



California

CITY OF OCEANSIDE

MINUTES OF THE

CITY COUNCIL

May 2, 2001

ADJOURNED MEETING 10:00 AM COMMUNITY ROOMS

Mayor
Terry Johnson

Deputy Mayor
Betty Harding

Councilmembers
Jack Feller
Carol McCauley
Esther Sanchez

City Clerk
Barbara Riegel Wayne
City Treasurer
Rosemary Jones

The adjourned meeting of the Oceanside City Council was called to order by Deputy Mayor Harding at 10:00 AM, May 2, 2001 for the purpose of a Mayor and Council Study Session. The Pledge of Allegiance was led by Councilmember Feller.

ROLL CALL

Present were Mayor Johnson [arrived 10:07 AM], Deputy Mayor Harding and Councilmembers Feller, McCauley and Sanchez [arrived 10:21 AM]. Also present were Assistant City Clerk Charles Hughes, City Manager Steve Jepsen, Deputy City Manager Jose Aponte and Deputy City Attorney Anita Willis.

STUDY SESSION ITEM:

1. Council priorities for Recreation Services

ANA ALVAREZ, Parks and Recreation Director, stated that the department builds communities through parks and open space for athletic fields and through building healthy and active families, children and seniors.

Staff presented priority projects in 3 different categories:

- Priorities within the parameters in the Master Plan developed in 1996
- Priorities of 2001 projects to date
- Priorities of Council projects that came out of their recent study session

This session will address the projects based on Council interest by discussing costs, development, procedures and processes.

CHRIS HAZELTINE, *Administrative Analyst, II*, stated that Oceanside's quality of life depends, in part, on the condition and accessibility of its parks, open spaces and recreational services. The greatest amount of open space is its parks. The Parks and Recreation Department has the largest number of children under its supervision, just below a School District. Families are more likely to experience positive, wholesome and healthy time together by participating in community recreational activities. The constructive use of leisure time forms the foundation for lifelong learning, reduces stress, improves an individual's health and reduces juvenile delinquency. A survey featured in the February 2001 issue of *USA Today* indicated that the preference for seniors when they turn 65 are entertainment, fitness and recreation services.

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MEETING BY CITY COUNCIL

MS. ALVAREZ reiterated that the department is not just providing services but is building a community. The department plans to have the Strategic Planning process completed by October to present to Council. For the last 6 months, they have met with different community stakeholders and all the recreation supervisors to assess the services. Through the process a Mission Statement, a Vision Statement, and Core Values were developed for the Parks and Recreation Department. One of the primary Core Values is to enhance the quality of life in Oceanside. Parks and Recreation collaborates with partners in the community, local agencies and City departments. For example, Youth services have included enhancement and nourishment, with the assistance of the Housing Department, the Police Department and the Library.

DEPUTY MAYOR HARDING had always been told that a Mission Statement should be short enough to print on the back of a business card. This statement would be hard for employees to memorize, making it difficult for them to explain the department's mission to someone else. The bullet points sound more like goals than part of a Mission Statement. She suggested that they be deleted from the statement. The City's Mission Statement is just one sentence.

MS. ALVAREZ clarified that this is just a draft. It is a challenge to create a Mission Statement that embraces all that they do.

The other piece of this study process has been the ability to take care of the infrastructure of the parks. Staff has identified 9 service areas.

There are 5 recreation centers: North River Road Recreation Center, John Landes Recreation Center, the Senior Center, the Beach Recreation Center and the Joe Balderrama Recreation Center. These only make up one element of the department's service area. The recreation centers offer a wide variety of services such as drop-in programs and after-school programs. Those centers also provide lease and rental options for the educational and leisure classes that are offered there.

The Cultural Services area of the Strategic Plan requires the City to identify cultural needs, which was also one of the goals from the Council retreat. Staff is looking forward to working with Council on that. Visual and performing arts classes are offered at the recreation centers and at the Sunshine Brooks and Star Theaters. They need to be promoted to have an impact on the community.

Special Events is another area of focus for Parks and Recreation. "Special Events" include regional and national events that draw people to the City to help economic development. The City also hosts a lot of local events. Special events are one of Council's primary focuses that will have a separate study session.

Another component is Senior Services. Most are familiar with the center that is currently operating and the satellite services being offered there. A needs assessment should be done for an additional facility and additional satellite services.

DEPUTY MAYOR HARDING asked the reason for a needs assessment for a future Senior Center. Over the last 20 years, it has been determined that the next senior services center will be in the Rancho Del Oro area.

MS. ALVAREZ was familiar with several locations that were discussed as part of the Master Plan in 1996 and came up again in 2001. Rancho Del Oro is one of the primary areas on which they will focus, but it would be covered under a site assessment, which is part of the complete process. Staff will return to Council for direction on that issue.

Youth Development embraces many things including after-school programs; skate parks; Youth in Government, which should be expanded within the next 5 years; and sports, which should be its own area of focus. All of the athletic fields are joint resources for the school district, the leagues and other partnerships. Staff needs to look at the operation of those facilities and the services provided. Also included are the aquatic facilities. The learn-to-swim programs are joint ventures with the school district. There is a need for additional aquatic amenities in the eastern area of the City.

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Adaptive Developmental Programs have come up in the strategic planning process. The Parks and Recreation Department has not had the opportunity to do a needs assessment to see if there is a population that can utilize this service. Adaptive Developmental Programs are interpretive services for adults and assistance for children who are physically or mentally challenged. Specific needs programs would be included, such as wheelchair basketball and football. The Americans with Disabilities Act (ADA) mandates that the City provide direct service accommodations, which could include changing a site to help mainstream a hearing-impaired child into a camp or changing the ratio of staff supervision to include an autistic child.

Regarding park sites, they rent out picnic structures and schedule the facilities. They also collaborate with Park Maintenance, Public Works and Engineering for park development and planning.

Staff completed a benchmarking that compared Oceanside to other cities according to population, ethnic breakdowns, service mileage, amount spent on recreation and the number of recreation centers. Oceanside has 160,000 people and spends \$17.21 per capita on recreation programs. Vista has 85,000 people and spends \$28.90 per capita on recreation programs. Carlsbad has 82,000 people and spends \$91.51 per capita on recreation programs.

In October, staff will present to Council a more in-depth discussion on the breakdown of each particular city and how it affects Oceanside. They will also plan what the City would like to spend over the next 5 years.

DEPUTY MAYOR HARDING requested verification that capital was not included in these numbers for the cities on the benchmarking spreadsheet.

MS. ALVAREZ responded affirmatively. There was no capital included in any of the cities.

COUNCILMEMBER McCAULEY requested that staff include the percentage of the General Fund budget used on Parks and Recreation for each city. Some cities have a much larger budget than Oceanside, but we may be dedicating a greater percentage.

DEPUTY MAYOR HARDING requested Carlsbad's rate per capita of \$91.51 be verified since their General Fund budget is less than Oceanside.

MS. ALVAREZ will have staff confirm that information. When the Department returns in October, they will present their 5-year plan and establish their priorities in conjunction with the City's priorities.

TERRY GOODMAN, Administrative Analyst II, reported that over the past 10 years the population in Oceanside has increased by 25%, or from 130,000 to 160,000 people. He reviewed the current service areas of the community centers. The largest increases in population fall within areas that are not currently addressed in the community centers service areas. The areas of Oceanside located near the rear gate of Camp Pendleton have seen large population increases of 25% to 37%. The City needs to include those areas in its future development of new facilities.

Another population increase of 75% occurred in areas located outside the community center service areas. The North River Road Community Center is located near the rear gate of Camp Pendleton. The John Landes Community Center is located in the southern part of the City. The Beach Community Center, Baldaramma Park and the Senior Center serve adjacent areas of the City.

COUNCILMEMBER FELLER noted that some of the areas do not have the ability to increase population.

MR. GOODMAN agreed that there would be minimal increase in certain areas. However, the Morro Hills Development is a significant growth area outside of the current recreation center radiuses. He also confirmed that the Morro Hills area would have a community park with ballfields, tennis courts and restroom facilities.

COUNCILMEMBER McCAULEY commented that the eastern portion of the City has such a large population but they do not have the facilities to accommodate them. They are more heavily serviced closer to the downtown area.

MS. ALVAREZ reiterated that the 75% population growth has been concentrated in the eastern portion of the City. They have a Master Plan in place from 1996, which they will review to begin prioritizing.

DEPUTY MAYOR HARDING asked for the Parks and Recreation Commission ranking on the priorities.

CHRIS HAZELTINE reported that the Parks and Recreation Commission would be meeting later in May to make their priorities.

DEPUTY MAYOR HARDING opposed Council prioritizing the projects before the Commission has the opportunity. This would defeat the purpose of the City's commission system. The Commission stands by their Master Plan and gives considerable thought to every priority.

COUNCILMEMBER SANCHEZ agreed to postpone prioritizing until after the Commissioners have had their opportunity to prioritize. The Commissioners also have the benefit of hearing from the public.

COUNCILMEMBER McCAULEY suggested Council discuss the priorities so that the Parks and Recreation Commission will be aware of Council's position regarding additional recreation facilities. This information is beneficial to the Commission as well.

MR. HAZELTINE advised that a staff presentation as a result of this study session is on the agenda for the Park and Recreation Commission meeting in May. Therefore, the feedback received from Council today will be forwarded to the commission.

CITY MANAGER JEPSEN suggested it would be helpful to know which items Council considered to be important.

COUNCILMEMBER McCAULEY agreed. The commission should know so that they do not come up with something totally opposite of Council's thoughts.

Councilmembers agreed to hear the presentation without making any determining priorities.

MR. HAZELTINE reviewed the 1996 Master Plan, which listed the major needs of the City. The City has been very busy completing many of the projects. Within the last 5 years, the development of Lake Park and Martin Luther King, Jr. Park took place. The bottom third of the Master Plan project list are projects that were prioritized for after 2002. Staff was hoping to have Council discuss reprioritization to ensure that those projects are what Council still wants to see happen in the City.

Staff prepared an additional list that includes the 2001 capital projects. These are projects that have recently been identified as potential development projects. There is some overlap between the 1996 Master Plan and the 2001 Capital Projects list. For instance, the need for an additional Senior Center was identified in the 1996 Master plan and in the 2001 Capital Proposed Development. Additionally, in an earlier study session, Council also listed a new Senior Center as a priority.

DEPUTY MAYOR HARDING asked if staff had looked at all the projects for Sepulveda Park.

MR. HAZELTINE noted that Sepulveda Park was identified in the 1996 Master Plan. It was reprioritized, and MLK Park was pushed ahead. There has been discussion of several things at Sepulveda Park, one of which is the development of a junior executive-type golf course.

COUNCILMEMBER SANCHEZ did not see the Joe Sepulveda Park listed in the recreational facilities to review in terms of the growth.

MR. HAZELTINE reported that the Joe Sepulveda Park is currently just a wide-open undeveloped parcel.

COUNCILMEMBER SANCHEZ understood there is a need for recreational facilities there.

MR. HAZELTINE noted that Sepulveda Park was originally proposed as an active youth park with athletic development and lighted ballfield. As a result of the community input at that time, it was determined to move the resources to develop MLK Park.

DEPUTY MAYOR HARDING described the area as a difficult place to drive. The traffic could not be mitigated in that area for an active park.

COUNCILMEMBER FELLER noted it is in the base of a canyon. John Landes Park is not too far from there.

