did not wish to discuss changes here.

CITY MANAGER WEISS noted that Ruby's is on a month-to-month now so we could bring this back to the August 13 meeting. Between now and then we could explore with Ruby's whether there is any interest in modifying the terms of the future options and report back to Council.

MAYOR WOOD, as the second, would like to see it go back to staff, so he would **withdraw his second**.

COUNCILMEMBER SANCHEZ, as maker of the motion, thought that was an excellent idea. She totally supports Ruby's there now, but we are changing. She withdrew her previous motion and **moved** to continue this item to the August 13 meeting.

DEPUTY MAYOR CHAVEZ **seconded** the motion.

COUNCILMEMBER KERN could not support this motion. He had talked to the City Manager about this lease, and he got the information he needed. He noted one e-mail that Council received changed this. He likes Ruby's, and he thinks it fits there. He reminded people that the fish restaurant that was there did not make it. We will have a nice restaurant at the top of the pier. The pier is a family area, so having Ruby's at the end of the pier is a better fit.

COUNCILMEMBER FELLER questioned the lease with the Fisherman restaurant and what happened with that lease.

DON HADLEY, Deputy City Manager, participated in the changeover from the Fisherman's Restaurant that eventually culminated with Ruby's operating at the end of the pier. When the pier was rebuilt, there was not enough money to build the building that would house the restaurant. Fisherman's Restaurant was willing to make that improvement and to start the restaurant. For a number of years they received substantial rent credit to pay them back for building that building. After the rent credit ran out, their profit line fell significantly, and they desired to sell their lease. Council, after discussions, made the determination to buy the lease and to go out for an RFP to bring another restaurant operator in. He believed there were about 5 organizations interested, and he reviewed the process. There were some high-end restaurants; unfortunately their proposal left little, if any money, on the table for return to the City, etc. Ruby's proposal was evaluated as being the best proposal as far as what it would provide and the return to the City. That is how we got to Ruby's.

The pier is a wonderful venue, and a lot of people on the pier are not going to Ruby's. It is a significant walk to the restaurant. The Ruby's concept has done fairly well since it has been there. It is an older building, and they need to make some expenditures to put into the facility. That is when they contacted the City about restructuring so that they could take those dollars to improve the facility. That is how we got here today.

COUNCILMEMBER FELLER reviewed the issues of the pier: the 1,900 foot distance, the people fishing, etc. Ruby's has worked hard out there and has tried to stay open under all circumstances; we are lucky to have them.

DEPUTY MAYOR CHAVEZ stated he has no problem with Ruby's. The only reason he recommended continuing this is to allow Councilmember Sanchez to address some concerns. Ruby's is a nice place, and he thinks it fits well.

COUNCILMEMBER SANCHEZ noted there were 2 other e-mails received; so there were a total of 3 e-mails suggesting that there be an opportunity for an upscale restaurant. She appreciates the opportunity to see if there is something we can do in 5-7 years.

Motion was approved 3-2; with Councilmembers Feller and Kern voting no.

[Recess was held from 6:08 – 6:15 pm.]

6:00 P.M. – PUBLIC HEARING ITEMS

Public hearing items are "time-certain" and are heard beginning at 6:00 p.m. Due to the time-certain requirement, other items may be taken out of order on the agenda to accommodate the 6:00 p.m. public hearing schedule.

14. **City Council/Harbor: Adoption of a resolution approving a Regular Coastal Permit (RC-16-06) for a property line adjustment within the Oceanside Small Craft Harbor affecting the Marina Towers leasehold property [1200 Harbor Drive North]; approval of a purchase and sale agreement with the Oceanside Marina Towers Association to sell the underlying leasehold property for \$5 million; authorization for the Mayor to execute the agreement; and authorization for staff to consummate the transaction – Applicant: City of Oceanside**

- A) Mayor opens public hearing – hearing opened
- B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – disclosures reported
- C) City Clerk presents correspondence and/or petitions – recent emails received
- D) Testimony, beginning with:

DOUGLAS EDDOW, Real Property Manager, stated there are 2 items before Council for approval: 1) approval to adopt a resolution for a Regular Coastal Permit to allow for a lot line adjustment to segregate the underlying property of the Marina Towers from the portion of the leasehold property that was considered tide and submerged lands by the State Lands Commission; and 2) to approve a purchase and sale agreement to the Oceanside Marina Towers Association for the price of \$5,000,000.

As a brief history, back in the early 1970s the Oceanside Small Craft Harbor District (SCHD) entered into a ground lease agreement with the predecessor of the Marina Towers to allow them to develop the land with a 67-unit, 17-story condominium project. The original size of the parcel was 1.26 acres. Subsequent to that time, the Towers have approached the City on numerous occasions—most recently in 2004, about acquiring the underlying land to merge with their leasehold interest. In 2004 the City Council authorized staff to enter into a purchase and sale agreement for the sale of the underlying property.

The Regular Coastal Permit would allow for the property line adjustment, which would take approximately .06 acre of the property located in the lower southern corner. This small tip does not affect the actual building, the amenities or the parking garage. That was considered by the State Lands Commission as submerged tidelands, which cannot be sold under the State authority. By doing the lot line adjustment, the balance of the property is not considered to be part of the tide and submerged lands, and the State Lands Commission said that was free to sell.

The purchase and sale agreement was negotiated over the past few years. The purchase price of \$5,000,000 was determined and is supported by an appraisal done by Jones, Roach and Caringella in September 2007. The purchase price was looked at in terms of value as to what a third party individual would pay for the property. Because the property is encumbered by a remaining 28 years on the original ground lease, which expires in 2036, the property value for what someone would buy it today is severely diminished. You must look in terms of present value as to what someone would pay for an income stream of the remaining 28 years of roughly \$50,000-80,000 per year for the next 28 years, plus a reversionary interest in the land at 2036. Those 2 amounts equal roughly \$2,600,000. So in looking at it from a net present value standpoint, you are getting \$5,000,000 when a reasonable investor would pay \$2,600,000 for the property.

Another way to look at it is that you have an under-performing asset basically generating \$50,000-80,000 per year in income. The return is you will get a \$5,000,000 one-time payment which can generate, at an 8% return, \$400,000 a year. The other thing is, yes you might get the property back in 2036; however, there are significant risks. You don't know what the condition of the property will be in 2036, which could be worth more or less, or what the development restrictions on the property could be. In today's world the Coastal Commission said they would not allow another 17-story building there, so we already know there are restrictions that affect the property, even though it is 28 years out.

Public input

STEVEN KRADJIAN, has owned a unit at Marina Towers for 4+ years and is in favor of this. He noted that the Oceanside Marina Towers Association (OMTA) and the City have a proposed purchase price of \$5,000,000, which substantially exceeds the net present value of the land lease and also exceeds the proposed reversion value, but the unit owners are advised by the HOA to pay the even higher price of \$5,000,000 in cash. We want to keep our units so we are prepared to go ahead and pay the higher price. The consultants to the HOA have advised us that the land under Marina Towers is the only portion of the harbor that is not a tideland. It is important to have our family able to inherit the land under the building.

DAVID STOEBLING, resident at Marina Towers, bought their unit in 2004. He is in favor of this deal because he believes there are no losers in this. For the City it is \$5,000,000 to be used for any public projects needed without having to raise taxes. For the people who own in Marina Towers, it allows us to address problems associated with a 30+ year old building — maintenance/improvement problems. This deal would allow us the ability and the motivation to make the Marina Towers a much more attractive and safer place. The ability comes from home ownership. We know that renters do not put the money into the project as owners would. The ability also comes from being able to get financing. Contrary to popular belief, not everyone in the Marina Towers is rich, and financing is an integral tool in improving the property and keeping it safe. Without that, we are running into all sorts of problems with financing, especially with a lease less than 30 years. He asked Council to approve this. He pointed out that this is a unique piece of property, only about 1¼ acre; there is not much of a use for it, and nothing should change in the problem. No problems with access to the beach or the harbor; parking should not be any different than it is now; and there should be no affects on the views of the ocean and the surrounding area.

RON (& Susan) DEVEY, live at Marina Towers and bought their unit in 1988. We have been full-time residents all the time. He thanked the Council for giving us the opportunity to purchase the land under our home. Even though we are paying over market value for the land, it is a great deal for us and the City. We do not feel this is a matter for the Coastal Commission as the property, minus 200 square feet to be returned to the City, is not tideland area. If the Coastal Commission becomes involved, the only people who will profit are the lawyers on both sides.

LINDA (& Joseph) GASTON, stated they have been using their condominium in Marina Towers as a second home or family home for 23 years. It has been our dream to completely retire here in Oceanside, but we are hampered by the idea that we don't really own our home because the land is not ours. We are getting older and cannot maintain our big home in Las Vegas. It will be wonderful if we can own our home completely. We would be very grateful and feel secure.

VELIA VILLASENOR TELLIS stated she bought her unit in 1987 as a family second home since our family businesses are in Vista, and we enjoy the events in Oceanside. This has always been a second home to my family. She would like to pass on this unit to her family.

JOHN DE'IBELLA, stated we live in Marina Towers and hope Council would approve of the request to buy the land so that we can truly be homeowners. He agreed with the previous speakers.

PAMELA MYERS, North Pacific Street, stated about a year ago it was brought to her attention that this property was parkland property. Furthermore, she had no idea that the parking lot there was also parkland, and that anyone can park there for free. If you come around the corner, there is a very little sign that says 'public parking', but if you come to the entrance of the parking lot, it says something like 'private'; it is very deceiving. She feels sorry for these folks and understands the need and want for this property; however, it is the public's property and should remain as parkland. Because it is parkland, it should go to a vote of the entire City; everyone should weigh in if they agree to give up this land to these private homeowners/renters/lessees now. This should be on the ballot for the people of Oceanside to determine. She does not believe

the \$5,000,000 is enough for this land. If this land was free and clear, it would be worth a lot more than \$5,000,000. It should be appraised by 2 or 3 different people. This is the people's land, and the people should vote on it.

SHARI MACKIN, resident and co-founder of the Citizens for the Preservation of Parks and Beaches (CPPB), is here to protest the sale of public land at the Marina Towers and the lot line adjustment that puts deeded parkland into private hands. She is very concerned about how this deal was put together. The City paid for an analysis from the offices of Jones, Roach & Caringella, Inc., real estate appraisers and consultants. They stated that selling the Marina Towers could be a windfall to the lease owners, and that based on preliminary research and conversations with realtors knowledgeable about the Marina Towers, it appears that the individual value of each condominium could increase by \$1,000,000 or more upon extinguishing the ground lease. This extends to an aggregate benefit to the individual owners of \$6,700,000 or more.

The City should not be in the business of making investors rich off taxpayers' backs; it should be in the business of keeping vital services and facilities upgraded and maintained. This property is an asset to the residents of the City and the Harbor District and is listed as such in the Local Coastal Plan within the Harbor Precise Plan. Upkeep to visitor-serving uses depends on revenues today and in the future by the Harbor District. The majority of this Council would never tie the hands of the airport and redevelopment districts by taking assets away from these districts. How can you ever consider doing this to our much-loved harbor? We cannot grow the harbor so we need to consider every asset in the Harbor District as something very special that must stay within the Harbor District to allow for important planned upgrades and maintenance listed in the Harbor Precise Plan that are so desperately needed. Please do not let happen in the Harbor what has happened to the public restrooms and facilities at the bandshell, Tyson and Wisconsin Streets and Buccaneer Beach.

Additionally, another analysis from Keyser Marston states under economic issues that instead of selling, the City could offer to extend the lease term for an extended term of 20 – 30 years. Revised lease terms could be similar to the term under the current purchase offer with some additional factors, such as adding a reserve fund to insure that the property will be maintained. I did not see a requirement to add a reserve for maintenance in the agreement.

