



California

ITEM NO. 4

CITY OF OCEANSIDE

JOINT MINUTES OF THE CITY COUNCIL SMALL CRAFT HARBOR DISTRICT BOARD OF DIRECTORS COMMUNITY DEVELOPMENT COMMISSION OCEANSIDE PUBLIC FINANCE AUTHORITY

NOVEMBER 9, 2011

REGULAR MEETING 2:00 PM COUNCIL CHAMBERS

**2:00 PM - OCEANSIDE CITY COUNCIL (COUNCIL),
HARBOR DISTRICT BOARD OF DIRECTORS (HDB), AND
COMMUNITY DEVELOPMENT COMMISSION (CDC)
OCEANSIDE PUBLIC FINANCE AUTHORITY (OPFA)
- REGULAR BUSINESS**

**Mayor
HDB President
CDC Chair
OPFA Chair**
Jim Wood

**Deputy Mayor
HDB Vice President
CDC Vice Chair
OPFA Vice Chair**
Esther Sanchez

**Councilmembers
HDB Directors
CDC Commissioners
OPFA Directors**
Jack Feller
Jerome M. Kern
Gary Felien

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

Treasurer
Gary Ernst

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

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

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

For this regular and joint meeting, the Council sat as all 4 governing bodies [Council, HDB, CDC and OPFA] 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), Community Development Commission (CDC) and Oceanside Public Finance Authority (OPFA) was called to order by Mayor Wood at 2:01 PM, November 9, 2011.

2:00 PM - ROLL CALL

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

November 9, 2011

Joint Meeting Minutes
Council, HDB, CDC and OPFA

City Attorney Mullen titled the following items to be heard in Closed Session:
Items 1, 2 and 3.

[Closed Session and recess were held from 2:02 PM to 4:04 PM]

CITY COUNCIL, HDB, AND CDC CLOSED SESSION ITEMS

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

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

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

Item discussed; no reportable action

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

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

A) Preserve Calavera v. City of Oceanside, et al., Superior Court Case No. 37-2011-00055926-CU-WM-NC

Council approved settlement agreement by a 4-1 vote, Sanchez- no

3. PUBLIC EMPLOYEE APPOINTMENT, PUBLIC EMPLOYMENT, PERSONNEL EVALUATION AND DISCIPLINE (SECTION 54957)

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

A) City Manager
B) City Attorney

Item discussed; no reportable action

4:00 PM – ROLL CALL

MAYOR WOOD reconvened the meeting at 4:04 PM. Present were Mayor Wood, Deputy Mayor Sanchez and Councilmembers Feller, Kern and Felien. Also present were Assistant City Clerk Trobaugh, City Manager Weiss and City Attorney Mullen.

Changes to the agenda

ASSISTANT CLERK TROBAUGH announced that Item 22 has been removed from the agenda by Deputy Mayor Sanchez.

CONSENT CALENDAR ITEMS [Items 4-10]

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 this agenda item.

The following Consent Calendar items were submitted for approval:

COUNCILMEMBER FELIEN pulled Item 9 for discussion.

DEPUTY MAYOR SANCHEZ pulled Item 7 for discussion.

4. City Council/Harbor/CDC/OPFA: Acceptance of Joint Minutes of the Small Craft Harbor District Board of Directors, Community Development Commission, City Council, and Oceanside Public Financing Agency of the following:
August 31, 2011, 2pm Regular Meeting
September 14, 2011, 2pm Regular Meeting
5. City Council/Harbor/CDC/OPFA: Approval to waive reading of the text of all ordinances and resolutions considered at this meeting and provide that ordinances shall be introduced after a reading only of the title(s)
6. City Council: Approval of a one-year professional services agreement [**Document No. 11-D0720-1**] with Geopacifica, Inc., of Oceanside in an amount not to exceed \$40,000 for geotechnical review and plan check services, and authorization for the City Manager to execute the agreement
7. **Removed from Consent Calendar for Discussion – Council request**
8. CDC: Adoption of **Resolution No. 11-R0722-3**, "...approving the submission of an application for the allocation under the Mortgage Credit Certificate Program, an allocation of qualified mortgage bonds, electing to exchange said bonds for Mortgage Credit Certificates, appropriating a deposit of \$5,900, an initial filing fee of \$600, and authorizing execution of the application by the Executive Director," which provides home-ownership assistance to low-income households.
9. **Removed from Consent Calendar for Discussion – Council request**
10. City Council: Adoption of **Resolution No. 11-R0724-1**, "...supporting the extension of the abandoned vehicle abatement service authority in accordance with California State Senate Bill 106", which approves vehicle registration fee extensions, in increments of up to ten years, to the Abandoned Vehicle Abatement Service Authority Program

COUNCILMEMBER KERN moved approval of the balance of the Consent Calendar [Items 4-6, 8 and 10].

COUNCILMEMBER FELLER seconded the motion.

Motion was approved 5-0.

Items pulled from Consent Calendar for discussion

7. **City Council: Approval of a five-year Host Venue Sponsorship agreement with World Triathlon Corporation to host the Ironman 70.3 California Triathlon at an annual cost to the City in the amount of \$14,000 in staff support costs and annual in-kind services in an amount not to exceed \$4,910; and authorization for the City Manager to execute the agreement**

DEPUTY MAYOR SANCHEZ, as liaison to the Harbor & Beaches Advisory Committee, stated there has been a very serious look at what is being charged to Harbor & Beaches. Because of the slip fees that are generated, they wanted to make sure that any costs that are for events through the City that impact the general City versus Harbor & Beaches, come out of the General Fund versus Harbor & Beaches. The staff report for this item indicates that it will be per department where the costs will come from in an effort to focus on cutting down the cost for the Harbor & Beaches budget and insuring that the slip fees, especially in the near term, will not be artificially inflated by events that are city-wide.

She **moved** that we approve this 5-year host venue agreement with World Triathlon Corporation to host the Ironman 70.3 California Triathlon, but that the costs that would be normally incurred by Harbor & Beaches come out of the General Fund.

MAYOR WOOD **seconded** the motion.

CITY MANAGER WEISS stated whenever we have special events, particularly at the Harbor, various departments participate in those events. The in-kind services of Police, Harbor & Beaches maintenance staff and/or Public Works staff are generally absorbed by those departments. As it would relate to Harbor & Beaches, there will be some work they put in before, during and after the event, particularly as it relates to clean-up and that would generally be absorbed as overtime within that department. He doesn't know that we have a cost break-out by department, but we could probably get that. If the direction is that those costs by Harbor & Beaches not be paid for by Harbor & Beaches, then we would look at trying to offset those somewhere else.

TERRY GOODMAN, Recreation Supervisor, stated that is correct; there is no cost towards the Harbor District. It's all within the department itself, and a lot of those are in-kind, like parking and those kinds of things. There is no direct fiscal impact to the Harbor District. The lifeguards would be from the Fire Department.

DEPUTY MAYOR SANCHEZ attended several meetings where we were advised of the opposite, that any events that happen there have been basically offered free to the host organization, and these costs have been part of the reason why the slip fees were raised, because of the ongoing cost of these events, including this one. As long as there aren't any costs incurred by Harbor & Beaches, i.e. the slip fee rate payers, then that would be fine. That's why she suggested it come out of the General Fund.

CITY MANAGER WEISS stated the Harbor maintenance staff that participate in some way before, during or after the event, would be paid for right now from slip fees. We would have to break those out separately; he couldn't say what those are right now. If that's the direction, then we would work with Harbor maintenance staff to identify what those costs are and not back charge them to Harbor. They would be absorbed within Public Works or some other department.

DEPUTY MAYOR SANCHEZ thinks that's a good response to concerns that the slip fee rate payers are taking a larger burden of the costs that really benefit Citywide. There's no question that there are benefits, but unfortunately these are costs that are being incurred by Harbor & Beaches while the money is not going back to Harbor & Beaches; it's going to the hotels and restaurants and not directly benefiting the Harbor.

COUNCILMEMBER FELIEN stated we've had this discussion over several meetings, primarily with the slip rate increases that we dealt with in terms of which costs and revenues properly belong allocated to the Harbor versus what the benefit is to the City as a whole. The item we're discussing here is simply to approve the contract, and how we internally allocate those costs is irrelevant to the contract. However, he would be willing to look at this issue as part of the review of the Harbor expenses that we voted on. We're supposed to have a review either just prior or just after each slip rate increase to see what the impact of that was on the Harbor and the revenues; then we can look at the expenses and allocations. This discussion would be better as part of that review and he would rather just vote on the contract itself without any amendments to internal costs.

COUNCILMEMBER FELLER asked if there is any benefit to the Harbor.

MR. GOODMAN responded there is certainly a large number of people who inundate the Harbor that normally wouldn't be there, who go to restaurants and buy goods and services. There is definitely a direct positive impact to the Harbor, not to the slip renters, but to the merchants.

COUNCILMEMBER FELLER thinks we should take this up as a review after we do the contract. We can discuss this at another time. He doesn't need any critique from other Councilmembers, he's just not going to support this. We need to have a clean contract.

DEPUTY MAYOR SANCHEZ stated this is easily fixed. We can move on the contract and not include those parts of this resolution that would say where the funds would be coming from to pay for these costs. We can get a report from the City Manager at a later time. We can go ahead and enter into the contract and figure out to what extent the costs are coming out of slip rent payers.

CITY MANAGER WEISS recommended, since there seems to be general support for approving the contract, that Council approve it. Staff will do an assessment to identify what the costs are and where they come from. The issue of how you pay for them is going to be a separate item. We will get those costs prepared and forwarded to Council by way of a memo. Should Council be interested in how they get paid for, we can deal with that at a later time. Obviously, the race isn't until next year so we have plenty of time to allocate where it's paid for. We will follow up with Council to identify what the actual costs are that would be coming from Harbor & Beaches, and with that we can look at some other options for you.

DEPUTY MAYOR SANCHEZ modified the motion to approve [a five-year Host Venue Sponsorship agreement **[Document No. 11-D0721-1]** with World Triathlon Corporation to host the Ironman 70.3 California Triathlon].

MAYOR WOOD seconded the modified motion.

COUNCILMEMBER KERN stated we've already settled what the slip renter fees are going to be. The next increase comes in January, and it's a set amount. After that it's just CPI (Consumer Price Index). We're not going to go back and change it. We're spinning ourselves around for something that isn't relevant. Let's approve the contract, and later on we can figure allocation of costs.

Motion was approved 5-0.

9. **CDC: Adoption of a resolution making a determination that the planning and administrative budget in the FY 2011-2012 Community Development Commission's Low and Moderate Income Housing fund is necessary for the production, improvement, or preservation of Low- and Moderate-Income Housing**

Public input

JIMMY KNOTT, 127 Sherri Lane, stated this is a determination that the planning and administration budget is necessary. In almost any design of any type of development, a budget is needed. From the census of 2010, 76% of the population of Oceanside is low income, according to standards that have been set forth by SANDAG. In the last census we had only 7 communities that were low income census tracts. We now have 17 low income census tracts, one of which is now 90% low income. A graphic was used to show where those communities are located. There is no doubt that we have a need, so what are we going to do about it? We have a moral obligation to start doing something to address this. This is a small step.

COUNCILMEMBER FELIEN noticed that the project costs and the costs of administration over the past 3 years has crept up from about 8% to about 12%. Looking at the spreadsheet for the prior years' items for this, it looks like we had project expenses from 2 years ago, but there are no actual project expenses on the spreadsheet for this budget cycle. What are we administering that we're charging \$214,000 for?

MARGERY PIERCE, Neighborhood Services Director, responded we are working on the biggest project that we've ever done, the Mission Cove project. We have regular meetings and are going through a complete process negotiating the DDA, and that's what we're charging our administrative costs towards.

