1. CALL TO ORDER – Mayor Gruendl called the January 4, 2004 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

2. CLOSED SESSION

2.1. CONFERENCE WITH LEGAL COUNSEL AND RISK MANAGER – EXISTING LITIGATION: The City Attorney and Risk Manager reviewed the workers compensation claim of Daniel Kelly. (Gov. Code Sec. 54956.9(a).) This item was added to the agenda by a Posted Addendum, which was posted 72 hours in advance of the meeting.

2.2. CONFERENCE WITH LABOR NEGOTIATOR: The City’s negotiator is Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

3. ADJOURNMENT

Adjourned at 6:18 p.m. to Conference Room 1 for review and consideration of the Draft Master Plan for California State University, Chico at 6:30 p.m.
1. **CALL TO ORDER** — Mayor Gruendl called the January 4, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #1, 421 Main Street, at 6:30 p.m.

1.2. City Councilmembers Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

   University Representatives Present: Dennis Graham, Paul Zingg, Greg Francis

1.3. **REVIEW AND CONSIDERATION OF THE DRAFT MASTER PLAN FOR CALIFORNIA STATE UNIVERSITY, CHICO**

   California State University, Chico prepared a draft Master Plan for future campus development. The City Council and University officials reviewed the highlights of the plan.

   The City Council created a liaison committee with representatives from the University and Councilmembers Herbert, Kirk, and Schwab to discuss Master Plan parking issues.

2. **ADJOURNMENT**

   Adjourned to a Regular Chico Redevelopment Agency Meeting in the Council Chamber at approximately 7:30 p.m.
1. **CALL TO ORDER** — Mayor Gruendl called the January 4, 2005 – Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Bruce Finch, First Church of Christ, Scientist

1.3. Roll Call — Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – None

2. **CONSENT AGENDA** – None

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **CONSIDERATION OF OUT-OF-CYCLE REQUEST FOR FY 04-05 FUNDING FOR THE CHICO OPEN BOARD ART (COBA) PROJECT**

   At its 11/16/04 meeting, the Redevelopment Agency requested that the Chico Art Center, administrator of the COBA project, provide a plan to phase out Agency funding before Agency consideration of the Art Center’s request for continued funding support for the COBA project. By memorandum dated 12/27/04, the Art Projects Coordinator presented information on the project, reviewed proposed program changes requested by the Art Center in its FY 04-05 proposal, and transmitted the requested funding plan. The Agency received a memorandum dated 1/4/05 from Arts Projects Coordinator Gardner providing a summary of redevelopment art funds available in connection with the COBA request.

   A motion was made by Councilmember Holcombe and seconded by Councilmember Herbert to: (1) approve funding of $29,000 for 04-05, and $25,000 for 05-06; (2) direct the Chico Art Center to provide Council with a plan on how to fund the on-going maintenance of the art work; and (3) provide a comprehensive 5-year plan to reduce or eliminate City funding, as well as provide revenue sources; and (4) direct staff to include City Council and Redevelopment Agency resolutions and the supplemental appropriation on the 1/25/05 work session agenda.

   The motion carried by the following vote:

   **AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   **NOES:** None

5. **ADJOURNMENT**

   Adjourned to a Regular City Council meeting.
Minutes

1. CALL TO ORDER – Mayor Grueendl called the January 4, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street

1.2. Roll Call — All members still present.

2. CONSENT AGENDA — A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to approve the following Consent Agenda items:


APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 04-05 14 TO ALLOCATE PROPOSITION 40 GRANT FUNDING FOR THE ONE MILE RECREATION AREA LIGHTING AND THE ONE MILE DAM REPLACEMENT CAPITAL PROJECTS

The California Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Proposition 40) provided for funds to be directly allocated to jurisdictions based on population. These allocations are provided under two different programs, the Per Capita and the Roberti-Z'berg-Harris (RZH). Butte County receives a direct allocation under Proposition 40 of $1,200,000 for the Per Capita program and $161,728 under the RZH program. On 10/26/04, the Board of Supervisors approved resolutions authorizing the pass through of its $161,728 Proposition 40 RZH funds and $188,373 of its Per Capita funds to the City of Chico, for a total of $350,101.

