



California

CITY OF OCEANSIDE

MINUTES OF THE

CITY COUNCIL

April 30, 2003

ADJOURNED MEETING 10:00 A.M. COUNCIL CHAMBERS

Mayor Terry Johnson	Deputy Mayor Esther Sanchez
Councilmembers Rocky Chavez Jack Feller Jim Wood	City Clerk Barbara Riegel Wayne City Treasurer Rosemary Jones

Mayor Johnson convened this meeting at 10:00 AM, April 30, 2003 for the purpose of a Mayor and Council Workshop. Deputy Mayor Sanchez led the Pledge of Allegiance.

ROLL CALL

Present were Mayor Johnson, Deputy Mayor Sanchez and Councilmembers Chavez, Feller and Wood. Also present were City Clerk Wayne, City Treasurer Jones, City Manager Steve Jepsen and City Attorney Anita Willis.

1. **Public Communication on City Council Matters (Off Agenda Items)**

Jerry Kern, President of the Oceanside Chamber of Commerce, wanted to invite everyone to the Harbor this weekend for the boat races. The traveling show is coming, and the big power boat races are happening over the weekend. There are boats coming from as far away as Florida, so there will be about 20-25 boats. There is a big vendor area, and he is asking everyone to come to have a good time.

JIMMY KNOTT, 124 Sherri Lane, reported on the Golden Fleece Award that was awarded to the City of Carlsbad. The San Diego Taxpayers Association said that, despite repeated requests and the spectacle of school children being forced to climb over the wall to get to Calavera Hills Elementary School, the City refuses to open the road one day sooner than it deems necessary. This is another example of lack of regional cooperation when it comes to transportation planning. The wall that the children are forced to climb over is Oceanside's, and you should take responsibility for that. College Boulevard will not be open until summer of next year. Why can't you request to remove the barricades at least off the sidewalks? This could be a recommendation coming from the City Council of Oceanside to the Council of Carlsbad that would show good faith.

WORKSHOP ITEMS

1. **Presentation and discussion of the FY 2002-04 Biennial Budgets**

A) **Planning Department**

GERALD GILBERT, Planning Director, stated that the Planning Department's budget that is before Council is the 2003-2004 budget. In the Planning Department there are 2 programs, City Planning and the Grants Planning and Coordination.

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

City Planning

Objectives:

- to implement the General Plan -- the General Plan is the framework or the guidelines for the physical, social, and economic growth of the City. Within the General Plan there are corresponding ordinances, as well as strategic plans that further the goals and development of the City.
- to ensure the orderly development of the City -- the framework of the General Plan and the governing documents establish the requirements, and staff takes it upon themselves to ensure that we follow the rules and regulations that are in place, encourage public participation through the process and come up with a project that fits the General Plan, the ordinance and also the character of our community.
- to enforce the California Environmental Quality Act (CEQA), which deals with the environment and its resources, and there are protective measures. We coordinate with a variety of outside agencies: Fish and Game, Fish and Wildlife, and a lot of state agencies to implement or enforce CEQA.
- to support and staff regional planning efforts -- We do a variety of things for regional planning, but the large ones are SANDAG's Regional Comprehensive Plan (RC) and Multiple Habitat Conservation Plan (MHCP), which is currently in the final stages, and they will come back with the plan for Council input and approval. They do participate with the Buena Vista Lagoon Committee, which is shared with 2 adjacent communities.
- to implement the Historic Guidelines, Local Coastal Plan and Redevelopment Plan -- These are important documents that are outside of the traditional General Plan or the ordinances and really have an affect in how the City develops.
- to support other City departments on land use issues -- They are often involved in teams that evaluate public and private projects, and we provide a lot of the staff support.

Measurements - We currently process approximately 150 administrative and discretionary development applications annually. At any one time we have 60 to 80 projects on file, but in the end we do about 150. One of the things that we are mandated to do is to provide timely review of all development projects. We are the point department in development review; we coordinate the comments, reviews and the eventual decision that is either an administrative decision or a decision that comes before the Planning Commission and the City Council. One service we provide is weekly pre-development meetings. We provide an enormous amount of plan check assistance; currently we do about 1,000 construction plans and permits annually that cover the large developments, as well as over-the-counter plan check review to ensure that they meet the zoning criteria. We review business licenses; we ensure that the licenses meet the current regulations and zoning.

COUNCILMEMBER FELLER asked if they see increases in the number of the administrative and development applications.

MR. GILBERT anticipated that they would be seeing less. Part of that is coupled with some of the streamlining acts that we have done, but mainly the larger projects have been developed; what is now coming before us are the smaller projects. We are seeing a lot more infill projects, but the magnitude is going to be less.

DEPUTY MAYOR SANCHEZ indicated that the City was still enjoying a tremendous amount of residential construction and asked if we were able to handle, with current staffing, the plan checks. She asked if there was a plan to raise the fees so that there could be more staff to do this important job.

MR. GILBERT said that we have statute requirements, and we roll up our sleeves and get the job done. Additional staff always helps; it makes things go faster through the process, but we have an obligation to ensure that we meet state regulations, as well as the communities' needs and assessments of doing good development. We are going to evaluate our processing fees. We generated approximately \$400,000 last year in application fees. That does not pay for the Planning Department, but it does pay for the

allocation of resources that we have on staff. With more staff, the end product would happen faster.

The last comment in dealing with measurements in City Planning is that the City has upgraded over the last few years; there has been a significant effort with code enforcement cases to deal with that, and we assist on a lot of the cases themselves. We take a good portion of time to make sure that folks are following our rules and regulations.

In response to Councilmember Feller on numbers used in the power point presentation (750 business license applications), **MR. GILBERT** responded those are new applications; there are some situations where they may relocate within the City, but we would consider them new. That, by no means, is how many we process; these are the ones that need discretion from the Planning Department because they may have some unique characteristics. This is an additional set of review to make sure that they are in the right place; there are several thousand business licenses issued per year.

Grants Planning and Coordination

This is a small program but has been very effective over the years. John Lundbland is the Grant Coordinator/Administrative Analyst, and just in the last year we secured about \$1,100,000 in grant applications. They review approximately 80 grants per year, and they apply for about 40. Over the years this has proven to be a very valuable tool. Grants Planning also applies for a variety of different awards, and we have been very successful in receiving and recognizing some of the achievements of the City throughout the State. There are 2 objectives: to review and analyze grant opportunities and networking/collaboration with outside agencies to try to secure some of the funds.

We have allocated 15 positions for the 2003/2004 budget, and there are currently several vacancies. We have a heavy workload in relationship to personnel. The funding source is the General Fund. Developer fees or application fees go into the General Fund, and it is reallocated back to the department. There are a lot of other services that are provided at the counter that is funded by the General Fund. The Budget is approximately \$1,446,688.

Because of issues at the State level, the City Manager has asked us to look at service reduction options. We have put that together in relationship to the budget. There are currently 3 unfilled positions: one possible savings would be the elimination of a Senior Planner [\$72,687], elimination of an Associate Planner [\$59,511]; and transferring the Administrative Analyst over to the Housing Department - the reason is because that program is funded for the most part by Community Development Block Grant (CDBG) funds, and it makes sense that it be located in the Housing Department. In addition, there is a Program Specialist position that supports this program that could be eliminated. The General Fund supports that program with \$70,000. The reduction options total \$199,367.

COUNCILMEMBER CHAVEZ questioned that, if the Planning Department were significantly cut, how it would impact the City economically as far as new businesses that could bring tax revenue or that could be helping in the tourism industry for Transient Occupancy Tax (TOT).

MR. GILBERT replied that if an application comes forward that would help the economic development of the City, we know it is a priority of the Council, and we would put that on the top of the pile. We have a management team that will take the extra effort to ensure that it goes through the process. He does not necessarily believe that it would have a dramatic impact if we cut here; it would not slow down the processing but there are other administrative things that would be put on the back burner that could be addressed if we had more personnel.

COUNCILMEMBER CHAVEZ questioned his interpretation of timely.

MR. GILBERT responded that timely means that, with any discretionary application, the first review has to happen within 30 days, and we meet that. When he

says "timely" he means meeting the state statutes.

B) Building Department

GREG ANDERSON, Building Director, stated that the Building Department reviews building plans for compliance to codes; we issue permits and make inspections. It is fairly simple, although not necessarily easy. There are 18 personnel, including 7 Building Inspectors, 3 Plan Checkers, 2 Counter Staff and 3 Office Staff. We have just recently filled some positions, which is good news for their department. Before he gets into the budget, he would like to talk about how the Building Department budget is structured. This has to be started at a foundation of service level; we have to decide what services will be provided. Everyone takes for granted the fact that they issue permits. There is State law that dictates a minimum level of enforcement, but there are some choices that can be made. Once the choices of what permits we will issue have been made, then we need to decide what level of service we will provide: how long someone should have to wait at the counter, how long it should take to check a plan and when someone can expect an inspection after they have requested it. The service level targets that we have chosen are no more than a 15-minute wait at the counter, no more than 10 working days for most plan reviews and next-day inspection service. After we decided what level of service we would provide, then we need to look at revenue because that determines what the demand for our services would be. From that, we get to the expenditures, which is the staffing level that will be needed to provide that level of service for that demand.

Forecasting revenue can be tricky sometimes. We do not actually know what the revenue will be until we get it, but in order to plan to have adequate staffing to provide those services, we have to be able to predict somewhat and predictions in the past have been somewhat nebulous. We have actually developed a survey mechanism where we get on the phone and call developers who have projects in the pipeline and ask them questions such as: what do they plan on doing; when do they plan to submit plans for their project; and when do they want their permits issued. In that way we have been able to predict our revenue more accurately. We will continue to work on improvements in that system so that we can establish an easier way to put together revenue predictions. Once that is all together, it determines what the expenditures are going to be. Another comment regarding expenditures and revenues in the Building Department is that just one fiscal year cannot be looked at for revenues or expenditures. If we issue a permit today or next week or in June, we will provide the services for that permit the next fiscal year and for possibly a year beyond that. So we could actually span 3 fiscal years with one permit, depending on timing. That presents some interesting planning issues. We seem to be able to manage, but we are looking closely at it.

Another issue related to revenue and expenditures is State law. State law says that when a fee is charged for service, that fee must be reasonably tied to the cost of providing the service. We are very aware of this because of the fee challenge that we are facing that is claiming that our fee structure is not in compliance with State law. As a result and in response to that, we have been doing a fee study, and we should be bringing the results forward shortly. Once we have all of the elements together, we can adequately do a Building Department budget.

Looking at revenues and expenditures over the past several years, a fluctuation usually occurs. Going from fiscal year ending in 2000 to 2001 there was a significant drop; then there was a spike in 2002; in 2003 there was a drop; and a drop is expected in 2004. Expenditures do not fluctuate quite as much. We need to keep an even level of expenditures; it is difficult to lay off and rehire employees for temporary changes in the revenue stream. If we had looked at 2001 as the basis for our budget for 2002, we would have been understaffed. It requires looking over a span of years, and that is what we do.

DEPUTY MAYOR SANCHEZ asked if the City was keeping up with the plan checks because there is a tremendous boom, and was there anything that could be done if not.

MR. ANDERSON responded that the only thing that has kept us from keeping up with plan reviews is the staffing issue. If we were fully staffed to the budget level, then we

will keep up. EsGil, our contract plan review firm, allows us flexibility so that, if we get a spike in demand, we can send more to EsGil, and if it goes down, we send less. That helps with the demand versus service equation. In the past 6 months we have fallen behind in our plan review turnaround targets, but it has only been because there were positions that were not filled, not because we need to add to the budget.

DEPUTY MAYOR SANCHEZ asked if that was why there was revenue spiking in 2002 in terms and asked if it would go down because they are now at a staffing level that is able to meet the demand.

MR. ANDERSON answered that he did not think our ability to check plans in whatever time we do, has any affect on that revenue. The revenue will be there because of other market factors. We can make people very unhappy and anxious in a short-term period when, instead of getting their plans checked in 10 working days, it takes 20 working days; that is not good, but in the larger context it does not affect the revenue stream.

COUNCILMEMBER CHAVEZ interjected that he wanted to understand the slide that he was looking at; he assumed that 2000, 2001 and 2002 are actual figures, and 2003 and 2004 are projected figures. [Revenue and Expenditure Slide]

MR. ANDERSON answered affirmatively and apologized for neglecting to mention that. 2003 is near the end, so that is a pretty good estimate. 2004 is a conservative projection based on the survey that we did. There are some uncertainties such as what will happen with the Watkins project and what will happen with Renaissance Terrace. Some things that could have a big impact on revenues are uncertain at this time based on any given fiscal year. We have not included some of the real uncertainties in the projections, so we are somewhat conservative.

COUNCILMAN FELLER asked about an earlier slide that showed the Inspectors and asked if that included the Inspector that was dedicated to the IDEC project.

MR. ANDERSON said that it did not; it was on contract.

He noted that on this [Revenues & Expenditures] slide, on the expenditure side, the costs were just the Building Department costs, and they do not include any other departments. There are other costs. As we go through the fee study in order to establish the fee basis, there are other costs from other departments that are included. The revenues are only revenues from plan checks and permits in the Building Department and do not include any of the incentives that are given for economic development, such as IDEC or any of the foregone revenue based on economic development incentives.

The 2002-03 budget is \$1,729,250, which is divided between 3 program areas:

- Administration is \$536,700 -- We load most of the Interfund Charges and operating charges such as supplies and training into the Administration budget for the ease of management and accounting;
- Plan Check-Counter is \$505,500 -- The significant element here is to note that \$80,000 of the contract plan check funding is budgeted in this account; that is all that is budgeted, and we have spent significantly more than that due to staff vacancies where we have sent work out to the contract plan checker in order to keep up with the demand;
- Inspection has the largest number of personnel and therefore the largest dollar amount [\$687,050]. Significant to note is that there is \$100,000 of contract services in here for the IDEC inspections that were approved earlier in the year. Going forward into the next fiscal year, that will be reduced because we will have used up a portion of that, and there will be about \$45,000 remaining to carry over into fiscal year 2004. The need for the contract inspections at IDEC should end around November of this year. That is when the majority of the work should be done, and the remainder should be able to be handled in house.

Objectives:

- Implement council policy
- Competent, professional, efficient service. What he means by competent is educated, trained, experienced and diligent. What he means by professional is to act as professionals in our approach to customers. Efficient means getting the job done in a way that respects everyone's time.
- Friendly, helpful service. It is very important to do what we do in a friendly and helpful way. Because we do enforcement, it is not always easy to come across as friendly. The bottom line is that service is our product, and we need to do the best job that we can do.
- Timely service. We must constantly work on meeting our service level targets.
- Maximize customer service and satisfaction. We need to pay attention to how we are being perceived. If the customers are not satisfied, we need to take a look and adjust.
- Provide expedited service of IDEC NIMO.
- Complete fee study and revise the fee schedule.
- Automate the permitting process. This is a joint project of all development services and other departments beyond that; we have been working on it for a while and are getting to the point where we are ready to take the next step. One of the key issues will be what can be afforded, and that will be coming forward in the future.

Performance measures

- Customer satisfaction/complaints -- Sometimes it is difficult to measure this objectively, but we can get a sense of it through the number of complaints, the nature of the complaints and when people actually express their satisfaction. We do not receive a high volume of complaints; possibly some of that is because people are still afraid of us, thinking we have more power than we do. We get more acknowledgements for good work than we do complaints.
- Employee effectiveness and efficiency - We measure that through the supervision and evaluation process, and we do that on a daily basis.
- Employee morale is hard to measure, but we strive to provide employees with a reasonable day's work with a reasonable day's pay, and that seems to take care of a lot of issues surrounding morale. When we are overworked, it tends to drive morale down, which is why we need to stay in touch with the service level/workload and other work place issues.
- Service level at the public counter - We have a very busy public counter. We average 53 customer contacts per day at the counter. A goal is to provide as much over-the-counter service as possible.
- Plan review turnaround time - In 2002 there were 1,640 plan reviews. Our target is for most plans to have a 10 working days, or 2-week turn around time. We are not meeting that now; we have gotten out to 20 working days due to staff limitations and load. We have experienced a high level of activity, primarily residential remodels. Now that we are fully staffed, we will bring the time back down to 10 days.
- Efficient permit processing - when someone has met all of the requirements for a permit, we should be ready to issue the permit. We should also be able to inform them at any point in time what the status of their permit is.
- Next-day service for inspections - There are no other alternatives. If we slip from next-day service, then the customers cannot count on when we will be there; so they start calling in inspections 2 days in advance, and then they are not ready when we get there so it becomes chaotic. We have not been able to do that in recent months even with working overtime, but we will pull that back down to next day service for at least 95-97% of all of the requests and actually eliminate some overtime because of getting fully staffed.
- Number of inspections per day - We try to keep it at a maximum of 15 per day per inspector; beyond that the inspector cannot do a good job. They tend to rush, and that is not good. We have been averaging more than 15 inspections per day, but that is due to staff vacancies and is not an ongoing issue.