COUNCILMEMBER FELIEN asked at what part on the spreadsheet do the costs start appearing on a per-project basis.

MS. PIERCE responded we're not really sure the spreadsheet is the best indicator. Councilmember Felien's prior communication was with Mr. Manley because she was out of town, so she hasn't really looked at this carefully. She asked him if his question was when Council is going to see costs for the Mission Cove project.

COUNCILMEMBER FELIEN responded right, because there weren't any on the spreadsheet for this budget cycle.

MS. PIERCE responded that usually will start appearing toward the end of the fiscal year. This is done in retrospect. This is what we spent last year. We don't know what that cost is, but we're required to do this finding that it's within an acceptable percentage of funds. They're trying to make sure that municipalities aren't overcharging for administrative purposes, and that they're actually going to building projects. We've done very well because we could use up to 20% of the low/moderate income housing funds for administrative purposes, but we've tried to connect it to just the projects that we're actually doing and not over-extend on administrative expenses in that account.

COUNCILMEMBER FELIEN stated in the last 2 fiscal years the administration costs were budgeted at about the same amount as here, \$214,000. Each year the expenses overran that by approximately \$20,000. What happened to that difference? Is that absorbed into this budget amount or is it written off in a different part of the budget?

MS. PIERCE asked if Councilmember Felien is referring to the spreadsheet.

COUNCILMEMBER FELIEN responded it's the difference between the spreadsheet versus the amount you had in the staff report for this item last year and the prior year.

DAVID MANLEY, Neighborhood Services Division Manager, responded the expenses that are shown on that spreadsheet are direct expenses to a project, so those may carry over from several fiscal years until a project is done. You may have the full 9% of the \$214,000 for one year, and then additional monies carried over for the next year. Those are applicable to that next project. To simplify it, our budget is the same at 9% of the overall revenues, but it may carry over to the next year based upon that individual project.

DEPUTY MAYOR SANCHEZ stated Section 33334.2 of the California Health & Safety Code does require that not less than 20% of taxes that are allocated to the Redevelopment Agency shall be used for the purpose of increasing, improving and preserving the community's supply of housing available at an affordable housing cost to households of low and moderate incomes. Section 33334.3(e) allows the Redevelopment Agency to charge the low and moderate housing fund for the planning and administrative costs which directly relate to qualified low and moderate income housing projects and programs. We are here today because the California Health & Safety Code Section 33334.3(d) requires us, sitting as the Community Development Commission, to make our annual determination of the planning and administrative expenses budgeted in the low and moderate income housing, the set-aside funds are necessary for the production, improvement and preservation of low and moderate income housing. This is directly related to a project. We have a definitive amount that has been budgeted and is being presented to us, which is \$214,429, and that is for the Mission Cove project.

She **moved** approval [of **Resolution No. 11-R0723-3**, "...making a determination that the planning and administrative expenses budgeted in the FY 2011-2012 Community Development Commission's Low- and Moderate-Income Housing fund are necessary for the production, improvement, or preservation of Low- and Moderate-Income Housing].

MAYOR WOOD **seconded** the motion.

Motion was approved 5-0.

GENERAL ITEMS - None

CITY COUNCIL REPORTS

11. **Mayor Jim Wood**

MAYOR WOOD stated the NAACP was honored with a lot of awards and presentations and he received the Presidential Award from them. He attended the Tri-City Hospital Golden Ball in Carlsbad; the Marine Corps Birthday Ball; career day at Chavez Middle School; and the Fall Festival at Heritage Park.

[Deputy Mayor Sanchez left the meeting at 4:27 PM]

Veteran's Day is Friday, and these are the people who keep us safe.

13. **Councilmember Gary Felien**

COUNCILMEMBER FELIEN attended the Crown Heights Halloween Festival and haunted house; the Excellent Education awards dinner sponsored by the Chamber of Commerce; the grand opening of the Discovery Isle Preschool; the Friends of Oceanside Parks Fall Festival at Heritage Park; and the Mission Bird & Animal Hospital had their pet carnival on Saturday with pet adoptions and pet activities.

This Friday is a celebration for Veteran's Day at the Veteran's Center.

14. **Councilmember Jack Feller**

COUNCILMEMBER FELLER attended most of the events mentioned by the other Councilmembers as well as the Home Depot Veteran's Support project at Ivey Ranch Park.

[Deputy Mayor Sanchez returned to the meeting at 4:36 PM]

He wished a happy birthday to the Marine Corps. Tomorrow is the ribbon cutting at the new Courtyard by Marriot hotel on Rancho del Oro. Friday night is El Camino and Oceanside football. Lighthouse Christian Church is celebrating 50 years.

15. **Councilmember Jerome Kern**

COUNCILMEMBER KERN attended the Small Business Forum; the Veteran of the Year ceremony in San Diego; and the Home Depot Veteran's Support project at Ivey Ranch Park.

There are many celebrations throughout the County for Veteran's Day on Friday.

12. **Deputy Mayor Esther Sanchez**

DEPUTY MAYOR SANCHEZ toured the new Courtyard by Marriot across the street from El Corazon and toured the Oceanside Veteran's Clinic.

This is Veteran's Week, and this City is going to be impacted by the number of men and women coming back who will need homes, jobs and medical care. We have to make that extra effort for our veterans.

[Recess was held from 4:48 PM to 5:09 PM]

5:00 – ROLL CALL

Mayor Wood reconvened the meeting at 5:09 PM. All Councilmembers were present.

INVOCATION – Father Michael Dallmeier

PLEDGE OF ALLEGIANCE – youth representing Luiseno San Luis Rey Pala, Luiseno Pechanga, and Luiseno San Luis Rey tribes

PROCLAMATIONS AND PRESENTATIONS –

Proclamation – National American Indian Heritage Month
Proclamation – 50th Anniversary of Lighthouse Christian Church
Presentation – Update on Oceanside Charitable Foundation
Presentations were made

CLOSED SESSION REPORT

16. Closed Session report by City Attorney

CITY ATTORNEY MULLEN reported on the items discussed in Closed Session [See Items 1, 2 and 3].

PUBLIC COMMUNICATIONS ON OFF-AGENDA ITEMS

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

Advance written request to reserve time to speak: None

17. Communications from the public regarding items not on this agenda

BISHOP FOLEY PARKER, Holiness Ministries Coalition/Forces United, 2191 El Camino Real, is here to prevent substance abuse and thanked the Council and City staff for getting rid of the illegal marijuana stores that were opening in the North County area. We find it hard to discourage youth from using marijuana when their perception of the harm that comes from using it is reduced. According to the national survey on drug use and health, the level of youth perceiving great risk of harm associated with smoking marijuana once or twice a week dropped from 54% in 2007 to 49.3% in 2009, marking the first time since 2002 that less than half of young people perceive great harm from frequent use of marijuana.

Two other new studies have shed some light on that question. One study found that among youths aged 12-17, marijuana usage rates were higher, and states with medical marijuana laws pointed at 8.6% compared to those without such laws at 6.9%. A similar study of people aged 18 and older, published in the *Journal of Drug and Alcoholic Dependence*, found the odds of marijuana abuse or dependence were almost twice as high in states with medical marijuana laws, compared to those without such laws. We see the devastation that marijuana causes our youth; it makes our brilliant youth smart and our smart youth average. Our mission, along with other coalitions, is to work collaboratively with churches, individuals, agencies and organizations to bring all sectors of the communities in which we live, work and worship, to forge a safe and drug-free environment. He thanked Council for their diligence and efforts in complying with the federal mandate that came down for the shutting down of the illegal marijuana

dispensaries in North County.

MARIA RUSSELL, President of the Eastside Neighborhood Association, stated in our society our children are confronted with so many challenges from bullying to cyber predators to peer pressure and drugs. Since 2004, the Eastside Neighborhood Association has worked very hard to keep our community safe and get residents involved in working together. Marijuana dispensaries do not foster a safe community. They are full of drugs, cash and often weapons which just invites criminals to rob them. Illegal marijuana storefronts jeopardize the public health and safety in neighborhoods. Children are especially vulnerable to the crime and access to illegal drugs linked to unlawful marijuana retailers. Dozens of local marijuana shops have been burglarized. One out of five marijuana shops investigated by San Diego Police last year had been targeted by armed robbers. Children in neighborhoods across San Diego County are smoking marijuana and the alarming rate is rising. Kids think it's cool and that it isn't really affecting them, but it is. We should give our kids the opportunity to mature to make decisions. If they want to damage their lives as adults they have the right, but when they're children they need to be in a safe environment.

She thanked the Council and City staff for standing up for the community against the illegal marijuana stores. We all need to work to keep our kids safe in Oceanside.

AARON BYZAK serves as President of the North Coastal Prevention Coalition, which has dozens of active community members and organizations, including the Police Department, on our board and active in our coalition. Tonight you've heard some of the sobering statistics. We know that when cities send the message that marijuana is okay in our city, it has an impact. It impacts our youth, and we see the number of youth marijuana smokers going up. A few years ago, our coalition won National Coalition of the Year. We saw the usage trends going down, but the trends are now going back up. That is a problem we cannot abide by. He thanked the Council and City staff for taking the stance that that will not be allowed in our City. You're following the law.

COUNCILMEMBER KERN noted that we really need to thank our City Attorney on this because it was his staff and his dogged determination that went after every single one of these. As soon as they opened, we had somebody from the Attorney's office and Code Enforcement right there.

CITY ATTORNEY MULLEN recognized Deputy City Attorney Annie Perrigo for her work on this. We've had 6 or 7 of these cases filed that resulted in injunctions, and we're continuing to monitor them to make sure that the injunctions are enforced.

DEPUTY MAYOR SANCHEZ encouraged people to contact the City if they noticed a dispensary pop up somewhere.

PHILLIP PIZZUTO, 1677 Mission Meadows Drive, President of the Vista Band Boosters, which is a non-profit organization dedicated to supporting the Vista High School Regimental Band and Pageantry Corps. Many of our students live in Oceanside and are members of the band and pageantry. He invited everyone to attend the Vista Invitational Field Tournament taking place on Saturday, November 12th. This event showcases high school bands from throughout Southern California. This is the 30th anniversary of our tournament, and we have 33 bands scheduled to perform in this day-long event. We anticipate more than 6,000 people attending as spectators.

5:00 P.M. – PUBLIC HEARING ITEMS

Public hearing items are "time-certain" and are heard beginning at 5:00 p.m. Due to the time-certain requirement, other items may be taken out of order on the agenda to accommodate the 5:00 p.m. public hearing schedule.

18. **City Council: Consideration of an appeal of the Planning Commission's action to revoke Development Plan (D-19-03) and Conditional Use Permit (C-29-03), and associated PC Resolutions (2004-P22 and 2007-P46) based upon the**

applicants' failure to perform as required by the subject permits and resolutions of approval for property located at 1660 Oceanside Boulevard; and adoption of a resolution denying the appeal – The Oceansider – Appellant: Edwin D. Hausmann, Attorney for First Credit Bank (continued from August 31, 2011)

CITY ATTORNEY MULLEN announced that since his office is involved in the prosecution of the revocation of the use permit, conflict counsel has been retained to advise the Council on the matter as required.

- A) Mayor opens public hearing – hearing was opened.
- B) Mayor requests disclosure of Councilmember and constituent contacts and correspondence – Councilmembers Feller and Kern reported contact with the owner and a site visit; Councilmembers Felien and Kern, Mayor Wood and Deputy Mayor Sanchez reported contact with staff.
- C) City Clerk presents correspondence and/or petitions – none.
- D) Testimony, beginning with:

SCOTT SMITH, City Engineer, stated this is a revocation of the Development Plan and Conditional Use Permit for The Oceansider, located at 1660 Oceanside Boulevard, which is west of Interstate 5 on the north side of Oceanside Boulevard.