At its 11/5/04 meeting, the Bidwell Park and Playground Commission (BPPC) recommended (7-0) that the City Council accept the pass through of the County’s Proposition 40 funds to help complete Phase II of the lighting and irrigation improvements to the One Mile Recreation Area and to provide additional funding for the replacement of the One Mile pool dam. By memorandum dated 12/15/04, the Park Director submitted two resolutions authorizing the acceptance of these pass-through funds and the submittal of project applications to the California Department of Recreation for the use of these funds. With the adoption of the resolutions, staff also recommended that the City Council: (1) approve a supplemental appropriation to increase the 2004-05 Capital Grants/Reimbursement Fund (300) budgeted revenues by $350,101; (2) allocate corresponding expenditures from Fund 300; and (3) allocate $37,090 capital project overhead from the Park Fund (002). The City Council was provided with copies of the Capital Grants/Reimbursement Fund (300) and Park Fund (002) fund summaries which reflect the 06/30/05 estimated fund balances. The Bidwell Park and Playground Commission and the Park Director recommended adoption of the resolutions and approval of the supplemental appropriation.

2.2. RESOLUTION NO. 79 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING GRANT OF LICENSE TO N.T. ENLOE MEMORIAL HOSPITAL FOR ENCROACHMENT ON PUBLIC RIGHT OF WAY ALONG EAST 6TH AVENUE, ACROSS THE ESPLANADE TO WEST 6TH AVENUE

By memorandum dated 12/9/04, the Director of Public Works reported on a request from Enloe Medical Center to encroach on public right of way along East 6th Avenue and across The Esplanade to West 6th Avenue, APN's 003-024-005, 003-401-012/013 in the City of Chico, for the purpose of installing communication cable between the existing medical center and its existing data center. This resolution authorized the City Manager to execute the grant of license. The Director of Public Works recommended adoption of this resolution.
2.3. RESOLUTION NO. 80 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 788)

By memorandum dated 12/8/04, the Director of Public Works forwarded a recommendation from the Parking Place Commission to approve the proposed parking modifications which will facilitate the new transit consolidation and future transit center construction. Because the proposed bus staging areas both during and after construction of the new transit center will be relocated, parking modifications will be necessary. Although a loss of eight metered parking spaces is anticipated, two additional spaces will be added in Municipal Parking Lot No. 7, and four spaces will be gained along West 1st Street, resulting in a net loss of only two metered parking spaces. These changes will facilitate the construction of the transit center. The City Council was provided with a copy of a letter dated 3/17/04 from BCAG regarding the location of the transit center. The Director of Public Works recommended the adoption of Traffic Regulation Amendment No. 788.

2.4. MINUTE ORDER NO. 01-05 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AND RECORD CONSENT TO IRREVOCABLE OFFER OF DEDICATION PURSUANT TO A DEVELOPMENT AGREEMENT WITH DEVELOPER MBD, INC.

The City Attorney submitted a proposed minute order authorizing the City Manager to execute and record a consent to the irrevocable offer of dedication of approximately 5.24 acres of real property located on the Belvedere Heights Subdivision, north and east of the intersection of the easterly extension of East 20th Street and Potter Road. This dedication is made pursuant to a Development Agreement with the developer, MBD, Inc. The City Attorney recommended approval of this minute order.

2.5. MINUTE ORDER NO. 02-05 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENTS TO ACQUIRE PROPERTY RIGHTS LOCATED AT 860 EAST AVENUE (APN 007-280-053) - PACIFIC REALTY

The City Council previously authorized the negotiated purchase of a portion of 860 East Avenue (APN 007-280-053) from Pacific Realty, owner of the Walgreens center at East Avenue and Cohasset Road, for a temporary construction easement and right of way needed in connection with the City’s East Avenue/Cohasset Road intersection widening project. This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire a temporary construction easement and the right of way for $8,100. The Senior Assistant City Manager recommended approval of the minute order.