Service reduction options — Right now our staffing level, revenue and expenditures are all balanced with the workload that we have. If we reduce costs, by State law it will result in a lower permit fee, which will reduce revenue. We are required to maintain the appropriate balance. We could choose to not provide plan reviews in 10 working days and not provide inspections next day, but he would not recommend that. Given these service level targets and given the demand for services, we are in a position where we are not able to make significant service level reductions. We will be reducing overtime expenditures [\$25,000] because staffing is up to the appropriate level. We have under-filled the Inspections Manager position with a Senior Building Inspector, and that is a savings of \$8,900 per year.

Some statistics that might be interesting are that the number of permits issued has been rising steadily over the past few years. We hovered around 3,500 until last year, and then we jumped above 4,000 and are continuing at that pace. Housing units permitted in 2001 for an unknown reason dipped and then jumped back up in 2002. Between 2002 and what is projected for next year, we will issue the same number of housing unit permits, but the mix is changing. There are fewer single dwellings and more multiple family construction. There is an interesting trend in residential remodels, which is just booming because of the high cost of new and resale housing; people are staying put and remodeling what they have. Inspections did not dip in 2001 with the rest of the figures; we had a backlog of work from previous years so our inspections continue to rise, and we are continuing at that same pace now. That concludes his presentation.

COUNCILMEMBER CHAVEZ asked Mr. Anderson about his comments regarding if they decreased the service then they would have to lower the fees so it would be a wash. Looking at the slides, he noted the funding source was always General Fund, but he wondered where the fees were shown.

MR. ANDERSON responded that the fees go to the General Fund, and then they are allocated back their expenditure level. Except for larger cities, most Building Departments are General Fund departments. The City of San Diego is a development services department, and all of those fees stay within the department, which is similar to Oceanside's Water Utilities Department. As a General Fund Department, we track the revenue; it goes into the General Fund; we develop our budget; and expenditures come out of the General Fund.

COUNCILMEMBER CHAVEZ asked if they should be a General Fund Department.

CITY MANAGER JEPSEN commented that it is something that they are talking about, particularly in regard to the State law mandates in terms of the fee for service. It may very well be that we would come back and recommend that this be handled like an enterprise fund, that the revenues would be kept in a special fund and the charges back against Building and other departments would occur from that fund instead of putting them all in the General Fund. Either way it will cost the same to run the program. It is a fee for service. We are supposed to try over an extended period of time to make sure that the fees that we are charging do not exceed the actual cost of providing those services. It is just a matter of how big the window is in which it is measured. As can be seen from this presentation, in any given year their activity level may be up and down, and there are also some seasonal things as well even though it was not indicated in the presentation. There are some months where activities are higher than others, and we must staff for the long haul. We cannot staff up and down like the construction industry because it takes so long to get inspectors as employees, and there is a cost associated with everything including overhead. Building receives a lot of services from other City departments. When the enterprise fund is looked at, we have to figure what the total cost is for the City to provide the service, not just the Building Department. Staff will do this and bring it back to Council with an option.

COUNCILMEMBER CHAVEZ questioned if the Building Department receive 100% of the fees or only a portion.

MR. ANDERSON responded that we are fully funded, and that this is connected to

the fee challenge of whether it can be documented that they are not taking in more fees than are being spent. We have done several analyses and believe that overall the revenues have not exceeded the expenditures. We will be making some internal changes on different types of permits, but overall the revenue will change very little. We are staffed at a level to provide the services that are demanded of us, and the revenue over time balances that out.

COUNCILMEMBER CHAVEZ asked what percentage of the revenue fees the Building Division gets.

CITY MANAGER JEPSEN responded that based on the graph that was shown, it varies from year to year; actually there was one year where the revenues were less than the cost in the Building Department. Generally it is around an 80 – 85% level, and that is not unusual. Based on his experience in consulting, if the entire function were contracted out, it would cost considerably more money. In the consulting world they charge on a 3 times the salary ratio, and the City would have to double the fees if we farmed out this function. Given the overhead structure in the City, the fact that Building would receive 80 to 85% of the fee probably is a good ratio. We do need to bring it back to Council as a package when the fee study is completed.

C) **Parks and Recreation Department**

ANA ALVAREZ, Parks and Recreation Director, presented the Parks and Recreation Department's 2003-2004 Budget. Quality of life issues are reflected in City parks, recreational facilities, services, programs, and special events that define Oceanside as a community. The Parks and Recreation operating budget of \$3,800,095 is comprised of funding from the City's General Fund, program fees, park in-lieu fees, CDBG funds and other miscellaneous grants from private foundations. A wide variety of high quality programs and services for people of all ages are provided and facilitated by the Recreation Division through 7 key service areas. The recreation facilities are found in specific service areas that have citywide responsibilities. The Park Development and Planning Function is included in the Administration Division which provides for the long-term planning of open space and park improvements. A pie chart illustrated the percentage of funds that support each area: Recreation Programs - 13%, Administration - 15%, Youth Services - 16%, Neighborhood Based Services - 7%, Recreation/Leisure Services - 8%, Sports & Athletics - 12%, Senior Services - 8%, Aquatics Services - 16%, and Special Events - 5%.

Administration

Objectives:

- management direction and support to all of the department services and programs
- financial management -- of department operations
- park development and capital projects -- such as maintenance of park inventory and implementation of the Parks and Recreation Master Plan. Capital projects include facilities as well as enhancing, or renovation of existing park amenities. An example of that would be the sports field drainage system that should be coming up next fiscal year. The Oceanside Municipal Golf Course capital projects are also coordinated and managed from this section.
- leasehold and contractual services management — includes independent contractors, the professional services agreements, memorandums of understandings with non-profit agencies, etc.
- staff support to the Parks and Recreation Commission, Arts Commission, Senior Commission and Youth Commission, which includes support to their standing committees and Ad Hoc committees.

Measurements:

- customer service response inquiries -- They like to respond within 3 working days to resolve any issues. They have a 24-hour turnaround response to acknowledge receipt.
- California Parks & Recreation Society and the National Recreation and Park Association

standards -- Through those two professional associations, we have very specific standards that we need to meet for park development and planning as well as the structure of the programs and services through the different sections within the Recreation Division.

Administration is budgeted at \$566,978 which includes 6 FTE positions; the operating funds are \$28,500, of which ¼ comprises the cost to support the commissions. Most of the money goes into mailings and printing of agendas and minutes. In addition, in the operating section we centralize all of the travel and training expenditures as well as all of the professional memberships and dues for the whole department.

Youth Services

Objectives:

- prevention and intervention programs to juvenile delinquency
- youth-driven alternative recreation opportunities -- for young adults An example of that would be the Drug Free Race and the teen dances that are provided Citywide.
- build assets within youth – youth leadership
- provide a space to learn and play and a space to be safe and secure -- in the Tri City area.

Measurements:

- serving over 6,000 skaters and skateboarders
- increase academic achievement and impact grade levels -- through the after school programs
- 19,700 annual participants in the programs, classes and clubs -- that are run through the John Landes Recreation Center
- developing measurements of program impacts or outcomes that would be comparable with other cities. We want to see the specific program impacts in reducing juvenile delinquency rates, teen pregnancies, as well as other issues that may be impacting the youth community.

Youth Services section components consist of school-based, After School Program, Coca Cola mini-grants, Citywide Teen Programs, Youth Commission activities that they may launch, the operation/management of the downtown Skate Parks and the management of the John Landes Recreation complex, which includes coordination with building and park maintenance, rentals, classes, clubs and an after school program.

The Youth Services section includes 16.5 FTE positions, which are 2 full-time positions: 1 Recreation Supervisor and 1 custodial. There are 2 part-time benefited positions, and the rest is hourly extra help. The operating funds include \$15,000 for the maintenance of the mini skate parks that will be coming up in the summer of 2003 and the After School Programs at \$110,000, which includes some grants from the County Critical Hours Grant. The Interfund is fixed expenses, which includes IT maintenance and support for the computers, vehicles and building maintenance costs. The Youth Services Section is completely subsidized by the General Fund at \$635,002.

Neighborhood Based Services

Objectives:

- recreational, cultural and educational opportunities to special service areas -- We are speaking primarily of 3 neighborhoods: the East side, Libby Lake Area (also known as Calle Montecito) and Crown Heights area
- collaborations and partnerships -- we do not provide those services alone. We play an integral role in the overall community problem solving along with Housing and Neighborhood Services Department, the Police Department, non profit agencies such as Vista Community Clinic and the County Child Protection Services
- specialized programs -- for those particular areas that addresses community issues. For

instance, the East side is known to have one of the highest pregnancy rates in the whole County, so one of our goals is to talk about character building among the youth and young adults, as well as some parenting and life skill components.

- provide a space to learn and play and a place to be safe and secure -- for those 3 particular neighborhoods.

Measurements:

- provide Afterschool Program -- the Joe Balderrama Recreation Center serves approximately 80 children per day
- 40,800 annual participants in programs at the Joe Balderrama Recreation Center
- serve 720 lunches each summer — which is subsidized by Federal and County funds to provide the lunches in lieu of the lunches that are served to the children during the school year subsidize
- measure community impacts through juvenile delinquency rates -- with the Neighborhood Policing Program. We also are part of the case management with Child Protective Services cases. Unfortunately we have 6 cases that we are following very closely with specific families. We also keep a very close eye on and monitor gang affiliation and recruitment rates in those particular neighborhoods.

The Neighborhood Based Services include section components such as the management of the Americanization School and the Joe Balderrama Recreation Center. One of our major points is to make sure that there is access to all of the services, even outside of the neighborhood, by low income communities; equity is one of our biggest points. Youth development and character building come with After School Programs, Teen Programs and the Summer Camp offerings. Those particular programs are relatively different than the rest of the recreation section in the sense that they concentrate on very specific life skills. The Joe Balderrama Recreation Center management also includes classes, rentals and clubs for the family and for all of the different age groups.

The budget includes 1 full-time Supervisor, 1 part-time Recreation Specialist and the rest comes in with hourly extra help. It also includes CDBG funds for the After School Program at almost \$12,800. The Interfund charges are fixed [\$85,021]. Also included in the operating funds is the contracting out of janitorial and custodial services for this facility. The overall budget for this section is \$262,088.

Recreation and Leisure Services

Objectives:

- centralize the coordination of the camps -- includes seasonal camp offerings that fall outside of existing recreation service areas. For example, we bring in educational components to build math and general science skills, and we are bringing in an ecology camp in collaboration with the City of Solana Beach.
- close gaps -- in services that are found within the Parks and Recreation Department. An example is we are currently closing a gap for the 6 year olds; most of the programs are for the 3-5 and the 7-12, so we missed the 6-year old, and we are addressing that issue. Also, we attend to recreational trends.
- facilitate State and National programs -- An example would be the partnership with the National Parks and Recreational Society and the American Cancer Association with the Hearts 'N Parks Program to address the epidemic of obesity among children; we have a health and fitness component in Oceanside.
- provide a mobile recreation program -- The mobile unit serves those areas during the summer months where the children may not be able to walk to a specific recreation facility.

Measurements:

- provide afterschool program for 75 children per day
- staff and/or facilitate classes, clubs and programs that serve close to 10,000 people
- Mobile Recreation Program served 962 children in the summer of 2002 at 4 different

locations.

COUNCILMEMBER FELLER asked if with all of these programs, whether they are at the Recreation Centers or the Mobile Recreation, there are fees involved.

MS. ALVAREZ responded that we strive to have a very nominal fee; the intent is public recreation, so there are low or no costs to the youth and to the seniors. As an example, for the After School Program, the fee is \$5.00 every 6 months, and that pays for their membership card. For the Mobile Recreation Express the fee is \$10.00 for the whole summer season; the City subsidizes it.

The section components include health and wellness, the Recreation Express -- a mobile recreation unit, citywide educational summer camp offerings, the operation and management of the Melba Bishop Recreation Center, which includes the building and the park. We have rentals, classes, and clubs at this facility, etc.

The budget is \$322,348. It is all General Fund except for a \$13,200 CDGB grant to specifically support the Teen Program. There are 2 full-time positions: 1 Recreation Supervisor and 1 Custodial person and 1 permanent part-time benefited position, and the rest is hourly extra help.

COUNCILMEMBER FELLER asked if the Casa De Amparo was still at North River Road.

MS. ALVAREZ answered affirmatively and said that 2/3 of the Melba Bishop Recreation Center is being utilized by a Property Use Agreement with Casa De Amparo for which they pay \$1.00 per year. One of the challenges that we have in all of our recreation centers is space.

Sports and Athletics

Objectives:

- develop and implement youth and adult sports programs -- These are City run programs, and they enhance and supplement what is currently being provided by the independent organizations in Oceanside.
- manage facility use and scheduling in coordination with the Oceanside Unified School District (OUSD) -- We allow for 3 annual sports maintenance management programs.
- provide specialized clinics, camps and tournaments -- specifically in the areas of basketball, volleyball, indoor soccer, golf and flag football. There are training opportunities for parents and coaches. The overall intent is to prevent and diminish incidents of violence.
- central coordination of 8 youth and 5 adult sports organizations annually through the Oceanside Athletic Federation -- The central coordination of the citywide sports takes the majority of our time.

Measurements:

- 5 annual regional tournaments hosted by sports organizations that reach approximately 5,000 participants and spectators -- These are people that come from outside Oceanside.
- provide 11 annual city sports programs with 2,700 annual participants and 18,000 spectators.
- process 250 field permits each year, and the City schedules and manages the OUSD field permits -- We are taking care of 5 sports complexes that are owned by the City as well as the school district complexes.
- meet standards of the National Youth Alliance, Southern California Municipal Athletic Federation and Amateur Athletic Federation.

Some of the section components includes the City-run youth and adult sports, the management of the 5 sports complexes, 2 gyms, staff the Joint Use Committee with OUSD,

manage and schedule the sports lighting system for all of the fields and the Beach Community Center.

The budget is \$449,952. Except for \$30,000 from a grant from the U.S. Golf Association, the rest is General Fund money. We have 1 full-time supervisor and 3 part-time benefited positions, and the rest comes in with hourly extra help. The Interfund charges are fixed [\$91,842].

Senior Services

Objectives:

- provide and facilitate education, recreation, cultural, social services, and health and wellness to seniors -- When we say seniors we are speaking of 3 specific age groups: the Baby Boomers, the middle age seniors between 60-70, and the elderly seniors between ages 70-90.
- provide networks of support to decrease isolation and increase continuity in connections.
- outreach services to homebound seniors.

Measurements:

- provide space, staff and/or support over 50 plus programs with annual participation of 12,000 participations -- Those are reoccurring seniors who come for several activities per day.
- collaborate with the Senior Citizens Association that is a non-profit agency housed out of the Senior Center -- That provides 2,000 meals a month in house and delivers 4,400 home delivery meals to home bound seniors.
- publish the Oceanside Senior Service Directory
- publish 12 newsletters
- developing measurements of program impacts (outcomes) through the programs provided -- We are specifically targeting senior depression rates, alcoholism rates and suicide rates.

Section components include 50+ programs, and all fall within education, leisure, social services, health and fitness. She is going to highlight one of the programs which is Project Care and falls under social services; this is a program where they place phone calls to about 500 homes to make sure that the seniors are doing well.

COUNCILMEMBER FELLER inquired if the dances that they put on at the Senior Center are subsidized by the City or are self-funding.

MS. ALVAREZ stated that the City subsidized the senior dances, but there is a donation of \$3.00; the City subsidizes the operation of the Center and most of the programs.

