

**TOWN OF APPLE VALLEY
TOWN COUNCIL/REDEVELOPMENT AGENCY**

**REGULAR MEETING
MINUTES – March 23, 2010**

CLOSED SESSION

1. Closed Session

None.

OPENING CEREMONIES

CALL TO ORDER:

Mayor Allan called to order the meeting of the Apple Valley Town Council at 6:31 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Boardmember/Councilwoman Coleman; Boardmember/Councilman Nassif
Boardmember/Councilman Roelle, Vice Chair/Mayor Pro Tem Sagona; Chair/Mayor Allan. Absent:
None.

INVOCATION: The invocation was led by Pastor Royce Bessera, Church for Whosoever

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by members of the American Legion

Proclamation – National Tartan Day
Proclamation - Vietnam Veterans Day
National Animal Control Appreciation Week

SPECIAL ANNOUNCEMENTS:

PUBLIC COMMENTS

Mark Schelske, Apple Valley, expressed concern regarding an aerobatic practice area behind his home. He explained that it is an area reserved for FAA practicing. He stated his goal is to have the aerobatic practice moved out of their community. He thanked staff and the Town Attorney for their support.

Constance Koch, Apple Valley, commented on the Public Works Department working in their area after the flooding. She expressed concern regarding the flooding that occurred in her lot. She also expressed concern regarding the lack of maintenance of the landscaping in the Vineyard tract.

Dan Lynch, Apple Valley, expressed concern regarding the flooding that occurred in the Vineyards. He asked if the Apple Valley codes would be changed so that future residents will be informed that they live within a flood zone.

William Furmage, Apple Valley, respectfully requested the Apple Valley Town Council move forward with the Bicycle Park.

APPLE VALLEY CHAMBER OF COMMERCE – BUSINESS RETENTION UPDATE

Jason Barker, President, Apple Valley Chamber of Commerce, provided the Town Council with a list of upcoming events hosted by the Chamber of Commerce. He thanked the Town Council for supporting the Apple Valley Chamber of Commerce.

COUNCILMEMBER COMMENTS AND COMMITTEE/COMMISSION PARTICIPATION

Councilman Nassif commented on his attendance at the Adelanto Grand Opening of the Bike Park. He also commented on his attendance at the Mojave Desert Air Quality District and the discussions that were held regarding Assembly Bill 32.

Mayor Pro Tem Sagona commented on his attendance at the National Conference of the League of Cities where each member of the Cities were given the opportunity to visit with various legislative staff including Congressman Lewis and members of Senator Boxer as well as Senator Feinstein's staff.

Councilwoman Coleman commented on her attendance at the legislative meetings held in Washington, D.C. and the various sessions that she was able to listen to regarding small business loans and internet access. She also commented on her attendance at the City County Conference and the discussions that were held at that event.

Mayor Allan commented on his trip to Washington D.C. and the meetings he attended with various legislative staff including Congressman Lewis and members of Senator Boxer's staff as well as Senator Feinstein's staff. He also attended a meeting of the Victor Valley Economic Development Authority and commented on the discussions that were held regarding tax distribution.

Kaye Reynolds, Finance Manager, gave a brief overview on where the Town stands with respect to redevelopment monies and tax distribution. She explained that the State has mandated that there be a supplemental ERAF allocation made on May 10, 2010 and that the cost to the member agencies of VVEDA is \$12.1 million. She stated that the ERAF obligation by Town of Apple Valley is \$1.9 million. She explained that should the Town have to pay the State of California it would come to a little more than \$300,000.00.

Mayor Allan expressed concern regarding the State's intention to take additional funding from the cities.

Councilman Nassif commented on the League of Cities involvement with the Redevelopment Agency to retain the money from the State. He also commented on how the State operates to enable them to get around court lawsuits.

Mayor Allan stated that he also attended the meeting of the Victor Valley Wastewater Reclamation Authority on behalf of Mayor Pro Tem Sagona. He also attended the City and County Conference in Lake Arrowhead.

TOWN COUNCIL ANNOUNCEMENTS

Suggested items for next agenda:

None.