MR. HAZELTINE agreed that the landscape topography near Sepulveda Park has an amplifying effect, causing sound to travel up to the homeowners at the top of the canyon. It did not prove to be the best place for an active park.

COUNCILMEMBER FELLER inquired if there are 2 ballfields on the top level.

MR. HAZELTINE confirmed that the other parks near Sepulveda Park have amenities such as a ball diamond, basketball court and open turf.

Continuing his presentation, Mr. Hazeltine stated the top third of the 2001 Proposed Capital Projects lists are projects scheduled to be completed within this year. They would like to discuss the development of a temporary Skate Park. Over 6,000 membership cards to the temporary skate park have been issued to date; the park is certainly doing what it was designed to do. There is a need for more parks similar to that one. The 1996 Master Plan showed the need for 5 skate parks. Recreation has been operating on the slogan "5 in 5 years."

DEPUTY MAYOR HARDING asked how far behind the City is on producing enough ballfields to accommodate the youth. That has an impact on determining park development.

MR. HAZELTINE explained that the City has 8 different athletic sports parks in inventory, which encompasses 27 athletic fields. Over 16 organizations and 8,000 participants take part in those programs at the parks. They are booked solid 7 days a week.

If the City had another 12 fields, they would be quickly scheduled. Parks and Recreation does what it can to meet the needs, but the City certainly lacks in the number of athletic fields for our youth groups.

COUNCILMEMBER SANCHEZ asked if only Oceanside residents would use the fields if they were built.

MR. HAZELTINE stated that any youth organization that contains 51% Oceanside residents is considered a resident youth group and may use the athletic fields. Staff determined this stipulation.

COUNCILMEMBER SANCHEZ noted that the City of Vista contracts with other cities to use their fields. She asked if the construction of more parks would fulfill an Oceanside need without contracting out.

MR. HAZELTINE reported that resident youth groups use the City's athletic fields 99.9% of the time. Occasionally, someone rents a ballfield on an available weekend for a special event, but the fields are rarely available for that. Current usage is all local resident youth groups.

DEPUTY MAYOR HARDING recognized that the City does not have the practice and playing fields for the Oceanside youth groups that need them.

CITY MANAGER JEPSEN felt they should quantify the number of ballfields, softball fields, soccer fields, Pop Warner football fields, etc. that are needed.

MR. HAZELTINE referred Council to the matrix on page 18 of the presentation that showed the usage and the number of facilities.

COUNCILMEMBER McCAULEY said that an Athletic Field Study is listed on the 2001 Proposed Capital Projects. That is a citywide field inventory and assessment, so they will be able to come back and finalize that.

DEPUTY MAYOR HARDING recalled that in the past the Master Plan stated how many fields the City was short, or how many acres.

CITY MANAGER JEPSEN mentioned a preliminary tally could probably be determined now. After a quick assessment he determined that 5-6 ballfields are necessary and another 6-8 athletic fields could be necessary.

COUNCILMEMBER SANCHEZ noted that some activities are year-long versus seasonal. Plans to overlay park usage may not be sufficient for a park and asked how staff quantifies the difference between the year-long sports and the seasonal.

MR. HAZELTINE replied most leagues have seasons. The teams that have become specialized with the "club"-competitive atmosphere play year-round. The teams that play during the off-seasons have less of a demand for fields because they travel more. He pointed out that approximately 100 girls participate in the traveling softball winter program, while 400 girls participate in the regular season. Parks and Recreation tries to give priority to the particular sport in season. In the spring and summer, for example, Little League baseball and softball get priority over soccer. The need for year-round sports makes it difficult to have multi-use facilities.

COUNCILMEMBER SANCHEZ pointed out that many teams have a difficult time finding a place to practice.

DEPUTY MAYOR HARDING suggested that the City work closely with Oceanside and Vista Unified School Districts on joint uses. The schools have a lot of fields where these leagues could be practicing, which could relieve some of the overcrowding in City parks.

COUNCILMEMBER SANCHEZ said there is no place for kids to play in Crown Heights. She asked if there was any movement to open the high school for some recreation.

MR. HAZELTINE stated the City does have joint-use agreements with Oceanside Unified School District. All of their schools are opened and used heavily by the youth athletic groups. They have recently opened negotiations with the school district to re-examine the joint-use agreement.

COUNCILMEMBER SANCHEZ noted that people used to be able to use the facilities freely. Since the wall was installed and there is restrictive usage, the kids are playing on the streets.

MS. ALVAREZ commented that staff has voiced concerns to the school district regarding children playing in the streets by Oceanside High School instead when behind the wall there is space.

For the year 2000 they presented a study of the inventory of existing fields as well as a projected growth and needs assessment for use of the fields within the next 10-15 years. The inventory included MiraCosta College, Vista Unified School District and Oceanside Unified School District. The study will include an inventory, operations and maintenance. They want to come up with a workable understanding of a partnership with the school districts and other entities. There are some maintenance costs and safety issues involved.

COUNCILMEMBER McCAULEY noted that the Mayor, the City Manager, the superintendents and school board members from Vista and Oceanside school districts met for their quarterly meeting, and the joint use of recreation facilities was a big topic of conversation.

COUNCILMEMBER SANCHEZ asked if another field was supposed to open at Martin Luther King Middle School.

COUNCILMEMBER McCAULEY replied that at their meeting they were discussing joint uses between the schools and the City. The Vista School District Superintendent and elected board members said they would assign a staff member to look into it immediately.

COUNCILMEMBER FELLER mentioned that the City is in the position where the Vista School District now depends on Oceanside more than they used to.

COUNCILMEMBER McCAULEY confirmed that the MLK Middle School was also a topic of discussion.

COUNCILMEMBER SANCHEZ had heard about some negotiations about a year ago and has not heard anything since.

MS. ALVAREZ explained that they are looking at more than just the field in their negotiations. For example, recreation groups have a need for transportation, and the City needs to find ways to transport groups for field trips and senior programs. The department cannot afford to purchase the necessary buses, while the school district has buses.

The City also needs a dedicated space for after-school programs. The schools need to open for these programs and become community schools. The City is in a position now to negotiate these things. Staff appreciates Council's support on these issues.

COUNCILMEMBER McCAULEY inquired if the restrooms at Fireside Park are still planned for 2001-2002. Three years ago Council pulled \$25,000 out of one budget area per the Parks and Recreation's recommendation to construct these restroom facilities.

MR. HAZELTINE said they are in the process of writing the plans and specifications for the restroom. They just completed the utilities site reviews, so it is on target.

DEPUTY MAYOR HARDING asked about park usage, because for awhile it was mainly homeless people.

MR. HAZELTINE said they are not seeing quite as much homeless usage. In 2 community workshops held to assess the use, citizens indicated that on weekends there is a dramatic increase in use by families and groups for picnics.

COUNCILMEMBER McCAULEY was glad to see the portable restrooms placed as an interim use until the permanent restrooms are built.

COUNCILMEMBER SANCHEZ asked when the doors were going to be put up on the women's restroom at MLK Park because parents are considering putting up curtains.

MS. ALVAREZ stated the department is moving forward with putting up partitions in some of the restrooms, but not necessarily at MLK Park. The Fireside Park restroom needs to be built. North River Road restrooms have a series of issues, not just the partitions. The Recreation Park restrooms also need to be addressed. She said they would put the MLK Park restrooms on their radar.

CITY MANAGER JEPSEN suggested that if Council would like to see the doors funded for MLK park restrooms, staff could bring that back for their approval.

COUNCILMEMBER McCAULEY understood that restroom doors are problems in parks. Many surrounding neighborhoods do not have doors in their restrooms. The Little League often takes care of the restrooms and have found curtains are an inexpensive alternative to partition doors.

CITY MANAGER JEPSEN stated that doors are high maintenance and get ripped off the walls. They could start with the women's restroom and see what their experience is.

MS. ALVAREZ stated one of the City's top priorities in 1996 and 2001 is more ballfields, but she asked where that need fits in relation to the Senior Center, the Skate Park and the BMX Park. Although Council cannot reprioritize these projects today, staff would like to leave with a general idea of Council's priorities.

She wished to prioritize Council projects and ask any questions relating to the specialty parks. Beginning on page 12 of the hand out is an explanation of some of the specialty parks that have been proposed over the last year.

The handout provided a general description of the potential sites and whether it was raised by a community member or at a staff meeting. Staff has not done a site assessment on any of the projects, with the exception of the dog park at Ivey Ranch.

DEPUTY MAYOR HARDING commented that it is different to say the City needs another pocket or specialty park then to say the City needs another Senior Center. The amount of funds required for another Senior Center does not equally compare to the funds required for a specialty park. If things are prioritized, she asked how much the budget is in each of the presented areas. The cost for a senior center is over \$3,000,000 not including the operating costs, whereas a small soccer field might cost approximately \$200,000. She questioned the amount of available funds.

MAYOR JOHNSON added that there is a deadline of July 1st that is quickly approaching for the currently available park bond money. He asked if any applications have been submitted to tap into those available funds.

MS. ALVAREZ responded that if the City were to use the CIP money received from parking fees, there would not be enough money to cover all of the projects. The Park bond money from Proposition 12 does not cover 1/5 of what the City needs for its recreation activities. The Park Fund money is set aside for Parks and Recreation for the next fiscal year, 2001/2002.

There are 11 mechanisms to distribute the Park Fund money. Out of the 11, 2 mechanisms are per capita. In doing the quick calculations, Oceanside can receive about \$1,300,000 from the Park Fund money.

MAYOR JOHNSON advised that the State Director, Rusty Reyes, will be allocating Parks Funds to special projects within the districts. He suggested that staff go through Pat Bates' office or Bill Morrow's office to speak to Rusty Reyes about the City's special projects.

MS. ALVAREZ responded that staff has begun that process. The per capita money will come eventually because some of the per capital money has already been distributed. However, the competitive grant piece will require a lot of support from the legislators on some of our projects.

DEPUTY MAYOR HARDING announced that she and the Mayor will be going to visit the State Director on May 15th regarding other items. This is a good time for them to meet and talk about the funding issue. Additionally, she is unable to prioritize without a sum of money and costs. For example, her number 1 priority may be a senior center. If there is only \$1,000,000 available, they could not build a senior center for 4 years or more.

COUNCILMEMBER McCAULEY stated a broad priority for her is to start focusing on the Eastern portion of the City. She noticed dollar amounts in the handout.

MS. ALVAREZ clarified that those amounts are not operation dollars. They are just development and construction costs.

MAYOR JOHNSON has a good relationship with Rusty Reyes, the State Director. They served 2 years together on the Coastal Commission. The City needs to put together a program to present to him.

MS. ALVAREZ was aware that some cities were already organizing and hiring consultants and lobbyists to get money from Proposition 12. She will continue to follow up on this issue.

DEPUTY MAYOR HARDING noted that another senior center is very high on her list of priorities, but it is difficult to prioritize without knowing the feasibility.

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COUNCILMEMBER SANCHEZ requested that the Parks and Recreation Commission also have that information available. Additionally, she was wondering about devoting the CDBG grant money for next year towards the senior center because it would qualify. Many of the organizations who ask for funds depend on that funding. However, the City could notify them in advance that the City plans to use those funds to complete a new senior center.

DEPUTY MAYOR HARDING inquired if Councilmember Sanchez was suggesting not funding any capital projects for non-profit organizations.

COUNCILMEMBER SANCHEZ clarified that the City could use the CDBG funds for only 1 year. It is a public facility for seniors.