Essentially, this project went through the discretionary process, and a condition of approval was placed on the project to construct a median for safety purposes. Staff has been working with the owner, as well as the appellant, for the past 3 years. To date the median has not been constructed, and as a result we are here. The median would be running from Vine Street to the on/off ramp for Interstate 5. It prohibits left turns in and out at the site. Staff has witnessed illegal turning movements; that's part of the issue that we're trying to adjust by having the installation of the median. Staff recommends that Council uphold the Planning Commission decision to revoke the Development Plan and the Conditional Use Permit.

Staff is also giving a window for this to finish. It's not our desire that the business lose its right to operate, which is why we've been working with them for so long. They have until January 2, 2012, to obtain the necessary permits. One of the ones that was holding them up was the Caltrans permit, and he believes that was issued on July 22nd. They also need to get the necessary plans to Engineering and submit a security. They have until February 1, 2012, to construct the improvements. If both of those items are completed and the improvements are constructed, then they can file a timely petition, and we would return to Council to overturn that revocation. If not, then the revocation would take place.

Appellant

EDWIN HAUSMANN, Attorney for First Credit Bank, who is the holder of the first deed of trust on the property. He apologized for not constructing the median. About a year ago we learned of the denial of the Conditional Use Permit. We immediately filed an action in San Diego Superior Court to have a receiver appointed, and we filed this appeal. We got a receiver appointed, and the next day the owner of the property filed Chapter 11 Bankruptcy, which complicated the procedure.

We did our best to comply with the requirements of the City. We have installed the candlestick median that's presently there. We obtained the Caltrans permit and the other necessary permits. That was achieved approximately 30 days ago. At that time we applied to the Bankruptcy Court for funds to construct the median. We had opposition from the owner of the property, who refused to provide the funds. Finally we obtained a stipulation from the owner for relief from stay in the bankruptcy, so we anticipate that the Bankruptcy Court will sign the order granting us relief from stay. We expect that will be done this week and that we will be the owners of the property within the next 30 days. Within that timeframe, we expect to construct the median and to

comply with all of the requirements of the Planning Commission and the Conditional Use Permit.

We want to assure the City that we will get the median constructed and have a safe operation.

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

Appellant Rebuttal

MR. HAUSMANN pointed out to the Councilmembers that the applicant was the one who delayed the installation of the median, and the appellant, First Credit Bank, as soon as it learned of this problem, was diligent in trying to construct the median. We hope and expect to get this done immediately.

COUNCILMEMBER KERN understands that the appellant is in agreement with everything that staff has put forward, that everything will be taken care of, and that they will carry the ball from now on.

MR. HAUSMANN responded we would prefer to get a 60-day continuance, but we will live within staff's recommendation if Council prefers that.

COUNCILMEMBER KERN stated we've wrestled with this 4 or 5 times since last June.

TARQUIN PREZIOSI, Supervising Deputy City Attorney, responded this initially went to the Planning Commission for revocation almost exactly a year ago. Prior to that, staff had been dealing with the original owner/operator of the The Oceansider 76 for a number of months trying to get him to voluntarily do this. He did not do it, so it was revoked at the Planning Commission level. Then the bank, who is the appellant here, came in and agreed to install the median. It's taken about a year, and we were not amenable to stipulating to any further continuances and wanted to bring it directly to Council for direction.

COUNCILMEMBER KERN is not inclined to extend it any further than what staff has put forward. What is the procedure now, once we go forward? It has to come back to us and if they do all of the corrections they still have the opportunity to come back. Is that correct?

MATTHEW RICHARDSON, Best Best & Krieger, responded the procedure at this point would be, if the Council was inclined to adopt staff's recommendation, to approve that resolution. If the appellant were to abide by all of the parameters in that resolution, then they would come back at a subsequent meeting, presumably on Consent Calendar, for approval. If they were not to abide by that, then revocation would become effective on February 1, 2012.

COUNCILMEMBER KERN moved approval of staff recommendation [for consideration of an appeal of the Planning Commission's action to revoke Development Plan (D-19-03) and Conditional Use Permit (C-29-03), and associated PC Resolutions (2004-P22 and 2007-P46) based upon the applicants' failure to perform as required by the subject permits and resolutions of approval for property located at 1660 Oceanside Boulevard; and adoption of **Resolution No. 11-R0725-1**, "...denying an appeal of Planning Commission Resolution No. 2010-P32 and affirming the revocation of Development Plan (D-19-03) and Conditional Use Permit (C-29-03) at 1660 Oceanside Boulevard that were approved by Resolutions 2004-P22 and 2007-P46"].

DEPUTY MAYOR SANCHEZ seconded the motion.

COUNCILMEMBER FELLER knows staff worked hard with the owner and he hates to see anybody struggle in business, but it's the way things are right now. He's

glad to see that you've come up with a way to settle this so things get back to normal. He looks forward to them having a clean, good operation.

Motion was approved 5-0.

MAYOR AND/OR COUNCILMEMBER ITEMS

19. **Request by Councilmember Feller for presentation of Morro Hills development opportunities consistent with the City's current General Plan, and direction to staff to initiate updates to the City's Sewer, Water, and Drainage Master Plans to address infrastructure needs to accommodate development**

COUNCILMEMBER FELLER brought this forward after being approached by several owners. We didn't hear this at the last Council meeting because there was little confusion as to what we were aiming at when he first brought it forward. This is information that is necessary for anybody to go forward in their personal lives and what they want to do with their property. Sometimes life changes as we grow older, and that may be happening in some parts of this community, as well as other parts of Oceanside.

LOU LIGHTFOOT, President of The Lightfoot Planning Group, is a registered lobbyist. He's been working for almost 5 years now with 9 of the major property owners out in Morro Hills, trying to get them comfortable with what it's going to take to develop their land in the event that they have to cease farming operations. The problem that we're having is that we can't get our arms around the infrastructure that's going to be required by the City in this particular community.

Morro Hills is one of the City's largest neighborhoods. It occupies 13.3% of the City's land area, located in the northeast corner by Camp Pendleton and Bonsall. It's also arguably one of the most beautiful neighborhoods in the City. It's 3,451 acres in total and, as shown in a computer graphic, their estimate is that 90% of the land is still devoted to active agricultural use. The last major subdivision that occurred in Morro Hills was a 40-acre square that was done in the early 1980's. It was 12-14 lots on 40 acres and there has not been any major development activity in Morro Hills since that time. There are 10 major owners that control about 75% of the property within Morro Hills. Tonight he is representing 9 of those major owners, plus 4 smaller owners, all of whom are trying to plan for the future.

The entire Morro Hills area is General Planned for agricultural use. It's the last remaining agriculturally General Planned area within the City, and we're not asking for that to be changed. In addition to the agricultural designation, the City has land-use policies and an infrastructure policy in their General Plan related to Morro Hills. That is that there should be continuing agricultural operation, the minimum lot size is 2.5 acres per home and there should be limited extension of City services. We're not asking for any of that to be changed.

There are 322 parcels of land, 222 owners and 153 residences in Morro Hills, all of which are on septic systems and seem to be working fine. He used a graphic to show primarily where the homes are located, and they are too small to be further subdivided; they are less than 5 acres in size and, therefore, have reached their maximum development potential under the General Plan. The graphic also showed the parcels of the 9 major owners, who control about 75% of the land. There is an awful lot of land that has potential.

If everybody decided to develop out at 2.5-acre lots, there is the potential for another 1,052 homes in Morro Hills, for a total of a little bit over 1,200 homes. In 1995, there was an application submitted for about 50 homes. After thoroughly reviewing that file, there is documentation that even at that time the City staff was questioning whether or not even 50 homes could be adequately served with septic systems, meet today's water quality regulations and not create groundwater contamination. Most of the large-lot developments in the County, like Rancho Santa Fe and Fairbanks Ranch, all

have sewer systems, even though they had minimum lots sizes of 2-4 acres. Even Bonsall has a sewer system, and most of the lot sizes out there are in excess of 2 acres. A sewer system is not unusual for a large-lot project.

The road system in Morro Hills is incomplete. Wilshire doesn't go through, even though an alignment has been preliminarily determined. The alignment for Las Tunas, as far as he knows, has never been determined between Sleeping Indian Road and Wilshire. East of Sleeping Indian Road, there are no roads at all planned. So, we have no idea what kind of collector road system might be necessary up in that area.

The City's new Habitat Conservation Plan calls for wildlife corridors to be provided through Morro Hills, connecting San Luis Rey River and Camp Pendleton. There is absolutely no criteria in that plan for where those corridors should be located or how they should be designed. We don't know how wide they should be, what species they're trying to preserve or where the corridors are supposed to be.

The closest City services such as parks, fire stations, schools and neighborhood commercial are all located off Vandegrift. We don't know if there is going to be a need for those services more centrally located in Morro Hills; especially fire service and schools. With 1,000 new homes, there may very well be a need for at least that level of municipal services.

Since the early 1970's, Oceanside has used Master Plans to guide the development throughout all of the major communities. The City's Master Sewer Plan, Master Drainage Plan and Master Water Plan address the entire developed area of the City, but they do not address Morro Hills. The City has always used this process for guiding development and, in fact, even as recently as a couple of years ago, started the exact process again for Oceanside Boulevard and South Coast Highway; wanting to put into place the rules so that the property owners knew what they had to do as they made decisions about how to use their property.

The large owners in Morro Hills think that it's time to start doing that planning. Several other speakers tonight will talk about why that's necessary, but until we have some direction, things are at a total standstill in Morro Hills. We don't know how to approach it without direction from the City.

Public input

JOAN BRUBAKER, 1606 Hackamore Road, stated almost 2 years ago she attended a meeting that was a prelude to this, where Mr. Lightfoot explained all of this. Many of the owners, small and large, were at that meeting. It was clearly pointed out that to think that everyone has a part in government in America is a fallacy. This is a classic example. There are about 19 owners who own most of the land. All of the smaller owners were not in favor of this for several reasons. Sanitation is one of the primary things health-wise. If you cannot treat it with the present plan, she can almost foresee the Water Department saying they didn't think about this, there are new regulations and they can't accomplish the things they are asking for in terms of pollution control. Then they will need a new plant. Not only will the owners of those properties be assessed, but she envisions that the whole City will be assessed a portion for a new plant. We need to keep that area for agriculture. If you keep building, you're not going to have any land left to produce food, and food is somewhat necessary. Council needs to carefully reconsider this, at least from the standpoint of the Indians.

JIMMY KNOTT, 127 Sherri Lane, stated according to our General Plan, the City shall assure in all actions that the legal parcels or interest in agricultural lands are sufficiently sized to viably conduct agricultural practices. Secondly, you have to make sure that the extension of services is very limited, according to the Plan. What was not mentioned, according to Mr. Lightfoot, is the Williamson Act contract area should be put into place. He explained the Williamson Act. SANDAG says that farmland can be protected, and the City and farmers can receive financial help if they preserve the land

and if the City requests it.

KYLE KRAHEL-FROLANDER, 570 Hidden Canyon Way, is opposed to this item because it's the first step in destroying agriculture in our City. If we have sewer systems in Morro Hills, it will destroy agriculture, and that's going to be the second step. Agriculture is vital for our economy. According to City documents, agriculture provides \$12,000,000 a year for our City's economy. More importantly, there are jobs out there. If we develop Morro Hills, we'll destroy those jobs. Residential development only provides short-term temporary jobs, whereas agriculture sustains long-term jobs. Oceanside has the lowest jobs to housing ratio in the County, and we need to protect any of the jobs that we have and not destroy them. He urged Council to protect our economy, jobs and local agriculture and deny this proposal.

DONNA MCGINTY, 2405 Mesa Drive, suggested that since no bonds have been sold to do any of the infrastructure – water, sewer or street improvements – you should consider forming a Mello Roos operation to pay for the services and be reimbursed as they go or an assessment district on the 2.5 acres. It would be charming to live in a neighborhood that was mixed use agricultural and residential with 2.5 acre parcels.