Time, Date & Place for Next Town Council Regular or Special Meeting:

A. Regular Meeting – Tuesday, April 13, 2010, 6:30 p.m. – Council Chambers

TOWN COUNCIL/REDEVELOPMENT AGENCY CONSENT AGENDA

MOTION:

Motion by Councilman Roelle, seconded by Councilwoman Coleman, to approve and adopt the Consent Calendar items numbered 2, 4, 5, 6, and 7, respectfully

Vote: Motion carried 5-0-0-0

Yes: Councilmember's Coleman; Nassif; Roelle; Mayor Pro Tem Sagona; Mayor Allan. Absent: None.

Councilman Nassif abstained from voting on Item Numbers 2B and 2C since he was not in attendance at the meetings.

2. **Approval of Minutes of the Town Council**
 - A. **Special Meeting – March 1, 2010**
 - B. **Special Meeting – March 9, 2010**
 - C. **Regular Meeting – March 9, 2010**

Recommendation:

Approve the subject minutes as part of the consent agenda.

4. **Release of Securities for Parcel Map No. 17496**

Recommendation:

Find that the construction of various improvements required for Parcel Map 17496 is complete, and approve the 50% reduction of the performance securities.

5. **Fee Waiver Request for the National Tartan Day Event on April 3, 2010 at Civic Center Park**

Recommendation:

For good cause shown, and finding a waiver will serve a public purpose, approve the waiver of the facility rental fee of \$466.00.

6. **Change Order for Audio Visual, Security Data and Phone Lines**

Recommendation:

Approve Change Orders to RDM Electrical Contractors for an amount not to exceed \$218,304.36.

7. **A Resolution of the Town Council of the Town of Apple Valley, California, Creating a New Parks And Recreation Master Plan Advisory Committee in Connection with the Comprehensive Update of the Town's Parks and Recreation Master Plan, and Prescribing the Functions and Duties thereof**

Recommendation:

Adopt Resolution No. 2010-14 creating a new Town of Apple Valley Parks and Recreation Master Plan Advisory Committee in connection with the comprehensive update of the Town's Parks and Recreation Master Plan and prescribing the functions and duties of said Committee.

PULLED FROM CONSENT CALENDAR

3. Authorize Emergency Purchase and Ratify Expenditure for Purchase of Networking and Power Equipment

Jason Hall, Information Systems Supervisor, presented the staff report as filed with the Town Clerk.

Lawrence McCarthy, Apple Valley, expressed concern regarding the cost of this project.

MOTION

Motion by Councilman Nassif, seconded by Councilwoman Coleman, to approve and ratify emergency purchase of networking and power equipment, and declare that purchase represented an emergency as approved by the Town Manager.

Vote: Motion carried 5-0-0-0

Yes: Councilmember's Coleman; Nassif; Roelle; Mayor Pro Tem Sagona; Mayor Allan. Absent: None.

PUBLIC HEARINGS

None.

LEGISLATIVE MATTERS

None.

REPORTS, REQUESTS AND COMMUNICATIONS

BUSINESS OF THE COUNCIL

8. Discussion of Portable Signs

Kenneth J. Henderson, Assistant Town Manager, Economic and Community Development, presented the staff report as filed with the Town Clerk.

Discussion ensued regarding the benefits of the program and whether or not enforcement of the program caused additional hardship on Code Enforcement staff. Also discussed was the timeframe for the program.

Jim Anderson, Code Enforcement Manager, explained that staff has been able to handle the enforcement of this program.

Holly Noel, Baskin Robbins, respectfully requested that the program be extended for one year. She expressed concern regarding the current maximum height of four feet. She explained how it affects the setbacks and felt there are concerns surrounding safety and visibility.

She respectfully requested that the Council consider changing the height requirement to twelve feet. She thanked the Council for their support.

Councilman Roelle recommended the Town Council continue the program for six (6) months and forwarding the matter to the Planning Commission for review and to change the standards for twelve feet.