COUNCILMEMBER McCAULEY suggested including the senior center as one of the projects to be funded with CDBG funds. Even if the full amount is not funded by CDBG, other monies could be put toward that effort.

CITY MANAGER JEPSEN suggested that the Parks and Recreation Department would benefit to know if Council considered a new senior center to be a high priority or if Council would be interested in doing a private partnership with someone who could provide the land.

When the budget was completed last year, several reserve accounts were set up. Substantial resources were put into a capital account for Council to determine how to expend the funds. Finance will verify if the money is still there and report how much remains within 30 days. If Council would like to dedicate a portion of those funds toward the senior center, there should be enough available funds. Council must determine if this is a high enough priority that staff should spend more time on it.

COUNCILMEMBER SANCHEZ stated that in a previous conversation with Mr. Jepsen, he advised that funds are available to build the senior center. However, the ongoing costs were of concern.

CITY MANAGER JEPSEN estimated operating costs for a new senior center would be \$250,000 to \$300,000 per year. The necessary funds to maintain this facility would be traded against other services such as safety or other recreational opportunities.

DEPUTY MAYOR HARDING recommended using some funds from the golf course at the beginning and then weaning off slowly. Those fees are going back into the General Fund rather than a recreation fund. Whereas fees from other recreational facilities can go back into the recreation fund. She recommended a workshop for staff to start looking at how to wean that money out of the General Fund. That could be a good income for recreational uses.

COUNCILMEMBER SANCHEZ was not aware of this process and inquired if the City runs any other recreational activities where funds are going into the General Fund versus back into recreation.

CITY MANAGER JEPSEN noted that historically all the money that accrued to the City that could go into the General Fund, went there. Money could then be taken out based on priorities.

The City made approximately \$600,000 on the golf course, and it was established a long time ago that the money would go toward the recreation fund. However, that did not occur. You cannot just take \$600,000 out of the General Fund because that would leave a hole. You could start weaning. Funds are coming in from utilities, harbor and other enterprise accounts that all accrue into the General Fund account.

COUNCILMEMBER McCAULEY asked if the development costs for the extreme sports park was approximately \$8,000,000.

MS. ALVAREZ clarified that the original concept cost was \$16,000,000.

COUNCILMEMBER McCAULEY also inquired about a cost for a dog park.

MS. ALVAREZ noted that the dog park costs about \$60,000 for the actual development. The Ivy Ranch project was a 3-prong project that included a multi-use sports field. The cost for that entire project is approximately \$160,000.

COUNCILMEMBER FELLER suggested developing a new senior center in an existing building as opposed to erecting a new facility.

MS. ALVAREZ noted that those are considered satellite services. The City currently has extensive services for seniors at John Landes Park and North River Road Center.

COUNCILMEMBER FELLER specified that he was referring to existing commercial buildings, similar to what the Police Department did. For example the YMCA is moving out of a building located off of Peacock Boulevard that could be a good place for a senior center, and there is a need in that area. It might be a smoother transition.

DEPUTY MAYOR HARDING thought that was an excellent idea. The City does not need to build new buildings. The Police Department facility was a win/win case.

MS. ALVAREZ calculated that the cost range to build a new 15,000 square-foot facility would be \$2,900,000 to \$3,200,000. If Council would prefer to use a current facility the operational cost would be \$350,000 per year, plus the lease, plus tenant improvements.

DEPUTY MAYOR HARDING thought it would be interesting to see the cost approximation and to review some of the potential locations. The YMCA building located on Oceanside Boulevard near Peacock Hills is an area that needs a senior facility.

COUNCILMEMBER McCAULEY suggested that staff get more information on using an existing facility and present it to the Parks and Recreation and Senior Citizens Commissions before bringing it back to Council.

CITY MANAGER JEPSEN noted that one of the processes is to identify the programs that they wanted to offer at the new senior center prior to picking a building.

DEPUTY MAYOR HARDING noted that if a building could be located in the eastern part of town near a bus line, many of the seniors could get there. That could alleviate the transportation issue.

COUNCILMEMBER McCAULEY added that locating a facility near Peacock Hills is far more compatible than placing it in Rancho Del Oro.

COUNCILMEMBER FELLER stated they could have licensed shuttle buses from Oceanside Boulevard that go directly to and from the facility every 20 minutes.

COUNCILMEMBER SANCHEZ was aware that the City owned property near Hobie Cat in Peacock Hills, which could also be an option.

DEPUTY MAYOR HARDING noted that in 3-4 years, trains will be traveling through that area every 20 minutes, 12 hours per day. There will be shuttle services near the proposed new senior center location. While there will be no shuttle stop there, shuttle services will be committed to getting people to the area.

MAYOR JOHNSON had met with the owners of the properties on the corner of Oceanside Boulevard and Melrose Drive. He let the owners know that when they come to the City with a potential development, they should take into consideration services geared toward the seniors.

COUNCILMEMBER McCAULEY expressed that the Extreme Sports facility is not a priority for her.

MS. ALVAREZ reported that the multi-sports complex would cost \$16,000,000. They are now looking to piecemeal the project, because some of the proposed elements of that project have already been implemented, such as the skate park. Although this is a temporary venue, the service is still being provided.

Conversely, some of those elements have been pulled out, such as the BMX park and the dog park. These two elements may be placed in different locations in the City and priced independently.

The current proposal is to develop the multi-sport Extreme complex. This would include a BMX, a ropes course and a permanent skate facility. The development of that recreation facility would cost \$3,000,000.

COUNCILMEMBER McCAULEY does not like the potential location of the Park.

COUNCILMEMBER FELLER agreed with the location of the Extreme Sports Park.

DEPUTY MAYOR HARDING commented that the sports park is not high on her list of priorities. The senior center is high on her list. Her second priority is enough athletic fields of every type so that kids will have an opportunity to practice their sport of interest.

COUNCILMEMBER McCAULEY disagreed with not giving Parks and Recreation a priority list from Council. They may focus their efforts on something that Council is not interested in.

DEPUTY MAYOR HARDING agreed, adding that if Council says sports fields, for example, are a priority, it is up to the department to determine the best location and type.

MS. ALVAREZ reviewed that Council agrees with the senior center and athletic fields as priorities.

COUNCILMEMBER McCAULEY included the dog park as a priority.

DEPUTY MAYOR HARDING suggested skate parks and senior services.

COUNCILMEMBER McCAULEY did not consider pocket parks or passive parks a priority. Those would be very low priority.

COUNCILMEMBER SANCHEZ is aware of a need for skate parks. Kids are setting up their own ramps in the street, and parents are afraid kids are going to get hurt trying to skate in the streets.

Some suggested a potential skate park location near Calle Montecito behind the school. The number one concern for residents is how to get the kids to stop skating in the streets.

COUNCILMEMBER FELLER advised that the dog park has an importance, but it must be in the right location.

DEPUTY MAYOR HARDING agreed, adding that Canine Companions and Ivey Ranch have expressed concern regarding their location.

ALL COUNCILMEMBERS agreed that special events are very important for the community. Cultural arts, adult senior programming and most of the recreation items presented are important.

COUNCILMEMBER McCAULEY noted the Extreme Sports park came up some time ago, and most of the Councilmembers were very interested. However, as a result of costs and more pertinent needs, her interest has waned considerably.

COUNCILMEMBER SANCHEZ was not a fan of the Extreme Sports Park either, although she has heard an interest from citizens in the BMX. There was a site located near the Murray Bridge. She was not familiar enough with BMX to know if the location near Murray Bridge is a good site. If it is a good site, she would like to get a cost estimate.

MS. ALVAREZ advised that creating a temporary BMX Park would cost no more than \$2,500.

COUNCILMEMBER SANCHEZ commented that people go to Los Angeles and Orange County to participate in this type of sport. It would be nice to provide a safe, inexpensive site for them.

COUNCILMEMBER McCAULEY is not opposed to any sport within the complex, however the site raises her concern.

COUNCILMEMEBER FELLER recommended that the City privatize for this.

CITY MANAGER JEPSEN felt it would be good to form a partnership with BMX.

MR. HAZELTINE noted that there have been a number of interests from private entities in all the Extreme elements.

COUNCILMEMBER SANCHEZ asked for clarification on whether privatizing would out-price some kids or would be made available to everyone based on need.

CITY MANAGER JEPSEN reminded Council that scholarship money and Coca-Cola money is available. Therefore, if there is a child who wants to participate in something, it has been a Council rule to make sure they are able to. It would be necessary to identify who they are to be able to provide a subsidy that will be beneficial to them.

COUNCILMEMBER McCAULEY noted it would need to be very well publicized that assistance is available to those who need it. Even with the soccer fields, there is a possibility for a company to want to build something privately. It would be expensive. In exchange, the City could have them place additional soccer fields that would be run by the City and be open to the kids in the City.

MS. ALVAREZ noted that they will be looking at all of those opportunities. They will also partner with the leagues because they have a lot of contributors. She then focused the discussion on the athletic fields study.

DEPUTY MAYOR HARDING asked if the study costs \$60,000.

MS. ALVAREZ advised that they are mirroring the City of Santa Barbara, and their cost was \$60,000. The City of Santa Barbara contracted out the study and looked at the UCSB, Santa Barbara City College, Santa Barbara School District and the city facilities and fields. It is a very comprehensive piece that reviews the inventory as well as the projected need and usage. The study also negotiates the operation and maintenance of this program.

DEPUTY MAYOR HARDING inquired if staff has contacted the elected officials at Mira Costa to obtain their approval.

MS. ALVAREZ will contact the representatives at MiraCosta to make sure the project fits their needs as well.

COUNCILMEMBER FELLER inquired about the status of pools in the recreation plan.

COUNCILMEMBER McCAULEY stated the YMCA has raised \$600,000.

CITY MANAGER JEPSEN reported they have raised about 2/3 of the money needed. He recommended that Ms. Alvarez review the 2001 Proposed Capital Projects.

MS. ALVAREZ reported that the 2001 Proposed Capital Projects included the Balderamma Teen Center. CDBG funding was approved at \$150,000 to reconfigure space that would be dedicated to teens only. This amount does not include programming costs or the potential for volunteers.

At Libby Lake, the project includes the playground, picnic/shade/platform, Americans with Disabilities Act (ADA) restroom, and the lake aeration. This is an ongoing project, but the groundbreaking ceremony will be held on May 12th.

DEPUTY MAYOR HARDING thought the ADA construction was from a different citywide capital fund. She asked if the ADA was included in the Parks and Recreation capital funding.

CITY MANAGER JEPSEN stated that they have a variety of funding that is used for the ADA. He was not sure of the funding used for this specific project, but the project came to Council a few years ago and pulled money from different avenues. None of the ADA improvements are supposed to come from the Parks and Recreation budget.

MS. ALVAREZ reported that \$200,000 covered the playground, the picnic area, the shade structure, the platform and part of the lake area. She will address the skateboard park later in the presentation.

Additional projects include pool upgrades. Chemical control, boiler, and specific upgrades need to be done to meet safety and compliance requirements.

The Crown Heights Pocket Park was listed in the 1996 Master Plan as a downtown park to meet the recreational needs of children in that area. A grant is in the process for \$38,000 plus the cost of the land. The children and residents in that area suggested a basketball court, 1 or 2 skate ramps, a swing set and a picnic structure.

Councilmembers expressed concern that the homeless would use it as a place of lounging or be used as a flea market.