DIANE NYGAARD, 5020 Nighthawk Way, is representing the Sierra Club MSCP/MHCP Task Force. Our region worked for 10 years on regional conservation plans, and the 7 cities of North County have joined together in a single regional plan, which shows these thousands of acres at Morro Hills as agricultural land. Agricultural land provides very important benefits to our natural land such as forage and cover for wildlife. Critically important is it's primarily permeable cover. It's important for our creeks and watershed. Changing the designation of thousands of acres of land could have a huge impact, not just on Oceanside but on the entire regional conservation plan. With huge impacts will come huge costs, and the costs of meeting these requirements for conservation need to be factored into any decision about this.

SHEILA KADAH, 5301 Village Drive, wants to keep it agricultural land. She agrees with everything Ms. Nygaard said about it impacting the environment. She wants to be able to buy vegetables at a grocery store and have them be less costly; if we grow them here they will be less costly. Where are we going to get the water for this? Are our water rates going to go up, and we're going to have to pay more money to put in these new sewers? This is not thought out. We should keep the agricultural lands; we don't have that much left in the United States anymore. We have plenty of places in Oceanside that are for sale. We need to think about what's good for Oceanside, and getting rid of these long-term agricultural jobs is not good.

MIKE MELLANO, 462 Wilshire, stated his family has been farming in California since 1925 and in South Morro Hills since 1970. We want to continue farming, and the City, at the local level, has done everything they can to allow us to continue to farm. But circumstances beyond our control, as well as the City's control, are causing us to have so many problems that we decided to look for another use for our land. It isn't that we want to stop farming, it's that we believe that we may not be able to continue farming.

We started looking for other uses for our property, and we quickly found out that the Master Plan in our area does not address any of the problems that Mr. Lightfoot brought up. Because of that, we're requesting that the City go through the process outlined by Mr. Lightfoot so we have a better idea of what we can do with our land, if and when we want to farm. This has been his position for 40 years and continues to be his position. We want to keep farming, but if we can't, then we want a set of rules so we know what we can do with our property. That's all we're asking for.

POLLY FUKUHARA, 520 South Ditmar Street, pointed out a notice from Mr. Lightfoot for a traffic light at 5780 Mission Avenue, where the Singh property is because they have a lot of traffic going in and out. However, the Singh's have sold everything; they aren't there anymore, so why is there a need for a traffic light now? What is the

plan for this land that we don't know anything about? She's wondering if the plan for Morro Hills is really as above-board as everybody is saying or maybe it's to really develop it in ways that nobody will like because it will increase traffic and impact everybody's lives in a negative way. Her doubts are based on the fact that you're going to put in a traffic light at an intersection where there is nothing.

TIM COOKE, 4808 San Jacinto Circle East, Fallbrook, has some concerns about this proposal. It would be very inappropriate if the community of Oceanside in general, or even adjacent property owners, have to foot one cent of any development proposals for South Morro Hills. In a time of service cut-backs when libraries can't even be open, he would take great displeasure in knowing that our tax money was going into preparing development plans. He would also be upset as an adjacent property owner, who has no material or financial interest whatsoever in subdividing, to have to bear those costs.

Regarding Councilmember Feller and Mr. Mellano's concerns about somehow being forced into continuing the vocation of agriculture, they don't have to; anyone could stop farming tomorrow if they chose. Even under current zoning, you're able to subdivide your property if you have the minimum requirement of 2.5 acres and can identify a septic field. No one is stopping any of these people from subdividing. He questions what the ultimate goal here is. He urged caution.

MICHELLE CASTELLANO, 851 Wilshire, stated her family has been farming flowers in Oceanside for over 4 decades, and as a third generation family member she would like to state unequivocally that she and her cousins are planning to farm this land as our passion and our livelihood for the decades to come.

Farming isn't as easy and quaint as it looks. It's not the old school idea of dropping a seed in the ground and waiting for it to grow. Every aspect of our business is complicated. It faces and continues to face more regulations and complications. We used to propagate much of our own plantings and bulbs, but now we have to purchase them from outside vendors due to the fact that our own propagation requires the need for greenhouses, which are frowned upon as they distort neighbors' views. Now, most of the flower bulbs that we bring in are purchased from Holland. The weak dollar, compared to the Euro, makes this commodity practically impossible. Therefore, we don't grow many bulb crops anymore.

As we prepare our ground for the new flower crops, fertilizers and pesticides are necessary steps to this process, and these farm aids and disease control measures are being highly regulated or forbidden at local and federal levels; therefore, there are other flower varieties we no longer grow.

We have been in the City offices many times for mediation sessions with many of our neighbors who dislike standard agricultural practices such as our delivery trucks, tractor noise, fertilizer odors and dust that is kicked up as we prepare the land, harvest our flowers or lay irrigation pipe, which has resulted in additional limitations on our growing operation. She doesn't need to comment on the cost of water because everyone in this room is paying for it. We're irrigating over 300 acres of land.

Agricultural practices in this country are facing foreign competition. The Andean Free Trade Agreement and other agreements created with South American countries allow flowers to be imported into this country duty free. These countries have relatively no restrictions on their pesticide use, and there are really no governmental issues to speak of. In addition, they pay about \$1 a day in labor, so again we find ourselves discontinuing additional floral lines that are produced out of South America.

Speaking of labor and employment, we have a shortage of labor in agriculture. Our business is labor-intensive and dirty. We have many individuals who come to apply for positions and leave without filling out applications because they say they are better off extending their unemployment benefits. Lack of labor and appropriate immigration reform or work visa programs is a factor that is forcing us to convert to less labor-

intensive floral lines because the threat of not enough labor the week before Valentine's Day or the week before Mother's Day is something a flower grower cannot risk or we will certainly shut our doors forever.

As you can see, Mellano and Compay's crop mix is dwindling, and our restrictions and expenses are increasing. Our family desires to farm for a long time to come. We are well respected in the floral and agricultural communities and are proud of the products we produce. Yet we have seen around us, even here in Oceanside, very talented and well respected farmers forced to close their door because they can no longer compete with so many factors working against them. We are only here asking when this happens to us, what are the next steps that we should take. Since this answer is unclear, we come to seek the City's assistance and guidance for better planning in South Morro Hills.

NEIL NAGATA, 1480 Wilshire Road, is a third generation farmer whose family has been in Oceanside since the 1930's. When his family moved to Oceanside there was a little over 4,000 residents, the roads in Morro Hills were only dirt; and there were few schools. Since that time, we've employed tens of thousands of people and helped families in Oceanside grow and develop. We've provided food for 3 generations and to hundreds of thousands, if not millions, of people. When we came here there was no airport or harbor, and there weren't many schools, roads, businesses or buildings. He started farming in the 1980's, and there were hundreds of farmers still making their living off of the land. The few farmers who own most of the land in South Morro Hills represent the most resilient and successful farmers in San Diego County.

There has been much discussion about the South Morro Hills area and the development that will follow farming. In the news there are stories about agriculture being a viable enterprise by interests who don't make their living farming. All of the farmers he knows have expressed the difficulties of staying in business. Most costs have grown exponentially such as fertilizer, water and supplies; and yet prices have remained constant for the last 50 years. He is asking the City to consider planning South Morro Hills for roads, sewers and infrastructure in a General Plan amendment. He doesn't know when they will need to stop farming, but it is in the best interests of the City to plan for the future rather than to piecemeal development projects without a General Plan amendment.

In 1942, Japanese Americans were placed in internment or concentration camps. His parents and grandparents were among those. They were imprisoned because of their ancestry. Some in South Morro Hills would like to imprison us in our land or in the farming business. Many of the large property owners come from immigrant families just 2 or 3 generations from the original immigrants who sought the American dream by working hard and playing by the rules. We've done what's been asked of us. Please add the General Plan amendment to the South Morro Hills area.

HARRY DAVID SINGH, 5780 Mission Avenue, stated his family has been farming in Oceanside for over 70 years. For economic reasons, we have had to terminate our farming activities in Camp Pendleton and have also suspended our farming in Oceanside for this year while we restructure our business. We fully intend to be farming again in 2012. Part of the economics of farming is to be able to rely on the value of your land and able to finance for the annual farming operation. Valuing the land in Morro Hills is very difficult because of the uncertainty associated with being able to develop under the existing zoning. Having a more comprehensive set of criteria in place would guide future development and would allow the land to be more fairly appraised so that even those of us who continue to farm would benefit from having these studies completed.

DANA CORSO, 5838 Ranchview Road, represents ACTION (Alliance of Citizens to Improve Oceanside Neighborhoods), and currently we have 42 neighborhoods. We are opposed to this. Last month Councilmembers Kern, Felien and Feller agreed to spend \$75,000 in studying cuts to our police and fire, outsourcing our public safety

officials and potentially closing fire stations. Through a public records request, she discovered that the City has spent millions on these studies. Right now there are homeless seniors, veterans and children living on the streets. Councilmembers Kern, Feller and Felien decided to challenge over 16,000 registered voters in Oceanside who signed the petition to stop vacancy decontrol. Ultimately, if that passes in June of 2012, we will have even more seniors, veterans and disabled living on the streets. Every neighborhood in Oceanside and across the United States has foreclosed and vacant homes. We do not need more new homes right now and certainly don't have the money to study yet another high-density development. We are all trying to maintain the quality of life that we moved here for. The residents who bought their homes in Morro Hills did so because it is zoned for farming and agricultural. Morro Hills is on an important map of America and Washington. In the event of an emergency, it is one of a few areas where we can harvest food year-round. This land needs to be protected and preserved for us and for future generations. We do not need to develop every square inch of Oceanside. Our Council majority has closed pools, parks, cut libraries and are trying to cut our police, fire and safety officials.

It is absolutely disgusting that we are wasting our time discussing this and that they are once again considering spending our hard-earned tax dollars. It is obvious that this is developer-driven and perhaps you feel you need these folks to get re-elected. ACTION is getting larger every day. It is her intention to inform the entire City what is truly going on here with our Council majority and that we need to get rid of these elected officials because clearly you are not representing and looking at what is best for the residents and neighborhoods for Oceanside.

JOHN RUTHERFORD, 5955 Camino Baja Cerro, is the President of the South Morro Hills Association, and he's confused. He's heard tonight from Mr. Lightfoot that there are no changes; he's heard from the major property owners that they want an amendment to the General Plan; and he's heard that we don't know what the rules are. What is this proposal? Morro Hills is interested in preserving the current General Plan, which is 2.5 acres, and sewers are not part of it. If you read all of the policies, sewers would be contrary to agricultural use. For example, a policy that wasn't read was 2.5(d), which states that land use compatibility is of primary importance to agricultural areas, since land use conflict between agricultural and non-agricultural can force the economic non-viability of agriculture areas. It's saying that if you impose sewers or things that are non-agricultural, it takes away from the possibility of making money in agriculture. We're not against a land-owner in our area developing into 2.5 acres, as long they play by the same rules that everybody else had to play by. He urged Council to take the sewer part out of this statement.

KAREN GREEN, 1537 Camino Corto, is also a little confused because planning direction for Morro Hills is specified in the policies that Mr. Lightfoot and others mentioned. She objects to the Council directing staff or spending tax dollars to study or initiate updates for bringing infrastructure to Morro Hills, when that is in direct conflict with the existing policies for the area. As Mr. Lightfoot mentioned, Policy 319 specifically limits the extension of City services to agricultural zoned lands; therefore, bringing sewers to Morro Hills would be in direct violation of that policy. Section A allows only minor intrusion of non-agricultural uses to agricultural lands. Section B states that the size of lots, under no circumstances, should be less than 2.5 acres, but the actual size is determined by factors such as topography, open space considerations, adjacent land uses and availability of City services.