MOTION

Motion by Councilman Roelle, seconded by Mayor Pro Tem Sagona, to continue the program for six (6) months, amend Item 4 of the Regulations Governing the Use of Portable Signs from a maximum height of eight (8) feet to a maximum height of twelve (12) feet, and to remand this matter back to the Planning Commission for review.

Vote: Motion carried 5-0-0-0

Yes: Councilmember's Coleman; Nassif; Roelle; Mayor Pro Tem Sagona; Mayor Allan.

Absent: None.

9. Happy Trails Villas

Kenneth J. Henderson, Assistant Town Manager, Economic and Community Development, presented the staff report as filed with the Town Clerk.

Mayor Pro Tem Sagona asked a series of questions regarding the proposed project, specifically whether or not the project would be rentals or homes for purchase.

Mr. Henderson stated that the project would be rentals.

Mayor Pro Tem Sagona asked what the current demand for rentals of this size is in the Town of Apple Valley. He also requested to know what the inventory of apartments is along with the vacancy rate.

Mr. Henderson responded stating that the current vacancy rate for apartments in Apple Valley is between 5% and 6%. He explained that typically there must be some vacancy rate for apartments to allow people to relocate freely. He stated if it drops below 5% vacancy rate, it will drive up the rents. He commented on the market analysis which indicates that there is market demand for this project.

Councilman Nassif commented on his attendance at the Government Relations meeting where a local Realtor reported that there is a high demand for larger units in the Town of Apple Valley.

Gordon Higgins, Apple Valley, expressed concern regarding this project and respectfully requested that the Town Council not approve this project as rentals near his home.

James Owens, Apple Valley, questioned whether or not the rentals would be Section 8 housing. He also questioned the true meaning of "affordable housing". He expressed concern regarding a decrease in the value of his property as a result of approving this project as rentals. He also expressed concern regarding safety should this project move forward.

Deborah Light, previous Listing Agent for the project, expressed concern regarding consideration being given to approve this project as rentals. She felt the project can be sold as Town Homes and respectfully requested that the Town Council not approve this project as rentals.

Mayor Allan questioned the long term prognosis on this project should no action be taken tonight.

Mr. Henderson clarified that the rent for these units would be approximately \$1000.00 per month.

Frank Williams, Project Hart, responded to the questions by Mayor Allan. He commented on his organization and the benefits that they provide to communities in blighted neighborhoods. He stated that the rents would be market rents at approximately \$1,000 per month. He also stated that some of the units were not built to code and that it would take approximately \$3.5 million to correct these deficiencies and that it would be covered with their funding.

Mr. Williams discussed a potential exit strategy that would allow residents to purchase the units once it is determined the units should no longer be apartment units.

Mayor Pro Tem Sagona commented on an existing condominium project in Apple Valley where he believed the owner was having difficulty selling the units due to the market and is now having to rent the units.

Mayor Pro Tem Sagona requested to know what the income bracket would be for those occupying the units. He also asked questions regarding additional programs for down payment assistance and housing rehabilitation projects.

Mr. Henderson responded stating that an amendment of the implementation plan would have to be done and that HUD would have to approve it before such additional program activities can take place.

Mayor Pro Tem Sagona had questions regarding the timeframe to implement this change.

Councilman Roelle explained why he felt consideration should be given to the concerns expressed by the residents that live by the units. He stated he would not support moving forward with the project.

Councilwoman Coleman questioned whether or not the project would be gated and if they would be willing to work with homeowners whose property has been damaged as a result of the project.

Mr. Williams stated that the project would be gated. He also commented on additional conditions that would have to be rectified before the project could be completed. He noted that they would be willing to work with the homeowners who have sustained damage to their property as a result of this project.

Mr. Henderson explained the requirements imposed upon the Town by the Federal government in an effort to reach its housing needs.

Councilwoman Coleman asked questions regarding the number of housing units the Town has provided in order to meet its required housing needs.

Mr. Henderson responded that none have been provided.

Discussion ensued regarding affordable housing.

John Brown, Town Attorney, recommended to the Council that although they are free to openly discuss their policies in order to achieve their goals, to be cautious of their statements in relation to policies set by the State of California.

Councilman Nassif clarified that the project would not be Section 8 and that the tenants would be screened to verify their employment.