What is most disturbing here is that in all the backup material I did not see one opinion from an outside firm, or a legal, real estate, or economic study paid for by the City that states the sale of this property would be good for Oceanside. The property and the leasehold interest are an asset to the Harbor District and should remain as such.

DON CHEATUM, Oceanside resident for 21 years, stated that when Council set this property lease in 1976, they had the foresight to know that in 2026 that property would come back to the City so the City could at that point sell the property to possibly a hotel developer; or at that point they could lease it to such a use, and the City would benefit from either the sale or a brand new lease at current market rates. Ten years later, in 1986 the Council looked at this and could not decide what to do with it because the homeowners were coming after them to buy it. They made the decision to extend the lease for 10 years under the same terms, which are currently between \$50,000 and \$80,000, which is ridiculous. We have to look at who is going to benefit if they are able to buy the leasehold interest from the City, and who is going to lose. The ones that are going to lose are my kids. He reviewed the windfall profit that this group will collect via a display board showing that with 67 units and the estimated 2008 windfall profit, the HOA value would be \$55,777,500, and they are only offering the City \$5,000,000, which is ridiculous. We need to hold this property until 2036 and let that Council decide what to do with the property then. We are in the driver's seat; we have 32 years into a 60-year deal. We have 53% of the interest, and we own the land underneath. We cannot just turn this over to a bunch of homeowners who took a chance at buying leasehold interest, which is like a rent.

CAROLYN KRAMMER, Oceanside resident, representing the CPPB and also Marco Gonzalez with the Surfrider Foundation who could not be present tonight, stated

the proposed sale of the Marina Towers is not in the best interest of the future economics of our City. The land that constitutes the Oceanside harbor was granted to the City by the Federal and State government in the 1960s, and the City was to be the trustee of this public land. This land was to be used for the benefit of all the people of the State for purposes of commerce, navigation and fisheries and for other public purposes including but not limited to preservation of the lands in their natural state, open space or wildlife habitat, and recreational uses. The Federal government also put restrictions on the land for a public park and recreational purposes and also stipulated that the land could not be sold or leased. These restrictions were to be placed for 20 years, and if violated, the property would revert back to the giver of the gift.

The Marina Towers was completed in a big rush in 1976 to avoid coming under the jurisdiction of the newly formed California Coastal Commission and the Coastal Act. The creation of the Marina Towers was a violation of this trust of public lands. The Oceanside harbor and the land beneath the Marina Towers belong to the people and should not be sold for private gain.

What you are proposing is a gift of public funds and is a land give away that violates the public trust. It is inconsistent with the Coastal Act, the Harbor Precise Plan, and any future visitor-serving needs. It is also a change of the intent of the gift and the use of this land. A recent search of County records shows that Mr. Briskin of the HOA owns 8 properties in North County, and 5 of them are at the Marina Towers. The records also show that Mr. Briskin is in default on 5 of his 8 properties in North County, and 4 are at the Marina Towers. It also shows that 44 of the 67 units are non-owner occupied, and that only approximately 23 owners reside there on a permanent basis. That is why they cannot get financing.

This proposed sale is not about home ownership; it is about lining the pockets of out-of-town investors like Mr. Briskin. Land on the California coast is a precious resource. We are the stewards of this priceless coastal land. It is our land, and it belongs to our children and their future. We have a responsibility to preserve it for future generations. Do not sell this coastal asset. Renegotiate the lease.

A question is that with this proposed adjustment, the public will lose public parking and deeded parkland. Since when do we sell deeded parkland, that was deeded in perpetuity, without a vote of the people.

NADINE SCOTT, Hoover Street resident, is surprised that one of the lead negotiators for the homeowners in this deal is in default. If she was living there, the deal would stink because he is not negotiating at arms length. She is a fiscal conservative about selling off public land. She does not agree with it and objects to this evening. This should have gone to the Planning Commission -- under Government Code 64402 (a) there is opinion that says this is a requirement. Have we bypassed the procedures? Also she was curious whether there was a variance request, because apparently the parking structure will fail to meet the setbacks. Will this go through a development plan or variance procedure?

She was disturbed that the appraisal was not attached so the public could review it and determine whether we agreed with it or whether we would like another independent appraisal. She thinks this is a sweetheart deal for what we would basically consider renters. She envies them because they have the most wonderful property in town. However, they do not own a public asset, and Council should not be giving that to them.

She noticed in the deal that there is a \$500,000 or \$700,000 agreement by the HOA to upgrade the exterior and do maintenance. There is no way to enforce that unless through lawsuit. They are not depositing that into escrow, and it is promised over the term of 6-7 years. \$500,000 in 6-7 years will not even paint the outside of the building let alone redesign a roof, replace windows, etc.

Under what procedure are you selling this? Has this been listed as a surplus sale property, or is it for the common benefit or some other Government Code section that she is not aware of. If it is protested under certain Government Codes, it will have to be

overridden by a 4/5ths vote. She urged Council at this point, since they do not have a credit-worthy HOA to purchase this property, that you save us all the embarrassment by pulling out of the deal now and renegotiating a proper lease.

PATRICIA STOEBLING, resident at Marina Towers, stated that at the close of escrow the City will receive \$5,000,000 from the sale of the land to the homeowners of Marina Towers. This money will enable the Council to finance any public works, which could include parks, with no cost to the taxpayer. A project of this magnitude would benefit all of the people in Oceanside. Another benefit of this sale will allow the beautification project around the harbor to continue. The homeowners of Marina Towers will be spending \$500,000 of their own money to give the building a facelift, enhance the grounds, etc. These projects will also provide jobs to the people of Oceanside. With the present economy, property values have plunged. So even though we have these figures from last year, things have changed significantly, and we are taking a leap of faith in doing what we promised to do. We have a vested interest in this property, and we only want to make this property better for the harbor area and the tourist dollars. We pay our taxes whether we are there 23 days or 365 days. We generate income in the economy, etc., and it will give the harbor a boost. She believes this is a wise move.

JANE ALLISON AUSTIN, resident at the Marina Towers, stated there are a lot of statements being made on the other side of the aisle that are not necessarily factual. The first lady mentioned that the parking lot is listed as private. However, in fact there is a large section of the lot that is public parking, and there are signs that the City has put up marking the lot in both directions—coming into and out of the harbor—as public parking. There is no sign at the front of the entrance that says it is private parking. In fact, the HOA has over the years paid to maintain the public side of the parking lot, and we will continue to do that under the Purchase Agreement. We request that the sale be approved.

In addition, a statement was made that we may not make the \$500,000 repairs, etc., but that is, in fact, a legally enforceable requirement of the contract; it is not something that we may chose to do. The members of the HOA are very dedicated to make these repairs. We care about the building. She had moved into the building when she was 13 years old.

Several statements tonight said that we are investors, etc., and they presented themselves as long-time community members and taxpayers. We are all equally taxpayers. We feel this is a great situation. There are people in our building who feel we are spending too much to buy the land.

She noted one speaker's figures saying there were hundreds of thousands of dollars of windfall profit to us as homeowners, but she did not hear of any studies being made. Yet the City has done many studies in support of looking at this that show the facts to be other than what was presented as opinion.

We ask that Council approve the purchase and sale of the land to OMTA.

With no further speakers, the hearing was closed.

COUNCILMEMBER SANCHEZ wanted staff to respond to some of the questions raised. One was whether this was parkland.

CITY ATTORNEY MULLEN responded the property that is subject to the purchase and sale agreement is not parkland. The City acquired the property through various deeds. He believes the leasehold right now consists of property that the City has acquired through 5 different deeds. Three of the deeds were from the Federal government and 2 of those 3 deeds had restrictions on the use of the property for park and recreational related purposes from 1962 on, but those have long sense expired. However, the important point is that none of the property that is subject to the purchase and sale agreement includes any of those Federal deeds. He asked Mr. Eddow to confirm that.

MR. EDDOW responded yes, the portion of the Marina Towers leasehold property that will be separated out by lot line adjustment and sold to the OMTA came from a third party; not the Federal government. The Federal government deeds are part of the parking lot which is still going to be owned by the City and kept open.

Regarding the procedure that was used in negotiating the sale, **CITY ATTORNEY MULLEN** stated the procedure being used is provided for by Government Code Section 37350 and 37351, which is that is that the City Council finds that it is for the common benefit for the sale of the property.

Regarding the appraisal and why it was not attached, he noted that the appraisal is a public record at this point, and he would give a copy of the appraisal to anyone wishing a copy.

COUNCILMEMBER SANCHEZ stated this began about 5 years ago. When she spoke to the residents of Marina Towers, she listened to what they were asking for. She was here when it was built, and it has never changed—it was a condo project from day one. When she was approached by the residents, some things ran through her mind such as whether this conflicts with the Coastal Act and would it prevent some public access; would it interfere with the public view or affect a coastal bluff. All of those questions she answered in the negative. She believes that people who want to be homeowners should be homeowners. She saw a conflict in the City being a landlord for residents. For commercial projects, she sees that more as an economic partnership. The City is not generally a landlord.

There has been a lot of discussion with a lot of issues raised, i.e. the parkland, the history, etc. Per staff, this is appealable to the Coastal Commission.

We have done our due diligence. There are public policies to keep public areas open, such as the harbor. Bottom line for her is how would anyone sitting at this dais ever evict in mass people who have invested their lives and their money in a home; she does not see how anyone could do that. So she **moved approval** [as recommended by staff].

COUNCILMEMBER KERN seconded the motion. He noted that it is not now and never has been parkland. This land did not come from the Federal government; it came from a third party. This was excess railroad right of way. This is no change in use. Marina Towers will not change, and there is still public parking; the public does not lose access. He has known that was a public parking lot ever since he has been here. There is no change in public access. It was an independent appraisal; we went out to a third party and got an independent appraisal.

People are throwing numbers around and must not have had a calculator. The net present value of the lease is \$750,000, so if we just took the income stream from that lease over the next 28 years, it would be \$750,000; that is all we would get. If he were an investor and wanted an income stream off this property, the most he would pay for it is \$750,000 for the next 28 years, otherwise you do not get the income off of it that you need.

Some people think that if some people make a profit, it is evil, but that is not the way it works. Whether they make money on it or not, the City is getting \$5,000,000, and we can take that money and put it into improvements/other facilities in Oceanside at no taxpayers' expense. This is about home ownership and people owning the property they live on. We are a landlord in some respects because we own a mobile home park, and if they wanted to buy the land under their mobile home park, we would encourage that and go through the same process with an independent appraisal, etc. There is no problem with that.

He knows this will be appealed to the Coastal Commission by a small number of people. He supports this.

COUNCILMEMBER FELLER stated that we were accused of bypassing a Government Code. Did we miss anything?

CITY ATTORNEY MULLEN responded no, not with respect to the purchase and sale. One speaker referenced the requirement to have a recommendation from the Planning Commission regarding the purchase and sale to make sure it is consistent with the General Plan, but this is a Harbor District property so the Harbor Board acts as the planning commission for projects within the Harbor District.

COUNCILMEMBER FELLER asked what has happened with the \$57,000 a year we have been getting.

DON HADLEY, Deputy City Manager, responded that those revenues come to the harbor fund and are part and parcel of what we do with all the harbor district improvements and operations.

COUNCILMEMBER FELLER appreciated that we have been able to use that revenue to upgrade the harbor. He asked about the number of appraisals and that staff said the last one was done in September 2007. Does the appraisal stand in today's market?

MR. EDDOW responded that is correct; it was done twice by Jones, Roach & Caringella, and we then had a separate assessment by Keyser Marston as well. He spoke to the appraiser today and, given the market today, it is probably aggressive in favor of the City.