Another component is the Tour and Travel Program, completely run by volunteers. Senior Services manages the Senior Citizens Center complex. The budget is \$304,305 and includes 3 FTE: 1 Recreation Supervisor, 1 Recreation Specialist II and 1 full-time custodial person. There is one 19-hour hourly extra help individual who is really the monitor for the rentals. The Interfund Charges are fixed [\$91,654]. The funding source is the General Fund.

Aquatics Services

Objectives:

- provides aquatic opportunities for people of all ages including swimming instruction; recreational swim and competitive sports not only for the general community but also for the school district, which includes water polo and the swim clubs; exercise
- provide pool access for OUSD, not only for the 2 high schools but also for their special education program, as well as the PE classes
- provide Lifeguard Academy - done in collaboration with the City of Carlsbad.

- provide a summer Surf Camp

COUNCILMEMBER FELLER inquired if the school district pays the City for the use of the pool.

MS. ALVAREZ answered that there is a joint use agreement with the School District. Although it is stipulated in the agreement that any additional expenses, to cover staff costs, would be reimbursed by the agency, we have not done that. The cost to support the School District's programs comes to \$20,000 in staff alone. We also utilize the School District's fields, and they are paying for the transportation of the After School Program, etc.; so it is a reciprocal relationship.

COUNCILMEMBER FELLER asked if the participants in the Surf Camp and the Lifeguard Academy have to pay, since he knew that he had to pay for his children to go to the Surf Camp.

MS. ALVAREZ responded yes, there is a fee for the usage of the pools; it is relatively low; she believed that it was less than 10% of the actual cost to provide the facility or the programs. There is a cost for the Surf Camps, and the camps in general, not just in the aquatic section, with the intent for cost recovery; so there is a fee attached.

Measurements:

- provide over 20 programs that are repeated throughout the seasons, classes and camps, with close to 95,000 annual participants, which includes the children from the Surf Camp.
- measure drowning incidents and spinal cord injuries -- To give an idea of what it is to provide lifeguard service and the responsibility for the safety and well being, we measure the drowning incidents and spinal cord injuries. We have not had a drowning in those facilities. In 1998 there was an incident, but it was due to a heart attack. The duties of lifeguards are one of the biggest components in safety. The spinal cord injuries occur in the shallow areas of the pool in the 3-foot area, because children have a tendency to run and jump into the shallow end where they feel safe when, in fact, they are not. This is one of their biggest risks, and they have been fortunate not to have had any incidents in that area.
- maintain an 80% successful completion rate in the Lifeguard Academy, which we have achieved in the last couple of years.

The budget has 8.8 FTE positions which include 2 full-time positions, 6 part-time benefited positions, aquatic technicians, and the rest comes in with hourly extra help for the lifeguards. The budget is \$593,275 and is completely subsidized by the General Fund.

Special Events

Objectives:

- manages the permitting processes for public and private events.
- chairs the citywide Special Events Committee for the coordination of city support services, which include the Fire, Police, Public Works, Transportation, etc.
- oversee the management and operation of the Sunshine Brooks Theater
- coordinates oversight of Heritage Park for wedding rentals.

Measurements:

- for calendar year 2002 we supported and permitted over 200 public events, which brought in from the participants and spectators close to 700,000 people.
- developing economic impact studies next year to see what the return is for their investment, specifically in the downtown area for the special events.

Some section components are the Pier Amphitheater and the Strand Gazebo, and they coordinate the building maintenance and rental of those two particular facilities. One

of the goals is to address some of the capital renovation of the Pier Amphitheater.

The budget is \$187,957 with 1 full-time Recreation Supervisor and one hourly extra help person at 15 hours per week. This is one of the critical areas in terms of staff support, and one of the goals will be to be able to develop a level of staff support that will be self sustained through the fees for special events. It also includes \$46,680 for the Sunshine Brooks Theate; we will be realizing some savings as we absorb the operations of the facility. The General Fund subsidizes all this.

Recreation Programs

Lastly this is not a section but a fund we call Recreation Programs Fund, also known as the 108, and this is the fund where we put all of our program and service fees to be self sustaining, to provide direct recreational services. Every fee that we collect goes right back to the community. This is where we place the Coca Cola funds to support youth programs that are not only run by the City but also community based agencies with the 2 mini grant programs.

Objectives:

- supports all of the recreation sections and is mostly for program supplies and to pay for the hourly extra help staff that supports those programs. An example: they pay the referees and the score keepers for the sports and athletics section out of this fund. We also pay for the trophies and awards, everything that goes right back to the children/families.

Measurements:

They are included in the respective service areas.

The fund is \$478,190 and is all collected from program fees and also the Coca Cola Funds, at \$48,062. We do have some money set aside from Coca Cola to support the Rec Express Program.

The Department's budget sources for the \$3,800,095 comes from the following: 83% - General Fund, 13% - Recreation Fund, 1% - CDBG, 1% - from private grants and 2% - from the Park In-Lieu Fees Fund, which goes to support the position of the Parks Development Coordinator that was a relatively new position last fiscal year. The Park CIP is about \$8,000,000 and is in the Public Works Budget.

The \$3,800,095 provides human development, increased cultural unity, strengthened community image with a sense of space, support of economic development, strengthened safety and security, promotion of health and wellness, recreational, cultural and educational experiences, etc.

The budget of \$3,800,095 is allocated by categories: 55% goes to support personnel costs, including not only the full-time positions but also the hourly extra help staff members. The General Fund pays 14% for direct services, which are program supplies; 3% for program supplies comes from the Recreation Fund; 8% goes into building maintenance and operations for the 8 facilities; 11% is for Interfund Charges, which covers such items as the vehicles, computers, etc.; 8% for utilities because of the lighted sports fields; 2% goes to community service organizations, which is under the Youth Services Section and is to support community programs, specifically the Boys and Girls Club After School Program for the Libby Lake Area.

She showed Recreation Services budget comparisons to other cities of similar size. The figures are 2000-2001 figures; at that time we were at the bottom of the scale at \$14.10 [Vista at \$11.76] per capita spending on recreation [with the high ranges being Carlsbad at \$95.89 and next was Irvine at \$31.00]. 3.1% from the General Fund is dedicated to support Recreation Programs here. Since then, those numbers have changed; in 2002 the population increased to 167,000 residents; however, the percentage of General

Fund devoted to recreation remained the same at 3.1%. However, our per capita spending, which includes the grants, CDBG and the Recreation Fund made up the difference to bring the amount up to \$19.00 per capita. Oceanside is now between the Cities of Escondido and Chula Vista. This is the good news before the budget is hit by the State budget.

Service Reduction Options:

She wanted to mention the process that they took in order to get a service reduction list of 10%. Parks and Recreation is an integral member of the community; everything that we do touches a segment of the community so the services provided are critical. It was very important that we have communication/dialog not only with the community but also with the staff members. Out of our experience we are bringing what we feel is the most adequate 10% that we can provide.

[Councilmember Chavez left the dais at 11:39 am]

1) The first cost reduction option is to continue the freeze of the existing vacancies. There are 5 vacancies that have been frozen for almost 7 months, which includes 2 full-time positions: 1 out of the Aquatic Section and 1 out of the Youth Services Section. It also includes 3 part-time benefited positions: 2 out of the Sports and Athletic Section and 1 out of the Aquatic Section. If we continue to freeze those vacancies at \$157,917, we will not be able to sustain the goals and objectives that were identified in the strategic plan for the next 4 years. There is no room to add new programs, and that also includes special events. Any new services or new programs would have to be self-sustaining or would have to come from a grant, fees charged or a sponsor. It also prevents expansion of the teen programs. This particular section is being highlighted because, in the strategic plan, most of the growth was in the teen program and youth development. That also includes coordination with different agencies, etc.

2) Special and cultural events reductions -- \$32,200 would eliminate the General Fund support to City produced events. Those events include the Sounds in the Park Concert Series, the 6 concerts at Rancho Del Oro Park, the Easter Egg Hunts, the National Parks and Recreation Day, the Halloween Carnival, and the Senior Expo. If we are to continue those events, they would need to be self-sustaining, as was the last Easter Egg Hunt. We also have \$25,750 for outsourcing the management and operation for the Sunshine Brooks Theater; we did not renew the contract with the theater manager, and that function is currently being absorbed through existing staff support. The overall possible cost reductions would be close to \$58,950.

3) Consolidation of the Afterschool Programs -- she reminded Council that during the last budget cycle the allocation of \$98,000 was not included, so we are short that amount. Some of the outside factors that we cannot control that have made an impact on our ability to sustain those programs is mainly from OUSD's budgetary situation; they will not be providing the transportation component to the middle school After School Program, which is a critical factor. Both agencies understand that without the transportation component, there would not be an Afterschool Program. The other factor is that the bussing for the middle schools and the high schools may be reduced all together. There is discussion between the School District and the Board of Education to provide a cost recovery transportation component but it has not been determined at this time. An additional factor that is out of our control is the State funds. The school based After School Programs are a real collaboration among the City General Fund, the School District funds, State funds through Safe Neighborhoods, Safe Schools Grants Program through the State Department of Education, and the County through the Critical Hours Program. These are the different funding components, and they are all experiencing drastic budget cuts. Now that the bussing will not be available to the children, we are focusing on our primary role -- to be present and have space at the recreation centers for the children to be able to walk to the recreation centers. So we have shifted the program administration of the After School Programs. Off-site after school programs have a hefty price tag because they have to recreate a recreation center at 6 different schools. So they shifted that administration, and it was brought in-house. We are now also recommending that we shift the programs

from the schools to the recreation centers. The breakdown is that there are currently 9 sites where the City provides After School Programs, including 3 elementary schools, 3 middle schools and 3 recreation centers. Those 9 sites house 12 After School Programs. By bringing everything back in-house to the Recreation Centers, we have commitments from the School District that they will continue to provide the middle school After School Programs. They secured an additional grant through the County for the Children's Initiative and Proposition 49 was for After School Programs, which is somewhat "iffy" because we do not know if the money will be there. The School District feels confident that they will be able to sustain the middle school After School Programs; however, they are anticipating a reduction of close to 40% to 60% because the transportation component is not there and the existing teachers might not be there. She further reviewed afterschool possibilities.

The remainder of the additional funds will be divided among the recreation centers in anticipation of at least a 50% increase in the number of children.

4) non-personnel reductions of \$29,900 which eliminates all of the travel and training. We maintained the mileage reimbursement for the Recreation Supervisors and staff. It would reduce the small tools and equipment in all of the sections, except Senior Services. It also reduces minor supplies. With all of these reduction options, we realized a savings of \$319,837, which comes to about 10% of our budget.

Also, under consideration is a 3% increase in the facility rental fees, which have not been reviewed for the last 15 years; however, doing a 3% increase would only provide about \$2,500. Our goal is to increase/market the use of the facilities for private use, with a goal of \$10,000. We are also contemplating a non-resident surcharge that would make Oceanside comparable to most other cities. Also, we are asking for a reduction of waivers of special events fees, which will offset the costs that we have. Every time that we waive a fee, the money needs to come from somewhere; so we are literally robbing Peter to pay Paul, and it is difficult to do because we need to account for every single penny for the services they provide. Also, we are considering transferring some staff costs from the General Fund to the Recreation Fund to be sustained by the fees for the permits for special events. This would support the 15-hour Special Events coordinator as well as developing the additional staffing support with an estimated revenue increase of about \$70,000, which is feasible.

Other budgetary considerations: 1) Satellite senior center: our budget does not show the operation and management of the second Senior Center that is under planning at this time. We are anticipating that Center to be run at a cost of \$300,000, which is a very minimal cost because we do anticipate that the new Senior Center will be run like the old Senior Center, mostly by volunteers. The value for the \$300,000 is actually triple if not quadruple, but it is not in the budget. 2) downtown skate park - In the last budget process it was anticipated that there would be mini Skate Parks at 3 existing parks: John Landes, Libby Lake and Joe Balderrama. The budget that was allocated was only \$15,000, and that is just the maintenance support for those skating elements. The funding for the Downtown Skate Park is not there, and she will be coming to Council on May 7, 2003 for a Council Workshop just to discuss the skate parks. That concluded her presentation.

COUNCILMEMBER FELLER commented about the reduction of fee waivers, saying that the Department could save money on just one event because some events cost \$6,000 in fees and the City does a lot of events.

MS. ALVAREZ replied that these were conservative approximations.

COUNCILMEMBER WOOD said that the neighborhoods were concerned about the youth with all of these cutbacks. He also understood the School District's problems as they are also looking at cutbacks. One of the things that he was asked about was the Spanish directory for the youth of the community. He asked if that was something that was being considered because it does address some of the youth concerns.

MS. ALVAREZ replied that we have been in communication with several constituencies, mostly from the San Luis Rey Mission Parrish and Our Lady of St. Mary's.

There is a need for a youth directory; we have shared samples of other cities with some of the representatives. The Youth Directory has a very important role; it was included in the strategic plan and was something that we wanted to do next fiscal year, but it is not financially possible. The price tag for a Youth Directory at that magnitude comes close to \$60,000 for a bilingual publication of about 18,000 publications -- 2 separate publications, one in English and one in Spanish.

COUNCILMEMBER WOOD said that everyone, including the Oceanside Unified School District is concerned about cutbacks. He likes the partnership that we have had and thinks that in the future, especially during the budgetary cuts, we could look at additional partnerships so that there would be no duplication of sports events and fields.

PUBLIC INPUT

JIMMY KNOTT, 124 Sherri Lane, feels that, regarding the Planning Department, they should have more computer-reliant information services so that the public can self serve. Business Licenses should be automated and flagged if there is a problem. It should be self-certification with random checks. There should be a charge for code enforcement for the actual cost of the enforcement procedures if there is a violation, and then fines and penalties should be assessed on top of that. There was no delineation of costs for outside contracts that were given; he does not know if they exist or not. The Building Department Inspectors did an excellent job this year with the Manufactured Home Parks Health and Safety Inspection. One thing that was not mentioned is that within the next couple years there will be a full Title 25 Inspection, which means every single mobile home will have to be inspected by law because the City took that over. Who will bear this cost since this is above and beyond the normal Health and Safety Inspections? We should consider alternatives for self-verification and certification with random checks. With the build-out of the City, we need to look at the appropriate staffing levels as a result. According to the presentations, revenues are collapsing and expenditures are raising and you should look at that.

Regarding the Park and Recreation Department, we should consider the consolidation of the Community Resource Centers, Police Resource Centers, and Recreation Centers in each of the 5-7 townships. Also look at the airport designation and make it an air recreation park and start charging take-off and landing fees because there is no commercial airline usage of the facility. The uses of different agencies in the area should be further expanded.

ADJOURNMENT

MAYOR JOHNSON adjourned this meeting to a Mayor/Council Workshop at 2:00 PM today. This meeting was adjourned at 12:00 Noon on April 30, 2003.

ACCEPTED BY COUNCIL:

Barbara Riegel Wayne
City Clerk, City of Oceanside

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



California

CITY OF OCEANSIDE

MINUTES OF THE

CITY COUNCIL

June 11, 2003

ADJOURNED MEETING 10:00A.M COUNCIL CHAMBERS

Mayor
Terry Johnson

Deputy Mayor
Esther Sanchez

Councilmembers
Rocky Chavez
Jack Feller
Jim Wood

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 10:00 AM, June 11, 2003 for the purpose of a Mayor and Council Workshop. The Pledge of Allegiance was led by Councilmember Chavez.

ROLL CALL

Present were Mayor Johnson and Councilmembers Chavez, Feller and Wood. Deputy Mayor Sanchez arrived at 10:39 AM. Also present were City Manager Steve Jepsen, Assistant City Attorney Pam Walls, and Assistant City Clerk Charles Hughes.

WORKSHOP ITEMS

1. Inclusionary and affordable Housing policy options

MARGERY PIERCE, Housing and Neighborhood Services Director, reported staff is recommending that Council adopt a resolution declaring an affordable housing crisis in the City, establish an affordable housing task force, and appoint members to that task force.

Since 1999, the cost of housing in Oceanside has increased dramatically for homebuyers and renters. The median sales price of homes in Oceanside has increased by 75%, from \$177,000 to \$310,000. In order to purchase a median priced home, a household needs a minimum annual income of \$80,000 and a 20% down payment. The median household income is currently \$63,000.