MAYOR JOHNSON noted this is a very small lot. The Recreation Park restroom is an ADA item that should not be on the Parks and Recreation Capital Projects spreadsheet.

The Skate Park is a temporary structure to fulfill the goal of "5 in 5 years". There is already 1 skate park in and the possibility of doing another skate park in the eastern part of the City. MLK Park is the potential location. If they were to put one there against the wood structure, the cost would be close to \$80,000 in addition to staff costs.

DEPUTY MAYOR HARDING pointed out that the current temporary skate park will not last very long. If the permanent structure is built at MLK Park, that would be a long distance for kids to travel once the temporary park is no longer functional.

MS. ALVAREZ reported that the site assessment needs to be done on the permanent skate park. The City currently uses a combination of wood and concrete structures for the freestanding skate parks that include 1 box and 2 ramps. It is very low maintenance and easy to construct. This is one alternative that may fit into the Libby Lake area. They are also looking at the North River Road, John Landes and Balderrama Center areas.

CITY MANAGER JEPSEN asked if the skate park at 40,000 square feet would be one of the biggest.

MS. ALVAREZ estimated it to be approximately 22,000 square feet.

DEPUTY MAYOR HARDING felt smaller parks would be better to situate throughout the City.

COUNCILMEMBER SANCHEZ asked if the schools have ever considered skateboard parks within the schools along with volleyball and other activities, since the schools are in many neighborhoods.

MR. HAZELTON mentioned that there are some collaborative efforts between churches and schools for skate parks in San Diego.

Regarding playground replacement, **MS. ALVAREZ** reported there are several playgrounds in the Oceanside parks that need to be replaced for primarily safety reasons. John Landes Park, Capistrano Park and South Oceanside Park are among them. The Capistrano Park equipment was replaced approximately 5 years ago along with signage and ballfield work.

She explained that the playground structures are divided by age group. They may have replaced 1 element, but that does not mean the entire element was replaced. The cost for the replacement playground structure is approximately \$75,000 with a rubberized surface, which is what they are trying to move toward.

The Harbor has requested 2 playground structures. Additionally, the Rancho Del Oro Spring Creek Park has requested a playground structure. It currently just has the turf. The cost of both structures is around \$75,000, which will be divided with the Harbor.

For the MLK Middle School Expansion, there was \$500,000 appropriated for the athletic fields, but they are still in negotiations.

COUNCILMEMBER McCAULEY interjected that depending on the cost, she did not consider a concession stand a high priority. **DEPUTY MAYOR HARDING** concurred.

CITY MANAGER JEPSEN noted that it is a high priority for the sports leagues.

COUNCILMEMBER SANCHEZ felt that the sports league would be interested in partnering to split the costs with the City. A water spray park facility still requires a site assessment. If they were to place a water spray park in the valley or in that vicinity, they will partially meet the athletic needs for that population. A water spray park does not meet the needs of competitive swimmers, lap swimmers or the "learn to swim" programs.

DEPUTY MAYOR HARDING noted the Spray Park is \$400,000. The eastern part of town desperately needs a pool. She is curious to compare how many athletic fields and skate parks the City could build for \$400,000.

COUNCILMEMBER SANCHEZ agreed to discuss a pool at a different time. It is a nice idea, but it has low priority with respect to other projects.

COUNCILMEMBER FELLER did not understand the relation between the pool and the spray park.

MS. ALVAREZ explained that the spray park is just to minimize the heat factor. It is considered an aquatic amenity. In some areas the spray park is located adjacent to the pool.

COUNCILMEMBER FELLER agreed heat is a concern for the residents in the valley.

MS. ALVAREZ noted that one of the reasons it was suggested at the Brooks pool is that when the spray park is placed near an existing pool, it does not take away from the pool. It is more for family use in conjunction with the pool non-competitively.

DEPUTY MAYOR HARDING commented that if the City is going to spend \$400,000 on a spray park, it should go in the valley where it is needed. The Ivey Ranch Park Development includes a dog park, athletic field and park beautification. The projected cost for this venture is \$150,000 to \$160,000.

COUNCILMEMBER McCAULEY said the cost sounds high, whether or not the dog park is put at Ivey Ranch.

COUNCILMEMBER FELLER considered it a high priority to utilize Ivey Ranch as a multi-use athletic field.

MS. ALVAREZ explained that the City needed to look at whether or not Ivey Ranch would address the needs of the girls' softball teams. One challenge of multi-use fields that the City has already experienced at MLK Park is changing the dimensions of the fields, depending on which sport is being played. The ideal opportunity would be to have the Girls' Softball League take ownership and pick up around the area. There would be no lights in this park. If it were multi-use, it would be soccer and softball.

The park beautification portion of the Ivey Ranch development should be continued without cost to the City. The City should take ownership of that area and make sure that everyone has access to it.

For the John Landes Recreation Center Expansion, they would like to add 5,000 square feet. Council agreed that this is a high priority. The room is multi-purpose that includes gymnastics and all of the dance components. It also includes exercise and Yoga. Another suggestion was to increase the Senior services with that expansion.

The Radio Control Park was proposed by community members. Councilmembers agreed that this facility was not a consideration for funding.

The BMX Free Style Park was moved over to specialty parks.

Regarding the Multi-sports Complex/Extreme Games Facility, **COUNCILMEMBERS McCAULEY AND SANCHEZ** and **DEPUTY MAYOR HARDING** agreed that this facility is not priority.

COUNCILMEMBER FELLER suggested that it could be a partnership.

COUNCILMEMBER McCAULEY did not agree with the site location.

DEPUTY MAYOR HARDING did not have a problem with the site, but she did have a problem with not knowing our percentage of \$3,000,000.

COUNCILMEMBER SANCHEZ noted Council would be discussing the airport alternatives and leasing. She would like to include that in the discussion of this site.

MS. ALVAREZ summarized that this facility would be on hold until the airport issues are determined.

Regarding Joe Balderamma Park, staff plans to improve the playground and perform general park beautification. They plan to address the water stains on the playground from the water that would not drain.

Addressing the Ballfield Lighting Program Upgrade, she stated this is a complex issue because the existing system needs a general upgrade. With the energy crisis, this has become a high-profile issue. Residents ask why the field lights are always on. In looking at alternatives, staff has had several discussions with the supplier of the lights at MLK Park.

MR. HAZLETON added there are problems with the computer program that controls when the lights are on and off. It will cost \$50,000 to fix the problem.

Council agreed that fixing this problem was a high priority.

MS. ALVAREZ stated staff is looking to incorporate a lower-use system, but they have to respect the lighting requirements of the athletic groups. Technically, they can lower the energy used for soccer by 50%, but they have to sell that concept to the soccer clubs that feel it is important to have all the lights on.

In response to **COUNCILMEMBER SANCHEZ'S** inquiry regarding what was being done at the State level, **MS. ALVAREZ** stated there is a movement through the California Parks and Recreation Society to address the energy issue, particularly the energy costs for the fields. Additional concern is placed during the summer months when a large majority of people will attend the parks and recreation centers to cut down the energy costs at their homes. They have contacted the police in anticipation of an increased volume of people at the beach, the parks and the recreation centers.

DEPUTY MAYOR HARDING commented that the athletic leagues will need to adapt to the modified lighting schedule during this energy crisis.

MS. ALVAREZ added the various little league organizations have met with staff and are very conscientious of the energy crisis and are willing to work with the City.

DEPUTY MAYOR HARDING recommended that if costs continue to increase, the City may have to solicit the leagues for assistance.

MS. ALVAREZ continued, stating that at Heritage Park, the project is for ADA restrooms and renovation at \$300,000.

The Sepulveda Park Executive Golf Course facility evolved from discussion within the community. Alternate usage of this facility is a Junior Golf training center.

COUNCILMEMBER FELLER suggested this park would be good to use as a collaborative effort with an organization such as the Professional Golf Association (PGA).

COUNCILMEMBER SANCHEZ agreed, saying \$1,500,000 is a lot of money for a specialty park.

DEPUTY MAYOR HARDING commented that Heritage Park is an unusual and precious venue that does not get utilized enough for weddings and receptions. She suggested the Parks and Recreation Commission, along with staff, should investigate additional marketing so that people are more aware of the park location.

CITY MANAGER JEPSEN noted that the buildings within the park are not totally accessible to the public.

DEPUTY MAYOR HARDING proposed utilizing Parks and Recreation staff to open the buildings on the weekends for the public to view the history of the City. With the parking available, etc., the park could be used more.

COUNCILMEMBER FELLER asked if the City has discussed partnering with the Mission Parish and the Dioces for temporary skate parks.

MS. ALVAREZ responded that they have not been approached.

COUNCILMEMBER FELLER noted that the Sisters of the Precious Blood have a piece of property that extends back. Additionally, the Sisters of the Precious Blood would be willing to temporarily handle issues with the homeless.

MS. ALVAREZ announced that a good opportunity to show ownership of Heritage Park would be on July 8, 2001, when they will be celebrating their 25th anniversary.

DEPUTY MAYOR HARDING stated they are looking at partnership possibilities for the Sepulveda Park Executive Golf Course. Otherwise the cost to the City would be \$1,500,000.

MR. GOODMAN explained that the handout shows a breakdown of the different types of events. When they have the workshop on special events, they will go into more detail regarding costs and contributions. They would like to set prioritization for events.

DEPUTY MAYOR HARDING would prefer to see a policy for when the City gives money for special events.

MR. GOODMAN recalled that a number of years ago there was a system of 7 events that the Council identified as priority annual events. Maybe Council would like to reconsider this activity.

COUNCILMEMBER FELLER preferred that each event be looked at individually to recognize how it can benefit the community.

COUNCILMEMBER McCAULEY believed Mr. Goodman was referring to events such as the Ironman Triathlon that were high visibility events. The policy should address those annual events, such as Juneteenth, etc.

MR. GOODMAN also recommended going back to community events such as the Easter Egg hunt and Halloween events.

COUNCILMEMBER McCAULEY inquired if the City's film making ordinance or procedure permitting process mirrors San Diego's. Mr. Goodman responded affirmatively.

COUNCILMEMBER FELLER repeated that each event should come before Council for approval.

MR. GOODMAN noted that if a system is in place where different organizations are going to be given an annual review, and they know they will have to come before Council for a contribution, instead of requests made at each meeting, they can appear before Council at 1 time to make their request, similar to the CDBG process.

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DEPUTY MAYOR HARDING noted that the fact that the City does not fund events sponsored by religious groups should be known.

ADJOURNMENT

MAYOR JOHNSON adjourned this meeting of the Oceanside City Council at 12:07 PM, May 2, 2001.

ACCEPTED BY COUNCIL:

Barbara Riegel Wayne, CMC
City Clerk, City of Oceanside



California

CITY OF OCEANSIDE

MINUTES OF THE

CITY COUNCIL

May 9, 2001

ADJOURNED MEETING	2:00 PM	COUNCIL CHAMBERS
Mayor Terry Johnson		Deputy Mayor Betty Harding
Councilmembers Jack Feller Carol McCauley Esther Sanchez		City Clerk Barbara Riegel Wayne City Treasurer Rosemary Jones

The adjourned meeting of the Oceanside City Council was called to order by Mayor Johnson at 2:00 PM, May 9, 2001, for the purpose of a workshop.

ROLL CALL

Present were Mayor Johnson, Deputy Mayor Harding and Councilmembers Feller, McCauley and Sanchez. Also present were City Clerk Barbara Riegel Wayne, City Attorney Duane Bennett and City Manager Steve Jepsen.