COUNCILMEMBER FELLER stated in our backup it says, "...However, the appraisal also mentions that should the building be maintained in a good condition through 2036, the reversion value could be as high as \$3,480,000 rather than land only value of \$1,930,000", and asked for clarification on this.

MR. EDDOW responded that the land value as it reverts back to present value today assumes 2 different scenarios. The first is the building as it continues to operate and not be maintained and in optimal situation reduces the value at the end of the lease term; whereas, the second is if it was maintained in an optimal situation, it could increase the value of the property as a reversion up to the \$3,480,000 as a present number value. This was done through our appraiser.

COUNCILMEMBER FELLER questioned if the current agreement for \$57,000 a year was a good agreement for the City.

MR. EDDOW responded that looking at it today, no. When it was done back in the 1970s it probably was not bad, but it just did not have enough escalator clauses in it to keep up with inflation and appreciation values.

COUNCILMEMBER FELLER asked what the maximum would be the City could get if we allowed this lease play out.

MR. EDDOW responded that over the next 28 years it is roughly \$2,000,000 on what the lease payments would get the City, but since the City cannot get that all at once, you discount it down to a present value which equates to what somebody would pay you, which is \$750,000 to get that \$2,000,000 over the next 28 years.

COUNCILMEMBER FELLER believes the homeowners' eyes are wide open about what they have there. They are being gracious in offering the \$5,000,000 to be able to use that money in any way we deem necessary, whether for public safety, to enhance the harbor, etc. That is a great value for the citizens of Oceanside. We are not really good landlords and probably should not be in that business because we tend to be very generous, and thus we have a \$57,000 a year lease.

The purchase and sale agreement is not between individuals; it is between an HOA collectively as the residents and the City.

MR. EDDOW responded that is correct; it is with the Oceanside Marina Towers Association (OMTA).

COUNCILMEMBER FELLER asked staff to clarify the process if this is approved.

MR. EDDOW responded that should the agreement be approved tonight, there would be a process to approve a coastal permit and open escrow; we would have to wait a number of days for the appeal period to see whether or not it was appealed to the Coastal Commission; ultimately we would go through a due diligence period to review documents and other records of the property; and at the time it is found sufficient, we would close escrow in approximately 180 days.

COUNCILMEMBER FELLER inquired if we invested \$5,000,000 in something within the City, what is the value of that in 28 years.

MR. EDDOW stated we ran a quick calculation, and, if you took \$5,000,000 today and invested it at a rate between 5-10%, in 28 years you could have upwards of \$50,000,000.

COUNCILMEMBER SANCHEZ stated this is a difficult issue for her because she sees this more as a policy issue. Has the City Attorney in his review of case law ever found that the issue of whether ownership is private or public is a reviewable item by the Coastal Commission?.

CITY ATTORNEY MULLEN has not seen any cases indicating that the Coastal Commission has the authority to approve a purchase and sale agreement between a private party and a public party. He did not believe there were any cases dealing with that. Obviously we are approving a regular coastal permit for the lot line adjustment, and that is an action that is appealable to the Coastal Commission. Staff believes that issuance of the coastal permit is consistent with the Local Coastal Plan. That is where the Coastal Commission review would relate, not to whether the City should be selling the property. We have comprehensively evaluated the sale, and the decision to sell or not is a policy decision for the legislative body. However, in reviewing all the documents, and we have spent extensive hours reviewing it along with the property owners' attorneys, we believe it is a legal agreement.

DEPUTY MAYOR CHAVEZ stated that in looking at the history of this, it was decided in 1975. He wanted to go back to see how this all came about, so he had some minutes pulled and shared with Councilmembers. Back in 1972 when they started this issue, there were a number of options. The original plan for this was to have the top be a restaurant. He remembers this being built. What we have before us is a decision on whether to sell it to the HOA. When asking the staff if this is a good deal, it always comes back that it is the best deal we can receive given the direction to sell the property. What we haven't asked is what are the other options.

MR. EDDOW responded that one option is to do nothing and let the lease expire. Another option is to see if the OMTA is willing to renegotiate the lease to bring it to market value to generate more revenue to the City.

DEPUTY MAYOR CHAVEZ would also say that another option would be to put it on the open market to see if anyone else would want to invest in it. He also took time to research. His Aide lived in England for a period, and in England this is not uncommon with a lot of the land owned by dukes, lords, etc., and they have built on such lands. So he asked the City Attorney to consider other options. For example you could consider three things if you are doing this: 1) what would it take to buy out the lease, which is what we are doing; 2) you looked at the facility and what it is worth to add to the equation, the 3) the marriage of both parties, i.e. the people who live there vs. the individual who owns the project. They project out a cost analysis, which we have done, and then there is a sharing of the revenue that both would receive.

So there are other ways of looking at this. We have never looked at any other options besides the one before us, and that is why he has a problem with it. When you look at costs, how much it is worth is how much the market will bear; what will people pay for it. We have never done that. The reality is that this property is very unique. There was a decision made back in 1972 by the Council that this was an opportunity to

energize the change in the economy of the City at that time; that is why the lease is so low. But at the end of the time, it would be a great investment for the City in the future.

What we are doing is selling our future away. To use the numbers of \$5,000,000 to have \$50,000,000 in 28 years, there are 67 units so what would be the cost of a unit with the unique view in 20 years from now? If each unit was \$1,000,000, which is realistic in 20 years and probably a lot more, it would be worth \$67,000,000. For those reasons, that is why he opposes this. This is difficult because many people living in Marina Towers are friends, and his heart wants to sell it. But as a Councilmember, it is important that he feel the responsibilities of making what he believes are good fiscal decisions. For that reason, he will not support this; it is just not the prudent thing fiscally to do for the City.

MAYOR WOOD noted that, except for Councilmember Kern, we all have addressed this issue over the years, and it is a very emotional issue. We all have to make decisions that are not popular everyday; that is part of the job. The problem is that sometimes the Council has a little more insight on the issues because we get a lot more feedback from staff and expertise from different sources, and this has been looked at by many people. In deciding what is good or bad, it comes down to what you personally think and what you have heard from all the input over several years.

When this issue first came up, the City was in a situation because of the State budget in which we were looking for funding; the State was cutting our taxes, and we had to cut the budget and were looking for cash. The City has some assets, so at the time we asked staff what was available to us to keep up our public services, etc. It was the fault of the State and its crisis. We were looking for cash and looking at our property and what we could sell. The people at the Marina Towers were interested and came to us. Of value, it was the highest option, so we got into good faith negotiations with OMTA. As time went by, the economic situation improved; however, by that time you are already in a good faith bargaining situation, and it is hard to pull out then.

Strangely enough, it has taken so long for this that we are right back to another State crisis with another budget problem; the Governor/State have not approved the budget, and the City has two budgets: the one we have had which is pretty good and the other secondary budget if the Governor does a 10% across the board cut, etc. So we be looking for cash again to pay for services expected.

This \$5,000,000, if it is approved, would be \$5,000,000 more in the budget to help pay for services. We looked into other properties, etc. to sell, and there is not a whole lot for a City and budget our size. To cut the budget means you cut personnel; the budget is top heavy with personnel. So we had to look at the options.

He has made his decision from all the input. With that information and in this situation we agreed this would be the best for the City at the time. The \$67,000,000 stated by the Deputy Mayor is speculation, and that can get people into trouble. At the end of 28 years we might have a building worth a lot more than this maybe. On the other hand, if the building is to the point of having to be taken down, you will never build another tall building like that in that location to make that kind of money.

When we started this and regarding other options, Mr. Eddow had explained the issues of how to put it on the market and sell this 1 acre when someone owns the building above it. How many would want to buy that, knowing there is a 30 year lease at \$57,000 a year. So there are issues on options.

DEPUTY MAYOR CHAVEZ requested to speak.

MAYOR WOOD denied the request.

DEPUTY MAYOR CHAVEZ wished to appeal that decision to the Council and **moved** to appeal the Mayor's decision to the Council to be allowed to speak.

COUNCILMEMBER KERN seconded the motion; motion was approved 3-2, with Mayor Wood and Councilmember Sanchez voting no.

DEPUTY MAYOR CHAVEZ stated his only point was that there was a comment made about making decisions based on fact. He goes to great length to measure every decision he makes. That measure is indicative of his comment about researching other ways to deal with property that is leased. Regarding the comment about speculation, these numbers we are looking at really deal with economics, and historically over a 20-year period of time education has show that we can make a projection for the value of money. That was his only point. If you take the value of the current units over 20 years, you can assure yourself to get to a certain number. His point was that 67 units would be worth more than \$55,000,000. All of us up here are doing the best job we can, and we are seeing this differently. These are tough decisions, and his decisions are being made strictly on the economics of the situation. He cannot be lead by emotion and must make the best business decisions for the citizens of Oceanside.

COUNCILMEMBER SANCHEZ recalled the question being put to staff on why we wouldn't want to open this up for an RFP or RFQ to hear from others, and she recalls Mr. Eddow saying in terms of the value that the biggest value is to those that own the buildings/the units above the ground, which he said in closed session and which has already been brought forward. Would this have any more value to anyone else beyond the residents?

MR. EDDOW responded that in his opinion, the most favorable buyer in our situation would be the residents. They stand to gain the most. Putting it out in the open market, you never know but he cannot see that happening.

COUNCILMEMBER SANCHEZ asked if we have received any requests in the last 5 years to beat the offer of \$5,000,000 or any offers made by the residents.

MR. EDDOW responded that the only offer to purchase that we have received was from the residents.

COUNCILMEMBER SANCHEZ stated she too makes her decision based on economics.

COUNCILMEMBER KERN moved to call for the question [end discussion]. DEPUTY MAYOR CHAVEZ seconded the call; motion was approved 5-0.

On the main motion for approval, including Harbor Board **Resolution No. 08-R0447-2**, "...approving a Regular Coastal Permit (RC-16-06) for a lot line adjustment for the Marina Towers located on Harbor Drive North – Applicant: City of Oceanside", and

Document No. 08-D0448-1 (Purchase and Sale Agreement)

Document No. 08-D0449-1 (re. Property Line Adjustment)

Document No. 08-D0450-1 (re. Property Line Adjustment)

Document No. 08-D0451-1 (re. Property Line Adjustment)

Document No. 08-D0452-1 (re. Property Line Adjustment)

Document No. 08-D0453-1 (re. Property Line Adjustment)

Document No. 08-D0454-1 (re. Property Line Adjustment)

motion was approved 4-1, with Deputy Mayor Chavez voting no.

[Recess was held from 7:43 to 7:48 pm]

GENERAL ITEMS

General Items are normally heard after any 6:00 p.m. Public Hearing Items. However, if time permits, some General Items may be heard prior to any 6:00 p.m. Public Hearing Items, following the Consent Calendar.

15. City Council: Approval of the Youth Commission's FY 2008-10 Workplan

- A) Introduction by Greg Milano, Youth Services Supervisor
- B) Report by Austin Roberts, Youth Commissioner

GREG MILANO, Recreation Supervisor and staff liaison to the Youth Commission, stated our youth commissioner has not yet arrived. For the workplan, last year a couple of things that we did different was to move our Teen Fest from the Civic Center to the amphitheater, which brought in many people, so we will try to expand on that next year and work on other special events.

Upon arrival, **JOELLE ERB**, Youth Commissioner, has been on the Commission for 4 years and hopes to serve one last year as she starts college. She is asking Council to approve the Workplan for FY 2008-10.

Following discussion and thanks to the Youth Commissioners for all their work, **COUNCILMEMBER KERN moved** approval of the workplan.

COUNCILMEMBER SANCHEZ seconded the motion.

Motion was approved 5-0.