An important policy that hasn't been mentioned is Section C, which has to do with the conversion of agricultural land to non-agricultural uses. It directs the City and gives them caution to consider the potential loss of agricultural to the community. Council wouldn't be complying with the intent of these policies by directing staff to initiate updates of infrastructure improvements for Morro Hills. The policies are clear to conserve and enhance agriculture. Merely studying it makes no sense because the implication is that it would weaken these policies.

Such direction is the wrong process for something so important to Oceanside. It has the potential for very significant impacts as Ms. Nygaard said. It includes farmland of regional and statewide importance. Installation of sewers would result in significant growth inducing impacts with the potential to destroy valuable agricultural lands, open space, wildlife habitat and neighborhood character. These types of impacts typically are addressed through an environmental impact process under CEQA. Such a broad-ranging impact should follow that process.

She is respectful of the challenges that the Mellano, Castellano and Nagata families have expressed about farming in California. This is something that is of utmost importance to the State. As mentioned, California is the bread basket of the world. It's one of 5 areas in the world with a Mediterranean climate that produces food. It's shipped everywhere. California is working very hard to keep agriculture sustainable with production of a recent report of strategies for sustainability. The value of agricultural land will not diminish. We all have to eat. These policies are protecting a very valuable asset for Oceanside; we are the only city in all of San Diego with a beach, a Mission and historical agricultural lands. This is something the City should protect and use the existing policies. These families stated they want to continue farming, so what's the rush to change important policies?

DORIS SCHAFFER, 6199 Indian View Drive, stated the property rights of owners of smaller parcels of property are just as valid as the property rights of owners of large parcels. Property rights of any landowner are determined by the location of the property and the policies and zoning established within the jurisdiction's General Plan. The Morro Hills community has approximately 200 property owners and 150 households. Perhaps a dozen or so landowners have properties in excess of 40 acres. The 11 landowners who wrote letters to the Council this past summer own parcels between 18 and 456 acres. The rest of the Morro Hills acreage is held by approximately 189 owners who have between 2.5 and 300 acres. While some owners of large parcels may be more affluent, or have more clout politically, it is not the role of government or the Council to take steps to assist some landowners, to increase the value of their property or maximize a profit on their land, to the detriment to neighboring landowners. That's exactly what this small group of landowners are asking Council to do. Otherwise, why would Mr. Lightfoot be here making his expensive presentation.

Some owners of large parcels claim farming is no longer feasible for them and want Council to take the first step to eventually eliminate agriculture in Oceanside and turn the agricultural greenbelt into residential development. What about the landowners who want to continue to farm - those who have invested in vineyards, wineries, bed & breakfasts and organic farms, the kinds of operations that bring agri-tourism to Oceanside? What about the landowners who want to continue farming their groves of avocados, citrus and nuts? Their property rights must be recognized too.

The owners of large parcels already have the right and ability to exercise their property rights to develop their parcels in accordance with the land-use element of the General Plan and consistent with zoning policies. Many owners of large parcels in Morro Hills have already done that by developing subdivisions. She lives in one of those and knows of at least 3 more subdivisions in the community, all consisting of minimum 2.5 acre parcels and all with septic systems. If the right to develop in Morro Hills already exists, why does City staff need to study sewers, water and drainage to address infrastructure needs to accommodate development. It makes no sense except to suggest a hidden agenda. She hopes Council will keep in mind that property rights are not dependent on large or small, affluent or non-affluent or who has the most expensive lobbyist and it is the mission of the Council to serve the best interests of all citizens. She urged Council not to direct staff to include Morro Hills in any updated infrastructure, particularly sewers, in opposition to zoning policies. To do so serves special interests to the detriment of the majority of Morro Hills property owners and Oceanside's agricultural community.

FAYE MILLER-POKLETAR, 6058 De La Rosa Lane, is requesting that Council

maintain the agricultural assets and values of Morro Hills. According to the California Department of Conservation, Division of Land Resource Protections Map published in 2010, with minimal exceptions the entire area of Morro Hills is defined as farmland. A computer graphic was used to show the map. Some of Morro Hills is classified as prime farmland and a considerable amount is classified as farmland of statewide importance. The majority is recognized as unique farmland. Prime farmland is defined as having the best combination of physical and chemical features able to sustain long-term agricultural production. Farmland of statewide importance is defined as similar to prime farmland, but with minor shortcomings such as greater slopes or less ability to store soil moisture. Unique farmland, which is the majority of the land in Morro Hills, is defined as consisting of lesser quality soils used for the production of the State's leading agricultural crops. Morro Hills is one of the few areas where one can harvest crops year-round. This land is agricultural and should stay agricultural.

Once the land is developed there's no going back. There will be no local country road devoid of stoplights to enjoy a Sunday drive with your family and no local produce trucks driving through town, reminding us where our food comes from. Lifestyle infrastructure development would destroy the future agricultural potential of this land.

She recognizes that some landowners may have to alter what they're farming and their methods. She is in the process of converting her organic lemon grove to an organic food that is more sustainable and less reliant on water. She is asking Council to be a steward of the citizens and our land; do not weaken this Oceanside agricultural asset and protect our rights as property owners. She urged Council not to direct staff or spend City funds to study sewers or other infrastructure in conflict with the City's existing agricultural zoning and policies for Morro Hills.

ANDREA PETERSON, 5910 Camino Baja Cerro, is a small farmer with a 13-acre organic farm in Morro Hills. She objects to the City funding a study that conflicts with the current policy. It's extremely short-sighted to assume that developing Morro Hills into housing tracts is inevitable. Oceanside is well on the way to being an especially interesting coastal city, which will attract more tourism in the years to come. We have the pier, beaches, the Mission, a river with a walking and bike path to the ocean, El Corazon and beautiful Morro Hills, the last substantial agricultural area west of Interstate 15. Southern California has plenty of housing tracts. What we are low on is breathtakingly beautiful agricultural areas, especially in the coastal cities. Once those are gone, they cannot be replaced. The face of agriculture changes continuously. Olives and carob were grown in our area many years ago. Avocados have been king for decades and will probably gradually share space with less thirsty crops. Vineyards are appearing, along with our first winery. Tourism will probably be a bigger part of the agricultural mix as time goes on.

Her farm is 13 acres of organic vegetables, as well as a small bed & breakfast. Prices for organic foods have been climbing steadily, and the business of agriculture is looking brighter, even with water concerns. What doesn't change is the beauty of our area and the value it has as an open space for everyone to enjoy. Agriculture provides jobs. Construction jobs are created when houses are built, but when everything is built out the jobs are gone and the City has to provide services. Agricultural jobs don't go away. Most agricultural workers who work in Oceanside also live in Oceanside and spend their money here.

Those of us who live here developed our land in compliance with the zoning and policies that are in place and have been agreed to for many years. If those with special interests want to study the infrastructure needs of a theoretical future development, ignoring present zoning, they should have to pay for the studies. It would be a frivolous waste of taxpayer money for the City to fund these studies, which are aimed at zoning that doesn't and shouldn't exist. She urged Council not to spend money to study sewers or other infrastructure, which would be in conflict with existing agricultural zoning and policies in Morro Hills.

ERIN MORIN, 6467 La Paloma Lane, is with the Gilligan family, and we own 311 acres of avocados. We did not support Mellano's plan. We decided as a family that we'd love to continue farming. Councilmember Feller had asked her if she wanted to continue farming in the near future. If we don't want to, we want to see another option. They are looking into other options besides development. There should be a way for farmers to donate lands to preserve agriculture or make it national parklands. This would be a tax write-off for the farmers, and then they wouldn't have to pay the taxes and face the other problems that come down the road. We need to come together and figure out another option besides building tract homes. We should work with the large farm owners to see what other options are out there. Agriculture is the biggest part of this community, so let's work together to come up with another solution.

HARRIS SCHURMEIER, 6552 Indian Hill Way, owns 5 acres and grows avocados. When this was first brought up about 2 years ago, the argument from the large land owner was that it's not economical to farm anymore. He looked at the 2010 San Diego County Crop Report, which outlines the values of various crops. He cited certain crops that are lucrative. The report indicated that San Diego County for 2010 had a total value of \$1,652,422,032. That's a 7% gain over the previous years, in spite of the fact that the land decreased by 1.5%. Tourism is growing and Morro Hills is an ideal place to emphasize that. The assertion that sewers are required to support the existing 2.5 acres is not supported; it is just an opinion. Factual support should be required for that assertion. He strongly urged Council not to support this proposal.

MILT KOGAN, 827 Grove View Road, thanked the former Councilmembers who thoughtfully devised and perpetuated the General Plan for Oceanside, with its wide beaches and open agricultural land. He moved to Morro Hills because it was so beautiful. Now there are people who wish to alter that beauty. The reason they give is because they own a great deal of the land in South Morro Hills. When rich landowners define the policies for an agricultural area, it's called feudalism. We voted out feudalism in the 1600's. This is America where we have democracy; we have one man/one vote no matter how rich or how poor you are. Last year we had a vote of the agricultural community, and it overwhelmingly said that we did not want to do anything other than the general organic plan that we have in place right now. We did not want any sewers, traffic or investigation on how to make more density in the area.

These folks say we are responsible for how beautiful South Morro Hills is; we've been farming this place for 40 years. They now say they are tired, and it's exhausting and too expensive. They just want to leave a little legacy for their children. Is paving over the beautiful land that you created and putting in houses a legacy? How about a legacy for all of the people in Oceanside, now and for the future?

People say that development is inevitable, and that farming is not sustainable anymore because of financial reasons. That's nonsense. Development is not always necessary. If you decide to develop, then you develop. Farming is always sustainable; it just matters what you're farming. There are huge cities in Europe that are surrounded by agricultural lands that have been through famines, floods and wars and have lasted for 1,000 years.

We have wonderful agricultural here in South Morro Hills. The *Bible* says to nurture and protect your land, and the land will reward you. He asked Council to be soldiers of the defense of American agriculture and vote no on any assessment that will try to increase building in South Morro Hills.

JAMES HECZKO, 6465 La Paloma Lane, opposes this proposal. Morro Hills is one of the last beautiful agricultural areas adjacent to a coastal town. He would like to keep it that way. Mr. Lightfoot had showed a map where everything was developed to its maximum density, and it looked horrible. He doesn't believe that should be fast-tracked. The current proposal makes it easy to go beyond that to higher density residential development.

He has tremendous respect for the landowners who are in support of this. They have put together some truly world-class agricultural operations, and we're proud of them in the community. He sympathizes with the economic pressures on them. We live in very difficult economic times. Nonetheless, he fears that in the future, when some of these difficult economic conditions abate, having a fast-track plan to develop that area will create tremendous economic incentives to develop it anyway, even when agriculture is profitable. It would be a shame to let a current crisis create an action by the Council that is irreversible and damages the City.

DENNEY MILLER, 6105 Las Tunas Drive, stated septic systems located within the City are closely regulated by the U.S. Environmental Protection Agency (EPA), the California Water Board and the County of San Diego. Violators are subject to stiff fines and penalties. The California Water Board states that septic systems are and continue to be an important part of the infrastructure that serves many areas of California. These systems are reliable, economic, protective and appropriate in many situations. The County estimates that there are approximately 100,000 homes utilizing septic systems in the County. These systems are environmentally correct as they require no consumption of electricity, chemicals or water. They are completely underground and unseen and are cost-effective. They are a water resource in our arid region. Treated water remains on site and is not pumped into the ocean. In contrast, new sewage treatment facilities and upgrades to existing facilities are enormously costly to build, permit, operate and maintain. The cost to build in Oceanside will likely far exceed \$100,000,000. Sewers are also wasteful of scarce resources, and they are forever burdened by the risk of failure and the spillage of large quantities of untreated sewage onto our lands and waterways.