WORKSHOP ITEMS

- Presentation by Marney Cox of San Diego Association of Governments (SANDAG) on Regional Industrial Lands**

MARNEY COX, Chief Economist with SANDAG, presented information on the "employment lands inventory and market analysis" for the region and an interactive geographic information system that SANDAG created and is accessible through the Internet.

The employment lands inventory was created in its current form in 1998. SANDAG has done inventories like this in the past, but they primarily reviewed industrial land as opposed to total employment land. In 1998, SANDAG was in the process of a regional growth forecast. They were telling local jurisdictions similar to Oceanside that there is a lot of employment land in the region, but the region was running out of residential land. They were encouraging cities to consider converting some employment land to residential land. Soon thereafter, the economy turned around and a lot of the employment land was absorbed, especially along the Interstate 5 corridor. The brokerage community informed SANDAG that the area was running out of employment land. Both SANDAG and the brokerage community were correct despite the paradox.

NOT OFFICIAL
UNTIL APPROVED AT SUBSEQUENT
MEETING BY CITY COUNCIL

The chairpersons of the committee that oversaw this group were Julie Myer-Wright from the regional Economic Development Corporation (EDC) and Ted Owen from the San Diego Business Journal. The committee was made up of members of the brokerage community, elements of the Cities and County Planning departments, including the Economic Development divisions of various cities, and a number of other groups who were interested in employment land throughout the region. The first inventory in 1998 took about a year even though SANDAG expected it would only take 4 months. The second inventory took 4 months as planned.

The 3 land inventory objectives are:

- Evaluate the supply / inventory of land in the region
- Consider the demand, which requires a market analysis of how quickly and what kinds of lands are being absorbed
- Access and update determines how to give broad access to the information and methods to keep it updated within a reasonable manner

They inventoried about 52 cities or community plan areas within the County of San Diego. These are the areas within the San Diego Region that currently have employment land. The process was parcel-based which is different than inventories done in the past because in the past they tried to identify land. This time they gave quality characteristics to the land. For example, they investigated if the land by parcel was immediately available or in long-term supply. Immediately available land could be used within 1 year; long-term supply would take longer than 1 year to be used. This is at the crux of the opposing views between SANDAG and the brokerage community. The brokerage community said the area is running out of land, but they meant the immediately available land that they can develop because a customer is requesting it. SANDAG said that inventory is much wider in perspective with no characteristics of how quickly it could be used. At the crux of that argument was whether or not that land could actually be used in a short period of time.

The elements of land are:

- Immediately available
- Long-term supply
- Planned or proposed, means activity on the land or someone was thinking about doing something on the land
- Under construction or developed today
- Unmarketable, signifies that the land has some deficiency such as a steep slope. When the group reviewed the land parcel by parcel they determined that the land might have been identified in the General Plan as usable, but from SANDAG's perspective it was not.
- Non-employment land

Definitions of each type of land use are available on SANDAG's website if more information is needed.

He next discussed how much vacant land was actually available. In November 2000, there were about 15,000 acres of land available throughout the region. In 1995, there were about 17,000 acres of land.

DEPUTY MAYOR HARDING asked if SANDAG took into consideration any land in the different regions and cities that might be rezoned from present zoning to industrial. She was referring specifically to the Highway 76 corridor.

MR. COX explained that would depend on the configuration of the General Plan at the time of the inventory, November 2000.

DEPUTY MAYOR HARDING clarified that unless the rezoning was in the works at that time, then it would have been taken into consideration. If the City thought there was a possibility for more industrial land available through rezoning, the City would have to add that to our own inventory.

MR. COX confirmed. He explained that at the end of his presentation, near the access and update section, he would show how SANDAG plans on keeping abreast of these dynamic changes in the land use.

In the year 2000, 15,000 acres were available, but SANDAG removed the planned, proposed, under construction and unmarketable acreage, leaving 12,000 acres in the region for employment-related land. Of that 12,000 acres, about 10,700 acres were in long-term inventory, therefore, 1,420 acres of land were immediately available. There is not a lot of land immediately available for the brokerage community to use to accommodate demand. However, the region does have a lot of land available in the gross inventory.

Approximately 3,200 acres were absorbed between 1995 and 2000. This was different than the 15,000 versus 17,000 available acres because 1,000 acres of land was added to the employment inventory over that 5-year span. Nearly 6 communities consumed $\frac{2}{3}$ of the acres, and the 3 communities of Carlsbad, Poway and Vista absorbed 40% of those acres.

Another element is to view the inventory by parcel size. A majority of the inventory is located on 0 to 9-acre parcels, which is not unusual. However, there is only 1 parcel in the region with 50+ acres immediately available. Prior to the energy crisis when the emerging growth technology companies were in the region looking for acreage, they had trouble finding immediately available land to accommodate their needs. The region did not have a full array of acres available to accommodate every prospective client.

The 1,420 acres of immediately available land is located throughout the region. About 30% of it is located in the North County area, and 19% of that is located near Oceanside. Nearly 42% is located in the northern portion of San Diego city. Another 3% is located in the East County, less than 1% is in downtown San Diego, and 25% of it is in the South County area.

The majority long-term acreage of 10,770 acres is located in small parcels but there is a much better distribution of parcel size available in the long-term. The supply of land exists but it is not immediately available. Some amount of work needs to be done to these parcels in order to get them usable.

Nearly 30% of the long-term available land is located in the North County area, with 16% located near Oceanside. Only 7% is available in the northern part of San Diego city. This is important because this is where the majority of the employment growth is currently taking place. Northern San Diego city is also where the majority of the immediately available employment land is located. However, in the long run, that area will run out of land. They need to determine the next area that could handle employment growth. Of the long-term inventory, 13% is in the East County, and there is a little bit downtown, but half of the region's long-term inventory is located in the South County area. This knowledge would help the region take advantage of the region's long-term employment land.

Absorption had taken place throughout the region at different points in time. From 1980 to 2000, the absorption average was about 450 acres per year throughout the region. From 1996 to 2000, the average was about 620 acres per year. The region absorbed more land in the last 4 years on average than it did in the last 20 years.

The following criteria is used to determine which communities are short of land:

- Lack of immediately available land
- Rate of employment and land absorption growth
- Available opportunities to increase the employment land supply

There are 26 communities identified throughout the region, but some of them have small needs. He showed the top 13 communities in the region that are short of employment land according to the criteria. Oceanside is not on the list.

The available opportunities and how SANDAG defines those does not mean that the acres are available. It does set the stage for discussion between the jurisdictions and the potential developers to identify parcels that may be available for increasing supply.

1. Long Term available land - It is important to move long-term acreage into immediately available land.
2. Public land not in use - This refers to land with no habitat preservation or floodplain problems attached to it.
3. Re-use, redevelopment and infill - There are approximately 1,100 acres for this purpose that is available throughout the region.
4. Underutilized - The land has a current use that is not consistent with the General Plan.
5. Potential – The committee working with them noticed land located next to employment sites that were not also considered for employment use. There was no other use on that land so they are categorized as “potential” in the event that the jurisdiction wants to increase the supply in the area.
6. Unmarketable – This is land that is currently on the books as usable but needs to be fixed to make it marketable.

Access to this employment lands inventory is available through the Regional Economic Development Information System. The idea is that anyone can access it through the SANDAG web page and by clicking on the interactive mapping icon.

Geo-mail was created to quickly update the system. Both local jurisdiction staff and the brokerage community can e-mail SANDAG to inform them of a change in land use due to a General Plan amendment or land that was previously vacant is now under construction. Any categorical change can be e-mailed to SANDAG so that they can change the parcel to reflect the accurate activity. Hopefully, this will help to keep the database up-to-date and dynamic but the system depends on the users to keep the information current.

He walked through an example of how the REDI (“Regional Economic Development information”) system on the website could be used specifically for Oceanside. There are a number of uses the user can use. He brought up the employment lands inventory and the information was updated with every click on the map. If the user wanted to find something specific, there is a query option. By clicking on the query option, the user can ask questions of the information. The example he searched for was acreage within 5 miles of the freeway and 20-40 acres in size. It is also important to choose the immediately available land. The program indicated there are 2 parcels in the City of Oceanside that match the search criteria.

The report function provides more information about the parcels. The user could access specific information about the parcel itself or get a statistical summary. The parcel information is from the County's parcel information database and provides the parcel number, address, zip code, assessed valuation, exact acreage, etc. The final piece of information is a code from the employment lands inventory. This information identifies how

SANDAG categorizes parcels.

In addition to receiving the parcel information, the system also provides a statistical summary.

The statistical summary showed population data from 1995 to 2020. The summary also provided a lot of demographic data, land use information, population characteristics, ethnic data, household income information and other kinds of data for employment within a 0.5-mile radius of the chosen parcel. If the user were interested in more information about the area around the parcel, he or she could increase the radius.

If there is additional information about the parcel such as recent development, SANDAG requests that the City staff or the developer email them so that they can update the database. There is also a "help tool" to take users through how to use the system and also has definitions of the terms being used. The locate system will take the user to the desired region or address by entering an Assessor Parcel Number (APN) or an address.

PUBLIC INPUT

ARTHUR MANETTA, with Rancho Del Oro Technology Park for business and industry, was a member of the Employment Land Use Committee and it represents a significant amount of work and energy from a number of people. He complimented Mr. Cox on where the group is today. It speaks highly of the efforts of SANDAG.

Similar to modeling, things are left out or assumed. One of the basic model assumptions is that the land use designations for employment land are to model the General Plan in some way. This is the basic legal document for land use. This does not occur in all cases but the process undergoes a lot of negotiation. The model should stimulate thinking about where the region needs to be and the unclear parts. The model is effective at documenting a point in time but not as effective in projecting and assessing what needs to be done.

The inventory has been a substantial reference document for which he is concerned about. He is uncertain if it is positioned in a way that SANDAG would duplicate or if it is respectful to the model. To see headlines that say "the region is running out of vacant or immediately available land" concerns him. This is a misnomer, which Mr. Cox explained. He hoped the document will educate and inform, not to propagandize. This document is a piece of the puzzle but not the whole puzzle. In its design, it did not consider or interact with transportation, housing, institutional or any other land use or criteria. Like most projects, it is funded, it is a variable and other elements would be added in time. Within that context, it should be appreciated that it has a bias towards employment land, which is something San Diego County must consider.

[No further public input]

DISCUSSION

COUNCILMEMBER FELLER inquired what is the countywide demand to convert industrial land to residential and does that seem like a viable action.

MR. COX responded that it would depend on the individual area. There are a couple of variables such as: certain locations in the region today have less employment land than the demand requires so those areas would not want to take any more of that

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away in fear of not meeting the current demand. This does not mean that there are areas with immediately available lands that should be converted, but the long-term supply could be considered for conversion to residential.

There are areas with substantial long-term supply of employment land given its residential supply. For example, a canyon area within the City of San Diego has 2,500 acres of employment lands just south of Poway Industrial Park. It was recently converted to residential for a number of reasons, including the fact that they have sufficient employment land.

[Deputy Mayor Harding left the dais at 2:29 PM]

COUNCILMEMBER FELLER asked specifically about Oceanside.

MR. COX thought that Oceanside has 260 acres in total supply.

CITY MANAGER JEPSEN thought the City had over 500 acres now.