16. Council: Approval of the Senior Citizen Commission's FY 2008-10 Workplan

VIESSA LYONS-FERRELL, Commission Chair, presented the FY 2008-10 workplan. Our purpose is to encourage and promote senior citizen involvement and participation in City activities, to provide an avenue for seniors for express their concerns, provide input regarding senior citizen-related problems in the community, make recommendations, etc. Our plan involves elderly abuse, outreach, housing, second senior center, the Senior Expos for 2008 and 2009, transportation programs and workplan. They also plan to update and maintain a public resources guide for the Senior Spotlight, with health and wellness and outreach promotion, etc. They will address the housing to make sure seniors are living comfortably and within their means. Funding possibilities will be explored, etc.

Following accolades to Commissioners for their work, **MAYOR WOOD moved** approval of the workplan.

COUNCILMEMBER SANCHEZ seconded the motion.

Motion was approved 5-0.

MAYOR AND/OR COUNCILMEMBER ITEMS -- None

CITY COUNCIL REPORTS

- 17. **Mayor Jim Wood -- MAYOR WOOD** commented he went to Tri-City Hospital, and the Tri-City Medical Foundation gave the City a \$250 donation to purchase bicycle helmets for low-income children. He thanked our Interim Development Services Director Lauren Wasserman who filled in for us and did a great job. The grand opening for Fire Station 7 will be July 19. Saturday, July 26 at the Civic Center Library the IAM Foundation and the Library will have a book giving event for children to promote literacy. July 26 is also

the ribbon cutting ceremony for the opening of the Mance Buchanon Park. He also reported on the latest in possible State budget cuts.

18. **Deputy Mayor Rocky Chavez – DEPUTY MAYOR CHAVEZ** commented on an event today for Interfaith Veterans Transitional Housing and highlighted the Soccer Club fundraiser this Saturday at the Outback. Saturday evening 97.3 KSON will have a Country Western concert at the bandshell, and then on Sunday 92.1 will have a Smooth Jazz concert. A grand opening will be held Thursday for Potpourri on South Coast Highway, etc.
19. **Councilmember Jack Feller – COUNCILMEMBER FELLER** stated he was now 60 years old. He commented on the Samoan Cultural Celebration at the Bandshell that was on Saturday; the grand opening at La Mision was yesterday.

At 1837 South Coast Highway there is a huge concern over the possibility of a drug paraphernalia shop opening. We had this conversation a few years back, and we do not want more of this so he asked the City Attorney to move forward with perhaps an urgency ordinance. This is something that just cannot happen in our community. They are presently doing improvements in that building, and he asked the City Manager to check into those improvements and the permitting. He asked staff to provide information on this.

CITY ATTORNEY MULLEN stated that we presently have in place a fairly stringent ordinance for conditional use permits for smoke/head shops. It requires that a conditional use permit be granted for those types of uses. It is also considered a regulated use, so there are also spacing requirements, i.e. it cannot be within 1,000 feet of certain uses and within 500 feet of more sensitive uses. He cannot speak with respect to any individual project that may come before Council, and Council should not pre-commit how you will vote. Generally the Zoning Ordinance requires a conditional use permit with an exception of the amount of display area is 2 feet by 4 feet. We will look at whether we could further scale back on that restriction and report back to Council.

CITY MANAGER WEISS noted that we currently do not have an application on file for that address.

COUNCILMEMBER FELLER noted that we are getting inundated by numbers of people living in homes and cars parked on public streets, such as 9 cars to a home. He stated San Marcos has regulations, and he asked the City Attorney and City Manager look into this and probably base it on the mini-dorm. It has to be something that is retroactive and able to deal with the various violations. One lady told me there are 9 men living in a home and are in sleeping bags, and there are 5 children in the house. We need to move forward with both of those items.

20. **Councilmember Jerome M. Kern – COUNCILMEMBER KERN** commented on attending the Tri-City Wellness Sundowner event, the Concert in the Park, the Jack Feller golf tournament, the Brother Benno's lunch, the La Mision affordable housing grand opening, the Interfaith Community Veterans event today, and the Center City Golf Course alternative study.

Friday he attended the SANDAG Board meeting, and the only thing that came up was the response to the Grand Jury report about SANDAG. SANDAG's response is that the Grand Jury had no clue what SANDAG does; they think SANDAG has land use authority over the individual cities. So that response is coming back to the SANDAG Board for approval.

Also there is a ribbon cutting for the 1.3 miles of the San Luis Rey bike trail.

21. **Councilmember Esther Sanchez – COUNCILMEMBER SANCHEZ** stated she would be bringing forward at the August 13 Council meeting discussion about the mini-dorms as mentioned by Councilmember Feller and what San Marcos is doing, etc.

She commented on the business partnership between Seagaze Realty and the Residents Inn by Marriott to help out with things like Angels Depot, and on Monday, August 4 they are having a blood drive. She also commented on the Mance Buchanon Park and ribbon cutting event on July 26 at 425 College Boulevard.

INTRODUCTION AND ADOPTION OF ORDINANCES

The following items are ordinances for introduction or adoption by the City Council/HDB/CDC. Ordinances are laws of the City of Oceanside and require introduction and adoption at two separate City Council meetings (urgency ordinances are an exception, and may be introduced and adopted at one meeting as an emergency measure). The City Council/HDB/CDC has adopted a policy that it is sufficient to read the title of ordinances at the time of introduction and adoption, and that full reading of ordinances may be waived. After the City Attorney has read the titles, the City Council/HDB/CDC may introduce or adopt the ordinances below in a single vote. There will be no discussion of the items unless requested by members of the City Council/HDB/CDC or the public through submittal of a Request to Speak form prior to the commencement of this agenda item.

22. **City Council: Adoption of an ordinance, Ordinance No. 08-OR0455-1, "...of the City Council of the City of Oceanside fixing rates for the collection of waste matter within the City of Oceanside" (introduced 7/2/08, 5-0 vote)**

Following reading of the title, **COUNCILMEMBER SANCHEZ** moved adoption.

COUNCILMEMBER KERN seconded the motion.

Motion was approved 5-0.

ADJOURNMENT

MAYOR WOOD adjourned this joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors at 8:09 PM, July 16, 2008.

[The next regularly scheduled meeting is at 4:00 p.m. on Wednesday, August 13, 2008.]

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne
City Clerk, City of Oceanside

**NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL**



MEETING MINUTES

August 13, 2008

OCEANSIDE CITY COUNCIL, HARBOR DISTRICT BOARD OF DIRECTORS (HDB), and COMMUNITY DEVELOPMENT COMMISSION (CDC) REGULAR BUSINESS

**Mayor
HDB President
CDC Chair**
Jim Wood

**Deputy Mayor
HDB Vice President
CDC Vice Chair**
Rocky Chavez

**Councilmembers
HDB Directors
CDC Commissioners**
Jack Feller
Jerome M. Kern
Esther Sanchez

**City Clerk
HDB Secretary
CDC Secretary**
Barbara Riegel Wayne

Treasurer
Rosemary Jones

For this regular and joint meeting, the Council sat as all 3 governing bodies [Council, HDB and CDC] simultaneously but took action as the respective agency for the jurisdiction covered by each item. Council titles only will be used for brevity throughout the entire meeting.

4:00 P.M. – ROLL CALL– Meeting convened at 4:02 PM. All Councilmembers were present; Councilmember Sanchez arrived at 4:04 PM. Also present were City Clerk Wayne, City Attorney Mullen and City Manager Weiss.

CITY ATTORNEY MULLEN reported on the items to be heard in closed session, which includes Items 2, 3-A and 3-B.

Closed session was held from 4:04 pm to 5:02 PM. Under agenda Item 4, the City Attorney reported out on the following:

CITY COUNCIL, HDB, and CDC CLOSED SESSION ITEMS

Closed Session to discuss litigation, property acquisition, labor relations and personnel matters

1. **[CONFERENCE WITH LABOR NEGOTIATOR ON STATUS OF NEGOTIATIONS PREVIOUSLY AUTHORIZED IN OPEN SESSION (SECTION 54957.6)]**

CONFERENCE WITH LABOR NEGOTIATOR – Negotiator: City Manager; employee organizations: Oceanside Police Officers' Association (OPOA), Oceanside Firefighters' Association (OFA), Oceanside Police Management Association (OPMA), Management

Employees of the City of Oceanside (MECO), Oceanside City Employees' Association (OCEA), Oceanside Fire Management Association (OFMA), Western Council of Engineers (WCE), and Unrepresented]

No closed was session held

2. **CONFERENCE WITH REAL ESTATE NEGOTIATOR (SECTION 54956.8)**

CONFERENCE WITH REAL ESTATE NEGOTIATOR – Property: Vacant parcel of land adjacent to Oceanside Municipal Golf Course on Douglas Drive (portion of APN 157-021-06); Negotiating Parties: City of Oceanside and Oceanside Golf, LLC, and Pro Kids Golf; Negotiator for the City: Douglas Eddow, Real Estate Manager; Under Negotiations: Price and terms for the lease of the property

Discussed; no reportable action

3. **LITIGATION OR OTHER ADVERSARY PROCEEDING (E.G., ADMINISTRATIVE HEARING, ARBITRATION) (SECTION 54956.9)**

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (SECTION 54956.9(a))

A) Alvis et al. v. City of Oceanside, Superior Court Case No. GIN050178

Discussed; no reportable action

B) Bruce et al. v. City of Oceanside, U.S. District Court Case No. 07cv0621

Discussed; no reportable action

5:00 P.M. – ROLL CALL – The meeting was reconvened at 5:04 PM. All Councilmembers were present; Councilmember Feller arrived at 5:05 PM. Also present were City Clerk Wayne, City Manager Weiss and City Attorney Mullen.

INVOCATION - Pastor Gene Cooper

PLEDGE OF ALLEGIANCE – Breakers Soccer members

PROCLAMATIONS AND PRESENTATIONS

Presentation – “Pet of the Month” presented by the North County Humane Society & SPCA

Proclamation – Tenth Anniversary of Quality Children’s Services

Presentation – Mayor’s Youth Sports Recognition and Appreciation Award – Breakers Soccer Club

Presentations were made

CLOSED SESSION REPORT

4. **Closed Session report by City Attorney** -- See items 1-4

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

No action will be taken by the City Council/HDB/CDC on matters in this category unless it is determined that an emergency exists or that there is a need to take action that became known subsequent to the posting of the agenda.

Advance written request to reserve time to speak: *None*

5. **Communications from the public regarding items not on this agenda – 3 speakers:**

RITA SOZA, Professor of Business Management at MiraCosta College, announced their Applied Business Ethics Conference to be held on September 26 at the College.

JOAN BRUBAKER, 1606 Hackamore Road, commented on the Poseidon project receiving the go-ahead to develop the desalination plant. An item that holds great promise for our need for water in the years to come is the fact that penguins have a gland behind their eyes that converts salt water to fresh water. If we could duplicate that, we would have part of our problem solved.

JENNIFER NELSON, President of the Jaycees, presented the City with a check for over \$5,000 as a result of their fundraising towards the fireworks display held this 4th of July.

CONSENT CALENDAR ITEMS [Item 6-20]

CITY CLERK WAYNE noted the consent calendar includes items 6-20. A correction was noted on the agenda fixing the date on Item 6 to September 17; not September 7. Item 11 will be rescheduled to a later date as noted.