Mayor Pro Tem Sagona requested to know how the rental units will be marketed.

Mr. Williams responded stating they would use a leasing company and that there would be a marketing plan in place. He also stated that Apple Valley residents would be given priority on these projects.

John Brown, Town Attorney, pointed out to the Council that as a Redevelopment Agency if it is their desire that this is not the right project for financial assistance they can limit themselves to that issue without having to expand beyond it.

Councilman Nassif spoke in favor of the project going into ownership phase.

Councilwoman Coleman spoke in favor of the project and felt this is the right project at the right time.

Councilman Roelle spoke in opposition of the project and felt it is not the right project at this time.

Mayor Pro Tem Sagona spoke in opposition of the project and felt it is in a bad location and the units would never be purchased.

Mayor Allan spoke in favor of moving forward with the project and felt it would benefit the community.

MOTION

Motion by Councilman Nassif, seconded by Councilwoman Coleman, to approve the project and direct the Town Attorney to prepare an Owner Participation Agreement (OPA) pursuant to the business terms discussed at the February 23, 2010 Council meeting.

Vote: Motion carried 3-2-0-0

Yes: Councilmember's Coleman; Nassif; Mayor Allan

Noes: Mayor Pro Tem Sagona; Councilman Roelle

Absent: None.

10. Apple Valley Country Club Water Replacement Surcharge Fee

Councilwoman Coleman stated that she had a potential conflict of interest on this item and therefore excused herself from the dais.

COUNCILWOMAN COLEMAN WAS EXCUSED FROM THE DAIS AT 8:27 P.M.

Councilman Roelle requested a legal opinion as to whether or not the Mayor had a conflict taking action on items dealing with the Golf Course since he received reduced golf fees and as a result of being a prior board member.

Mayor Allan agreed that he would be willing to allow the Town Attorney to address the matter.

John Brown, Town Attorney, recommended that Mayor Allan excuse himself from discussions on this item until he had the opportunity to review this issue.

MAYOR ALLAN WAS EXCUSED FROM THE DAIS AT 8:28 P.M.

Dennis Cron, Assistant Town Manager, Municipal Operations, presented the staff report as filed with the Town Clerk.

MOTION

Motion by Councilman Roelle, seconded by Councilman Nassif to table this item until the Task Force makes its recommendation to the Town Council at the meeting of April 13, 2010.

Vote: Motion carried 3-0-2-0

Yes: Councilmember's Nassif; Roelle; Mayor Pro Tem Sagona; Absent: Councilwoman Coleman; Mayor Allan

COUNCILWOMAN COLEMAN RETURNED TO THE DAIS AT 8:35 P.M.

MAYOR ALLAN RETURNED TO THE DAIS AT 8:35 P.M.

TOWN MANAGER'S COMMENTS & LEGISLATIVE UPDATE

Frank Robinson, Town Manager, provided handouts to the Council from the Inland Empire Desert Mountain Division with information regarding the leadership changes that have taken place within the Assembly in California.

Mr. Robinson announced that a recommendation by the Apple Valley Country Club Task Force will be presented to the Council at the April 13, 2010 meeting. He stated that a FEMA update will be brought to the Council at the same meeting for discussion of the Service Agreement. Also an item regarding financial assistance for the High Desert Hispanic Chamber would also be discussed.

Mr. Robinson also stated that the item requested by Councilman Roelle would be presented to the Council at the April 13, 2010 meeting to review the status of the Assistant Town Manager position for the Finance Director where staff will ask for direction from the Council.

John Brown, Town Attorney, provided an update to the Council on the status for the forensic audit for the PBID. He stated the complete audit of the PBID is expected by April 1, 2010.

DEPARTMENTAL REPORTS AND BUSINESS:

STAFF REPORTS

CORRESPONDENCE

CLOSED SESSION

None.

ADJOURNMENT

MOTION

Motion by Mayor Allan, seconded by Mayor Pro Tem Sagona, and unanimously carried, to adjourn the meeting of the Apple Valley Town Council at 8:38 p.m.

Town Clerk

Mayor