The supply of apartment units is not increasing in accordance with demand. Between 1999 and 2002, the apartment vacancy rate in Oceanside was below 2.5%. As a result of the low vacancy rates, rents increased. The average rent for a two-bedroom apartment in Oceanside is currently \$971, while the maximum rent a low-income household can reasonably afford is \$820 per month. In the past six months, with the deployment of troops from Camp Pendleton, the vacancy rate has risen to approximately 5%, but the rents have not decreased. As the troops return, it is expected that the vacancy rate will drop again.

Relatively few market rate rental units have been developed in San Diego County since the early 1990s. One reason is that, even at the current high rents, new market rate rental complexes do not provide a reasonable rate of return on the investment. The only apartments being built today are high-end apartment homes renting for \$1,800+ a month or publicly subsidized affordable units.

The State requires local jurisdictions to provide for the housing needs of its residents across the economic spectrum. The City's General Plan Housing Element defines housing needs, establishes goals, identifies resources and sites, and outlines an action plan to meet the goals. SANDAG facilitates a planning process involving the local jurisdictions in San Diego County to establish the total short-term regional housing needs from 2004-2009, and long-term regional housing needs through 2030. Through this process, the region adopts a goal for total affordable units to be built over the next 5 years and then distributes that total number across the jurisdictions, based on a number of factors. A small percentage of the total units are to be built for low-income households; this is known as the fair share affordable housing units. Through SANDAG's planning process, each jurisdiction is allocated its fair share of affordable housing units, which are incorporated into the cities' Housing Element.

Self-certification is a pilot program in San Diego County that was approved by State legislation for San Diego County jurisdictions only. For the 1991-1999 Housing Element, the City was able to meet its fair share goals, and was able to self-certify its current 1999-2004 Housing Element without formal review by the State. For the current planning period of 1999-2004, the City's fair share is 944 units, including 374 units for extremely low-income, 292 for very low-income, and 246 units for low-income.

The Housing Element Action Plan describes how the City intends to meet its fair share goals through a variety of housing programs and activities, including new construction, acquisition and/or rehabilitation, preservation, Section 8 vouchers, home ownership assistance programs and shared housing. One of the City's fair share goals is to construct 499 affordable housing units by June 30, 2004. Currently, 223 rental units are under construction and will be completed hopefully by that deadline, including the Old Grove Apartments with 55 units, and Vintage Point Senior Apartments with 168 units. Although 100 additional units are proposed, financing for these projects has not yet been secured. Because the average development timeline for an affordable housing project is 2½ to 3 years, the City will not meet its new construction goal by the end of 2004.

In a report recently submitted to SANDAG on meeting its fair share goals, the City reported 591 assisted units as of July 2003, including 350 new Section 8 rental vouchers, 55 new construction units, 140 existing housing units, and 46 shared housing opportunities. With just one year left in the planning period, the City has met 65% of its goal. During the next year of 2003-2004, the City expects to add another 200 affordable units with the completion of the Vintage Point senior units, the recently approved TERI [Training, Education, Research Institute] project, additional monies secured through the Cal Homes program and through the single-family rehabilitation program, which will bring the total affordable housing units to 87% of meeting our goal for affordable housing units. This means we will not be able to self-certify our Housing Element for 2004-2009.

The City's inclusionary housing ordinance, adopted in 1991, requires that residential developers reserve 10% of all for-sale units for moderate-income families, or rental units affordable to low-income households. The inclusionary housing policy is a tool used for the production of affordable housing; it was deemed necessary because the free market does not produce sufficient housing units to meet the needs of low- and moderate-income families living and working in our community. These low- and moderate-income households make up our workforce; they are teachers, nurses, secretaries, firefighters, etc.

The inclusionary ordinance also provides for developers to pay an in-lieu fee as an option rather than providing the actual units. The fee is adjusted annually and is based on the affordability gap between the median price of homes sold in the 4th quarter of the previous calendar year, and the amount that a 4-person household can reasonably afford to purchase a home. The City's current in-lieu fee of \$10,275 was adopted in June 2002. Over the past 10 years, residential developers have paid the City \$11,500,000 in lieu of producing 402 affordable units. To date, the City has expended approximately \$800,000 of the inclusionary housing trust fund, including down payment assistance to moderate-income families and for subsidies for the Old Grove affordable housing project. Only one developer has chosen to build instead of paying the in lieu fee -- Hallmark Communities will build 2 single-family homes for moderate-income families in its Summerview development.

As of July 1, 2003, the City will have \$12,000,000+ in inclusionary housing trust funds and other designated housing revenues, including \$2,000,000 of federal HOME funds and Redevelopment set-aside funds. Housing funds can be used to leverage other public and private funding at a ratio of \$1 of local funds to \$3-\$4 of other funds, which means that \$12,000,000 in City funds can leverage at least \$36,000,000 in other funding. Affordable housing developers can use \$48,000,000 to finance between 240 and 320 units of affordable housing, which works out to be an average per unit subsidy of \$37,000 - \$50,000 per unit.

One reason the City has experienced difficulty in expending its inclusionary housing trust funds is the scarcity of appropriately zoned property. Virtually all medium density zoned property has been developed or has environmental issues. Property rezoned by Council for medium to high density has been, or is being developed with market rate housing, with the exception of the Lake Boulevard property that was purchased by the City for building affordable senior housing.

The State requires local jurisdictions to identify sites for affordable housing in its Housing Elements. Most of the sites identified in the City's current Housing Element have been developed or would be difficult to develop due to various environmental, community factors, or require rezoning. The City will have a difficult time identifying any sites in its new Housing Element.

The inclusionary housing ordinance requires that Council annually review the status of compliance with the ordinance and the degree to which reserved units provided and fees collected are addressing the shortfall of affordable housing. Council reviewed the ordinance in February and March of 2000, and in October 2001. In those reviews, Council made some changes and considered eliminating the in-lieu fee option except for developments of less than 10 units.

One of the purposes of this workshop is to adopt a resolution acknowledging the affordable housing crisis in Oceanside. Staff selected a qualified consultant, David Paul Rosen and Associates of Oakland, to conduct the inclusionary housing study requested by Council.

DAVID ROSEN, with David Paul Rosen & Associates, reported that his presentation would cover the 3 following issues: 1) a summary of inclusionary statewide housing practices based on surveys of approximately 107 jurisdictions, 2) a review of the kinds of analysis that will be conducted to advise Council regarding possible revisions to the existing policy in order to best provide a balance of jobs and housing for a variety of income levels; and 3) and the programmatic elements of inclusionary housing programs.

In a Statewide survey conducted this year of 107 jurisdictions in California, it was found that approximately 20% of cities and counties have adopted inclusionary housing programs, with some in place since the 1970s. Under these programs, approximately 34,000 units of affordable housing have been developed by private sector developers, in compliance with local ordinances. This survey does not address Redevelopment Area inclusionary requirements. 94% of the jurisdictions surveyed have mandatory requirements for inclusionary housing. Very few jurisdictions have a voluntary requirement, and those few jurisdictions have only been seen to produce units either when the jurisdiction subsidizes the units with local funds or if there is a growth control measure and part of the entitlement granting process is to provide for voluntary compliance of affordable units.

Approximately 95% of the programs Statewide require that at least 10% of the units be set aside for various levels of income affordability. The City's program is at 10%. 24% of the policies require at least 20% of the units developed to be affordable, another 26% require 15%. Income targeting varies widely in the State; however, what we generally see is that income targeting for renter housing is focused on families between 50%-80% of the area median income, and jurisdictions targeting home ownership are targeting are focused on families between 80-120% of area median income.

In the field of affordable housing, we are stuck with some unfortunate legal labels, such as very low income and extremely low income, etc. It is useful to remind ourselves what those translate to in terms of dollars in San Diego County today. In San Diego metropolitan area, a family of 4 has a median income of \$63,000 in 2003. A very low-income family at half the median income is earning \$31,500. A low-income family is a family earning upwards of \$50,000. So you can see that these labels do not tie to our thinking of who is targeted by these programs.

Inclusionary housing has its genesis in a U.S. Supreme Court decision of New Jersey in the early 1970s, which struck down a local zoning ordinance that was exclusionary zoning where some high-end suburban communities were excluding zoning for affordable housing. The Supreme Court said that was essentially racial segregation by zoning code, struck it down and imposed a court-ordered compliance program, which became known as inclusionary housing.

So at least half of these policies have been adopted in the 1990s, 21% in the 1980s, 15% in the 1970s, and 15% since 2000.

Another key component of affordable housing practices is the length of the affordability restriction. Some may have heard the term 'expiring use restrictions' or so-called preservation problems with HUD subsidized housing where the HUD/taxpayer subsidies are expiring, the for-profit owners are now able to opt out of their contractual obligations to maintain affordable rents and can convert the units to market rate. In high-cost San Diego, this is an acute problem, with previously subsidized units now converting to market rate units. A way to control that is to establish a term of affordability. Inclusionary housing ordinances in California have an average term of approximately 42 years for rental housing and 35 years for owner housing. State subsidy programs require a minimum 55 years of affordable rents. California Redevelopment law requires permanent affordability for rental housing and 45 years of affordability for owner housing.

Alternatives to on-site compliance include: 1) the payment of in-lieu fees; 2) the ability to provide the affordable units off-site; 3) the ability to dedicate land; and 4) the development of a housing credit program, in which developers create a surplus of affordable units per their obligation and other developers purchase those credits through a transfer program. A number of jurisdictions use that practice.

In addition to alternative compliance, another key practice in inclusionary housing is the provision of incentives, or off-sets, acknowledging that imposing an inclusionary requirement creates costs to the development. There are ways in which a jurisdiction can offset the additional cost through provisions of incentives or alternate compliance options. The provision of density bonuses is routinely used and is a matter of State law, where by State law a minimum of 25% bonus on top of the otherwise maximum allowable density must be offered plus one additional incentive to any developer that provides either 10% of the units at half the median income, or 20% of the units at 60% of the median income, or 50% of the units for seniors. Interestingly, State law does not require that the senior set-aside be income tested, so a city could have high-income senior housing and still qualify for the density bonus.

Some jurisdictions subsidize affordable housing with their own funds. Most jurisdictions separate inclusionary housing obligations from housing subsidy programs. Design flexibility is a common feature, where below market rate units might be townhouses or stacked flat units instead of single-family detached units. Additional incentives include some combination of development fee waivers, reductions, or deferrals. Deferrals are deferring the development impact fees from building permit, when generally collected, to the certificate of occupancy. In some limited jurisdictions where there is a growth control measure, developers may be exempted from the measure and be granted entitlement in exchange for offering inclusionary units. In very few communities, a tax abatement is offered. In California law in rental housing, that with units affordable at 50% of the area median income, there is a property tax exemption for units owned and managed by non-profit developers.

The trend in inclusionary housing statewide is to both increase the number of jurisdictions adopting ordinances and, of those that have had them in place for some time, to strengthen their ordinances. The typical programmatic elements used by cities to strengthen their ordinances are adjusting upward their in-lieu fee obligations, increasing the percentage of units set aside as affordable, and securing more years of affordability.

Next in the presentation will be Nora Brown, who is a principle with our firm—DRA, to review our scope of services.

COUNCILMEMBER FELLER noted that 107 jurisdictions in the State have inclusionary housing ordinances, and he questioned the total number of jurisdictions in the State.

MR. ROSEN responded that there are approximately 500 jurisdictions in the State, so about 20% of cities and counties in the State have inclusionary obligations.

COUNCILMEMBER FELLER questioned why all the jurisdictions are not doing this.

MR. ROSEN responded that many jurisdictions are in rural areas, and many are small communities not affected by the housing affordability crisis.

COUNCILMEMBER CHAVEZ questioned why the rural and small communities have not been affected by the housing crisis.

MR. ROSEN stated that supply and demand is a fundamental dynamic of housing economics. A median priced home in Oceanside is now \$310,000, compared to \$175,000 four years ago. A median priced home can be purchased in the San Joaquin Valley for under \$200,000.

COUNCILMEMBER CHAVEZ queried if the majority of the 107 communities are coastal communities that are dealing with this housing issue.

MR. ROSEN stated that of those 107 communities, they are certainly high housing cost jurisdictions, whether on the coast or inland areas.

COUNCILMEMBER CHAVEZ queried if the location is driving the increase in housing prices.

MR. ROSEN explained that associated with the location are the dynamics of acute shortages and high demand. Another factor that has an impact on San Diego County is there is an unfortunate mismatch of jobs, wages, house prices and rents. Because the regional economy is largely driven by service, retail and tourism, the wage levels are quite low, and yet the house prices are quite high. So routinely you see San Diego County housing prices are the least affordable in the country, according to housing affordability indexes.

COUNCILMEMBER CHAVEZ noted then that the dynamics affecting the City are the economic characteristics relating to jobs versus housing availability.

MR. ROSEN stated that the crisis in affordable housing is a crisis in wages. 40% of workers in the U.S. earn \$50,000, which HUD considers low-income, and \$31,000 is considered very-low income. Oceanside's housing market is beyond the reach of those folks, so they get caught either by doubling-up and overcrowding, or overpaying for their housing.

COUNCILMEMBER CHAVEZ stated that unless our job base is developed to increase wages, the housing issues will not be addressed.

MR. ROSEN stated that every community's dream is to have an economic development, police/environment that encourages high-wage jobs. In California we have a

fiscalization of land use which is skewed to sales tax generation, and almost 40% of those jobs would be, by definition, low-paying.

COUNCILMEMBER CHAVEZ would like to see a graphic on the percent of affordable housing and the cities' economic structures — what defines those cities in relation to the percentage of affordable housing. For example, when you see set-aside requirements, etc., he questioned the thought process and why some are making decisions.

MR. ROSEN stated there are 2 elements of the thought process by Councils/Board of Supervisors. First is scaling the set-aside requirement so it does not represent an undue burden on development; so development economics do vary; and they also vary based on the policy priority of the Council with regard to income targeting. If a city is more interested in targeting a median income of \$63,000, then set-asides can be higher at 15-20% of the units because the gap is smaller. If the aim is reaching renter households at the \$30,000 income level, the set-aside would be smaller, at 10%. Second is political, the political process and the art of compromise and finding a middle road solution.

NORA BROWN, with David Paul Rosen & Associates, stated that part of our scope of work will be an economic analysis, which focuses on the economics of how housing gets built in Oceanside. We will be using proto-typical housing developments—both renter and owner—that represent housing that is either being built today or prospectively could be in the near future. For example, it can be associated with smart growth or with infill development in the downtown area. We will be establishing development cost estimates for those prototypes to include everything from the land, structure, developer profit and overhead and other soft costs to model the cost of developing market rate housing in Oceanside today. Then we will be using those prototypes to model most of the alternative inclusionary requirements to the developer, because there is a cost associated with inclusionary housing on the developers. Economic analysis will be used to quantify what that cost is, based on your current set-aside and other alternatives that might be of interest to the City.

[Deputy Mayor Sanchez arrived at 10:39 am]

In addition, there are jurisdictions in the State that offer various incentives to developers to help offset a portion of the cost of inclusionary units, which we will look at, and we will be using the prototypes to model those cost savings and determine the extent to which they can offset the cost of the inclusionary housing requirements and the net impact to the developer.

We will also be doing an economic impact analysis to the developers to look at the costs of inclusionary requirements, the cost savings and what is the next impact ultimately to the developer.

Included in our scope of work, we will be looking at program design issues and policies. Throughout this process we will work with the task force, that we understand you are going to appoint, to present and explain findings and prepare recommendations to the City Council to help develop a program that will work.

Among the developer incentives to be analyzed are the 25% density bonus; a 50% density bonus; the value of reduced parking requirements, etc. to give you a sense of the tools that other communities are using, how valuable they are, and what their implications are; potential street width reductions in single-family detached homes; valuing the deferral of development impact fees — we will not be looking at waiver of fees; unit size modifications, etc. A number of jurisdictions offer alternative compliance options, and the ones we will analyze include: providing townhome units for single-family detached market units where the affordable units might be provided as townhome units on a portion of the site; providing the affordable units off-site, with or without a possible credit exchange program where the development might benefit from lower land cost; acquisition/rehabilitation of existing rental units off-site where you might have communities where there are existing rental units that are in need of rehab. One option is for the

inclusionary program to be tied with the acquisition of those units by non-profits or other non-speculative developers where they fix them up and hold them affordable for the long term. Then they could get credit for their inclusionary requirement by doing that instead of building new units on site. Another option is an equivalent bedroom count, where the developer might match the number of bedrooms to the proportional number of bedrooms in the market rate development, but instead of providing something such as 3 2-bedroom units, they could provide 2 3-bedroom units. And finally we will be looking at methods of calculating the in-lieu fee and how it compares to the cost of providing affordable units on site. With inclusionary housing there is no requirement statewide as to how the program must be designed; normally programs require pro-rata distribution of the affordable units to match the market rate. One option that might be attractive is to match the bedroom equivalent as opposed to the units and possibly give developers an incentive to build more larger units, which may or may not be advantageous to the City. In terms of units, that may not be a good goal.