MR. COX noted that it is important to evaluate where the region is running out of employment land and where the new employment growth seems to be heading. Oceanside was recently successful in drawing a pharmaceutical firm. Prior to that, the City of Carlsbad was successful in getting the research and development institutions from UCSD (University of California at San Diego). The City of Escondido is considering doing the same thing.

SANDAG committee members have heard that there is likely to be more emerging growth, technology and pharmaceuticals activity in the North County area. It seems the popular type is that which will bring high value-added and good paying jobs. Cities want jobs that build up their economic base. Jobs for their residents that pay good wages as well as require education, skill and training, to improve the entire residential atmosphere. He sees Oceanside at that level but he cannot guarantee this will happen immediately. There are many fluctuations in the market.

[Deputy Mayor Harding returned at 2:31 PM]

One of the things that cities do well is land bank, and when opportunities arise, they take advantage of those opportunities. This is one of the responsibilities that each jurisdiction has. He could not tell Oceanside exactly what to set aside, he just knew in theory, what kinds of things Council should be preparing for and where the market trends are going. He could not speculate on exactly when such will arrive.

COUNCILMEMBER FELLER commented that looking at the map, the 19% immediately available vacant land did not include only Oceanside, but also Carlsbad and San Marcos. **MR. COX** responded affirmatively.

COUNCILMEMBER FELLER did not think including Oceanside in that context was what Council should have heard.

MR. COX did not know at the top of his head specific numbers for Oceanside but he will be able to access that information momentarily.

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DEPUTY CITY MANAGER BLESSING stated that perhaps he and Ms. McVey failed to touch base with the Councilmembers prior to the workshop. They invited Mr. Manetta and representatives from Sterling Industries into the workshop setting. Mr. Manetta was prepared to give a 5-10 minute presentation with Council's indulgence. He took responsibility for not communicating that to Council, but he asked if Mr. Manetta could complete his comments.

MAYOR JOHNSON said that Mr. Manetta could continue speaking after hearing from Councilmembers.

MR. COX showed 127 acres of immediately available land in the City of Oceanside, as of November 2000. This amount represents a little less than 10% of the 1,400 acres region wide.

COUNCILMEMBER McCAULEY commented that the inventory of immediately available land included 267 acres in Oceanside, Carlsbad and San Marcos. However, the Ocean Ranch area alone has 450 acres that are being used as it becomes available. There seems to be a lot of activity on that land. The land in the Ocean Ranch area may not be immediately available, but it is not raw land where nothing has been done to it yet. Is there another category that this land would fall under.

MR. COX explained that underneath the different categories of inventory there is a category called Planned and Proposed.

MR. BLESSING advised that there is land under active grading and in the ready system, but not showing up in the immediately available land. It is being marketed now since it recently started to be graded. It is listed as planned and available land.

COUNCILMEMBER McCAULEY recognized it as beyond planned and proposed.

MR. BLESSING said it should be updated to show in the immediately available land. There are about 260 acres net of the Ocean Ranch area out of their total 400 acres, that have slopes, streets, etc. that are netted out of the available category. They take it down to parcel base. However, it covers the entire Ocean Ranch area that is not open space.

COUNCILMEMBER McCAULEY responded if that were the net, that would be even closer to the immediately available because it is actually pure, screened out available land in the process of grading. This is an impressive program and a wonderful tool, but it is incumbent upon the individual cities to constantly update SANDAG, otherwise it is garbage in, garbage out. She requested staff to stay on top of that.

MS. McVEY indicated there are some topographic maps that she would like Mr. Cox to present. As a parcel goes from currently available to a building being built on it, staff needs to let SANDAG know to take that out of inventory and put it into built. As construction takes place, staff needs to keep up with reporting the status to SANDAG. She pointed out that the most up-to-date information is available online.

MAYOR JOHNSON inquired about the communication between the City's Planning Director and SANDAG.

GERALD GILBERT, Planning Director, said that staff participated in a variety of updates. They also prepare a yearly update that they share with SANDAG. The update explains what planned areas and developments occurred. The planning staff and SANDAG have periodic connection, but not on a monthly basis.

MAYOR JOHNSON stated that the points raised by Councilmember McCauley are important. SANDAG needs to have the most updated information at all times so that what they tell the public is accurate.

MR. GILBERT concurred.

MR. COX clarified the communication cycle with SANDAG. When SANDAG does their regional growth forecast, they perform an inventory of all the General Plans in the region. In the past, those forecasts were completed every 5 years. One could imagine the drastic changes that took place within 5 years in a rapidly growing region. This is their first attempt to make the information more dynamic. Staff is in the process of creating the necessary communication links to keep the information updated but the inventory has been maintained since 1995. The reason they did not do it sooner is the lack of ability to share this information more frequently. The advancements made in geographic information systems and the memory availability on computers had all come about within the last 5 years to make this possible. Although it may seem this region is slow, it is actually an advanced community compared to the rest of the United States.

COUNCILMEMBER SANCHEZ was also interested in knowing how current the data was in the SANDAG program. She was aware of a proposed and approved church near El Camino Real and Oceanside Boulevard that was zoned industrial commercial. She inquired if that large parcel of land had already been taken out of the assessment as available land.

MR. GILBERT explained that a good portion of that land was zoned residential; only small pieces are zoned industrial. He was not certain if that land had been taken out of the inventory assessment. There are systems in place to do a more routine update. As previously mentioned, in the past the update was done every 5 years. It has improved to every year, and staff anticipates making more frequent updates than that.

COUNCILMEMBER SANCHEZ asked if El Corazon, which was zoned industrial/commercial with a mining overlay, was included in the inventory.

MR. GILBERT identified that area as an open space area in their analysis.

COUNCILMEMBER SANCHEZ questioned if that is how that area is currently zoned.

MR. GILBERT explained it was listed that way for statistical analysis purposes, but it was not zoned that way. It was zoned under the Rancho Del Oro Specific Plan as industrial, but the usability of it is not there so it was noted as open space.

COUNCILMEMBER SANCHEZ asked if staff was able to go through each piece of land and identify it appropriately. She asked what other parcels had that kind of special treatment besides El Corazon.

MR. GILBERT said there was nothing of any significance. On that particular case, because of the plans staff was preparing and the ability of the land to be developed, the statistical modeling needed to identify potential sites. For that to convert into industrial land would require a monumental effort. This reality is based upon discoveries made while planning for statistical modeling. Staff had not done a complete and thorough analysis on individual properties that may be encumbered with habitat areas. Staff has not yet accomplished that detail. Also, SANDAG will assist the City through the overlay process with the Multiple Habitat Conservation Plan (MHCP) when that eventually gets developed. They will then overlay that onto the documentation.

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COUNCILMEMBER SANCHEZ inquired if Mr. Gilbert is implying there might be land identified as industrial that may be a part of a proposed MHCP conservation plan.

MR. GILBERT replied that there may be lands identified that are encumbered for a variety of reasons, such as habitat. He did not know the level of detail.

COUNCILMEMBER SANCHEZ asked if staff had looked at other pieces of land to see what other constraints might exist, besides El Corazon.

MR. GILBERT clarified that is not what he is referring to. For instance, even though there are 400 gross acres in the Ocean Ranch project, only 200 acres is able to be developed. To develop the information for a statistical analysis, the City would insert the 400 acres. The availability based upon planned and proposed land would diminish that down 250 acres, if staff looked at the flat land in relation to what is zoned.

COUNCILMEMBER SANCHEZ queried if this analysis took place as of November 2000.

MR. GILBERT did not know if they had included habitat onto their overlay information.

MR. BLESSING deferred the question to Mr. Cox, Mr. Manetta and Ms. McVey because over the past 1½ years, they performed an analysis of lands with constraints. They made distinctions between readily marketable lands versus land planned for industrial. For example, they made distinctions to remove land containing steep slopes from the inventory. That was not done on a detailed parcel-by-parcel basis but some of those lands were removed from that inventory. That may have been applied to the unmarketable category. For example, the North County Transit District (NCTD) piece located off Rancho Del Oro Road and Oceanside Boulevard is 72 acres full of habitat. It was planned as part of the Rancho Del Oro lands and even had maps for industrial developments 10 years ago. It is showing up in the unmarketable inventory category.

DEPUTY MAYOR HARDING noted that Oceanside is not one of the top 13 cities needing industrial lands. She was concerned about the inventory a few years ago as well as today. San Diego County may be unusual in this, but from her experience with the Los Angeles area, the city should always plan for what they are probably going to re-zone.

For example, Oceanside's industrial business park could be twice the density of industrial land it is today as infill occurs there. The Highway 76 corridor should be re-zoned for commercial and industrial. Industrial land would be listed as what is currently on the books and not include what the land could be re-zoned as in the future.

She inquired if other cities just give the net instead of the gross, as Oceanside did with Ocean Ranch.

MR. COX said they usually get the gross acreage.

DEPUTY MAYOR HARDING questioned if the numbers for Ocean Ranch are gross numbers. **MR. BLESSING** responded affirmatively.

COUNCILMEMBER McCAULEY felt the City is getting off the mark regarding what is available beyond immediately available lands. When there are mitigation and environmental problems, that affects bringing land up to being immediately available. In that situation the land would fit in the unmarketable category.

This program is a wonderful tool that has been needed for the region for a long time. The 267 acres shown in this region are only what is immediately available. There is the other planned and proposed category that is not included in those acres. Concurring with Deputy Mayor Harding, the City has some opportunities and obligations to look at infill and rezoning in the future because of elements that were not there 10 years ago, including the Highway 76 corridor. It is the City's responsibility to make certain the information in the system is current. Once the system gets going, updates every 6 months is not current enough, especially if the economy and building continues as it has been. If it is feasible, quarterly would be a better timeframe to update the system. It would be important for all cities to do that.

COUNCILMEMBER SANCHEZ asked for Mr. Cox's opinion on the status of Oceanside based on the program and his interpretation of the data.

MR. COX explained that the criteria included a determination of whether or not the City has enough immediately available land to accommodate 3 years worth of a growth cycle, which came from the City's most recent 5 years of development. Oceanside had sufficient land to meet that criterion. The 127 acres of immediately available land was more than what was consumed over the last 3 years. That was the criteria used across the entire region, as opposed to looking at areas individually like Oceanside. SANDAG used that criterion across the region to get some standard criteria to view all areas. SANDAG recognizes that individual areas differ and Oceanside may need to look at different criteria. However, this was one that was created by the committee in order to view a standardized set that would alert those communities to the fact that there has been enough growth in their area that is absorbing their immediately available inventory and they may want to consider doing something about it now, in the event that trend continues.

COUNCILMEMBER SANCHEZ asked if that had anything to do with the number of jobs in a city versus commuters leaving the City for jobs elsewhere.

MR. COX was familiar with the jobs and housing balance concepts. It is an element of the entire region's 2020 strategy, which takes into consideration the location of both residential land and employment land in the same location so the region does not end up with a wide disparity of where they are located. In fact, SANDAG has suggested the housing side be inventoried in a similar way to the employment side. The region should evaluate where the residential sites are located and how quickly they could come online. Then, SANDAG could overlay residential and industrial types of immediately available land together to find out whether or not they are in the same locations. They are the areas that will develop immediately. Unfortunately, the residential inventory has not been done yet; it is part of a SANDAG Housing Committee.

COUNCILMEMBER SANCHEZ asked how long it would take for that information, because there will probably be some sort of interactive program and final report.