COUNCILMEMBER SANCHEZ moved approval of the following Consent Calendar; **COUNCILMEMBER KERN** seconded the motion; **motion was approved 5-0:**

6. City Council/Harbor/CDC: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission and City Council of the following meetings:
- July 2, 2003, 10:00 a.m. Adjourned City Council Meeting
 - September 17, 2003, 10:00 a.m. Adjourned City Council Meeting
 - November 14, 2007, 4:00 p.m. Regular Meeting
 - February 20, 2008, 4:00 p.m. Regular Meeting
 - June 11, 2008, 4:00 p.m. Regular Meeting
7. City Council/Harbor/CDC: Approval to waive reading of the text of all ordinances and resolutions considered at this meeting and provide that ordinances shall be introduced after a reading only of the title(s)
8. Harbor: Approval of a purchase order in an amount not to exceed \$138,454 to Bellingham Marine Industries, Inc., of Bellingham, Washington, for replacement docks for the Commercial Fishing Docks at the Oceanside Harbor, and authorization for the Financial Services Director, or designee, to execute the purchase order
9. City Council: Approval of a purchase order in an amount not to exceed \$540,860 to LDV, Inc., of Burlington, Wisconsin, for the purchase of a mobile command center vehicle for the Police Department; approval of a purchase order in an amount not to exceed \$32,734 to Infiniti Wireless Solutions of San Diego for the purchase of radio equipment for the vehicle; approval of a budget appropriation in the amount of \$573,594 for the vehicle and radio equipment; and authorization for the Financial Services Director, or designee, to execute the purchase orders
10. City Council: Approval of annual purchase orders in amounts over \$50,000 for FY 2008-09 for the purchase of equipment, supplies, materials and services for the Information Technologies Division, and authorization for the Financial Services Director, or designee, to execute the annual purchase orders
11. [City Council: Approval of Amendment 2 to the Percentage Lease Agreement with Ruby's Diner, Inc., for the use of City-owned real property located at the end of the Oceanside Pier, extending the term of the agreement to June 30, 2013, for minimum total revenue to the City in the amount of \$445,000 for the five-year period, changing the percentage rent structure, and providing for capital improvements to the property;

and authorization for the City Manager to execute the amendment]

This item, continued from July 16, 2008, will not be heard but will be rescheduled for a future meeting.

12. City Council: Approval of Amendment 2 to the professional services agreement with Rancho Santa Fe Protective Services, Inc., for custody transport services for the Police Department, extending the term of the agreement from August 22, 2008, to November 22, 2008; and authorization for the City Manager to execute the amendment

Document No. 08-D0481-1

13. City Council: Approval of a professional services agreement with Dudek, Incorporated, of Encinitas in the amount of \$474,924 for construction management services for the El Corazon Senior Center, and authorization for the City Manager to execute the agreement

Document No. 08-D0482-1

14. City Council: Approval of a professional services agreement with CPSG, Inc., of Irvine in an amount not to exceed \$621,668 for the Oracle EnterpriseOne 8.12 financial system software upgrades, training and Oracle User Productivity Kit software; approval of a purchase order in the amount of \$20,000 to Dell for the purchase of application software; authorization for the City Manager to execute the agreement; and authorization for the Financial Services Director, or designee, to execute the purchase order

Document No. 08-D0483-1

15. City Council: Approval to add an additional permanent employee for maintenance of Mance Buchanon Park, and approval of a budget appropriation in the amount of \$60,013 from the General Fund Unallocated Fund Balance to fund the position
16. City Council: Approval to accept grant funds in the amount of \$25,000 from the Tony Hawk Foundation, awarded to the City of Oceanside for the construction of skateparks, and approval to appropriate the funds to the Oceanside Skatepark project; and authorization for the City Manager to execute grant documents
17. City Council: Acceptance of the improvements constructed by EDGE Development, Inc., of Temecula for the Fire Station 7 project located at 3350 Mission Avenue, and authorization for the City Clerk to file a Notice of Completion with the San Diego County Recorder

Document No. 08-D0484-1

18. City Council: Adoption of a resolution establishing the compensation for Peter A. Weiss, City Manager, effective July 13, 2008

Resolution No. 08-R0485-1, "... establishing the compensation of the City Manager"

19. City Council: Adoption of a resolution establishing the compensation for John P. Mullen, City Attorney, effective July 13, 2008

Resolution No. 08-R0486-1, "... establishing the compensation of the City Attorney"

20. City Council: Adoption of a resolution approving the Final Map for 2137 Willowbrook Drive, a 7-lot residential subdivision on 2.15 acres, and authorizing the City Clerk to record the Final Map with the San Diego County Recorder

Resolution No. 08-R0487-1, "... approving the final map for 2137 Willowbrook Drive"

Item 29 was heard next – see Item 29

6:00 P.M. – PUBLIC HEARING ITEMS

Public hearing items are "time-certain" and are heard beginning at 6:00 p.m. Due to the time-certain requirement, other items may be taken out of order on the agenda to accommodate the 6:00 p.m. public hearing schedule.

21. **City Council/CDC: Approval of the appropriation of \$624,975 of Redevelopment Bond Funds: \$575,115 for renovation and façade enhancement to enable the California Surf Museum (CSM) to move from 223 N. Coast Highway to 312-314 Pier View Way, and \$49,860 to reimburse the Redevelopment Operating Fund for costs to prepare the building for tenants; and**

Approval of a five-year loan agreement with the CSM in the total amount of \$575,115, to be forgiven annually over the five-year period; approval of a property lease agreement with the CSM for the property located at 312-314 Pier View Way with revenue to the City/CDC in the amount of \$1,200 annually; authorization for the City Manager/Executive Director to execute the loan agreement and property lease agreement; and adoption of resolutions making the required findings to enable the project

CITY CLERK WAYNE noted that typically on public hearing items, the entire text listed on an agenda item has been advertised in the newspaper, which is what makes it a public hearing. In this case, not all of the information listed was advertised in the newspaper. The basic information that was advertised was the appropriation/reimbursement of redevelopment funds for the project. The City Attorney will respond on why that was the only portion needed to be advertised. The remaining portion of this agenda item, which is the approval of the 5-year agreement, etc., has not been advertised in the newspaper. She did not want any misrepresentation that we have advertised all of this text in the newspaper for the public.

CITY ATTORNEY MULLEN noted that there is no public hearing requirement for the contract and the loan agreement, which would have been a general item. What triggers the public hearing is the use of the tax revenue for the rehabilitation and improvement of the public property. In his opinion, this item has been appropriately noticed.

- A) Mayor opens public hearing – Public hearing opened
- B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – Disclosures reported by Councilmembers
- C) City Clerk presents correspondence and/or petitions – Emails from Nadine Scott
- D) Testimony, beginning with:

TRACEY BOHLEN, Development Project Coordinator, gave the staff report, stating that the California Surf Museum (CSM) is currently located in a 1,900 square foot building on North Coast Highway. The location is very small for its 20,000+ worldwide visitors every year. The museum has a collection of surfing memorabilia with over 2,000 pieces, but the current location has limited space to display and no storage.

This request is to fund the CSM with \$575,115 to renovate the old Playgirl Club building with 5,000 square feet. The loan agreement and the promissory note with CSM requires them to meet annual performance standards. The loan would be a no-interest 5-year note forgiven over a period of 5 years if the performance standards are met. The lease would be 5 years with an automatic 5-year extension, and then year-to-year thereafter. \$100 per month would be paid by the CSM as rent, and they would be responsible for maintenance of the building. Because the proposed funding source is Redevelopment tax exempt bonds, the rental amount must be very small, and increases to the rent are not allowed. \$49,860 is also be requested to reimburse the Redevelopment operating fund for costs we already expended to demolish the interior, termite, engineering and architectural fees, etc. The total funding being requested is \$624,975.

There is a tourism strategic plan, and part of the goal of that plan is to extend the length of stay in Oceanside throughout the year, especially during mid- and off-season times. The CSM's new location at 312 Pier View Way is a good location for them. It has closer proximity to the beach, is located along the primary pedestrian access to the pier and the beach, and would be located in the heart of the Sunset Market area. Additionally, the façade renovation would enhance an old vacant building in the downtown area. The additional museum space and programming of events with this new location would help accomplish a goal to make Oceanside a year-round tourist destination.

The Redevelopment Advisory Committee (RAC) recommended approval of this item at their July 23 meeting with a 5-0 vote, and the Economic Development Commission (EDC) recommended approval at their August 5 meeting with a unanimous vote.

Public Input

KIM HEIM, Executive Director of MainStreet Oceanside, stated they support this project. This site has been very difficult to find a long-term tenant for, and we find this to be a great interim use. They look forward to collaboration with the CSM.

JIMMY KNOTT, 127 Sherri Lane, stated that although he supports this, the model is how it was handled with the Art Museum, which had fund drives, sponsorships, donations, etc. to handle this, instead of just a forgivable loan. That is how this should be handled. You should demand from the proponents a quantification of expenditures by the visitors to the current museum — locals and outsiders, the sales generated in the area by those visitors, and whether there are linkages as part of the local attractions that brought them to Oceanside, etc. What are the ancillary costs of public safety, etc. Oceanside's name should be added.

NADINE SCOTT, 550 Hoover Street, loves the Surf Museum; however, she is very concerned about this gift of public funds. There were no public offerings for lease or rent of the premises according to property management. She finds that disturbing. We are going to tie up prime real estate for 10 years with absolutely no proof of trickle-down economics — we don't know what these people will spend in town or how the 20,000 estimate was arrived at. This will keep the City coffers from getting \$3,000 – \$10,000 a month in market rate rent. During a hearing she attended, Jane McVey said there were market rate tenants interested in the property, but she did not want to consider them for this site; so Ms. Scott really thinks this is a gift of public funds and finds the 5-year automatically renewable lease egregious. She does not understand why you can charge them only \$100 when it is public money and a public piece of property. We all know the City is in financial trouble; you need to put on your conservative hats.

DONNA MCGINTY, 2405 Mesa Drive, is not opposed to the Surf Museum but is concerned about the potential for the Governor's budget cuts. Prudent management would tell us that if that happens in the next couple of years, it should be considered now. She has watched \$1,474,000+ put into nonprofits in the last 60 days and a give-away mentality here that the public is not going to understand in hard times. She stated that if Redevelopment is pushing this through and it is not a fair, competitive issue, and if Redevelopment funding is cut, they will have a hard time paying the City back.

LARRY BALMA, 745 Sleeping Indian Road, has been in marketing 35+ years, and in marketing it is hard to pencil out what you are getting. He believes the Surf Museum has something you cannot buy or find. Really, the money being spent here is to renovate the building so that anyone can use the building; it is City property that could be rented to anyone. If the Surf Museum fails in its attempt, the City would have a building that is ready to use, so he does not see the down side.

With no further input, the public hearing was closed.

In response to some comments, **CITY MANAGER WEISS** stated that, effective this year based on an action of the Council, the Redevelopment Agency has started repaying their loans to the general fund. We are expecting the Governor's budget to

cause an impact to us over the next several months. We have been working to develop some contingency budgets. Since we do not know the State budget impact yet, we will be prepared to bring recommendations back to Council. A big factor, though, is that the funds you are talking about with this project are Redevelopment funds, are being used for one-time expenditures to renovate the building and would not be able to be used for any operating deficits that we may incur. So if the Governor's budget impacts us on an operating basis, the money you are spending here would not be sufficient monies to carry forward for on-going operational costs.

COUNCILMEMBER SANCHEZ stated there is one public policy that is very important, which is that this site does have problems because there is only street parking. That has been the real challenge to bring a really high-end business to this site; it will take a while because we are not there yet. So here is a really great group—the California Surf Foundations (CSF). We are not there yet with a walkable community, but this will get us much farther than having the building empty. Since CSF draws people from all over the world, they bring what we need in the downtown, which are places that bring people here. That is a very important policy reason for supporting this item.

She **moved approval** [of staff's recommendations, including approving the appropriation of \$624,975 approving the loan agreement with and property lease agreement with CSM; authorizing the City Manager/Executive Director to execute the agreements; and adopting the following resolutions:

Resolution No. 08-R0488-1, "... approving the appropriation of funds by the Community Development Commission of the City of Oceanside for the renovation, façade construction and relocation of the California Surf Museum, and making certain findings in connection therewith";

Resolution No. 08-R0489-3, "... appropriating funds for the renovation, façade construction and relocation of the California Surf Museum, and making certain findings in connection therewith"

Document No. 08-D0490-3 (Loan Agreement)

Document No. 08-D0491-3 (Property Lease Agmt)

Document No. 08-D0492-3 (Promissory Note)]

DEPUTY MAYOR CHAVEZ seconded the motion.