MR. ROSEN stated this is a brief overview of the programmatic elements contained in inclusionary housing ordinances Statewide. There are very few jurisdictions that have voluntary programs in-lieu of mandatory requirements. Regarding applicability of the requirement, Oceanside's is in place already and is City-wide with the exception of the Redevelopment Project Area. Redevelopment law in California requires inclusionary housing in the Redevelopment project areas, even if the project is exempt or must pay in-lieu fees, etc.

The study will also address the issues of terms of affordability, alternative compliance options, incentives provided to developers to help off-set the cost of compliance, and the establishment of an in-lieu fee formula that can be tied directly to the gap in the City, program design issues, policies and processes with in-lieu fees, use of accumulated substantial in-lieu fees and their best use, targeting older communities for revitalization or new construction, regulatory agreements and controls to assure long-term affordability. A key issue/challenge is the identification of sites.

Public Input

ANNE WILSON, Director of Housing and Real Estate Development for Community Housing Works, a non-profit affordable housing developer, is here to commend the City for having and implementing an inclusionary housing policy that promotes affordable housing, establishing the task force and engaging the citizenry in the re-evaluation of your policy to make it more effective. They would like to encourage Council to encourage developers to include the land as part of the inclusionary policy. Carlsbad, Chula Vista and the County of San Diego have such on-site requirements. Obtaining sites is one of the most challenging aspects of affordable housing development. Land zoned for multi-family housing in San Diego County is at a premium. She encouraged the City to have an effective inclusionary housing policy that encourages the development of units on-site or near the sites.

JEAN KUJAWA, 4914 Glenhaven Drive, lives near a heavy industrial area, and she is concerned about transportation for low-income housing and rail lines versus bus transportation. She feels bus transportation is being curtailed in low-income areas and wants this to be considered. Any future low-income housing has to be near public transportation.

THEKLA WATSON, member of Shiloh Church of God in Christ, is a student and has a job, but cannot afford to rent a room. She and her son have been living in someone's living room, sleeping on a mattress on the floor for a year. She would like to continue her education so she could get a higher paying job, or work 2 or 3 jobs in order to pay the rent and pay for the necessities of life, but who is going to raise her child when she is not at home. There is a crisis.

MARIA ORTIZ, with Faith Based Community Development Corporation, read a letter from the Executive Director, Daniel Scott, acknowledging that he has been recommended to serve on the housing task force and welcomes the opportunity to serve. He looks forward to challenging traditional mythologies and seeking innovative solutions

that shift attitudes to address the increased awareness of our housing reality. The long-term economic well being of this region will be impacted by the solutions that are identified during this process, and he hopes to include a broad based approach that recognizes the tough political and economic considerations that must be addressed. Traditional methods do not address the increasing demands of the region's ability to attract new businesses. While there are fundamental land use, density, and financing issues, there are no quick fixes. Critical to the success of this process is the political will to make tough economic decisions. He urges Council to provide sufficient time to clarify new strategies and their long-term economic impact, in the best interest of shaping public policy and utilization of resources.

JIMMY KNOTT, 124 Sherri Lane, suggested potential solutions, including the use of high-density, low-cost, quick developments — that is, more mobile home communities; or mixed-use housing with business on one floor, and homes or apartments on another. With only about 17% of land in the City available now, the City must consider the land cost for acquisition versus housing development and the cost/benefit factor. The City should also consider co-use of other properties, such as along the rail line. Some concerns include: what about transitional housing, making sure we own properties for people who are on low income and those are transitional housing with reporting requirements; a designation of senior housing as low, very low or extremely-low income only. He suggested the conversion of vacant business spaces to housing. We need the statistics and types of low-income individuals, the current property lists, properties listed as low-income, and locations of the low-income communities in the City. A number of seniors in the community live on less than \$700 a month of Social Security. There was no mention of the waiting list for Section 8, which is 2 years for extremely low income and 5 years for very low income.

It is wrong for the City to kick people out of places like Casitas Poquitas, an RV park, etc. The City's policies need to be re-considered.

ERNIE COWAN, 906 Sycamore Avenue, Vista, Vice President of Government Affairs for the North County Association of Realtors, stated he and the members he represents feel positive about the direction the City is moving with housing. Housing is not simply a low-income issue; it is a housing issue period. He thinks the City needs a comprehensive housing policy. Daily our members are concerned with the 19% -- less than one in 5 -- who can afford to buy a home. That means that of Oceanside's population of 100,000+, less than 20,000 can afford to buy a home. The City has declared a housing crisis. If the City declared a housing disaster, resources would be used. The City has \$12,000,000 in resources. If this Council used those resources and said within one year we will build the 500 units necessary, and partnered with for-profit or non-profit developers, we could have 500 affordable housing units built in this community. As realtors we are very familiar with this community and know how difficult it has become to buy a home in Oceanside. We stand willing and able to work with Council in accomplishing the goal of providing affordable housing for this community.

JERRY LIVINGSTON, with the Building Industry Association, 6336 Greenwich Drive, San Diego, echoes Ernie's comments and believes it is good for this task force to look at affordable housing and the inclusionary zoning policy. A comprehensive housing policy really needs to be looked at. One thing that stymies the availability of lower income homes is the lack of availability of the middle-rung home, whether it is condos and lower-end for-sale units that somebody who does not qualify for affordable housing can afford to buy. Without that move-up product, you end up losing some of the affordability at the lower end of the market. This was seen between the 1980s and 1990s in the number of units produced in San Diego County; they were significantly higher with a relatively stable price during that time in both for-sale and rental housing. The reason for that is supply. So we believe it is appropriate for this Council to look at a more comprehensive policy on housing.

FRED TAYCO, Director of Public Affairs, San Diego County Apartment Association, stated we represent over 3,000 members in San Diego with about 150,000 units. We support the action today, and specifically we ask for inclusion within the affordable housing

task force. Our housing needs require the participation of everybody within the community. The decision made by Council and this task force will have widespread impact across the entire rental industry. He echoes the creation of a comprehensive housing plan, which is necessary to address single-family housing, as well as, multi-family housing in the community. He requests the addition of the San Diego County Apartment Association within the task force group.

FATHER TOMMY KING, is Associate Pastor at Mission San Luis Rey Parish, which is a member of Congregations for Civic Action. San Luis Rey Parish is made up of approximately 3,000 families who cross a variety of income levels and cultural backgrounds. Being people of faith, as are all the members of Congregations for Civic Action, we believe in a God of Life, which calls for a dignity of life for all people. What that implies is adequate housing for all people. During his 11 months in Oceanside, he has visited many homes where two families live in the same house to be able to afford the rent. So you have crowded homes, apartments in poor condition and rents still escalating. This is not just a problem of the poor in our community. Some middle class families in our Parish are reconsidering where they want to stay. Because of the cost of housing, they are considering jobs elsewhere. This problem requires a comprehensive plan.

JOHN DUNZER, 3660 Merced Drive, attempted to build a granny flat. He believes the solution is to use the market forces that are already there; that makes economic sense. Granny flats are a tremendous resource available to solve some of these problems. He built his flat with his own money with considerable difficulty. The laws in place in the City made it extremely difficult. He also had problems with his homeowner's association. He had to go through the legal process even though the CC&Rs say nothing about granny flats. He believes a lot can be done without creating new bureaucracies or subsidies. He would like the ability to use his property for his good and the good of the community; it is not easy. He wished City staff/citizens would take responsibility to put together programs that work and wished they understood smart growth, etc. There's much that could be done.

MAKAYLA HALSELL, 723 Paradise Cove Way, says she and her husband with 4 children have lived in this community for over 14 years. We thought with the right motivation, our dream of owning a home would come true. Her husband, after serving 12 years in the Marine Corps, got a VA loan of \$240,000 only. With a \$300,000 housing market, they cannot afford to buy a home in Oceanside. We are not a low income family—we make pretty good money since we both work full time. It is ridiculous to think about going to Riverside County to look for housing, when their roots are here in this community. Everyone has the American dream to own a home, but here in San Diego County, it is a delusion. Even with two family incomes, it is not possible to buy a home in Oceanside.

LORETTA AUSBY, 1517 Dubuque Street, with Shiloh Civic Action Ministry, stated the Shiloh Civic Action Ministry is affiliated with Congregations for Civic Action, which is composed of 15 churches here in the North County that represent over 15,000 families. We are pleased that the City will declare an affordable housing crisis today. We are also pleased the task force is being formed to address the problem. The resolution states the task force will only review the inclusionary housing policy. The inclusionary policy is just one aspect of this crisis. All aspects should be addressed. We are turning away affordable housing developers because land is not zoned and ready. How will we get Prop 46 housing money? Oceanside voters are paying for the Prop 46 housing bond, yet we are not going to get our fair share. Is the City doing its best to prioritize and make easy the processing of affordable housing projects?

The task force should be empowered to make decisions by majority vote. A consensus process would dilute the recommendations. We need a comprehensive plan to make this task force work. We must now take action.

WILLIE LITTLE, 3201 Mesa Drive, has been a homeowner and landlord in Oceanside for 30+ years. In 1999 we did a study on this project and came up with a resolution and set some fees, but it was put aside. Now we are doing another study four years later, and he hopes this time we will use the study to our advantage, rather than just

putting it aside. He noted that you have to be making a living wage to even be able to qualify to get a house. A \$200,000+ home is not a low-income home. Most people who earn \$10-\$12 per hour will not qualify to purchase a home without assistance. Just to qualify and get into a house isn't enough, you have to be able to make the payments. It is hard for low-income families to qualify for a home, so we need to build real low-income housing. Marginally low-income workers earn about \$10-\$12 per hour, which is about half of Oceanside. Incomes do not match the housing prices in Oceanside.

[Public input concluded]

COUNCILMEMBER WOOD stated that the Council relies on all input on these issues. He is in favor of the recommendations of staff. This is an emergency and a crisis in San Diego County and in Oceanside. There is conflict over what is low income. Our labor force in the City has moved to another county, i.e. police, fire, teachers, etc., had to move out, and that is not low income. He agrees the study needs to be done properly and go forward. Council has a tentative list of people from the community that need to be involved in this from both sides. Some of the recommendations about individuals might be of concern; however, this needs to go forward. He made a **motion** to go forward with staff's recommendation and adopt the resolution.

COUNCILMEMBER FELLER questioned how the other cities are doing in reaching their goals.

MS. PIERCE responded that the City recently provided a current status to SANDAG, as required, but some other cities have not reported in yet. We do know that both Carlsbad and San Marcos have indicated they will be meeting their goals within this five-year period. The report on the other cities should be available in the next 3-4 weeks.

COUNCILMEMBER FELLER questioned if there is a penalty for not self-certifying.

MS. PIERCE responded that there is no penalty. It is preferable to be able to self-certify, rather than to go through an extensive and comprehensive review by the State Housing and Community Development Department. But that is what we will need to do.

COUNCILMEMBER FELLER agrees that the goal is affordable housing; his question is about the distinction of for sale or for rent.

MS. PIERCE stated that, based on the direction of the City Council, the goal was to establish a task force to look at the inclusionary housing policy, which would include for sale and rental units in terms of new construction units, which is achieved by an inclusionary housing policy. The Task Force will look at the inclusionary housing policy and get direction from Council. Staff also believes the next step is to develop a comprehensive affordable housing plan.

COUNCILMEMBER FELLER mentioned the comments regarding housing along corridors, etc. Much of the land along transportation corridors and close to shopping centers is severely strained by environmental concerns. We need to work on acquiring land, etc.; however, we are restricted, because of environmental concerns. Do we also need to decide today who will serve on the task force?

MS. PIERCE stated staff is requesting that the Council appoint the task force today so that we may get the work done and back to Council with recommendations within the next 90 days. Staff identified who we believe are key stakeholders regarding the issue and have attempted to provide Council with entities/affiliates who are willing to serve on the task force. They are both representative of the for-profit developers in Oceanside, the non-profit industry, and citizens of Oceanside who represent various interest groups, such as the senior community, the economic and business community, and the Latino community. The Mayor is providing the list of names recommended for the task force.

COUNCILMEMBER FELLER wished he had had the list earlier. He will look at the list and reserve the rest of his comments.

DEPUTY MAYOR SANCHEZ stated it is important for the community to have all stakeholders at the table to do this. She **seconded** the motion. The resolution is for the Task Force to examine policy options and make recommendations to the City Council within 90 days, which means policy options with respect to reaching a comprehensive plan to meet our goals. She would suggest a couple of things: the contract for the facilitator is for 90 days, but she would like flexibility that, if there is unfinished business, the rest of the project is not shelved. There is a definite crisis. Since she also just received the list, she would suggest that we be more flexible. The idea is that everyone that needs to be there is there: the Apartment Association, the MAAC project, etc. She would like this as inclusive as possible. She met with the Congregation for Civic Action, and they recommend that the facilitator go beyond 90 days and up to six months, if necessary. They also recommended that Sue Reynolds, who was part of the San Diego experience, also be part of this, etc. She understands that the motion does include examining policy options for meeting our housing goals.

COUNCILMEMBER CHAVEZ has met a number of times with the Congregation for Civic Action, and they as well as the BIA and the realtors all agree we need to look at this in a comprehensive mode. His direction to the Task Force is: 1) consider the vision of the City, the General Plan and how housing supports that vision; 2) consider the facts and numbers, an inventory that qualifies existing housing stock and an examination of how that mixture supports the vision as it relates to seniors and affordable housing; 3) define the problem and provide options to solve this problem with courses of action.

COUNCILMEMBER WOOD questioned how a 90-day extension would affect or change any inclusionary in-lieu fees.

MS. PIERCE responded it was her understanding that Council wanted the task force to examine the in-lieu fee calculation. Staff's recommendation would be to continue collecting the existing fees and have the task force examine how in-lieu fees are calculated. Additionally, Council has the option to not have an in-lieu fee. So we will bring all those options forward.

She wished to respond to Deputy Mayor Sanchez, who indicated a desire to have the task force work on a comprehensive plan. That needs to be done; however, currently the contracted consultant was originally directed by Council to look at the inclusionary policy and the calculation of the in-lieu fee. The options discussed in the presentation were the different options of how an inclusionary policy can work, etc.; it was not all options of purchasing land, or rezoning land, or rehab and acquisition. She agrees that needs to be done, but we would have to change the consultant's scope of work and probably broaden the task, which could not be completed within 90 days. The goal is to have as many task force members possible present at each meeting and get this done as quickly as possible, but 90 days would not be sufficient to do a comprehensive plan.

COUNCILMEMBER WOOD wanted to make sure this task force will also address affordable housing for seniors, and **MS. PIERCE** responded affirmatively.

COUNCILMEMBER WOOD understood the need for flexibility with the 90 days. On the list it shows no one from the Planning Commission, etc. He recommends Dick Parker from the Planning Commission; other phone calls with names recommended are: Sue Reynolds and maybe Art Rivera from Washington Mutual. He would throw those names out for discussion.

MS. PIERCE replied that certainly we would welcome any additional members to the task force. Regarding Mr. Rivera, we identified an affordable housing lender, Stephanie Sievers from Bank of America, who agreed she would participate on this task force. We could either add or switch at Council's direction. We would also welcome Mr. Tayco - Apartments Owners Association.

COUNCILMEMBER WOOD would like to make a recommendation for approval of this group of names to be added to the task force: Mr. Dick Parker, from the Planning Commission, Fred Tayco, from the San Diego Apartment Association, Sue Reynolds and if

for a later date consider Art Rivera from Washington Mutual.

MS. PIERCE would check with Mr. Parker on his availability to serve and if not, either appoint another member or allow the Planning Commission to appoint.

MAYOR JOHNSON noted we have the chair of the Housing Commission recommended to be on this committee. He suggests that we have the chair of the Planning Commission, as well.