The Morro Hills neighborhood is an ideal location for the continuing use of septic systems. All of the most desirable conditions of geology, hydrology and climate are present. The residents of Morro Hills all have septic systems; there are no sewers. Those septic systems are valuable assets for both that rural agricultural neighborhood and for all of Oceanside.

Under the current time-tested General Plan and zoning policy, there is no valid reason to consider a central sewer system for the Morro Hills neighborhood. Even consideration would be an expensive step in the wrong direction. But far worse, building new sewer facilities would benefit only a few outside developers while placing a great financial burden on the scarce resources of Oceanside and all of its current residents. He requested that Council pull together, act wisely and stop this wasteful proposal before it gets started. The real opportunity is to just say no to sewers, which would surely lead to costly runaway development, and say yes to devoting your energies and resources to maintaining and improving our City.

SUSAN KOGAN, 827 Grove View Road, sent an email to Councilmembers and hopes they read it. She was born and raised in the Midwest so she knows what it's like to be around land. Whether it's big landowners or a small landowner, in the Midwest or here in Morro Hills, we are all involved with the land. Land is important because it has value. Everyone talks about money, but land is more important than money. She trusts that Council will realize that they each hold a very decisive vote and will vote to stop inappropriate gestures to change and move in the direction of money. She asked Council to do the right thing. It means that much to all of us in Morro Hills.

DENNIS MARTINEK, 1537 Sleeping Indian, the way this item is worded sounds relatively harmless and inexpensive. The problem is these updates can have significant costs and impacts. The direction to staff is unclear, as is the cost. In these fiscal times, he hopes the City isn't going to undertake a project that's going to be very expensive for all of the taxpayers. The usual process in planning is that a developer comes to the City with a proposal, and the City responds. Here we're having a proposal where the City is saying what can be developed, and then the developer responds. That's inconsistent. In the area of sewers where we have none, an update is going to be a very expensive process and will be subject to CEQA requirements and an EIR. You're talking about

hundreds of thousands of dollars to do this, and that shouldn't be placed on the backs of Oceanside taxpayers.

Public input concluded

[Recess was held from 7:36 PM to 7:44 PM]

DEPUTY MAYOR SANCHEZ read from the City's Land Use Element of the General Plan, which is basically our City's constitution. It states that the agricultural objective is to identify, conserve and enhance Oceanside's agricultural areas. Agricultural areas are characterized by their primary function, which is to farm, graze or conduct animal husbandry. Agricultural areas typically involve contiguous tracks of agricultural land uses with only a very minor intrusion of non-agricultural land uses. These non-agricultural land uses are only of the type and size to service the special needs of the agricultural areas. Residential development shall be permitted provided such development does not interfere with existing agricultural operations and that the open space character of the area is preserved. Appropriate minimum lot areas shall be determined by the area's topography, adjacent land uses and availability of public services and utilities. However, under no circumstances shall lot areas be less than 2.5 acres. Lot configurations and dimensions shall provide areas of sufficient size to conduct limited, low-intensity agricultural activity such as orchards, gardens and the keeping of livestock. The City shall, in all proposed actions converting agricultural lands to other land uses, consider the loss of those lands to the potential agricultural productivity to the community and shall assure that land use compatibility to agricultural lands is fully defined and assured. Land use compatibility is of primary importance to agricultural areas since land use conflicts between agricultural and non-agricultural uses can force the economic non-viability of agricultural areas.

Finally, under agricultural resources, the City shall apply agricultural land use designations and zoning classifications to areas of significant productive agricultural use, such as South Morro Hills. Extension of City services to agricultural areas will be limited. The City shall encourage participation of agricultural property owners in Williamson Act Contracts.

She read that over and over again when she first became a Councilmember. One of the first people she met with as a Councilmember was the City Planner. He was very clear that the City has never supported development in South Morro Hills, nor changing the agricultural zoning of this very critical agricultural region. As such, developer fees to be able to pay for infrastructure needs that would be necessary to support residential uses, have never been collected. There is no sewage hookup and no plans for major roads. No money was collected for a bridge across the San Luis Rey River at Melrose, which would be required if a sewage treatment plant is to be built, which would then lead to the construction of thousands of houses. The impacts to Highway 76 would be tremendous, as would the impacts to police, fire and other programs.

She is disturbed by this request. This item is requesting that the residents of Oceanside subsidize private owner expenses, admittedly, owners worth millions of dollars. If approved, our utility rate-payers will be paying the bill. In essence, this is tantamount to a gift of public funds. This is inconsistent with our General Plan and zoning laws.

Mr. Lightfoot said during his presentation that there has been no major development activity. That's because development is not appropriate in this area. We already know, and it's been around for decades, our General Plan and Land Use Element.

It has been no secret that a handful of farmers would like to turn South Morro Hills into residential, especially in the last 2 years where we've heard the mantra louder and louder. However, the City leaders, in their wisdom, placed a high priority on this

land to remain agricultural with a limited conversion to residential to 2.5 acre lots. There has never been a guarantee by the City, or City taxpayers, that farms would become another residential suburb. Higher density residential would not only be against our City's General Plan, it's also against every policy of SANDAG. SANDAG encourages, through regional funds, the development of residential in already developed areas of the City. It's been called smart growth.

We know that property taxes don't begin to pay for the services that new residential houses need and demand. Our current quality of life that we enjoy and levels of City services will be severely impacted and lowered. In terms of the City's future needs for residential housing, we currently have no services in this area. Providing water and sewer and including the potential need for the construction of a sewage treatment plant - which will cost about \$100,000,000 - electrical, roads, etc. to this area would potentially bankrupt this City.

With respect to preserving agriculture, she's had the opportunity to talk with other cities and their Councilmembers and they also have a high priority for maintaining agriculture uses. They have established safeguards to that end and have partnered with agricultural owners toward economic opportunities that will maintain agriculture uses, such as organic farming, vineyards and wineries. Agri-tourism is a word that's being used all up and down the coast and in Europe. We should be encouraging agricultural economic development such as agri-tourism. Agriculture provides jobs, requires less water than residential and does not become a burden to the rest of the citizens in terms of the need for expensive City services such as water, sewer, police, fire and other City services.

She can't support this. It would be changing our zoning through the back door. The last time this was before us, there was a suggestion that we should force the establishment of a district and force people to have to pay for this study. That would have been against the law. She understands that people want to make money off their land; however, this is a very critical part of our City that has been around for decades. The first time she met with Mr. Mellano she asked him if he bought this land with these constrictions, was this considered farmland at the time, or was it not and it happened while he owned it. He responded that it was farmland. They should get what they bargained for.

To turn this around and go against our General Plan, would be to incur costs to our citizens, the rate-payers who pay the water bill and are already looking at higher costs, to get less services in terms of police and fire, to build a sewage treatment plant when we're just now starting to pay the \$50,000,000 loan from the State, at \$2,000,000 a year for 25 years. If that is what is before us, we should not do it. We should not encourage this. South Morro Hills should stay agricultural, and we can explore economic development of these agricultural lands. She has met so many people who have become the stewards of South Morro Hills and would like to keep that land in agriculture. They have ideas. The South Morro Hills Homeowners Association has been talking about this for years. That's what we should be supporting, and she cannot support Councilmember Feller's item.

She asked staff how much it will cost to do an EIR, which we would need to do with the infrastructure study for sewage.

CITY ATTORNEY MULLEN responded it is his understanding from City Planner Hittleman that a Master EIR has been prepared in the past for these sewage Master Plan updates, so it is his expectation that we would have an EIR as well.

DEPUTY MAYOR SANCHEZ asked what the need is for an update on a land that is not required to have sewer. What do we do for an update? What she just read was from 2002, not the 1900's. So why should we do an update for an area that has already been designated as no sewer extensions?

CITY MANAGER WEISS responded we are scheduled to look at updating both the sewer and water master plans starting next spring. In the absence of this item, that update would not include any provision for sewers in the Morro Hills area. Based on the wording of this item, if you are to look at providing sewers in that Master Plan update that we will start next year, it would then include not just the main lines in Morro Hills, but the transmission lines that would need to go to the plant and potential plant upgrades. So it would contemplate future development, as worded here, within the existing General Plan, but staff would then look at the needs and capacity to provide sewers to that area.

DEPUTY MAYOR SANCHEZ stated it's her understanding that 90% of the residents in South Morro Hills do not want to see any increase in the density or change in the lifestyle in the agricultural uses. She doesn't see why the City should be spending this money or why our rate-payers should be burdened with this. It doesn't make sense.

COUNCILMEMBER FELIEN asked where the water currently comes from that the farmers use in Morro Hills.

CARI DALE, Water Utilities Director, responded it is the same as any other water supply in the City, a portion of it comes from our local Mission Basin desalination facility and a portion is imported water from Northern California and the Colorado River.

COUNCILMEMBER FELIEN asked if some of the pressure that the farmers are facing here comes from the water blockade that's currently taking place on the Sacramento River.

MS. DALE responded yes, as well as historical draught on the Colorado River. There are several factors that are driving the water demand. Mostly, it's outside the City that is driving up those prices.

COUNCILMEMBER FELEIN pointed out for the record that we've had a lot of speeches on how important it is to preserve the environment, and yet it's environmental fanaticism and the water blockade in Sacramento that's driving the farmers off the land and is one component that is driving them to consider other uses. The cost of regulations and these kinds of restrictions come down, and now the farmers have to find some way to get out from under the thumb of these kinds of draconian regulations that we only find in California. People ought to consider that when they think all of these regulations come for free and that there's no cost for that kind of overbearing government control.

He asked what resources are going to be used to prepare this plan. He heard we're going to be updating our Plan anyway, whether it includes Morro Hills or not, so does updating the City Plan to include Morro Hills and doing these studies significantly add any real costs to our City budget.

CITY MANAGER WEISS believes there would be some additional costs. One of the options we have, if the Council is interested in isolating those costs, is when we do the proposals, because the updates are going to need to include outside support to do, we could ask the proposers to identify the costs specific to Morro Hills as an isolated cost.

COUNCILMEMBER FELIEN asked if we would have the option at that point to say we don't want to go forward, or are we committing tonight that we're going forward regardless of the information that you would be providing.

CITY MANAGER WEISS responded Council would have the option at that point to say no to updating the whole Master Plan or portions of it. If we isolate this separately, you will certainly have that option at that point.

COUNCILMEMBER FELIEN asked if incorporating this request into the Plan would add to the time or push back any other activity the City staff would otherwise be involved in.

CITY MANAGER WEISS responded that given the magnitude of those updates, he doesn't believe it will add significantly to the time because it's going to be a comprehensive update.

COUNCILMEMBER FELIEN asked if when we talk about the separate costs, are we talking about a couple thousand dollars, tens of thousands, a hundred thousand, etc?

CITY MANAGER WEISS doesn't feel comfortable guessing. If you're going to provide sewers in Morro Hills, there's the issue of getting the sewer from Morro Hills to the plant, and he believes there are going to be some plant capacity issues. There's a potential for some fairly significant costs, depending on how far and how much of an upgrade we need to do. This would not do anything for the upgrade, this is just the cost for the study.

COUNCILMEMBER FELIEN asked if everyone fully subdivided their land within the existing zoning, based on the new water quality laws that have been passed, would septic tanks be able to accommodate that or would it require a sewer to conform with the existing zoning.

CITY MANAGER WEISS responded that he had some discussions with Mr. Lightfoot in regards to the sheer number of just doing 2.5 acres. He doesn't believe that you would be able to do that due to topographic issues, drainage concerns and buffers from those areas, you could actually get 2.5 acre lots for all of them; they would probably be a little bit larger than that. Given the sheer number of homes that would be able to be developed, it is unlikely that all of them would be able to get septic permits.

COUNCILMEMBER FELIEN asked if, in order to accommodate the rights that the landowners currently have based on current zoning, we would have to plan for some type of sewer capacity.