COUNCILMEMBER FELLER felt the sign was sufficient since this is in Oceanside. We did talk about a restaurant 5+ years ago, which was interested but did not work out. In 2002 we paid \$1,500,000 for the goodwill and the building; so we bought the building out of redevelopment funds. It is clear to him that this is a great deal for not only the CSF but also the City. We are simply improving and caring for an investment we made. He is the only one left on Council who approved buying that building and taking that previous business out. That was an investment in the future of downtown. The CSF is appealing to all. In 5+ years, CSF will maintain this fully improved building. It will be attractive, and it is in our core downtown. It may draw thousands into downtown. Should they ever leave, we have a fully improved investment. We will have invested a lot less than the value of the service provided for the future. The upside is that we are freeing up one of the most viable corners in the downtown at the corner of Pier View Way and Coast Highway. This is the kind of excitement we need for downtown. It is an investment in the marketing they will do as well.

DEPUTY MAYOR CHAVEZ noted when he was in Ireland 2 years ago and told someone he was from Oceanside, they responded that that is where the Surf Museum is. It does affect tourism. Surfing is the heritage and the future of California in Oceanside. It is what makes us want to live here. That is why we need to support this — to support tourism. Regarding the comment about the Museum of Art (OMA), he noted that there is an investment made by OMA in the building to upgrade it [\$5,500,000 for the current expansion; the City portion was about \$1,200,000] CSF is raising money for everything in the building, just like OMA did. The OMA building is still

owned by the City; and it is the same with the CSF, who will be raising money and improving that site and our building. All the improvements going in will come back to the City whenever the lease terminates. They are not getting this for free; they have to do a lot of work and raise a lot of money.

Echoing Councilmember Feller's comments he stated that by moving the Surf Museum, we are opening a better piece of land at the corner of Coast Highway and Pier View Way, which we may put on the market with some revenue.

Regarding the comment about when cities get into agreements with organizations, we have similar agreements with the Women's Resource Center, Sunshine Brooks Theater, YMCA, Veterans, Ivey Ranch, Canine Companions, etc. If we took all those organizations and had them leave, where would we be? All these organizations add a great worth to our community, so he will support this.

As the CSM gets up and running and maybe after 5 years when they start to make money, then we could increase the rent as he would expect us to do with some of these others. That is something he would like to see.

COUNCILMEMBER KERN stated that under the performance goals and standards, it just says continued fundraising. He would like that spelled out. Next year when CSM does their report, they should tell us what those fundraising efforts have been and what the ones going forward will be. He would like more information on a yearly basis of what is going on. Regarding the facilities available for City functions, what do we have in mind for that?

MS. BOHLEN responded that we could do the Tourism Summit there, or perhaps the Downtown Business Development type conference there, etc.

COUNCILMEMBER KERN therefore noted that the City is getting some use out of that facility as well. The quality of life in Oceanside is improving because of these nonprofits.

Motion was approved 5-0.

22. **CDC: Consideration of a resolution approving Tentative Parcel Map (P-201-08), Development Plan (D-201-08) and Regular Coastal Permit (RC-202-08) for the construction of a residential duplex development located at 217 South Pacific Street – Applicants: Natalie and Luke Lauer**

- A) Chairperson opens public hearing – Public hearing opened
- B) Chairperson requests disclosure of Commissioner and constituent contacts and correspondence – Disclosures reported
- C) Secretary presents correspondence and/or petitions – No correspondence
- D) Testimony, beginning with:

SHAN BABICK, Associate Planner, gave the staff report for the proposed duplex development located at 217 South Pacific Street, situated on a 4,200 square foot lot. Proposed is a 2-story building with 3 or 4 bedrooms at about 2,300-2,400 square feet in size. He used computer slides to show the site plan and elevations, noting the parking is located underneath. The project located to the south — the Hughes project [agenda item 23], is adjoining, and he showed the 2 projects/designs.

What is important is that, unlike other projects on The Strand, these are 2 separate parcels and 2 separate owners sharing a common access driveway, which makes this a better design. There is no garage directly into the units; it is coming off in the center between the 2 lots, as noted on slides. Since these 2 properties are developing at the same time, they are using a common access driveway for a better design, and it is far more efficient for space.

The project meets all the development standards, and they are providing more parking at 5 parking spaces. The Lauer property/home has a Pacific Street address, but that house will be demolished. There is also an access to the south, and they will be demolished as well. So there will be no access from Pacific Street.

Staff believes this project is consistent with the newer developments on The Strand; the project meets or exceeds all development standards and adds more parking; the density is low—it is not even half of the maximum at 20.7 of the 43 dwelling units per acre [du/ac]. It also meets all the requirements of the Local Coastal Program. They are removing the structure on Pacific Street, which opens up that whole area for the public and coastal views.

The Redevelopment Design Review Committee reviewed and approved the project on April 25, and the Redevelopment Advisory Committee reviewed and approved it on July 16, both by a unanimous vote. Staff recommends approval and adoption of the resolution.

Applicant

JENNIFER BOLEN, with EOS Architecture, is the architect for this project and also for the Hughes project to the south. Staff covered most of the details. To mention a few additional items, we are using enhanced materials—a natural stone product will be used for all the details, in addition to smooth-faced stucco. We are also set back further from The Strand than is required, and it staggers where the master bedrooms are, which also enhances the view from The Strand. We are also removing the project that projects above and blocks the view currently. In addition, the roof treatment for this project will be cobbles in a traditional design to complement the architecture and also to be coordinated in conjunction with the project to the south. It will create a virtual plaza-like feel, which will be a nice enhancement from the Pacific Street view.

With no one wishing to speak, the public hearing was closed.

COUNCILMEMBER FELLER noted this is part of the excitement of things going on when people decide to invest. This is what can replace some of the rough looking places. He **moved approval** [and adoption of Resolution No. 08-R0493-3, "... approving a Tentative Parcel Map, Development Plan and Regular Coastal Permit for the construction of a residential duplex located at 217 South Pacific Street – Applicants: Natalie and Luke Lauer"].

DEPUTY MAYOR CHAVEZ **seconded** the motion.

COUNCILMEMBER SANCHEZ wished to note the history in that the original house was around 1928. In reading the historical information and the chain of title, this property was owned by the Hayes family.

COUNCILMEMBER KERN questioned what will happen with the curb cut on Pacific Street since that house will be torn down; will it be removed for more parking?

MR. BABICK replied yes, the curb cuts will be removed for more parking.

COUNCILMEMBER KERN indicated that since this is an old building, if there is any old original hardware or windows, to contact the Historical Society or SoHo, etc. regarding salvaging some of these items. Whatever can be saved, we should save.

MR. BABICK responded absolutely, and there is a condition (#91) requiring photographic documentation.

Motion was approved 5-0.

CITY ATTORNEY MULLEN responded that tonight is introduction of the ordinance; it will come back for adoption; and thereafter it is not effective for another 30 days, which would address Councilmember Feller's concerns.

Following reading the title of the ordinance, **motion was approved 5-0.**

GENERAL ITEMS

General Items are normally heard after any 6:00 p.m. Public Hearing Items. However, if time permits, some General Items may be heard prior to any 6:00 p.m. Public Hearing Items, following the Consent Calendar.

26. **City Council: Approval of the Arts Commission's FY 2008-09 Budget and FY 2008-10 Workplan**

- A) Introduction by Donna Arnold, Library Division Manager
- B) Report by Carolyn Mickelson, Arts Commission Chair
- C) Discussion
- D) Recommendation – approve the budget and workplan

CAROLYN MICKELSON, Arts Commission Chair, gave the report, noting that this Council recognizes the importance of the arts in improving the quality of life in this community. Our goal is to provide support and community input for Council and to work with various groups interested in promoting Oceanside as a destination point.

She visually showed some of the projects they have been working on and what they will be working on in the future. We are working with the bike committee to fund and choose interesting bike racks, which will be installed soon. We are painting utility boxes in the harbor and painting a mural on the Pacific Street bridge wall. She reviewed some performing arts events. They are helping to organize and fund the free concerts in the park, events at the Star and Sunshine Brooks theaters, etc. We provided funds to the Mission San Luis Rey for refurbishing their sacred gargoyles sculptures, etc. We liaison with various groups and events. We are proud of our interaction with MainStreet and the installation of an art sculpture in front of the Wyndham. This year we are exploring ways to have rotating displays of art in the City. Such displays will encourage people to explore areas and create tourism in unusual places. These are a few of the programs they are working on.

DEPUTY MAYOR CHAVEZ moved approval of the budget and workplan [Document No. 08-D0496-1], and recognized the Commission for their efforts.

COUNCILMEMBER FELLER seconded the motion.

COUNCILMEMBER SANCHEZ stated the one big challenge the City has is to find permanent funding. She hopes we can find this funding.

Following accolades to the Commission/arts, **motion was approved 5-0.**

[Recess was held from 5:58 – 6:05 PM – public hearings were heard next]

27. **City Council: Oceanside Community Safety Partnership – Steering Committee Quarterly Update**

BRENDAN MANGAN, Management Analyst, gave the second quarterly update report from the Oceanside Community Safety Partnership (OCSP). The steering committee was organized at the City's request to bring together public and private organizations/individuals to address community safety concerns related to at-risk youth. The steering committee has been meeting weekly since January 2008. He gave an overview using computer slides of their mission statement, priorities, a new web site [www.ocspdatabase.org], etc.

JARED BRUCE gave an overview of how the web site will work and the information available.

MR. MANGAN gave an update on some of the new programs for youth, mainly for at-risk youth. Regarding potential funding for programs, the City has been able to secure and earmark \$400,000 for OCSP as part of the fiscal year 2009 federal budget. This funding has yet to be received in the House of Representatives Committee and is uncertain, but it is promising. The Steering Committee has also explored other grant opportunities.

He further reviewed the work of the OCSP in trying to address issues of truancy, gangs, graffiti, etc. He also reviewed future outreach events, etc.

COUNCILMEMBER FELLER noted the OCSP is about saving our children, and their outreach is working. At-risk covers many things, and he questioned the resources for suicide prevention.

MR. MANGAN was sure that on the web site they would have some contacts for this. We are trying to get all the resources that serve children and families. There are many services out there. He believes that information is already in there under mental, but if not, they will make sure to add it.

COUNCILMEMBER SANCHEZ had learned about the closing of Ditmar School, and it was sad for all. The concern was where the kids would now go. She has learned that 42 kids would be going to Laurel Elementary, which is kind of a rival territory. She wondered what could be done to insure a smooth transition. The School District is moving towards community-based schools. The kids were all given a choice for this year only as to where they could go to school; they could go anywhere within the school district; so 42 kids are going to Laurel, and about 125 decided to go to South Oceanside Elementary, etc. She brought this concern to the OCSP, and that is the whole idea behind this Unity in the Community. Hopefully this will unite 2 neighborhoods to prevent the issues we have had in the past.

[Recess was held between 7:32 – 7:37 PM.]

28. **City Council/CDC: Approval of a two-year professional services agreement with MainStreet Oceanside in the total amount of \$350,000: \$190,000 for FY 2008-09 and \$160,000 for FY 2009-10, for services to assist in the commercial revitalization of the downtown area; and authorization for the City Manager/Executive Director to execute the agreement**

Jane McVey, Economic and Community Development Director, gave the staff report, stating this item is the 2-year contract with MainStreet Oceanside, which has existed since 2000. Over the years their number, type and size and event have increased and changed. The budget request is for \$190,000 for FY 2008-09 and \$160,000 for FY 2009-10. Council was provided with a list of their accomplishments and their workplan of what they are proposing to do. MainStreet has also submitted their annual reports of goals and accomplishments over the last several years of their contract.