COUNCILMEMBER WOOD replied he would modify his recommendation to go forward with the suggestion to have the chair of the Planning Commission.

COUNCILMEMBER FELLER stated he would like to see a comprehensive plan as well. Per staff's concerns, if July is a bad month for participation, then maybe we are starting this too early, and he suggested they begin in August.

MS. PIERCE believes we will be able to work around vacations and progress with getting the work completed.

MR. ROSEN stated they have worked with a number of task forces, and he thinks we can be as efficient with time as possible, while at the same time be comprehensive. While there may/may not be meetings in July, work will be occurring in July. It may be beneficial to have some of the fact-based information done before the task force meets.

COUNCILMEMBER FELLER stated it would seem beneficial to extend the time period. He would like Mr. Tayco added to the task force, as well as a for-profit developer under the infill as well that maybe has done some inclusionary housing, or perhaps have 2 — one with such experience and one who has not. He suggested Ryan Stone with La Jolla Development be included. He also would like to suggest Carol Ridgeway from the Senior Community. That would make 20 members on the task force.

CITY MANAGER JEPSEN summarized that the Council has four things they have agreed on: 1) looking at affordability in the context of a comprehensive housing policy and comprehensive plan, 2) define affordability and include an assessment of senior housing in the review, 3) examine policy options and solutions for meeting affordability goals, and 4) provide flexibility of up to six months to complete the study task, including flexibility in the consultant's scope of work.

MAYOR JOHNSON stated they would hear from Councilmembers and then take a break to review the motion and names, give it to the Clerk, have the Clerk read the motion, making sure the motion agrees with the changes, and then they will vote.

DEPUTY MAYOR SANCHEZ stated it seems we have support for a comprehensive plan. In order to come up with that plan, we need to make sure the task force has the research/facts to come up with a comprehensive plan for meeting our affordable housing goals. The task force needs to provide options for meeting our goals. The private sector knows how to build these buildings, and she questioned how the City can partner with the private sector in doing this, which she would like answered by the task force.

She supports adding Carol Ridgeway, Art Rivera and a MAAC project representative to the Task Force, as well as Fred Tayco.

COUNCILMEMBER CHAVEZ stated his only caution regarding adding names is that we need a balanced affordable housing task force, and we need to stay to the functional areas rather than dealing with people. He is comfortable with the 17 but is concerned when we start adding personalities into this.

MAYOR JOHNSON agrees that we need to have a balanced committee.

COUNCILMEMBER FELLER stated that Cleveland Street Housing has not done any inclusionary work, while La Jolla has, and that is why he mentioned the name. Carol

Ridgeway is a strong senior advocate, as well as, Viessa Ferrell. We have a great number with the Faith Based organizations and Sue Reynolds with Community Housing Works, but if we have more than twenty, it becomes unmanageable.

[Recess was held from 11:58 am to 12:15 PM to work up appropriate language for the motion.]

MAYOR JOHNSON called for the appropriate language for the revised motion as discussed.

MR. HUGHES stated the **language for the revised motion** is to adopt a resolution declaring an affordable housing crisis; direct staff to work with the Affordable Housing Task Force to develop a comprehensive affordable housing plan and provide the City Council with policy options and solutions to meet the affordable housing goals in six months; approve membership of the Task Force adding Fred Tayco with San Diego County Apartment Association, a representative of the MAAC project, Carol Ridgeway as representative of the senior community, and Art Rivera as the representative from the lending community.

MAYOR JOHNSON asked for any additional discussion on the motion.

COUNCILMEMBER FELLER stated the list appears to be over balanced with the affordable side as opposed to the developing side. He does not understand why we need MAAC etc. on this committee.

MAYOR JOHNSON stated we are tasking this committee to bring back a recommendation to the Council. The Council has the final say on the recommendations.

COUNCILMEMBER FELLER asked if this is an all-inclusive motion. He would like the motion separated.

MAYOR JOHNSON responded that it could be separated.

DEPUTY MAYOR SANCHEZ had understood that these names would make a balance on the committee, and now she is hearing a concern. Is there a balance with these names?

MS. PIERCE believes that staff provided a balanced group with different perspectives. She is leery of the issue of balance. We all have to come with open minds, although each brings a different perspective. We tried to identify stakeholders that would contribute to the task force. The names discussed this morning would contribute to the task force. We still want some balance with different representative viewpoints.

MAYOR JOHNSON questioned the Senior Commission representative, and **MS. PIERCE** stated that the name that staff put forward is the chair of a sub-committee of the Senior Commission on Housing--Viessa Ferrell, who sits on the Senior Commission.

MAYOR JOHNSON noted that she is a senior community member.

COUNCILMEMBER WOOD stated that he would like to **remove his original motion** and would **move approval of the motion as restated**. He would concur to bifurcate the motion.

As the second, **DEPUTY MAYOR SANCHEZ concurred and seconded** the restated motion.

The motion was **approved 5-0**.

MAYOR JOHNSON reminded Mr. Hughes that it is necessary to vote on each recommendation individually.

For the first portion of the motion as bifrocated:

- to adopt the resolution [**Resolution No. 03-R390-1**, "...declaring an affordable housing crisis in the City of Oceanside and appointing an Affordable Housing Task Force to review the City's Inclusionary Housing Policy"

Motion was approved 5-0.

- direct staff to work with the Task Force to develop a comprehensive affordable housing plan and provide the Council with policy options and solutions to meet the affordable housing goals within six months.

Motion was approved 5-0.

- approve the membership of the Task Force, adding Fred Tayco, San Diego County Apartment Association; a MAAC project representative; Carol Ridgeway as a senior community representative; and Art Rivera from the lending community.

COUNCILMEMBER WOOD stated he is willing to remove Art Rivera from the motion if the number is too high.

DEPUTY MAYOR SANCHEZ responded that Mr. Rivera is a substitute. There are only two members that are being added to the list. There are 17 positions recommended. To keep the balance, in order to have Mr. Tayco added on, the suggestion is to keep the balance and have another person, and that would be the MAAC representative; Carol Ridgeway and Mr. Rivera for banking and then add these two—Mr. Tayco and a MAAC representative. If that is the motion, she will **second**.

COUNCILMEMBER WOOD stated that is his **motion**.

DEPUTY MAYOR SANCHEZ **seconded** the motion.

CITY MANAGER JEPSEN wanted to find out who was on the original list that is being replaced.

MS. PIERCE responded that the list contains:

- a Planning Commission representative
- Kay Parker, representing the Housing Commission
- Larry Hatter, representing the Economic Development Commission
- Jerry Livingston, representing the Building Industry Association
- Kurt Kinsey, representing North County Board of Realtors
- Loretta Ausby, representing the Faith Based Community
- Paul Dooley, as the In-Fill developer in Oceanside (Cleveland St. Housing)
- Gary Burris, a subdivision developer in Oceanside with Western Pacific
- John Seymour, non-profit development representative
- Community Development Corporation, a community based CDC would be Dan Scott

--an affordable housing Lender - we had a representative from Bank of America and would substitute Art Rivera of Washington Mutual in this spot

--business member Ron Mittag, with NCEDC

--San Diego Housing Federation, Tom Scott

--SANDAG, Susan Baldwin

--Latino community member Carmen Amigon

--Senior Community member - we had Viessa Ferrell, but could substitute Carol Ridgeway, if the Council desires

--Camp Pendleton representative Colonel David John, pending approval of the base General.

MAYOR JOHNSON stated that this Affordable Housing Task Force has no legal statutory authority. They are strictly advisory to the City Council. Council can take their advice, they can approve or not approve it, but it is strictly advisory.

COUNCILMEMBER FELLER stated that he would like to add Ryan Stone, La Jolla Development to the list.

COUNCILMEMBER CHAVEZ asked if the list Ms. Pierce just read was to include Mr. Tayco from the San Diego County Apartment Association and the MAAC representative.

MS. PIERCE confirmed those would be added to the list.

MAYOR JOHNSON stated he hears no support for the addition by Councilmember Feller. We will now vote on the motion.

Motion was approved 4-1, with Councilmember Feller voting no.

2. **[Request by Mayor Johnson to revise City Council Policy 100-02 regarding City Councilmember agenda items and to discuss City Council Codes of Conduct]**

This item was removed from the agenda.

3. **Public Communication on City Council Matters (Off Agenda Items)**

JEAN KUJAWA, 4914 Glenhaven, doesn't think anyone representing a developer should approach any commissioner because they try to influence their vote. This has happened; she has asked the Senior Commission to report this, and they have not. The Chamber of Commerce should not be a political organization. They get money from the City but should not endorse anyone for any office.

ADJOURNMENT

MAYOR JOHNSON adjourned this adjourned workshop at 12:31 PM, June 11, 2003. This meeting was adjourned to 10:00 AM, June 18, 2003 [Community Rooms].

ACCEPTED BY COUNCIL:

Barbara Riegel Wayne
City Clerk, City of Oceanside

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



CITY OF OCEANSIDE

JOINT MINUTES OF THE:

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

APRIL 9, 2008

REGULAR MEETING 4:00 PM COUNCIL CHAMBERS

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

**Mayor
HDB President
CDC Chair**
Jim Wood

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

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

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

Treasurer
Rosemary Jones

**City Manager
HDB Chief Executive Officer
CDC Executive Director**
Peter Weiss

**City Attorney
HDB General Counsel
CDC General Counsel**
John Mullen

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

The regular and joint meeting of the Oceanside City Council (Council), Small Craft Harbor District Board of Directors (HDB) and Community Development Commission (CDC) was called to order at 4:01 PM, April 9, 2008 by Mayor Wood.

4:00 PM - ROLL CALL

Present were Mayor Wood, Deputy Mayor Chavez and Councilmembers Feller, Sanchez and Kern. Also present were City Clerk Wayne, City Manager Weiss and City Attorney Mullen.

CITY COUNCIL, HDB, and CDC CLOSED SESSION ITEMS

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

CITY ATTORNEY MULLEN titled the following agenda items to be heard in closed session: Items 3A and 3 B(1) and 3B(2) [Items 1 and 2 would not be heard].

Closed Session and recess were held from 4:03 to 5:00 PM.

5:00 PM – ROLL CALL: All Councilmembers were present. Also present were City Clerk Wayne, City Treasurer Jones, City Manager Weiss and City Attorney Mullen.

Invocation: Pastor Carl Souza

Pledge of Allegiance: Nichols Elementary School Students

PROCLAMATIONS AND PRESENTATIONS

Presentation – San Diego Workforce Partnership

Proclamation – National Library Week, April 13-19, 2008

Presentation – Mayor’s Youth Sports Recognition and Appreciation Award – White Sox with Vista Little League

Presentations were made.

4. CLOSED SESSION REPORT BY CITY ATTORNEY

CITY ATTORNEY MULLEN reported out on the following items previously heard in closed session:

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

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

No closed session was held.

2. [PUBLIC EMPLOYEE APPOINTMENT, PUBLIC EMPLOYMENT, PERSONNEL EVALUATION AND DISCIPLINE (SECTION 54957(b))]

PERSONNEL EVALUATION

1. City Attorney
2. City Manager]

No closed session was held.

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

A) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION (SECTION 54956.9)

Significant exposure to litigation pursuant to Subdivision (b) of Section 54956.9: One case

Item was discussed; no reportable action.

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

1. Samber v. City of Oceanside, Court of Appeal Case No. D050107

Item was discussed; no reportable action.

- 2. Morgans v. City of Oceanside, Superior Court Case No. GIN048923

Item was discussed; no reportable action.

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

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

Advance written request to reserve time to speak:

- 5. **Request by Dave Ripley, Manager of Maintenance Training at San Onofre Nuclear Generating Station, to speak regarding an educational opportunity at Palomar College to prepare students for careers in nuclear energy**

DAVE RIPLEY, Manager of Maintenance Training, stated that many of our skilled craftsmen and technicians are now approaching retirement age in the next 5-10 years. As neighbors to the north, we want to find people who are invested in the local community and bring them in at entry-level positions at San Onofre to work their way up to the skilled technical trades. One program that will start in August is a nuclear operations maintenance technician certificate program being developed with Palomar College; 48 positions will be selected; we will pay for tuition and books; their program studies will provide the basic foundation for individuals to transition from entry-level jobs to high-paying skilled trades. During summer semesters, we are providing summer employment for the interns. Upon completion of the certificate program, we will provide temporary employment for about a year, at which time we will go through our normal human resources testing process.

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

POLICEWATCH.ORG [no name], commented on a road rage/shooting incident.

CONSENT CALENDAR ITEMS [Items 7-11]

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

COUNCILMEMBER KERN removed Item 9 from the Consent Calendar for discussion.

The following Consent Calendar was submitted for approval:

- 7. Council/Harbor/CDC: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission and City Council of the following meetings:

June 4, 2003, 3:00 p.m. Special Meeting of the City Council and CDC

March 12, 2008, 4:00 p.m. Regular Joint Meeting

March 18, 2008, 4:00 p.m. Adjourned Meeting of the City Council

March 25, 2008, 4:00 p.m. Adjourned Meeting of the City Council

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

9. **Removed from the Consent Calendar for discussion**
10. Council: Approval of a professional services agreement with Carollo Engineers of Oceanside in the amount of \$672,631 for a preliminary design report and preparation of final plans and specifications for the San Luis Rey Reclamation Treatment Plant project located at 3950 North River Road, and authorization for the City Manager to execute the agreement [**Document No. 08-0239-1**]
11. Council: **a)** Adoption of a resolution approving the Mitigated Negative Declaration for the Emergency Land Outfall Replacement project; **b)** authorization to award a contract in the amount of \$4,059,486.60 to ARB, Inc., of Lake Forest for construction of the project, and authorization for the City Manager to execute the agreement upon receipt of all supporting documents; **c)** approval of a professional services agreement with Infrastructure Engineering Corporation of Oceanside in the amount of \$364,528 for construction management and inspection services, and authorization for the City Manager to execute the agreement; and approval of a budget appropriation in the amount of \$4,300,000 as a loan from the Water Enterprise Fund unallocated fund balance to the Wastewater Enterprise Fund to fund the project; and **d)** adoption of a resolution regarding repayment terms for the loan

(a) Resolution No. 08-R0240-1, “. . . approving the final mitigated negative declaration for the Land Outfall Emergency Replacement Program”

(b) Document No. 08-D0241-1

(c) Document No. 08-D0242-1

(d) Resolution No. 08-D0243-1, “. . . regarding a \$4.3 million loan from the Water Enterprise Fund to the Wastewater Enterprise Fund”

With the exception of Item 9 [removed for discussion], **COUNCILMEMBER SANCHEZ moved** approval of the balance of the Consent Calendar; **DEPUTY MAYOR CHAVEZ seconded** the motion; motion was **approved 5-0**.

Item removed from the Consent Calendar:

9. **Council: Approval of a budget appropriation in the amount of \$176,675 from Capital Improvement Project funds reserved for Fire Station 1 to fund the remainder of the FY 2007-08 dispatch service costs provided by the North County Dispatch Joint Powers Authority**

COUNCILMEMBER KERN noted this was 33% over budget. While we owe the money since it was a back payment, we need to look at alternatives, or figure out what is going on with this JPA, or come up with direction to staff about when to bring these back.

TERRY GARRISON, Fire Chief, stated we combined 2 issues: 1) the repayment we owe, and 2) how we are going to look at the entire dispatch system in the future as it pertains to costs. The City Manager has told all of the department heads to look at their large programs and see if there is a better way we can do business financially. One of our major programs is the dispatch center. We have 4 alternatives we are going to look at, starting off based on financial requirements. Once something looks like it would work for us, we would then judge the quality of service, which is critical to our citizens. We are going to look at the dispatch center we use now; the possibility of Oceanside running its own dispatch center; the Monte Vista Dispatch Center; and Escondido, which runs its own dispatch center. It may take us 30 days to look at the numbers, what it is going to cost, and a comparison based on finances, and then the quality of services.

COUNCILMEMBER KERN noted that the other thing was that the City Attorney looked at the 180-day termination of the contract. If the Fire Department decides to go another direction, the 180 days can only be triggered on January 1 for a June 30 termination, or 180 days from any time we wish to terminate that contract.

CITY ATTORNEY MULLEN clarified that the notice is 180 days before June 30, if Council were to give that direction.

COUNCILMEMBER KERN asked if staff would bring the full report back by June 1.