MR. COX felt that the region should overlay those 2 pieces of information. He guessed it would take a year to do the inventory as it took the employment lands inventory. However, the employment lands inventory is much smaller than the residential land. Additionally, the information for employment land encompasses a smaller group of people. There are fewer employment brokerage communities than there are residential ones. Collecting the information is much easier for the employment land than it is for the residential land. It is on the agenda to be done as part of the Region 2020 and the regional growth forecast that SANDAG is currently in the process of updating.

COUNCILMEMBER McCAULEY thought the Planning Department of each individual city would know the zoning within the city for residential land. The city staff should be able to provide SANDAG with inventory details almost immediately, but the demand information would take more time to gather.

She was aware of SANDAG updating the Region 2020, but SANDAG has been making presentations to the cities regarding Smart Growth and the Region 2020. She would like that information to be brought to Council. It is very difficult to digest everything from one side without seeing what is on the offsetting side as well. If Council concurs, she asked staff to set up that presentation as well.

MR. COX announced that a representative would be making a presentation to the SANDAG board on May 25, 2001. That would begin the kickoff for the Region 2020 presentations to the Cities. They look forward to receiving an invitation from Oceanside.

ARTHUR MANETTA continued with his presentation, stating that a number of his issues had come up in discussion. The long-term availability as well as planned and proposed land is a more appropriate place to focus. For example, in the late 1980s, Oceanside had plenty of vacant, entitled and improved land that did no one any good. In today's reality, there is not a lot of foreign investments nor any savings and loans, it is not in the developers' best interest to place so much capital into something that could be a long time away. The incentives are typically structured toward users more than developers. Oceanside has seen how nimble the City can be in responding to an industrial employment need; Ocean Ranch is a good example of that.

The employment land definition does not correspond to zoning in any other City; it excludes retail. For example, the person working at Good Guy selling stereos is not counted in the same way as the person on an assembly line at Sumitomo Corporation.

There is also an economic assumption that is not addressed because it is speculative. There is an implied assumption that the pool of land is finite in absolute terms. Net is variable on a piece of property which examples have shown in Rancho Del Oro. When they needed more net, they installed a retaining wall. With property remediation at a certain price level and whatever conditions within the constraints of Federal and State law, it is possible to effectively create more employment land if there is a need. The economy would dictate a good part of that need. Density is a key issue in effectively creating more employment land opportunity.

Regarding Councilmember Sanchez's comments about the habitat issues, in looking at land uses for jobs, housing or whatever variables, his understanding is that the relationship is most important. For example, if the City were going to net industrial for habitat, it would also need to net residential for habitat. We do not have data to go net to net. This is an issue that cannot be addressed at this point in time. It becomes an economic function in constraints to State and Federal law.

This is a substantial undertaking in data collection, documentation and updating, and updating is critical. If the information is not updated, then it is not worth the trouble of doing it. It is a baseline that is part of a larger puzzle. He looked forward to seeing the Vision 2020 presentation, which will hopefully pull this together in a different way. A level of critical analysis is required when considering this or any other model. Council should look at what is included or excluded. He also reminded Council of the critical analysis of today's reality, such as development practices today, who is doing the funding and other practical issues. Similar to the Council, he looked forward to seeing this project evolve and hoped to be able to use it for a number of years to come.

COUNCILMEMBER FELLER asked who was making the statement about industrial land along Highway 76. He was not sure where all that industrial land is already located.

DEPUTY MAYOR HARDING stated in her opinion it needs to be rezoned with some commercial and some industrial from Highway 76 to Interstate 5 and from El Camino Real to College Boulevard. Currently some of it is zoned as residential, some is industrial, some is commercial, some is open space and some is habitat.

COUNCILMEMBER FELLER ventured to say there is very little industrial land, and the City needs every ounce of it so that the citizens will be entitled to work where they live. He hoped this plan would continue to consider industrial space.

COUNCILMEMBER SANCHEZ concurred with Councilmember Feller. In relation to Smart Growth and Vision 2020, Highway 76 would be zoned for mixed use including residential. She does not recognize much commercial going out there at all. The City needs jobs. We need to aggressively address the transportation and pollution issues so as not to have the problems of a city like Los Angeles. An aggressive plan to create jobs here would go a long way in making the community as ideal as possible.

COUNCILMEMBER McCAULEY dovetailed on the comment made by Deputy Mayor Harding that such land does not exist on Highway 76 right now, but Council has discussed the potential since at least 1994. With the Region 2020 and the Smart Growth, it is very important to get the total picture. If the concern is traffic and providing jobs for those who live here, Council needs to understand that more jobs would create more traffic than residential areas would. However, she realizes the need for industrial land and good paying jobs. Additionally, not all of the jobs created here will be filled by Oceanside residents.

The City should look at mixed use along Highway 76. She thought what Deputy Mayor Harding was saying is that this report did not and could not take that into consideration until Council makes decisions about what to do there. This is more reason to keep the update to SANDAG as current as possible.

2. Implementation of new Storm Water orders and direction to staff regarding funding options

PETER WEISS described that at a recent study session staff reviewed the impacts to the City regarding the new order issued by the Regional Water Quality Control Board (RWQCB) related to pollution standards. Referencing the 1st table, he summarized the existing cost centers in relation to flood control and the San Luis Rey Debt Service. The 2nd table showed the projected costs under the new order. Staff's intent for this presentation is to walk through the cost centers with Council and walk through what they suggest are the appropriate areas where some of these costs could be absorbed. They will also recommend some alternatives for funding abilities to pay for the new costs.

According to the newspaper, last night the City of Vista approved a raise in their sewer rates to cover replacement costs for their aging infrastructure (Oceanside has already built that cost into the sewer rates.) and a cost factor for costs associated with the new order issued by the RWQCB. This is something that all the cities in San Diego County are currently dealing with. City staff has people attending numerous meetings, conferences and seminars to identify ways of implementing the new order and to come up with funding.

The presentation for today is the anticipated cost estimate associated with the RWQCB new order. The initial cost of the new order will require an initial cost of about \$300,000; the reasons for those costs are outlined in Table 1. In addition to the initial cost is an annual fee in the amount of \$1,200,000. Added to that amount is the \$600,000 a year in flood control costs that Oceanside currently pays for through the Utilities Fund and the \$1,800,000 per year for the San Luis Rey Debt Service, for a total of about \$3,900,000 in costs associated with this program. Staff will be recommending that Council authorize the funding for the debt service and the new order through a combination of developer fees, Solid Waste Fund, General Fund and Utilities Fund. Staff will explain why those are appropriate cost centers and offer alternatives for Council's consideration.

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The new order requires an increased focus and effort in development-related review and construction. The costs associated with revisions to the development-related review process, the enhanced construction monitoring and the filling out of construction inspection reports are all directly attributed to development activity. Developers currently pay for development-related review, including inspection, construction and monitoring costs as part of their plan check inspection fees. The enhanced level of need is a direct relationship to development activity. If the City did not have people grading, there would be no need to go out there and provide significant inspection and reporting to the Regional Board. The costs associated with those development activities are appropriately borne by the development community. The City is considering raising the development-related fees to cover those additional costs. The total cost item is \$650,000 of which \$300,000 is a one-time cost and \$350,000 is an ongoing cost. The City would raise fees to recover that one-time cost and continue to collect those fees until the developers no longer need that service. While they are out there building, grading and doing land disturbance that generates the need for increased monitoring, they would continue to pay those fees.

Appropriate solid waste disposal is directly related to storm water pollution. Other than the sediment due to erosion from construction sites, the primary pollutant in the City's storm water system is improper disposal of trash. Some of the City's channels have trash in them. If the City's street sweeping program could be extended to sweep once a day, Oceanside would not have these problems, although it is unrealistic to sweep the streets at that frequency. The new order does require Oceanside to maintain a street sweeping program, but it does not dictate the frequency. Oceanside currently sweeps residential streets twice a month, which is significantly more than other cities in the County. Some cities only sweep twice a year.

The new order also requires the City to now inspect and clean every storm drain within the City between the months of March and September of every year. This will clean out improperly disposed of trash. The solid waste fund would be an appropriate mechanism to use to cover some of the costs for the storm drain cleaning.

The San Luis Rey River is the sole source of water for the City's mission basin ground water facility, which produces about 8% of the City's usable water with projections to go up to 50%. The flood control project includes several detention ponds, which are used to protect from residential flooding occurring. However, they serve a secondary purpose by providing an area for the recharge of the aquifer. It is appropriate to fund a portion of the San Luis Rey Debt Service from the Water Utilities Fund because it provides a long-range benefit to the City's overall water use. Staff recommends that it is logical to use the Water Utilities Fund as an appropriate cost center for a portion of the debt service and the ongoing flood control program.

Page 4 of the report lists alternative 1 of the 2 possible funding programs. The 1st funding program shifts the San Luis Rey Debt Service to a 50/50 split between the General Fund and the Utilities Fund. Currently, the General Fund picks up $\frac{2}{3}$ of the San Luis Rey Debt Service and the Utilities Fund picks up $\frac{1}{3}$. The previous Council approved this program at budget time. The Utilities Fund also picks up \$600,000 per year of the Flood Control Program. As shown in Table 3, staff recommends continuing to use the Utilities Fund to fund the Flood Control Program and shift \$300,000 into the Utilities Fund. That frees up approximately \$300,000 per year in the General Fund. The overall program and administration would cost \$250,000. These future costs would raise the cost burden to the Utilities Fund to \$1,700,000. Again, they recommend raising the developer's fees to recover those costs. The Solid Waste Fund would pay for an additional \$600,000 per year for the storm drain maintenance costs.

The 2nd alternative is to leave the $\frac{1}{3}$ Utilities Fund and $\frac{2}{3}$ General Fund of the Debt Service as shown on page 5. It also retains the current \$600,000 per year in the Utilities Fund. Regardless of which alternative Council chose, neither the Solid Waste nor the Utilities Funds can absorb the increased costs without a rate increase. Page 6 of the report outlined what the rate increases would need to be to cover the costs associated with either

Alternative 1 or 2. The Solid Waste Program has maintained a rate stabilization fund, which has successfully deferred a rate increase since 1994. However, based on the current contract with Waste Management, yearly rate increases of about 3.1% will become necessary in 2003.

In the Water Utilities Fund, the approved financial plan anticipates up to a 4% annual rate increase although this is not locked in. The increase depends on the necessary costs to recover the projected wholesale cost increases and administrative costs. It could be up to a maximum of 4%, which was built in. In either case, there would be rate increases in the future. What staff has outlined for Council is the rate increases as staff has projected them to cover the additional costs. With the Solid Waste Fund, the City could increase the rate one year in advance to the 3.1% which would occur in 2 years to retain the same level of rate increases every year starting one year earlier. Depending upon wholesale prices, the Utilities Fund would require an additional level of rate increases as well.

Alternative 1 would shift the additional burden from the General Fund to the Utilities Fund and the City could expect a 2% increase, which is about \$0.65 per month per single family. In the Solid Waste Fund, the increase would be about \$0.70 per month per single family, which is a 3% increase. Under alternative 2 is a 1% increase to the Utilities Fund and the same 3% increase to the Solid Waste Fund for the storm drain cleaning.