In addition, staff worked with MainStreet on getting a budget for each special event. We had received budgets for the entire organization, and we worked with them to group like items together in a format we could review for City purposes to then make projections for the loaded costs of each of their special events, i.e. adding in the required staff time and overhead. All of MainStreet's personnel time and operating expenses such as rent are not attributable to special events; it is only one of the items that they do. So the bulk is attributable to running the organization—the administration, marketing, newsletters, meetings, etc. However, some percentage of that time and rent is also attributable to the special events that they conduct. So they have estimated the amount of staff time and office/warehouse space attributable to those events. Council will see that on the addendums to the contract.

Over the past few months MainStreet has reevaluated their business plan and decided to focus less on the special events and more on specific categories of items that

would be of benefit to the businesses downtown. They have also decided to drop a couple of special events that they did not feel met the needs and requirements of the City, did not make money for them, or were not as valuable to them. That is what is before Council. Staff would recommend approval of staff's recommendations.

Public input

KIM HEIM, with MainStreet Oceanside (MSO), stated we have been a rapidly growing organization, and the scope of work has increased and changed substantially since he came here 5 years ago, with an increasing scope of work.

KIRK HARRISON, 400 N. Myers Street, owner of Harney Sushi, stated as a new member of MainStreet and as a spearheading restaurant in redevelopment, we at Harney did not have an easy task coming to Oceanside with a road paved with naysayers, prejudice, etc. We came because it feels good to be part of something larger and to contribute to the cultural growth of a people longing for it. This is our second location. The networking and monthly meetings are of utmost importance to us. It is because of organizations like MainStreet that revitalizations can even exist. It is the non-elected business owners and residents that stick their financial neck out every day. He knows MainStreet's new contract hinges on budget constraints, etc. This City will change without MainStreet or City Council helping it. He is impassioned about Oceanside's future, and everywhere he looks he sees potential. The MainStreet organization is the most valuable asset the City has for new businesses. To cut them or reduce their influence or budgets is a precarious example for us and all future businesses that come here. He is proud to be here as a member of the MainStreet organization.

MARTIN GOREN, 3679 Branch Street, moved here 20 years ago when Oceanside was not a desirable place to be. With MainStreet, it took a lot of hard work to build the Sunset Markets, and MainStreet personnel are hard working and dedicated. Let's keep this going.

DONNA McGINTY, 2405 Mesa Drive, a resident for about 67 years, is a pretty good accountant, has been following MainStreet's money for a couple of years and has meet with City and MainStreet staffs. She is thrilled with what is going on in downtown. She read a letter, which Council has a copy of, regarding the reporting of public funds used by MSO. Staff was directed to correct the reporting and bring it forward. Peter Weiss has informed her that the public funds used had not been accounted for separately for the last 2 years. The issues she finds disturbing are not worth her time talking about any more; she is not going to get her answers. This budget is flawed and is nothing but estimated numbers because there is no 2-year history for the numbers Council is looking at. There is a lot of money at stake, and programs have been eliminated. The only truly successful program is the beach services program, which has not been supported by public money.

JIMMY KNOTT, 127 Sherri Lane, stated Council started on your early budget allocations, and you are getting the cart before the horse. MSO is coming to you before the budget has been heard by Council. A few years ago you had the budget before you, had the budget cycle hearings, and had very little discretionary funds because you allocated a lot of money before then. So, when it came time for the urgencies, you did not have the funds you wanted and had to cut groups, it is going to happen again. We are in a difficult economic time, and it is time to start thinking of other ways of doing things. It might be time to put out to bid special events coordination to see if it can be self supporting. In the past Council has asked MSO to be self supporting with standards, etc. He did not hear a report tonight on those standards. There have been no quantifications, no tax recovery standards, and no analysis of ancillary costs to the City for public safety, public works, etc. From MSO the only things he has heard in months are requests for additional funding. Council needs to seriously look at how it is handling the budget.

MARY ANN THIEM, 731 N. Tremont Street, MSO Board member, has worked with MSO for 5 years and has seen events grow. We interact with more than 500,000 people every year, and that is not counting OFest. There are memos going around that are full of innuendos and half truths. To those confused by the controversy over a

budget request for an organization that is growing and improving along with a growing and improving Oceanside, she urged people to visit them to see how much work MSO puts into its efforts and how much payback we get for the City. If you want a strong community, you need to do more than just criticize; you have to contribute, work, help, build. Of course our organization has to be fiscally responsible; MSO has a yearly audit by a certified independent auditing firm, and we pass with flying colors. We raise money; we reconcile our books; we track our cash balances; and we have budgets that account for the profit and loss on each of our events. All this and more, including a quarterly report on our performance on agreed-upon objectives is given to the City. As a nonprofit, we are not required to furnish an exploded detailed view of our budget to the public. We do give that information to the City; there is nothing hidden. Being fiscally responsible is something we take seriously. We work with the City every week of the year to align our efforts with the goals for Oceanside. If you believe in a growing, vital Oceanside, you will find that we make a very good partner.

JOE RYAN, 205 South Myers Street, stated that he and his wife first moved to Oceanside in 1996. We operate Skweezrz N.Y. Italian Ices at Tyson Park as part of MSO's beach services program, and we are also vendors at the Sunset Market. We are joined with fellow beach service concessionaires, Marty and Vicky Goren—Dad's N.Y. Hot Dogs, and Michelle Melch—Surf and Sea Hawaiian Shaved Ices, and we are in complete support of MSO's efforts in Oceanside. Oceanside is a better place to live, work and play directly as a result of efforts of MSO. We also thank Council for the opportunity we have been given to serve the hospitality needs of the public at the beach. MSO is invaluable.

Public input concluded

COUNCILMEMBER FELLER stated investors are looking at every possible way to come to Oceanside. What MSO has done in their efforts has helped to make that possible. It takes great planning to transform a downtown, and there needs to be vision. The people with the money have the most vision. The transformation of downtown is taking place, and MSO has invested their time and effort into marketing and events. It is about marketing to investors that are interested in a thriving downtown. They are coming because they see the future. Beach vending is doing great in the summer months, and maybe there are other opportunities as we go forward.

We need to look at what we do in the downtown and be diligent about MSO operations, to go door-to-door with these businesses, like property managers. We have a mall without walls in the downtown, and somehow we have to take care of all the assets and make it attractive to the new investors that will be coming. He sees some of MSO's responsibilities changing somewhat. As we run out of open spaces to hold events, along with the need for parking, we want to maintain what we have.

The workplan says a 'developers' forum, and he would like that changed to an 'investors' forum. As indicated in the staff report, we are making an investment in the downtown. He would **move approval** of staff's recommendations with a caveat that we need to move forward with some of these other aspects. Maybe it needs an ad hoc committee, with City staff, MSO and other people interested to outline where we want to see this go.

Motion died from lack of a second.

COUNCILMEMBER KERN stated that part of this is about moving in another direction and what we expect from MSO with this partnership. He would rather fund MSO for one year and then hold a facilitated workshop the last Wednesday in January with Council, MSO, SD Malkin, and CityMark so we can lay out a strategic plan for MSO that will take us 5 years out. Things will be changing rapidly; we need to sit down and come up with a plan for MSO, and it cannot be dictated from the Council; it needs to be in partnership with MSO. That would be a better option for now. He knows there are some budget questions. We need to think this thing through in January after the election is over. That would address some of the questions/concerns, and it lets everyone plan what they want to have happen with MSO.

He **moved** to fund MSO for one year and have a facilitated workshop the last

Wednesday in January [January 28] TO come up with a strategic plan and a 5-year plan for MSO.

DEPUTY MAYOR CHAVEZ seconded the motion.

COUNCILMEMBER SANCHEZ stated that if the enthusiasm and the goodwill of everyone involved in MSO were given a value, we would be rich. MSO is doing a good job. She agrees with Councilmember Kern that this is an evolving kind of relationship. MSO began where the Downtown Business Association [DBA] ended. There was an agreement that there would be a higher amount in terms of partnership with the City, how much the City was investing in the DBA, and activities to get people coming to the downtown area. When DBA dissolved, the members reinvented themselves, and they picked a good group—MSO to associate with for a vision. What Oceanside is doing is exactly what MSO is all about, and that is the idea of people coming back to the heart of the City. The City is questioning the role - how many events pay for themselves, what is the real plan, etc. That is a question she had before, and she still has no idea. People are concerned about at what point MSO becomes self sufficient. She believes that has not been a real conversation we have had with MSO; will it or should it happen. These are questions that need to be discussed and answered, but maybe this is not the best time. She does not want to stop the enthusiasm, participation, volunteers, etc., but we need to define it.

She agrees with the one year. We still have questions about why it is not more self sufficient and if that is a possibility. MSO needs to be able to generate revenue, and she knows they are putting the money back into the organization. What she does not understand, and what needs to be answered, is what is the plan and what is the City's ultimate role in MSO. It seems like we keep asking where the money went and why it is so expensive.

She is excited about the idea of coming back to the heart of the City with a walkable community, with retail on the first floor and no parking. We need more scattered parking structures in the downtown, and we need to partner with the private sector in doing this. We need to resolve this and get beyond it. January would be a good time.

CITY ATTORNEY MULLEN wished to clarify the motion.

COUNCILMEMBER KERN further **clarified the motion**, stating it is to adopt this year's [FY 2008-09] workplan and this year's funding for \$190,000, authorize the City Manager to execute the amended one-year agreement [**Document No. 08-D00497-1**] and then hold the workshop the last Wednesday in January [January 28] to develop a strategic plan.

DEPUTY MAYOR CHAVEZ as **second, concurred**.

COUNCILMEMBER FELLER thinks this is an invaluable tool. He cautioned that some of the workplan items are already in the works for 2 years from now, and if we wait till January, it could have big changes that someone already committed to for 2 years from now. He has not heard any problems with parking downtown nor has he heard anyone complaining about parking downtown. We will get parking structures. We don't want to chase people away.

Motion was approved 5-0.

MAYOR AND/OR COUNCILMEMBER ITEMS

29. **Request by Councilmember Sanchez to consider adoption of an ordinance regulating mini-dorms; direction to staff**

COUNCILMEMBER SANCHEZ was approached by residents of Costa Serena who experienced issues with students moving into this quiet neighborhood, with parties, trash, cars, etc. This is not unusual for the rest of the County. The City of San Diego has been experiencing these problems in the residential neighborhoods around the colleges. To address these problems within single-family, quiet neighborhoods where

houses are being occupied by several college-age adults; these are called mini-dorms. San Diego tried to address the issues using nuisance abatement laws, but they have been unable to address all the issues; so they came up with a few pieces of legislation.

She is asking the Council to consider directing staff to look into the potential for Oceanside to also come up with a mini-dorm ordinance. San Diego defines mini-dorms as single dwelling units occupied by multiple adults, which through unconventional development patterns and a variety of disturbance issues are adversely affecting local single dwelling unit neighborhoods. This is a complex problem that cannot be solved by the city alone, so San Diego is asking for others to address this.

Public input

DARLENE WRIGLEY, 3365 Buena Hills Drive, stated we have had a mini-dorm; an older person rented it. She does the age compliance for Costa Serena, and she has tried to find the owner and sent letters. Now we are not allowed to pursue the age compliance issue, which is of great concern to us. Those in the residence have drunken parties, etc. We are keeping track of the homes that have these problems.