FIRE CHIEF GARRISON indicated they would aim for that.

COUNCILMEMBER KERN moved approval [of Item 9].

DEPUTY MAYOR CHAVEZ has a concern about using capital funds, which are generally used for facilities or one-time costs for operational expense. Additionally, the back-up material states there are 2 reasons for doing this: department projections and unanticipated increases by the JPA. When we decided to go with this, he had concerns, which were warranted since we are now in a deficit of almost \$300,000. Since we are using capital funds, he would not approve this until he actually started seeing a return on the investment. One of the returns that was presented to us was that our citizens would be safer through a quicker response time.

CHIEF GARRISON reviewed that 2 years ago, the former Fire Chief estimated the number of calls that would be dispatched through the JPA. That was an underestimation by quite a bit. The fee increase is a poor estimation on calls, because it is based on a fee for calls, and a JPA that was building a staff and adjusting the budget to build an adequate staff to provide improved customer service. That is why we have the increase; we are just making up for something that happened a few years ago and trying to make it work for us.

COUNCILMEMBER FELLER asked if there was another pot of money that the money can come from.

CITY MANAGER WEISS reported that Council could use the reserves to fund this. The projected increase is included in the Fire Department's draft proposed budget for next year. We are using this as a stop gap measure, simply because we have not completed our overall budget process at this time. That is why we are undertaking the effort to try to determine if there is a more cost effective way of providing these services; if there is, do we lose the synergy that the various fire departments need regarding dispatching fire apparatus, etc. All of that is being looked at as a potential cost reduction. Right now we are looking at priorities for fire stations. Fire Station 1 is not currently on your construction schedule for the next year or so. The funding for it is available through that process and can be re-established through other means, whether Fire Station 1 or Fire Station 8 becomes a priority.

COUNCILMEMBER FELLER asked if the City Manager can assure that the \$176,000 will come back into that capital budget in the future.

CITY MANAGER WEISS stated that, if this is Council's direction, we can make that happen as those funds become available.

COUNCILMEMBER FELLER would like to see that. He noted that we do not know what we are going to do with Fire Station 1 at this point. We have half a city block that we own that was supposed to be for this.

COUNCILMEMBER KERN stated this was agreeable to him that we replace that funding when available. He **amended his motion** to include that, when funds are available, we would replenish the capital account.

CITY ATTORNEY MULLEN asked if that would be done at the adoption of the next budget, and **CITY MANAGER WEISS** responded affirmatively.

COUNCILMEMBER SANCHEZ seconded the amended motion; motion was approved 4-1, with Deputy Mayor Chavez voting no. [Staff will return with full report on dispatch; with Capital Improvement Project money to be refunded with next year's budget]

6:00 PM – PUBLIC HEARING ITEMS - None

At this time, Mayor Wood asked to hear Item 14.

GENERAL ITEMS

14. **CDC: Approval of Amendment 3 to the negotiation agreement with S.D. Malkin Properties, Inc., for the development of the Downtown Beach Hotel, to extend the negotiation period to July 11, 2008, and authorization for the City Manager to execute the agreement**

CITY MANAGER WEISS reported that the purpose of this amendment is to extend the period of negotiations until July 11, 2008. The current negotiation period is set to expire today. The entitlements for the Malkin project were approved on January 16 of this year. They certified the Environmental Impact Report (EIR) and adopted all of the entitlement approvals, which allow for a 289-unit hotel, 47 boutique hotel rooms and 48 fractional timeshares, along with 18,500 square feet of visitor serving retail. We are in the home stretch of the negotiations regarding the Disposition and Development Agreement (DDA) and lease. The significant issue that remains outstanding is the suggested modifications for the proposal of a coastal plan amendment that would among other things permit the fractional timeshare units. Staff has been meeting with Coastal Commission staff to try to resolve those issues and develop some type of agreement as to when new hotel units in the coastal zone would be required to pay an in-lieu fee, as well as trying to clarify some of the operational issues that were before the Coastal Commission in December. They are meeting on that sometime today or tomorrow. Hopefully, after the Coastal Commission meeting this week, the suggested modifications would be brought back to Council in May of this year. They will then go back to the Coastal Commission. We have been informed that they have cancelled their June meeting, so it may not be until later. As this moves forward, it may be likely that we will have to request an additional extension, but that will be determined at the time we get clarification from the Coastal Commission.

CITY ATTORNEY MULLEN clarified that Mr. Cohen signed the version of the extension that has the Chairman of the CDC as the signer; so we would authorize the Chairman of the CDC and/or the Executive Director to execute this third amendment.

COUNCILMEMBER FELLER asked if there would be a problem extending this one month.

CITY MANAGER WEISS did not believe there was a problem and recommended leaving it as July. By then we will have a clearer picture. If the June Coastal Commission meeting is not held, the Coastal Commission has indicated that they are meeting here in August. If we have to come back, we can extend it for the appropriate time to get through the Coastal Commission process. We are still hopeful that we will make their July meeting.

COUNCILMEMBER FELLER moved approval of the staff recommendation [to approve Amendment 3 (**Document No. 08-D0245-3**)].

COUNCILMEMBER SANCHEZ seconded the motion, which was **approved 5-0**.

At this time, Council heard Item 12.

12. **Council: Quarterly Update of the Oceanside Community Safety Partnership Steering Committee**

MARGERY PIERCE, Neighborhood Services Director, stated this is the first quarterly report as Council requested regarding the Community Safety Partnership.

BRENDAN MANGAN, Management Analyst, reviewed that on August 15, 2007 the Council directed staff to take a leadership role to facilitate public and private organizations and individuals to address community safety concerns related to at-risk youth. Meetings were held on October 4 and November 19, 2007, with representatives from a wide cross section of the community to form the Oceanside Community Safety Partnership (OCSP).

The top 5 issues identified were 1) increased communication and collaboration among all service providers and neighborhood communities; teamwork among all entities, public and private; 2) increased law enforcement presence; satellite police stations with strong community policing efforts and strong City government leadership; promote and enhance existing services; 3) investigate all prevention and intervention programs taking place in Oceanside or available to Oceanside residents in schools, agencies, churches and City government; work to create a web-based bilingual directory; a broadcast system of healthy youth, family and community programs that are easily accessible to the public through schools, churches, public and private agencies and businesses; 4) develop services that are lacking, with an emphasis on after-school programs, school truancy expulsions, school-based retention programs, job training and placement programs, recreation and drop-in centers, counseling and life school development for getting involved youth, mentoring and peer leadership; parent education specific to gang awareness and prevention for youth; and 5) to seek funding to facilitate the success of issues 1-4.

At the November 19 meeting, it was decided that the OCSP should be open to all interested parties, but that the steering committee should be created in order to have a manageably sized working group. The steering committee will focus on needs related to youth, with membership representing each segment of the community, including neighborhood associations, business, education, faith-based organizations, youth-serving organizations, Parks and Recreation, Neighborhood Services and public safety/law enforcement. At the January 17 meeting, members of the steering committee were introduced. Each has made a one-year commitment to participation on the committee. It was felt that meetings should take place on a monthly basis. He introduced the current steering committee members. On January 30, they determined to meet weekly at the onset, instead of monthly. They established a time line and mission statement and developed supporting values and principles, which he reviewed.

The steering committee is currently working on a list of youth-serving programs. For youth aged 0 – 24 years, they ended up with 140 programs/activities. Their job now is to narrow those down, find out what is actually getting done and who is providing the services. The final list will be a detailed and accurate resource list containing specific program information regarding services provided and population served. Programs will be classified under prevention, intervention, diversion and suppression. The list will be accessible in written form and via the Internet.

In addressing the issues identified by the OCSP, the steering committee recognizes the need for a long-term approach. Collaboration is vital in maximizing current efforts, sustaining effective programs and adding/expanding programs for the youth and their families. The goal is to have the steering committee as a central hub that links to all youth and family resources. They will have their own subcommittees. When gaps in needed services are identified, the committee will work with agencies to find a way to fill them.

At a time when funding is tight, both locally and nationally, it is promising that North County Lifeline and Interfaith Community Services have recently received new grants to work with at-risk youth. North County Lifeline, through a CalGRIP grant, will be able to provide outreach/prevention/intervention with at-risk youth, targeting the Mesa Margarita and Crown Heights neighborhoods. Interfaith Community Services received a Gang Prevention Initiative Project grant, which is through the Workforce Investment Act via the San Diego Workforce Partnership, for a school-based youth workforce development program for at-risk youth at Oceanside High School. Both grants fit with the top 5 issues identified by the OCSP, and both agencies are committed to collaborate with each other on these grants. The City has committed to providing support services for the grant activities, including providing a summer job placement program for youth from Oceanside High School.

The Police Department, Neighborhood Services Department/Community Resource Centers and the faith-based "Save Our Streets" organization have been working together to improve communication and develop cooperation in our neighborhoods most impacted by gangs. Joint outreach events and individual contacts help to establish and increase participation in monthly community meetings at the San Luis Rey Resource Center. Residents are working to form a neighborhood watch group to increase safety and neighborhood conditions. There have been outreaches in many of the neighborhoods, and we are seeing good results from that. For San Luis Rey, this is the first time in a long time

that we have had effective community meetings. The volunteer-run Saturday evening drop-in sports and mentoring program at Melba Bishop Recreation Center is also thriving, attracting up to 100 youth for positive activities. Other collaborative efforts include the San Diego County Office of Education, which is offering a gang awareness and prevention strategies training in San Marcos for all of the partners involved in prevention/intervention in North County. We sent people from resource centers, Parks and Recreation and the Police Department; they can bring that training back to the neighborhoods. The North County Cares Program has similar goals to the OCSP. The North County Gang Prevention/Intervention Committee meets every second month to share information and promote collaboration among agencies; staff and local service providers attend those meetings.

The second quarterly update will be in July 2008.

DEPUTY MAYOR CHAVEZ stated that hundreds of volunteers in the community are working to make this happen. The key strategies are basically education, prevention and intervention. A lot of good people are giving hope, reaching out to the kids and being mentors. Hopefully, after this one-year trial period, Council will see the wisdom to make this a commission because we will have to keep the pressure on for some years.

COUNCILMEMBER SANCHEZ asked about the status of the resource study we commissioned. It was to address the needs of the back gate area and to identify the gaps in the provision of services so that we could focus on meeting those needs.

MR. MANGAN responded that it was never totally completed. He has been using a lot of the stuff that was in there as a basis for what OCSP is doing. However, the actual final report was never completed from that group.

COUNCILMEMBER SANCHEZ would like to have a presentation on that. It was something we spent \$25,000 on, and she was curious to know the results of the study. These efforts have been going on for several years now. Groups have been working very diligently, coordinating efforts. This is basically institutionalizing those efforts. She had attended the OCSP meetings until they moved to Wednesdays when Council meets. She has a lot of contacts with law enforcement, the District Attorney's Office and the courts, and she has offered resources to OCSP.

COUNCILMEMBER FELLER asked the date of the next "Save Our Streets" outreach.

MR. MANGAN stated that on April 26 there is a joint church outreach, which will be fixing up neighborhoods. They are finalizing details, and Council will get an update on that shortly. That will be the big effort for this month. In June we are going to be doing a street fair in Crown Heights, and "Save our Streets" will be working with us. In October, North Coast Church will be doing their big project as well.

COUNCILMEMBER FELLER thought that one thing the organizations can offer that we don't have in OCSP is that some of them are willing to do mentoring and after-school programs. He suggested looking to them for some of those needs. He has had extensive talks with some of the churches.

MR. MANGAN had also talked to some of them about doing ongoing projects.

COUNCILMEMBER KERN stated that moving the basketball from Sunday afternoon to Saturday afternoon has really made a difference; it is now really crowded with 75-80 kids in the gym. Having those programs available, especially as we get toward summer, is going to be absolutely critical.

CITY MANAGER WEISS stated that we had previously forwarded to Council the back gate assessment report as it was submitted to us. We can provide additional copies. He asked if this was an item they wanted brought back to Council.

COUNCILMEMBER SANCHEZ was hoping we could act on it with hopefully some recommendations. The whole idea was to find what the gaps were in the provision of services.

MAYOR WOOD said Oceanside took the leadership role on this. We wanted to get everybody at the same table, find out what the needs are and the assessments, and coordinate regarding who is out there and if there is a duplication of effort. Hopefully, they will get a list to the public and the Council. We have seen some results already. Taking the leadership role and getting everybody to the table was needed.

This is an information only item.

At this time, the Mayor requested to hear Item 16.

MAYOR AND/OR COUNCILMEMBER ITEMS

16. **Request by Deputy Mayor Chavez to discuss Oceanside Unified School District's Resolution No. 16 (07-08) "Opposition to the Governor's 2008-2009 Budget Proposal" and request a vote in support of this document**

DEPUTY MAYOR CHAVEZ reported that the State is looking at tough budget times. The Oceanside Unified School District (OUSD) had passed a resolution that they are submitting to the Governor. He asked 2 school board members to make a statement. He is supportive of the action of OUSD. While it is tough budget times, an investment in education is actually an investment in our future economy. There is nothing more critical for the betterment of the City than the education of our youth.

ADRIANNE HAKES, Vice President of the OUSD Board of Trustees, thanked Council for considering the resolution and hoped they would add their support. Council's support would demonstrate to the community of Oceanside and hopefully the Governor that we value education in our community and should get the funding from Proposition 98 that the voters approved years ago.

ROY YOUNGBLOOD, OUSD Board member, stated that not only is it important that Council approve the adoption and support the OUSD resolution, but it is also important that each individual person contact their representatives in Sacramento and let them know that they support what OUSD wants to do and not support the Governor's proposed budget, to ask the legislators to do something when making the budget that shows they support the children of California. Children are the important thing for the future of the state and our City.

DEPUTY MAYOR CHAVEZ moved to support OUSD's Resolution No. 16; **COUNCILMEMBER KERN seconded** the motion.

COUNCILMEMBER KERN is in full support of this. He substitute teaches and noted how important it is to have this money go to the schools. When we talk about sustainability in the long term, one of the keys is education. Just like infrastructure and workforce training, this is one of the key components for a sustainable economy. It is an investment in the future. According to SANDAG's prosperity strategy, for every one job that we create at the upper 1/3 income level, we are creating 8 at the lower 1/3. The difference is education; we have to have an educated workforce otherwise we can't fill those jobs. We need to find those people locally.

MAYOR WOOD had a conflict in his mind. He talked to the Deputy Mayor, City Manager, City Attorney and school superintendent. Supporting this is no problem, but he wanted to make sure we have all the facts. He did not want to say don't take money from the school district; take it from the City. Every year we balance our budgets, and the State causes us grief. We keep a balanced budget; they don't; and we pay the penalty. There has to be something that is done so that we have a reliable source for the schools and the City that cannot be taken away from us on a yearly basis. He wanted to make sure there is verbiage in there to make sure it is not given to the school and taken from the City.

CITY MANAGER WEISS stated staff has done research through the League of

California Cities. Whatever the Governor or Legislature do, they need to reform or rebuild the relationship between the State and local governments. Stability is a key principle for local governments. We had some stability afforded to us through Proposition 1A that was passed in 2004. It gave us the ability to adequately plan public services in a more rational and effective manner. Without this stability, we will again be at the mercy of the State and need to be looking over our shoulders every time the State enters into some type of fiscal problem. That is a concern that we are building a budget with contingency plans, not knowing what the State is going to do since they tend to look for unique ways of passing on their fiscal problems to someone else. We all recognize and support the schools; quality education is necessary and enhances our ability to be successful. He could not provide any language that would say don't take from the cities. That is going to be an ongoing issue that all local agencies and counties need to work together on to make sure the State addresses its fiscal problems in a more rational manner.

In response to Mayor Wood, **CITY ATTORNEY MULLEN** understood that the Deputy Mayor's item is to simply express support for the OUSD resolution. The maker of the motion could add in language indicating that the City supports their resolution and further do not wish any of our local revenues to be raided by the State Legislature.

MAYOR WOOD wanted to make sure we do not cause ourselves any more grief. If the State cannot get it from somebody, they will take it from somebody else. The City is as fearful as OUSD; the State may say they are going to take 10% from the City.