CITY MANAGER WEISS responded in simple terms, yes. However, he doesn't believe that all of the property out there could be developed. It would be developed to the minimum 2.5 acres and in some cases may be significantly larger. Obviously, the larger you get, the more ability you would have to provide septic.

COUNCILMEMBER FELIEN understands that not every single lot is going to get the maximum usage that zoning would allow, but the issue and the theme of a lot of the speeches is that we're doing something outside of the existing zoning and that this request involves some kind of conspiracy to go around the law as it currently exists. He is trying to confirm whether or not the existing law with the existing rights that every owner currently has would require sewers of some type to accommodate that right as it exists. He gathers the answer to that is yes, to some degree, so we would need some kind of study.

CITY MANAGER WEISS responded yes. Or conversely, as those properties developed, then they would prepare those studies as part of the overall development process.

COUNCILMEMBER FELEIN stated from a philosophical standpoint, the approach he's going to take as a Councilmember, which he took during the election, is that property owners have the right to get the highest value for their property within existing zoning. He would love to see the farmers who don't want to farm within the existing constraints and who have the opportunity to go to agricultural tourism, wineries or other uses that are attractive, he would like to see the City go in that direction. Ultimately it's the property owner that has to decide what's in their highest and best use

that's compatible within the existing zoning. That's one filter he would be using to address this issue.

The other issue is that forcing property owners to selectively provide a larger social good without compensation is wrong. This idea that everyone else can develop their land and the last person to develop their land is supposed to bear the entire price of some environmental good because everyone else got there first is wrong. If you want the property to stay agricultural for some larger good of the City, then buy the land and put a deed restriction to have it used for what you want. To impose this social cost without compensation is Socialism. That is wrong, and he won't vote for that.

The issue of development always comes up. Everyone who has a home today has a home on land that used to be agricultural in all likelihood. If someone else at some point didn't sell their land, none of us would have a house here in Oceanside. It's interesting that there's always this movement to prevent other people from doing what the complainers have done themselves. The rules need to apply to everyone. So far what he's hearing is that this can all be done within the existing zoning. Certainly if someone buys land within an existing zoning and complains the value is impaired because they can't get a higher level of zoning, then that's not a legitimate complaint. He's looking at this within the zoning that already exists.

As for the larger conspiracy theory, he wishes we were that organized and had that much control but it will never happen because we live in a free society. There aren't any conspiracies here. We're all trying to work our way forward using our value system to do what we all believe is in the best interests of the City. We have elections where the public gets to filter in their views and decide if the people on the dais are doing what the majority wants or doesn't want. We're all sensitive to that issue because losing elections isn't fun. We're working to accommodate the most voters we can on any given issue.

Every single budget cut that was put through in this last budget was forced on the City in order to pay for the labor contracts that were approved by the prior Council. That's not the fault of the people sitting up here. Those contracts have future costs and can't be changed once they are voted on and approved. One set of contracts was approved less than 24 hours before he took the oath of office. The voters replaced the person who sat in this chair before him.

COUNCILMEMBER KERN stated this has been a sensitive issue for a long time. He's sure it will come back again, and we'll talk about it some more. One of the recurring themes is that these farmers are getting regulated out of business. If you really want to help them, then you should write Sacramento and Washington and say no more regulations. These people are trying to make a living, and every year they get more and more regulations so it becomes unprofitable to do that. It's not like they want to. They're seeing what's happening in Washington and Sacramento, and they see that in 10-15 years you won't be allowed to farm period because you'll be regulated out of business. What they want to do is plan for that day when the government destroys them. That's what's going to happen, and he doesn't blame them for looking to the future. The recurring theme from the advocates of this was that we need to plan for the future. Every one of them said they would love to keep farming. Mr. Singh talked about it becoming not viable to farm at Camp Pendleton anymore. However, they're reorganizing and they're going to try to farm again because that's who they are. They're farmers, and that's what they do.

We need to look forward. We're going to do a Master Plan next year. We've done master plans in the past. He asked the City Manager when the last time was we did our City's General Plan.

CITY MANAGER WIESS responded the General Plan has a number of elements in it. The Circulation Element is currently being updated. The Housing Element was recently and is in the process of being updated again. If you look at them individually,

they have been in a process. A comprehensive overall look at the entire General Plan and Land Use Element hasn't happened for at least probably 15 years.

COUNCILMEMBER KERN thinks it could have been longer than that. He believes there are some documents in there with Mr. Lightfoot's signature from when he was the City Planner. It's been since 1975. We hold onto the Plan that's 45 years old and somehow that's our constitution that we can't deviate from. We deviate from it all the time. We do it by exception, General Plan amendments, variances, etc. because we haven't updated our General Plan. He understands why. When he came on Council 5 years ago and asked about doing it, staff said we can't afford it. It's going to cost us \$1,000,000 or more so we do these General Plan amendments. We do it piecemeal.

We're going to work this into our Sewer and Water Master Plan, which we do every few years. He doesn't see any problem with incorporating it into the Master Plan next year. He likes the idea of seeing what those costs break out to and what the separations are. Somebody asked what the rush is. We're not rushing into this. This is a plan that's going to develop over a period of time. Hopefully, if we ever get some water out of the Delta and can settle our lawsuit with Metropolitan Water District (MWD), because they charge us more than any other agency in the system, maybe farming can be more affordable and profitable. Forcing people to do what they can no longer do is not what we do. We let them have the options. All we're doing is planning. The infrastructure costs are going to have to be borne by whoever develops that property. We're not going to build a sewer plant for them or put in the water. The developer is going to have to put in the piping, sewer capacity and all of that. That doesn't change from what we do now.

Some people live on 2.5 acre lots and say that they have theirs but you can't have yours. That's the biggest thing that sticks with him. Those people moved out to an area on 2.5 acres of what used to be part of larger tracts of land that got subdivided. Now they're saying they already have theirs but they're going to prevent other people from having theirs. That is undemocratic, and what we do not want to do. He's supportive of this up to the point of getting the costs back, and then we're going to have to evaluate what that cost is and how we attribute that cost. If it's a significant amount of money, we may go back and ask those landowners to help pay for that plan so there would be no burden on the existing people.

MAYOR WOOD stated when he came on the Council 10 years ago, this was an item. He kept hearing about putting a bridge across the river at Morro all the way out to Morro Hills. The reason we wanted that is there is no other way we could expand in Morro Hills without having an EIR be negative regarding transportation at North River Road. We heard that 10 years ago, so it's always been part of the plan that somebody would like to change Morro Hills. When you look at the map, you notice that it is the only large greenbelt area left in Oceanside. There are concerns about open space. In a beach community, you tend to lean toward the environmental side because you want to keep all of these nice things that nobody else has.

This is like the cart before the horse. This is a different approach. Normally we have someone who wants to build something, and they come and give us a plan with the roads and infrastructure. We then say yay or nay, or say they have to do it differently. He doesn't remember a situation where Council is confronted by the landowners asking what we can do for them as potential contractors who might want to build out here in the future. They are asking us to address their streets, water, sewers, etc. and have the City pay for the investigation. He's willing to listen to everybody but the original approach to him was wanting the City to put in the streets, infrastructure and sewer systems in Morro Hills at an astronomical cost; he didn't think the taxpayers would get on board for that. It has changed over time to be doing a study and then coming up with a plan even though we still want to do farming, but it's a strange request.

We already know it's going to cost a fortune to put in streets, underground

electrical and sewer and add a sewer continuation plant that's going to handle that much input. Also, housing is not being sold and we all know that. Housing does not pay for itself. Property taxes do not pay for the services that we have to provide. So we're looking at something that will impact the City a lot. Somebody besides Morro Hills is going to have to pay for that, and it will be all the rest of the taxpayers in the City. These aren't free studies.

The majority on this Council is always upset about property rights and feels that we shouldn't impose on property rights. In this case, it's people with property rights against people with property rights. You're saying we should impose on the other people in Oceanside to take care of your property rights. That's a little confusing. There is one thing we can do up here on the dais to make other people very rich, and that's land use. You can make people rich by changing their land use. Here we're looking at changing a lot of acreage into housing. Normally the people that own those lands would come in and say they're going to do 1,000 acres of housing, and they have a plan together. They aren't asking the Council to approve it ahead of time and decide how we can fix their plumbing uses or sewer uses.

He's concerned that we're going to put the burden on the backs of the rest of the taxpayers to help this group. He isn't upset with that group, he just hasn't done it this way before. This is all about money. Can we make their land more valuable? The only way to do that is to add all of the things that are necessary to having a housing project like streets, lands, water usage, drainage, etc., and that study is going to ask that we do it at our expense and the expense of the rest of the taxpayers. This isn't just going to be paid by Morro Hills taxpayers. This means millions of dollars to the taxpayers in what they may have to pay in the future.

It's easy to say that this is just a study; however, we're paying for it, and it's never been done this way in the past. Each one of these landowners has the right to say they don't want to farm anymore, and they'd like to subdivide into 2.5 acre lots. They can bring that plan to the City, and they'll be told what they have to do under the guidelines such as permits, EIR's and CEQA. It's a little tougher when you get out into the agricultural areas, and some of them will never be able to be built on because they're near the San Luis Rey River. As much as some Councilmembers complain about the environmental, those people are still here and are not going away. They have a lot of say-so regarding land usage, CEQA and environmental impacts. That's everything from traffic, roadways, lighting, undergrounding, etc. Also, fire and police departments have to be able to respond, so all of the other services get impacted for the rest of the City.

In the middle of this economy, he agrees with the landowners that it's tough. But he's not sure he wants to say yes to them at the expense of the rest of the City, and he's not sure they should pick up the burden to study this. He doesn't understand why we're looking into this for this group of people in Morro Hills. If they want to build, then follow the guidelines of the City and build. It's your expense to build a neighborhood. He doesn't think this is a good thing right now. It benefits a small portion of the people over the majority. Regardless of our political beliefs, we're supposed to be looking out for all of you and not a particular political party or doing something so the money that gets made by the landowners filters back to political campaigns. He's not pointing the finger at anyone, but this concerns him, and he doesn't think at this time that this is good for Morro Hills, Oceanside or the taxpayers.

He agrees that they should be able to do what they want with their land, but if they want to do something with it, then they should make a project to bring back to the City so we can tell them what they need. The improvements that are going to be necessary out there won't be picked up by the contractors and developers, it's going to fall on the City, and that's what the taxpayers pay for. Water and sewer rates went up 52% in two years. That's a big increase, and it might keep going up.

Morro Hills is a beautiful area with wildlife and greenbelts. There aren't that

many left and once you pave over it, it won't go back the other way.

COUNCILMEMBER FELLER stated it would be a drop in the bucket to add this piece of the puzzle to a study compared to what the public safety contracts amount to. The cost to the taxpayers there is phenomenal when you think about the increase in pension and benefits. The City's taxpayers probably don't want to pay for the right turn lane at Jeffries Ranch, but he went along with that as well because he believes in open roads and those types of needs out there.

He would guess that agri-tourism can't be sustained by septic if you end up with Bed & Breakfasts and the like out there. He asked how many lots out there are on 2.5 to 3 acres now.

MR. LIGHTFOOT responded by our count there are 153 residences, and most of those are on 5 acres or less. There are some that are much larger.

COUNCILMEMBER FELLER asked what this property looked like in the 1940's. Was it one big farm or was it several? There were no 2.5 acre requirements. When were the lots allowed to be subdivided?

MR. LIGHTFOOT responded the 1968 General Plan showed this area as primarily agriculture. In 1975 the General Plan formally designated and put in the policy about the limited extension of City services and set up the 2.5 acre lot size. The Land Use Element was updated in 1986, and all of those policies carried forward. This property has been designated agriculture since the late 1960's and has the minimum lot size and limited City services policy since 1975.