Public input concluded

COUNCILMEMBER SANCHEZ stated the reason to start looking at this now is because the colleges in the area are experiencing high enrollments, which means more students with less places for them to live. Now that we have the Sprinter, it will be easier for students to pool funds and rent a house together. The purpose of the ordinance is to protect the character of single family neighborhoods while still meeting the housing needs of all segments of the population.

COUNCILMEMBER KERN stated it is not just this neighborhood that has problems with overcrowding; others, mine included, have 2-4 families living in a house, with 7+ cars parked around, etc. He suggested coming back in 90-120 days and exploring not just the mini-dorm issue, but also ess overcrowding in houses in general; that is where the real problem is. We should expand this into some idea of how to handle the bigger problem of several families in a house throughout our neighborhoods. He would like the whole global problem reviewed.

COUNCILMEMBER SANCHEZ noted that, while they are calling it a mini-dorm, it is described as multiple adults in a residence. It is not just that you are going to college. San Diego passed 3 pieces of legislation ranging from requiring on-site parking for each vehicle at a residence, to completely banning rooming houses—houses with 3 or more bedrooms that are rented by the room in low density residential zones. It is not just Costa Serena; we have had other complaints.

She **moved** to direct the City Attorney to look into developing a potential ordinance regarding issues akin to mini-dorms.

COUNCILMEMBER KERN seconded the motion.

CITY ATTORNEY MULLEN commented that the cities of San Marcos and San Diego have enacted ordinances that attempt to deal with the intrusion of commercial uses into single family, low density neighborhoods. The commercial use is the proliferation of these leases, i.e. 3 or more leases within one single family home in San Diego, or in San Marcos, 5 or more leases within a single family residence. So the area where the city has the ability to regulate would be protecting the health and safety of single family neighborhoods. We face issues regarding occupancy limits since those are set by State law, and generally we are preempted from regulating in that area. So we walk a fine line in trying to craft something that is legal. We could come back within 90-120 days with a full discussion of this. Also, if you wished to adopt something, it would need to go to the Planning Commission for their recommendation as well.

COUNCILMEMBER FELLER noted that the backup referred to a residential high occupancy permit; he would say to not allow that to happen. In San Diego's ordinance, it alludes to figuring out how to allow it, and he is completely opposed to it. He noted a house in Sea Mesa where there is a living room with 9 sleeping bags on the

floor and 9 cars. There is something wrong with this. The Jaycees distribute Christmas items, and in one 2-bedroom apartment there were 6 adults and about 12 children. Their heart aches for those children, but something is wrong with such a system that allows that to occur. The most important factor is too many people living in single family dwelling. It is a public health and safety issue. Something is wrong with a system that allows this type of living. As he said 4 weeks ago, we may need to be on the cutting edge of making this a public health and safety issue and stop this madness. We are getting complaints almost every day. Every neighborhood has this problem. We cannot allow this abuse.

DEPUTY MAYOR CHAVEZ would support allowing this to go forward to staff. His comments to staff to consider are that he believes the salient point is the health and safety issue. In his neighborhood there was an issue of 6 males in a drug rehab program all in one house. This is a problem. Another issue is the amount of cars and the parking issue. We have standards already for noise. This is something to look at, especially in light of the Sprinter going through and anticipating more developments to support the colleges. As we know, the problem now is the economy. People are having a tough time making ends meet; but we need to keep the character of our communities. He is anxious to see what comes out of this effort.

MAYOR WOOD thinks we need to send a message to the communities that the City is behind them in trying to alleviate this problem

Motion was approved 5-0.

CITY CLERK WAYNE reported a change to the agenda. See Public hearing Item 24—continued to August 20.

The Mayor determined to hear Item 26 next – see Item 26.

30. **Request by Councilmember Sanchez for a resolution opposing fiscally irresponsible State budget decisions that would "borrow" local government, redevelopment and transportation funds; and direction to staff**

COUNCILMEMER SANCHEZ stated this is a request from the League of California Cities (LCC), and we have alluded to how the Governor is considering taking/borrowing from cities and how concerned we are. The Mayor has already sent a letter on our behalf regarding this issue. The LCC asked us to do a resolution. She is asking for and would **move** approval of the resolution and to send it forward.

DEPUTY MAYOR CHAVEZ **seconded** the motion.

COUNCILMEMBER FELLER requested changes to the resolution to fix language items and add in public safety.

DEPUTY MAYOR CHAVEZ believes Councilmember Feller is referring to the resolution in Council's backup material dated June 15; the one Councilmember Sanchez distributed before the meeting was dated July 1.

COUNCILMEMBER SANCHEZ noted the most recent resolution sent July 1 is the one we are being asked to pass. The LCC has been studying the areas where cities could be raided, so they are trying to cover all the bases. They want a resolution. If we want to modify it, that is fine.

COUNCILMEMBER FELLER noted that government is created for infrastructure and public safety and health, and the resolution says other community services, which would include affordable housing. So if on page 2, line 3 [June 15 resolution] we left out 'affordable housing', and on page 2 – Line 19 we add in 'public safety' where it says "...Such a move would be fiscally irresponsible for the state and hamper effective local services, public safety and infrastructure investments", he could support the resolution.

COUNCILMEMBER SANCHEZ **amended her motion** to adopt the resolution [**Resolution No. 08-049801**, "...opposing fiscally irresponsible State budget decisions

that would "borrow" local government, redevelopment and transportation funds"], as amended to delete "affordable housing" from the last paragraph on page one, and on page 2 on the 4th paragraph in the last sentence add public safety to "...hamper effective local services, public safety and infrastructure investments".

DEPUTY MAYOR CHAVEZ seconded the amended motion.

Motion was approved 5-0.

31. **Mayor Wood: Appointments to, or motions to remove from, some or all of the City's Citizen Advisory Groups**

MAYOR WOOD noted that he put out the list a week ago. He noted there are openings on several advisory groups, and he cannot appoint someone who does not have an application submitted. He encouraged people to file.

He **moved approval** of the list of appointments/terms.

COUNCILMEMBER SANCHEZ seconded the motion.

DEPUTY MAYOR CHAVEZ, as liaison to the Police & Fire Commission, asked that the reappoint of Don McKinney and Marlon Guynn be bifrocated and considered separately. He would not support these 2 appointments as liaison.

Council concurred to bifrocate the motion, as follows:

<u>ARTS COMMISSION</u>	<u>Term Expires</u>
Reappoint Corrine Perez-Garcia as Regular	7/1/2011
Appoint Dana Smith as Regular/MiraCosta College (Replacing L.J. Wayne)	7/1/2010
Appoint Skip Pahl as Regular/Oceanside Museum of Art (Replacing Eloise Gutierrez)	7/1/2011
Appoint Elizabeth Van Hunnick as Regular (Replacing Lynn Weston)	7/1/2009
 <u>BUILDING AUTHORITY</u>	 <u>Term Expires</u>
Appoint William Freed as Regular (Replacing S. Borossay)	11/30/2010
 <u>COMMUNITY RELATIONS COMMISSION</u>	
Reappoint Joe Stone as Regular	7/1/2011
 <u>ECONOMIC DEVELOPMENT COMMISSION</u>	
Reappoint Larry Hatter as Reg: Banking/Financial Services	9/26/2010
 <u>HISTORICAL PRESERVATION ADVISORY COMMISSION</u>	
Reappoint Andrew Guatelli as Reg: Member At Large	7/1/2011
Reappoint Greg Root as Reg: Member At Large	7/1/2011

HOUSING COMMISSION

Term Expires

Reappoint Joseph Farmer Jr. as Regular	7/1/2011
Reappoint Jeannette Huskey as Regular	7/1/2011
Reappoint Kay Parker as Regular	7/1/2011

INTEGRATED WASTE COMMISSION

Reappoint Burke Belknap as Regular	7/1/2011
Reappoint Mimi DeMirjian as Regular	7/1/2011
Appoint Brian Conrey as Regular (Replacing S. Clack)	7/1/2009

PARKS & RECREATION COMMISSION

Reappoint Margaret Malik as Regular	7/1/2011
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REDEVELOPMENT ADVISORY COMMITTEE

Reappoint Burton Johnson as Reg: Real Estate Profession	7/1/2011
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SENIOR CITIZENS COMMISSION

Reappoint Patricia Jennings-Raetz as Regular	2/10/2011
Appoint Henry Holloway as Alternate II (Replacing J. Barreras who was moved to regular)	2/10/2010

TELECOMMUNICATIONS COMMITTEE

Appoint Gerald Hampton to Regular (Replacing P. Mann)	9/27/2009
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TRANSPORTATION COMMISSION

Appoint Dan Armentrout as Regular (Replacing Matt Altman)	7/1/2011
Reappoint Pete Penseyres as Regular	7/1/2011

UTILITIES COMMISSION

Reappoint Ernest Holden as Regular	7/1/2011
Reappoint Harris Schurmeier as Regular	7/1/2011

YOUTH COMMISSION

Appoint Abigail Strout as Alternate II (Replacing Sarah Booher)	9/20/2010
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Motion was approved 5-0 (for above appointments)

POLICE & FIRE COMMISSION

Term Expires

Reappoint James Provenza as Regular

8/1/2011

Reappoint Gwen Sanders as Regular

8/1/2011

Motion was approved 5-0 (for the above appointments)

Reappoint Donald McKinney as Regular

8/1/2011

Reappoint Marlon Guynn as Alternate II

8/1/2010

Motion approved 3-2, with Deputy Mayor Chavez and Councilmember Kern voting no.

CITY COUNCIL REPORTS

- 32. **Mayor Jim Wood** – reviewed that we allowed the California Coastal Commission to use our Council Chambers last Wednesday [through Friday], so we had a full agenda today. It allows the Coastal Commission to become more familiar with our City. One important project on their agenda was the desalinization – Poseidon plant in Carlsbad. With water concerns, that was an important item.

OPD had national night out. Fuji, Japan, our sister city has students coming here next week to visit.

- 33. **Deputy Mayor Rocky Chavez** – stated when the Coastal Commission was here we had a good showing for the City, and the Coastal Commission allowed the Poseidon desalinization plant to go forward.

He highlighted the Ocean Village complex at Coast Highway and Civic Center Drive; the leadership forums series by Cal State San Marcos; the concern at Ocean Hills about a power plant being put in next to Ocean Hills that Carlsbad is recommending—there will be a hearing August 28 at the Sheraton in Carlsbad about the power plant. We will also be hosting a hearing on this.

- 34. **Councilmember Jack Feller** – noted the opening of Fire Station 7; the Mance Buchanon Park ribbon cutting was held; Soccer opening day was Saturday; Canine Champions had their military/wounded warriors event; the Ice Cream Social was held at Heritage Park; the golf tournament yesterday with the firefighters; the Optimists spaghetti dinner fundraiser will be held Sunday. We are having a great summer in Oceanside.

- 35. **Councilmember Jerome M. Kern** – reviewed the soccer opening; the Veteran’s fundraiser on Saturday; and the Ocean Hills issue on where a 500 kilowatt power plant could be placed in that area. What happens in Carlsbad does affect Oceanside, just like with the Poseidon project. We need to become larger regional players about what affects all of North County. He hopes we can bring the energy people here for a hearing on the power plant as well.

- 35. **Councilmember Esther Sanchez** – noted it is truly important to stand behind Ocean Hills in these issues. She also attended the Mance Buchanon Park opening. She noted the release in September of the EIR for El Corazon for a 45-day review.

INTRODUCTION AND ADOPTION OF ORDINANCES – None

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August 13, 2008

Joint Meeting Minutes
Council, HDB and CDC

ADJOURNMENT – **MAYOR WOOD** adjourned this joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors at 8:51 PM, August 13, 2008.

[The next regularly scheduled meeting is at 4:00 p.m. on Wednesday, August 20, 2008.]

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne
City Clerk, City of Oceanside