DEPUTY MAYOR CHAVEZ stated we are in tough economic times. These are the times we need to stand together and not try to feed upon each other. We do not have the California budget before us. This motion is simply a recognition that education is important to the City; it is not saying anything about police and fire, etc. At this time, the issue is education and having a shared sense of support between the school districts and us. Hopefully, the citizens will see this and call or write their legislators and tell them that education is important. He would stay with his stated motion.

COUNCILMEMBER SANCHEZ would like to go on record as opposing the cuts for education. The resolution, however, is very broad; it just says they strongly oppose the Governor's budget proposal, and she does not know his entire budget proposal. She is prepared to take a position on the cuts to education, but she is not prepared to make a broader statement than that. If the motion can be tailored to specifically the cuts to education, she would be happy to support that.

DEPUTY MAYOR CHAVEZ was willing to agree to that. It is basically the Council saying that the City values education and supports OUSD resolution for the appropriate funding.

COUNCILMEMBER SANCHEZ felt that was very specific to cuts in education, especially for our school district; she could support that.

COUNCILMEMBER FELLER stated that these students and parents and members of the school board are all residents of the City. This is about our City; it is a very important issue. The State budget is out of control. He would support this.

In response to Councilmember Kern, **CITY CLERK WAYNE** stated the amended motion is that the City recognizes and supports education and the OUSD's resolution for appropriate funding.

COUNCILMEMBER KERN seconded the amended motion; motion was approved 5-0.

GENERAL ITEMS [Continued]

13. Council: Approval of the Economic Development Commission's 2008 Workplan

JIM SCHRODER, Economic Development Commission Chair, presented the workplan, stating the mission statement and goal of the Economic Development Strategic Plan is to increase business interest and investment in the City, build strategic partnerships

among the City, business, labor and education to create the opportunity of economic growth through job creation and capital investment. He then reviewed the following strategies:

- Strategies 1-2: retain existing and small businesses and support their expansions to encourage new job growth, including continuing an ongoing review of City processes and regulations
- Strategy 3: strengthen the City's economy through the creation of quality jobs with new industrial/office recruitment
- Strategy 4: retail recruitment to support/advocate for the economic enhancement of the downtown area
- Strategy 5: downtown redevelopment to increase the tourism market share by enhancing the City as a destination point
- Strategy 6: tourism/hospitality by engaging in activities that benefit Oceanside's economic future
- Strategy 7: community issues - develop and participate in strategies to improve the long-term economic infrastructure and vitality of the City
- Strategy 8: marketing and public relations initiatives by advisement on creating internal/external awareness of business advantages to locating in the City

COUNCILMEMBER FELLER would like to add the ability to promote performance zoning, etc. that may be the catalyst to beautify Oceanside Boulevard or help some of the storefronts in the downtown area. If we come up with other incentives, it may be something we could work toward. He **moved** approval of the workplan.

COUNCILMEMBER KERN seconded the motion. Regarding Councilmember Feller's comments, we have RFPs out to take mid-Coast Highway (Seagaze Drive to Oceanside Boulevard), the gateway area and Oceanside Boulevard to start looking at exactly what we can do. Hopefully, coming out of that there will be types of performance zoning or some way to incorporate some of these new ideas into the downtown and along the corridor.

DEPUTY MAYOR CHAVEZ commented that, under Strategies 1-2, the continuation of an ongoing review of City processes and regulations is a priority for him. In these economic times, everything we can do to streamline the process and bring new revenue into the City is extremely important. Also, the workplan refers to MiraCosta College, the Surf Museum and NCTD, etc., which is good and shows that there are other entities that we work together with. He asked that the Commission consider Tri-City Medical Center under Strategy 7. As we grow economically, one of the biggest concerns is health care, and Tri-City Medical is an important economic engine to the City.

Motion was approved 5-0.

At this time, the Mayor moved to Item 17.

CITY MANAGER ITEM

17. Status report regarding the California Welcome Center - Oceanside

DAVID NYDEGGER, President and CEO of the Chamber of Commerce, reported that last Thursday, the Military Affairs Committee put on our 8th annual Golf With a Hero Event.

Regarding the Welcome Center, he was pleased with the work they are doing, particularly the support from the State. We do not receive any State funding; in fact, we pay the State every year for the privilege of using the California logo. In return for that, we get over \$250,000 in exposure, including listings in the California State Business Guide, the State Map, the Best of California Driving Tours, etc. They also provide us with some marketing studies. Last year, over half the visitors to the California Welcome Center stay in hotels; 40% stated they would now visit a specific area or attraction featured at the California Welcome Center; 15% lengthened their trip an average of 3 extra days, which translates into 3 extra room nights in our hotels and lots of meals. The Welcome Center received a 4.97% rating in customer service [out of 5], which is almost a perfect score. Last year, specifically from the Welcome Centers, we initiated over \$2,000,000 in additional

spending in California.

The visitor count for last year, ending December 31, 2007, was almost 105,000, which was not down much from the year before. With the gas prices and the economic situation being what they are, that was heartening. More importantly, Over 18,600 visitor packages were sent out to people wanting to come to Oceanside and wanting to find out more about the City. Our 1,000,000th visitor occurred in January – a couple from York, Nebraska. We get folks from all over; about 80% of our visitors come from the United States; about 20% are from foreign countries, with the bulk from Canada, Germany and France. We made almost 11,000 referrals to hotels, and our online booking reservation generated almost \$50,000 in TOT revenue for the City. They send out an e-postcard quarterly, emailing 5,500 individuals. That generates interest and people coming back to our community.

We have an outstanding volunteer program; we educate them, train them and take them on familiarization tours. The volunteer services, plus the donations received from the local businesses and community, is almost \$200,000 in services that we would have had to pay for if we did not have the volunteers and generosity of the community.

LESLIE GAHL, with the Welcome Center, highlighted some of the past year's marketing programs. One of the most significant accomplishments was the creation of the Oceanside Tourism Council, which is made up of tourism businesses in Oceanside coming together and implementing the marketing. She reviewed their mission statement and some of the things they were able to implement:

- Oceanside's Great Train Escape – capitalizing on green tourism by encouraging people to visit Oceanside via train versus cars; cards are distributed through about 12 Amtrak stations north of here, hotel websites, press releases, and the Welcome Center website.
- 102 Things to Do in Oceanside – this was meant to be a referral piece for businesses; once people are here, it lists the attractions and hotels.

One of the most important components of our marketing plan is our advertising and our co-op advertising programs. We were able to leverage our own budget by 67%, with our partners adding over \$52,000 to our budget. It helps to maximize the \$78,000 that we have. Some of the co-op ads that we participated in were *Westways*, which is the Triple A publication; *Good Housekeeping*; *Las Vegas Review Journal*; *San Diego Sunset*; etc.

In order to supplement our limited advertising budget, we try to generate as much press as we can on Oceanside. We generated over \$650,000 in press last year. One piece that just come in is a 2-page spread in the *Las Vegas Review Journal*, which would have cost over \$21,000.

For the near future, we have our new 2008 Visitors Guide that is due out in a couple of weeks. We have a new, contemporary design and published 175,000. Besides the leisure market, it is important that we look at group markets, travel trade markets, corporate markets, etc. As our hotel inventory grows, we want to make sure that we are looking at those types of markets. They help to bring business to Oceanside in the off season, which is really important. We are looking at the feasibility of bringing AMGEN [Tour of California] to Oceanside, which is a bicycle tour comparable to the Tour de France. It brings in bikers and bike teams from all over the world. Right now it ends at Long Beach, and we are looking at the possibility of extending it a day and having it end in Oceanside. The exciting thing is that it happens in February, so it would give Oceanside additional coverage and room rates for that time of year.

In order to generate some of the group business and corporate market, we want to look at doing sales calls to our top feeder markets, including Los Angeles and Phoenix. For the leisure market, average daily spending is \$95, while the average daily spending for the business market is \$287.

Last year for the first time, travel booked via the Internet surpassed all other types of bookings. If that many people are booking on the Internet, we need to put our resources and make sure our web site is visitor friendly, we are maximizing our word search, create vital marketing campaigns, travel blogs and streaming videos. We have

tremendous opportunities since we are ideally situated, being part of a popular destination of San Diego and being a short drive from major metropolitan areas in California, Arizona and Nevada. With the economy like it is, it is important to strategically target those areas and take advantage of people who want to take a vacation that is only a gas tank drive away.

Through our Welcome Center, with 100,000 visitors and the average spending and average length of stay, the visitors coming through our center represent \$32,000,000.

COUNCILMEMBER FELLER stated the off-season market is picking up, especially if we get AMGEN. He asked about the beach soccer event that is coming.

MS. GAHL stated those types of things are really important. The host hotel and Marina Suites is going to be the location for the check-in. The exposure that this event is generating and the caliber of the professionals that are coming in is important, but most importantly 96% of the people who come in for this are families. It is fun and is family-oriented, generating lots of room nights and exposure for the City.

COUNCILMEMBER KERN agreed that we are a tourist destination, and we should be getting those inland markets down here. We should be reaching out and giving this information to everybody, such as the hoteliers.

MAYOR WOOD praised the volunteers. We are getting people from everywhere, and they are pulling off the highway because of the Welcome Center.

MR. NYDEGGER commented that we made the front page of the York, Nebraska newspaper.

[Recess was held from 6:49 to 6:57 PM; Councilmember Sanchez was absent.]

GENERAL ITEMS – Continued

15. **Council: Authorization to award a contract in the amount of \$905,144 to Park West Landscape, Inc., of San Marcos for the El Camino Real Medians – Mesa Drive to State Route 76 project, and authorization for the City Manager to execute the agreement upon receipt of all supporting documents; and approval of a budget appropriation in the amount of \$341,816 from Unallocated Transnet Fund to the project account to complete the funding**

PETER BINIAZ, Consulting Engineer, stated that this construction project consists of about 10,000 linear feet of curb; 68,000 square feet of stamped concrete; and 9 planter areas with irrigation, trees and shrubs. There is one portion of the project that has a 16" gasoline pipe that goes underneath, meaning they will be careful in excavating and the trees will be low-level trees with less roots. This pipeline goes all the way from Norwalk to San Diego.

DEPUTY MAYOR CHAVEZ asked about comments received from the community, especially in Oceana.

MR. BINIAZ responded that they were all positive comments, with the residents happy that the City was paying attention to that stretch of El Camino Real.

DEPUTY MAYOR CHAVEZ noted that this is something that was discussed for a while. He **moved** approval of Item 15 [and **Document No. 08-D0246-1**].

COUNCILMEMBER FELLER **seconded** the motion. He had 2 concerns though: one is the area opposite the entrance into the golf course and then further south, where there is erosion. He asked if this work would affect that erosion in any way since it is getting close to the roads there.

MR. BINIAZ clarified that this is the hillside. This project will not affect the erosion any more than it is presently. We have some drainage pipes that carry the runoff from the street to the sides. This project will not affect it negatively at all.

COUNCILMEMBER FELLER asked how they would adjust between the elevations of the roadways around Oceana and Highway 76.

MR. BINIAZ explained that we plan to straight grade it from one side to the other with stamped concrete. It will take care of the runoff on the west side of the street.

COUNCILMEMBER KERN asked about the phasing of this project, whether they would go from Mesa to Highway 76 or from Highway 76 to Mesa.

MR. BINIAZ responded we are going to start at the south and go from Mesa north to Highway 76. Further responding, he said that we anticipate 3 months of construction. Once Council awards the contract, we will have the pre-construction meeting in early May, and construction will start in the second half of May.

COUNCILMEMBER KERN noted that this would put us in the middle of summer. He assumed they would close off the inside lanes.

MR. BINIAZ clarified that they would close off one lane at a time on one side. He confirmed that we would be getting rid of the palm trees. There would be noticing going out about construction.

MAYOR WOOD stated this is long overdue; there are trees that are down; and it has been an eyesore. One of the issues brought up was the drainage, so he hoped they would address that.

MR. BINIAZ confirmed that they would with the stamped concrete.

COUNCILMEMBER SANCHEZ hoped there would be non-invasive native landscaping, which would require not so much water.

MR. BINIAZ replied that it will be all native, low-maintenance plants.

Motion was approved 5-0.

CITY COUNCIL REPORTS

18. **Mayor Jim Wood** – highlighted upcoming events: Teen Fest on Saturday, April 12; spaghetti dinner fundraiser for the Senior Center on Friday, April 18.
19. **Deputy Mayor Rocky Chavez** – made a statement regarding the shooting incident that occurred on March 15 in Oceanside by an off-duty San Diego police officer. One of the most important elements in a democratic government is trust and open communication between the citizens and the agencies that represent them. This investigation was completed in an appropriate time by the Oceanside Police Department, but the procedures now call for a detailed report to be done in person to the District Attorney. Apparently, 2 of the DA's chief officers that were involved from the beginning are unable to schedule this until next week. He found this unacceptable and wished to state for the record that it is now time to release all information that is legally allowable. All of the Council has been very supportive of the great work our Police Department is doing; the ball is now in the court of the DA. He asked the City Manager to talk to our Police Chief and release all information that is legally allowed.
20. **Councilmember Jack Feller** – reported that he was principal for a day at Ivey Ranch School, and it is unbelievable what they are going through with the budget crunch and satisfying the needs of the children. He attended St. Mary's Star of the Sea dinner, and they raised a lot of money for their young people. Council held Planning Commissioner interviews and appointed a new commissioner, Tom Rosales. There is a golf tournament on Monday for the Wildcat Foundation. The OUSD and Chamber of Commerce are involved in the track and field event for the Gibraltar Foundation, which is on April 25. The foundation is fighting childhood obesity, and he hoped the City could also be a sponsor for this event.
21. **Councilmember Jerome M. Kern** – also highlighted the Teen Fest. He went to SANDAG Planning this week. They had a long presentation on solutions for chronic homelessness,

and he would try to have them bring that presentation to Council. 14% of the chronic homeless consume about 50% of the services we provide for the homeless. They also showed a project called Solara, which is an affordable housing project in Poway that has solar panels on the roof. They actually generate enough power to be self-contained. There are laws coming forward that places with solar panels can actually back into the grid.

SB 1295 [regarding Coastal Commission] was defeated in committee but was granted reconsideration.

22. **Councilmember Esther Sanchez** - attended the Manufactured Homes Fair Practices Commission (MHFPC) meeting last week, which was the review hearing of the annual permissive adjustment for 2008 and based on the CPI. The Commission voted to approved the 1.73% increase, effective July 1 for 17 mobile home parks. There were several issues raised at that meeting, one was regarding Cavalier Mobile Home Park, which staff agreed to look into. Another was Terrace Gardens. We had a published opinion, and the City prevailed on an appeal from a park owner who was seeking an increase of \$200 per month. Our request was for a \$10 increase. However, the park is still trying to recover the money from the date the hearing was held without giving notice. Our City Attorney's office is looking into that. There was also a report on Proposition 98, which basically seeks to do away with all rent control and would allow rent control to exist only as long as the tenant is in that unit. After that, there would be no more rent control. There were several comments made voicing strong opposition. She would be bringing forward a resolution asking Council to take a strong position against Proposition 98.

There was a meeting of the Shoreline Preservation Working Group; there was not a lot of change in terms of the positions of the cities regarding a sand replenishment program; there still remains a general consensus in favor of a second regional sand replenishment program. The cities of Encinitas and Solana Beach are ready to commit funds due to the fact that these 2 cities have passed an increase in their TOT specifically to address sand replenishment. The next step is the selection of a consultant for a planning stage, and there is a target date of 2011 for a potential project.

She announced the Southern California Beach Soccer Championship on May 3-4, with 200-250 teams. We have partnered with the Life through Sports organization.

There is a fashion show on Saturday, May 31 to benefit Oceanside senior citizens' services.

INTRODUCTION AND ADOPTION OF ORDINANCES

23. [City Council: Adoption of an ordinance of the City Council of the City of Oceanside, California, amending Article 14, Section 14.1 of the Oceanside Traffic Code by the addition of subsections eighty-one (81) to eighty-five (85) to establish various speed limits on various streets (*Introduced 3/19/08, 5-0 vote*)]

This item was removed from the agenda; it was previously adopted at Council's 4/2/08 meeting.

ADJOURNMENT

MAYOR WOOD adjourned this joint meeting of the Oceanside City Council, Community Development Commission and Small Craft Harbor District Board of Directors at 7:21 PM, April 9, 2008.

ACCEPTED BY COUNCIL/HDB/CDC:

Barbara Riegel Wayne
City Clerk, City of Oceanside