COUNCILMEMBER FELLER doesn't know much about septic. If you had about 600 available lots out there, would that accommodate septic.

CITY MANAGER WEISS isn't sure there's a definitive answer on that, but he believes, based on conversations and preliminary inquiries we had, adding another 700-1,000 homes would be a problem with the Regional Board as well as the County Health Department.

COUNCILMEMBER FELLER asked if that can be part of the update. Can you have a mix in that area?

CITY MANAGER WEISS responded yes. For the existing homes that are on septic, if you were to put sewers in that area, and we're only talking about initiating a study here, they would not have to connect to what would then be sewer.

COUNCILMEMBER FELLER stated that this is going to fall under and Environmental Impact Report (EIR) just because we're doing the study, is that correct?

CITY ATTORNEY MULLEN thinks a Master Plan update would likely be considered a project within the meaning of CEQA, and therefore would require environmental review. Before you were to formally adopt or approve the Master Plan there would have to be a CEQA document prepared.

COUNCILMEMBER FELLER asked how long that process takes.

CITY ATTORNEY MULLEN responded if it were a full-blown EIR, it would be a significant period of time, probably a year.

COUNCILMEMBER FELLER doesn't think anybody who spoke in favor of this actually thinks they're going to build homes in the next 5 or even 10 years. He doesn't think they're prepared to completely ignore the family lifestyle that they've been doing for 30-60 years. He doesn't know how you give land away, but good luck giving it to the conservation organizations. The dollar amounts that have been thrown out are

highly exaggerated for what it will cost. We've already said that the people that choose to bring sewer in are going to be the ones that have to pay for that.

He **moved** to initiate, as an optional task, adding Morro Hills to the RFP for sewer, water and drainage master plan, to address infrastructure needs, to accommodate development opportunities consistent with the City's current General Plan.

COUNCILMEMBER FELIEN seconded the motion.

MAYOR WOOD stated in that same study you may want to look at there being no way you're going to do that without putting a bridge over Melrose, so the developers need to pay for the bridge and also the new sewer and water plant. Keep that in the cost of looking at this stuff too.

COUNCILMEMBER FELLER would say that right now the bridge over the San Luis Rey River on Melrose is being taken out of the Circulation Element. Somebody would have to pay a lot of money to get that back in.

COUNCILMEMBER FELIEN would like to follow up on the issue of what the taxpayers in Oceanside are going to pay for and what they're not going to pay for. When someone wants to develop a property, aren't the developers, as part of their fees, supposed to cover any infrastructure improvements that need to be made to support that development - sewer plants, roads, etc.

CITY MANAGER WEISS responded that's correct.

COUNCILMEMBER FELEIN stated then the residents of the City as a whole would not be subsidizing any development that would take place in Morro Hills or any other part of the City. Is that correct?

CITY MANAGER WEISS responded that's correct.

COUNCILMEMBER FELIEN then he doesn't know why we're hearing these ridiculous claims bandied about when it's a matter of implementing the law as it exists. He doesn't know why people play fast and loose with the facts. Once the infrastructure's in place, any new residents or commercial properties that have been developed pay their marginal costs, along with every other resident, to keep the existing, expanded, improved infrastructure in place. Is that correct?

CITY MANAGER WEISS responded that's correct. If they're tying into a system that has been put in and it's a new connection, there are also additional buy-in fees to pay back for the infrastructure that was put in, in advance of their development.

COUNCILMEMBER FELIEN stated that means that there is a decision to be made on any particular development - whether it's good, not good or improves the long-term prospects of the City or not - but the claim that existing residents are going to subsidize or have their costs increase to subsidize new residents is a canard. It's not true and should not be the basis of any decision, whether voting on this item or any future item. That's nonsense that's passed around by people who oppose any and all development or improvement of people's property. It's basically the environmental extremism that we see chasing people out of the State every minute. The latest economic refugees to flee are Petco, who has decided to leave California and move to Texas. We need to start accommodating the needs of people who actually pay bills and taxes and support the social services people want. This motion is basically to start a study that, to the extent there are any marginal costs, will be paid for by the people who want the study and imposes no burden on the City taxpayers whatsoever.

DEPUTY MAYOR SANCHEZ stated that City Manager Weiss indicated that, but for this Council item today, Morro Hills would not be part of this update. Is that correct?

CITY MANAGER WEISS responded as it relates to sewer, that's correct.

DEPUTY MAYOR SANCHEZ asked where the money will come from to do this development study for sewers.

CITY MANAGER WEISS responded the funding for the Master Plan updates do come from developer fees. Prior development would have paid into the system to do the Master Plan updates.

DEPUTY MAYOR SANCHEZ asked if that development would have been from South Morro Hills.

CITY MANAGER WEISS responded potentially, if there had been recent development, they would have paid into those development impact fees.

DEPUTY MAYOR SANCHEZ asked if the City Manager is talking about development fees that have been paid citywide.

CITY MANAGER WEISS responded that's correct.

DEPUTY MAYOR SANCHEZ stated that in effect our resident's funds that would be available for the rest of the City to pay for these studies for better projects is going to be used in Morro Hills.

CITY MANAGER WEISS responded those funds would be restricted to doing system improvements not necessarily within Morro Hills. The money that would be used for the studies could be used for other improvements if that were the Council's desire.

DEPUTY MAYOR SANCHEZ underlined that, but for this Council item today, that would not have been included in the update of the Master Plan.

CITY MANAGER WEISS responded for the sewer Master Plan, that's correct.

MAYOR WOOD stated if there was a project being built out there that we would fund it and probably be reimbursed by the developer. We would front our money to do some of the sewer stuff, but by the project being completed they may pay us back.

CITY MANAGER WEISS responded we've initiated a study to look at infrastructure. How that infrastructure gets built and funded is going to be a subject for another time. There are a number of ways that they could build that infrastructure. Yes, the City could front the money and then the developers, as they develop, pay it back. However, it will be based on the demand and the need. If there's a client capacity issue, that would have to be dealt with in the initial stages of any future development. At this point, we're just looking at what are the drivers of the infrastructure that's needed, primarily sewer.

MAYOR WOOD was not sure the Morro Hills project would even pencil out regarding impacts to the roads, school districts, etc.

Motion was approved 3-2; Mayor Wood and Deputy Mayor Sanchez – no.

21. **Request by Mayor Wood to establish a formal proactive barking dog complaint response system, and direction to staff**

MAYOR WOOD has received a lot of phone calls regarding ongoing barking dog complaints. The frustration level is two-fold. The Humane Society won't respond to these, and it's not a priority for the police department. When push comes to shove, we end up sending police officers to the scenes of these ongoing barking dog complaints. He has 3 dogs, but he knows what people are talking about when a neighbor's dog barks all night or all day. We don't have a functional system set up to handle these.

Often when dogs bark, neighbors get frustrated because there is no one to help them, and they tend to take action on their own. He is concerned about confrontations between neighbors and potential harmful situations that may come from that.

He is requesting that Council direct staff to come up with a better solution for people calling with barking dog complaints. It might cost us money to get another Code Enforcement Officer to handle just those situations. He doesn't want to leave it in limbo for neighbors to resolve themselves by either killing the animal or getting into a confrontation with their neighbors.

He is hoping to have some discussion with the public and the Council and then send something back to staff to come up with a solution: another Code Enforcement employee or putting the pressure on the Humane Society to do the job. People are getting very upset that they are calling everybody and nobody responds. If you're the victim of someone's dog barking, it's a high priority in your mind.

FRANK McCOY, Police Chief, stated the police department has had numerous complaints regarding barking dogs, especially since the Humane Society stopped responding to these type of calls. They are very problematic for us. We have tried to deal with this issue in several different ways by having our neighborhood police team officers try to work with both parties, which has been successful sometimes and sometimes not. We're going to continue to do that until we develop some other type of system to deal with this issue.

MAYOR WOOD believes something has to be done and we can't just leave it in limbo. He **moved** to have City staff to come back with a solution, either the Humane Society, a private party, or the City hiring someone.

DEPUTY MAYOR SANCHEZ seconded the motion.

COUNCILMEMBER KERN asked if people call Code Enforcement or the Police. How is this handled now?

DAVID MANLEY, Neighborhood Services Division Manager, responded this issue was brought up when the new Humane Society contract was issued. The response from our office is that there aren't staff resources available, and it is a civil issue between neighbors at this point. There is a City Code that does apply. However, at this time, without the resources, Code Enforcement is not responding, nor is the Humane Society.

COUNCILMEMBER KERN asked if we have the ability to fine people for barking dogs.

CITY ATTORNEY MULLEN responded yes and there's actually another option available, which is that the reporting party can actually sign a private party citation. The officers can issue that, and then the victim goes to court to prosecute the infraction. That's handled through the Superior Court. That may not be a very effective means as it doesn't necessarily make the dog stop barking.

COUNCILMEMBER KERN stated that doesn't solve our problem of having a police officer involved in the barking dog issue. He would like to explore the idea of how we're going to do this. He's against hiring a new City employee, but maybe this is something we can outsource. When does the Humane Society contract expire?

CITY MANAGER WEISS responded it expires next June, and they have already indicated that they will not be responding to barking dog complaints. Regardless of what we want in the contract, they will not respond to barking dog complaints. Any solution we come up with is going to cost money.

COUNCILMEMBER KERN stated it isn't a matter of hiring one employee

because these dogs could be barking at 1 or 2 in the morning and people want a response, so if the employee just worked the day before we couldn't have them respond.

MAYOR WOOD thinks that's why the study is important. He would like staff to come back as soon as possible with this.

DEPUTY MAYOR SANCHEZ believes this is a public safety issue and a nuisance issue. We've all read the stories of what happens when things escalate where one person could be seriously injured or actually die. This is serious, and the way we're handling it now is certainly ineffective. It is costing us money to answer these calls. If it gets contracted out, it will have to be someone who has the vehicles for responding to these kinds of things, including taking the dog and impounding it at the expense of the owner if there are repeated violations. We should do something about this because it is a serious issue.

COUNCILMEMBER FELIEN knows there are incidences where tempers can flare when you have a barking dog going on and on, and there should be some way to resolve that. He's willing to explore it. He suggested that a good Phase I would be a phone number where people can put in an anonymous complaint and the City can either send a letter, or an employee can call and leave a message saying we received a complaint about your dog. He would be uncomfortable knocking on his neighbor's door and saying their dog is making his life miserable. He would also be uncomfortable with hiring an employee simply to deal with dog complaints and hopes there is a way to incorporate it with someone who is already there.

MAYOR WOOD had an incident himself years ago that went all the way to court, and it's disturbing. He is frustrated that the Humane Society is not doing this. Somebody is going to have to do it.

Public input

JOAN BRUBAKER, 1606 Hackamore Road, stated Los Angeles charges fines now for barking dog violations. The City would be responsible for enforcing that and she knows the City doesn't want to do that, but a fine is the way to solve this.

Motion was approved 5-0.

22. **[Request by Deputy Mayor Sanchez, on behalf of the Buena Vista Lagoon JPA, to support staff participation in an effort to request the California Department of Fish and Game continue with and complete the environmental studies that were initiated for the Buena Vista Lagoon restoration]**

Removed from the agenda by Deputy Mayor Sanchez

INTRODUCTION AND ADOPTION OF ORDINANCES – None

ADJOURNMENT

MAYOR WOOD adjourned this joint meeting of the Oceanside City Council, Community Development Commission, Small Craft Harbor District Board of Directors and Oceanside Public Finance Authority at 9:05 PM on November 9, 2011. [The next regular meeting is scheduled for 2:00 PM on Wednesday, November 30, 2011].

ACCEPTED BY COUNCIL/HDB/CDC/OPFA:

Barbara Riegel Wayne
City Clerk, City of Oceanside