Based on the analysis, staff is recommending alternative 1 as the appropriate funding mechanism. He wanted Council to give direction on whether or not they had additional alternatives they would like staff to pursue. One of the things staff is not interested in and did not pursue is a separate drainage system utility. He was previously asked why they did not look at that. The reason is that many of these costs can legitimately be allocated into the Solid Waste and Utilities Programs. It would not require a Proposition 218 initiative, nor would it conflict with those issues. In order to do a separate drainage utility where the City assigns dollars to individual residential, industrial and commercial properties, the City would need to undergo an assessment process. Depending on how that was done, it may be exempt from Proposition 218 and it could be done as a utility. He would have to defer further details on this issue to the City Attorney.

The City of Salinas has successfully defended, at the trial court level, the validity of their drainage utility not needing to comply with Proposition 218. Oceanside would follow that format if Council wanted a separate drainage utility. He reiterated that staff did not think it was necessary because it can be done within the boundaries of what already existed. This is similar to what other cities are looking at and have successfully completed.

DEPUTY MAYOR HARDING stated that a 2% rate increase does not seem like very much. A single family normally has a \$32 utility bill per month and this would add \$0.65 per month, which is overwhelmingly low. However, that will be added to the 4% per year the bills will be increasing. This is a rise in the utility rates. The citizens do not care whether it is sewer, solid waste or water; they just want to know how much to write the check for.

All-inclusive, the increase would be 7.1%, which concerns her because residents are also going to see an increase in electricity rates. She is aware there is no simple solution and suggested it would be more beneficial to customers to have the purpose of each line item explained directly on each bill and maybe displeased citizens will march on Sacramento to demand the State to fund some of these unmandated fees. Otherwise, the citizens might think that the City is spending the ratepayers' money for other things.

Recognizing that the increase is inevitable, she would like staff to explore the cost factor to explain directly on the utilities bill the portion that is going toward State-mandated storm water costs. This could be a way to show the citizens that the City is not constantly raising their water rates. This is a no-win predicament.

COUNCILMEMBER SANCHEZ inquired about the other variables that affect the utilities bill. For example, the \$53,000,000, 0% interest loan that the City must pay back out of the utilities fund. There was also discussion at the Utilities Commission meeting about having the Geographic Information System (GIS) added to the bill as well. She preferred to see the total picture, not just this one item.

BARRY MARTIN, Water Utilities Director, reviewed the financial plan approved by Council a year ago, which called for a 4% increase on an annual basis in the Water Enterprise and a 4% annual increase in the sewer enterprise. Mr. Weiss explained that the 4% water increase included any possible wholesale water rate increases. This year, the San Diego County Water Authority is estimating an additional \$5 per acre-foot for the cost of water effective January 2002. This increase would be in addition to the 4% annual increase.

COUNCILMEMBER SANCHEZ asked about the cost for the expansion of the treatment plant.

MR. MARTIN responded that the expansion of the treatment plant is covered by the 4% annual increase. There was no increase last year because the City diverted interest back into the fund to cover the 4% increase last year. There is a possibility the City could do that again this year, but the payback on the State revolving fund does not start until a year after the end of construction, which is 3 years from now. In 4 years, the City will be looking at an additional amount for the coverage of the overage of the debt.

COUNCILMEMBER SANCHEZ questioned if it is a \$2,000,000 per year repayment.

MR. MARTIN confirmed that but indicated that is actually figured into the 4% annual increase. He reminded Council that bids came in about \$7,000,000 higher, so the City would be looking at an additional amount to cover the \$7,000,000 that the City will pay back to the State revolving fund. Again, the other monies will be paid back from the 4% increase, which was projected in the financial plan.

COUNCILMEMBER SANCHEZ asked Mr. Martin to put that breakdown and information in writing. **MR. MARTIN** would be glad to do that.

CITY MANAGER JEPSEN stated when staff discussed this topic, they wanted to focus on funding for the storm water management costs. However, it needs to be considered in the larger context. Staff would bring that information back to Council. Assuming there is some degree of acceptance from Council, the costs would need to be reviewed over an extended period of time. He does not suggest bumping the budget for next year for all the coverage necessary to pay for this. He recommended stretching it out over a number of years and phased in. The City might need to pick up some of the costs until we catch up with the rates through the reserve funds in Solid Wastes and Utilities.

COUNCILMEMBER McCAULEY inquired who gave the order to the RWQCB to put this program in place.

MR. MARTIN responded that it started with the Environmental Protection Agency (EPA) and then in Sacramento.

COUNCILMEMBER McCAULEY queried if Sacramento gave the actual authority to the RWQCB. **MR. MARTIN** concurred.

COUNCILMEMBER McCAULEY provided Council with information from the Building Industry Association (BIA) to file a petition against this. The deadline to support this petition is June 11th so the decision does not need to be made today. She encouraged everyone, particularly staff, to read the information from the BIA to see if the City wants to support what they are doing. Since this is an unfunded mandate from the State, it flies in the face of Proposition 4 from 1979, when the people voted to not allow local government finances to be subjected to unfunded mandates. This is an area worth looking at and possibly pursue. Because Oceanside is a General Law city, Council is stymied but the BIA is doing something that Council could support in an amicus brief.

CITY ATTORNEY BENNETT planned to bring this issue before Council at a later date. BIA does have an action to challenge the Regional Board but Council should consider BIA's motives in deciding whether or not Oceanside should participate. Their interests are not exactly the interests of the City. They are coming from a different perspective. He will gather information regarding the status of their litigation and advise if any other cities are participating. Council would have to decide whether or not to participate in the funding of the litigation, because there would be a cost. He will provide more information to Council soon.

COUNCILMEMBER McCAULEY understood their interests are separate from the City's. However, if it were a vehicle to fulfill the City's interests, it would be worth it. Even though she had not had an opportunity to look at this in depth, permitting the RWQCB to set the dictates for San Diego County is not an issue that is for the good of the State, or else they would be doing this statewide. There are areas where this could be fought.

She agreed with Deputy Mayor Harding to add a line on the utility bill to read, "This portion of your bill is to pay for a State unfunded mandate." The City should not mince words about it being a permit or anything else, but call it what it is. She appreciated the opportunity to hear more details from City Attorney Bennett to see if Council could partake in any type of resistance to this. She realizes certain variables must be measured such as the probability of the outcome and the costs incurred, but the City has a heavy cost weighing if we do not try to fight this and at least devise our own procedures as earlier discussed.

She appreciated alternatives 1 and 2 that staff provided. Agreeing with Deputy Mayor Harding, it does not look like much on the bill, but it adds up after including everything else that the residents pay, for example the increasing cost of power. Additionally, 18% of Oceanside residents are seniors. For those who are on fixed income to come up with this extra money could be extremely difficult. She questioned if staff is looking for a decision from Council today.

MR. WEISS advised they are looking for direction as to which option is a viable alternative and which one Council preferred. Regardless of Council's preference, staff will have to do more analysis to bring back to Council at some point in time. Albeit if Council has a propensity toward alternative 1 or alternative 2, staff would need to know because it determines the methodology staff will use to obtain more information.

COUNCILMEMBER McCAULEY is leaning toward alternative 1 to take it more into the Utilities Fund.

DEPUTY MAYOR HARDING requested an update on the actual amount of the Utilities Reserve accounts. Her antennas went up when Mr. Martin said that last year the City put the interest back in from the reserves in order to not have a rate increase. He also said that staff is discussing doing that again this year. What exactly does that mean.

She also agreed with Councilmember McCauley in that if there is any possible way to fight this, Oceanside should fight. This is far-reaching and impacts all residents. The City has been trying to wean the interest from the Water Fund away from the General Fund for years and just starting to make headway on that. This would take the City back the other way. So, if there is any way to fight this, she would support it as her first choice of action. If the City must do one of these alternatives, she would prefer alternative 1.

MAYOR JOHNSON asked City Attorney Bennett if he had agendized a date to bring the BIA item to Council for discussion.

CITY ATTORNEY BENNETT informed Council that it is on the next closed session agenda set for next week. He will make sure he has an update on the status of the BIA litigation, the costs involved and if any other cities have joined in the litigation. According to those who have researched the Clean Water Act, the region is lagging behind the rest of the nation in where the region should be from a Federal standpoint. Therefore, this type of fight is extremely tough.

MR. WEISS added that although the fight may be valid and may result in some benefit, under the new order and in the near future, Council will have to make and adopt a resolution of funding ability for this program regardless of the litigation outcome. This newly mandated program is effective on February 21, 2002. A lot of information and cost expenditures must be collected between now and then. The ordinance must be updated and implemented by that date. Some processes will have to occur in advance of that date. The statement of financing for this program will also have to be done in advance. Although Oceanside will not be spending millions of dollars in the next couple of months to implement this entire program, the City will need to spend some money, which they will have to bring to Council through a supplemental budget issue or some other way. The City needs to move forward regardless of the pending litigation.

CITY ATTORNEY BENNETT concurred.

CITY MANAGER JEPSEN responded to Deputy Mayor Harding's comment about the return of the interest. He did not hear the comment the way that she did. As far as he knew, Oceanside is still on track. **MR. MARTIN** confirmed.

DEPUTY MAYOR HARDING identified her concern was putting more costs on citizens as opposed to reducing costs.

CITY MANAGER JEPSEN pointed out that the primary difference between alternative 1 and 2 is the amount of money that is charged back to the General Fund for the San Luis Rey Debt Service. The City only budgeted in the reserve account 3 years worth of funds to make that debt service payment, which is \$1,800,000 per year. Council had previously encumbered Water Utility Funds to pay for 1/3 of that cost. That is the primary difference between alternatives 1 and 2.

He recognized an error on page 4 of the table for Alternative 1. The totals were listed as \$1,200,000 for the General Fund, but it is actually \$900,000. The line directly above that states \$300,000 but it should say \$900,000. That is the difference between alternatives 1 and 2.

COUNCILMEMBER SANCHEZ would like to see everything about the Utility Fund before making a decision, to get a total picture. She appreciated the explanations but would prefer to see it on paper.

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Regarding the possible litigation, her understanding is that since it is a Federal mandate, the State is acting as a contractor to make sure this happens. If Oceanside joins the litigation, she would hate to lose the developers' fees since they are included. The City definitely has a different position. The City wants to be sure that developers pay their way. Therefore, she would rather choose alternative 2 until she saw this on paper and the public should see the itemized format to fully understand the Water Utilities Fund.

COUNCILMEMBER FELLER preferred alternative 1. It is too bad that the City has to pay money to keep water clean. He is hopeful that this is a true cost to the constituents as represented.

COUNCILMEMBER McCAULEY had faith that the City Attorney would bring back something that was justifiable that would not hurt the City in the long run. She is confident the City Attorney will provide every option as he has always done.

Concurring with Mr. Weiss, the City must continue funding preparations for the program despite the possible litigation involvement. The 1979 Proposition 4 was manipulated so much that even if a City could fight something under the auspice of Proposition 4, the City would get reimbursed as opposed to just funding what needs to be done.

She indicated to Councilmember Feller that according to the information provided in the study session, this program does not even guarantee clean water. Possibly in the long run, years later it may provide clean water, but not now which is the heartburn she feels about the situation. Council's goal is to do what is best for the City and its residents, bar none.

COUNCILMEMBER FELLER asked what administration the Clean Water Act came out of.

COUNCILMEMBER McCAULEY indicated it came out about 10 years ago.

MAYOR JOHNSON supported alternative 1.

ADJOURNMENT

MAYOR JOHNSON adjourned this meeting of the Oceanside City Council at 3:39 PM, May 9, 2001.

ACCEPTED BY COUNCIL:

Barbara Riegel Wayne, CMC
City Clerk, City of Oceanside