2.6. MINUTE ORDER NO. 03-05 — AUTHORIZATION FOR CITY MANAGER TO DONATE SURPLUS BREATHING SUPPORT TRAILER TO THE QUINCY FIRE PROTECTION DISTRICT

As a result of the recent acquisition of a new breathing support trailer, the 1980 department-built trailer (40-3519) is no longer of use to the City. Plumas County has no capability for mobile refill of self-contained breathing apparatus. The Quincy Fire Protection District will accept the trailer and will make it available through mutual aid to all fire jurisdictions in Plumas County. The Fire Chief recommended approval of the minute order.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF USE PERMIT 04-51 (HARRIS) TO ALLOW A CARDROOM WITH UP TO FIVE TABLES AND OFFSITE PARKING AT 1431 PARK AVENUE AND IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 005-177-009. APPEALS WERE FILED BY TWO PROPERTY OWNERS IN THE AREA (ALECTRA OLSON AND KATIE SALCIDO)
By memorandum dated 12/28/04, Associate Planner Palmeri reported that at its 12/14/04 meeting, the Planning Commission, on a vote of 5-2, conditionally approved Use Permit 04-51 (Harris) to allow a cardroom with up to five tables and off-site parking at 1431 Park Avenue. Planning staff had recommended denial of the use permit application. Timely appeals were filed by two property owners in the immediate area. The subject property is designated Community Commercial on the City of Chico General Plan Diagram and is located in a CC-TC Community Commercial-Transit Corridor zoning district. The City Council had the option of taking no action and thereby upholding the Planning Commission decision or scheduling the appeal for a public hearing at a subsequent date.

The City Council was provided with a copy of a petition received on 1/3/05 supporting the appeal.

It was noted that a phone call was received 1/4/05 from Mary Cahill, General Manager of Chico Area Recreation and Park District (CARD), stating that the Council agenda binder contained a letter from Jake Preston, Recreation Supervisor for CARD that was inadvertently written on CARD letterhead. Mr. Preston’s letter was sent in support of the cardroom, and Ms. Cahill wanted to clarify that CARD is taking no position regarding this issue. Addressing the Council on this item were Dave Lawton, Katie Salcido, Angie Harris, Barbi Boeger, Claudine Franquet, Rachel Ditmanson, and Raichail Yeckley.

The City Council was also provided with information previously provided to the Planning Commission and inadvertently omitted from the staff report. Those items are as follows:

(1) A private agreement concerning shared parking.
(2) Photographs of the existing structure.

Staff indicated that due to a procedural error related to the environmental review for the application it was recommended that Council hold a hearing on the use permit.

The City Attorney was directed to provide the Council with a written clarification on the legal sufficiency of a shared parking agreement. The Planning staff was directed to obtain clarification regarding the number of tables allowed.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to schedule a hearing on the use permit for 2/1/05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION’S DETERMINATION TO UPHOLD THE PLANNING DIRECTOR’S APPROVAL OF SECONDARY DWELLING UNIT PERMIT 04-10 (LVV ENTERPRISES) TO ALLOW A 794 SQUARE FOOT (S.F.) STUDIO UNIT ABOVE A DETACHED, THREE-CAR GARAGE ON A 1.38 ACRE SITE LOCATED AT 3154 SHALLOW SPRINGS TERRACE IN CANYON OAKS AND IDENTIFIED AS ASSESSOR’S PARCEL NO. 011-030-143. THE CURRENT APPEAL WAS FILED BY THE CANYON OAKS PROPERTY OWNERS ASSOCIATION

By memorandum dated 12/28/04, Senior Planner Murphy reported that at its 12/14/04 meeting, the Planning Commission denied an appeal of the Planning Director’s 11/17/04 approval of a secondary dwelling unit (SDU) permit for a 794 square foot (s.f.) studio unit above a detached, three-car garage on a 1.38 acre site located at 3154 Shallow Springs Terrace. By denying the appeal, the Planning Commission upheld the Planning Director’s approval of the SDU. A timely appeal was filed by the Canyon Oaks Property Owners Association. The subject property is designated Very Low Density Residential on the City of Chico General Plan Diagram and is within the RS-20-PD zoning district. The Planning Commission’s decision to deny the appeal was approved on a motion of 4-3. The City Council has the option of taking no action and thereby upholding the Planning Commission decision or scheduling the appeal for a public hearing at a subsequent date. Planning staff recommended that the City Council take no action, thereby upholding the Planning Commission decision. Addressing the Council on this item were Michael Gally and Erica Higgins.
A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to schedule the appeal to be heard by Council at its meeting of 2/1/05. Staff was directed to provide Council with an outline of the approval of the Shallow Springs Terrace subdivision, as well as the official minutes when that action was taken.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.4. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON DECEMBER 8, 2004

By memorandum dated 12/20/04, the Internal Affairs Committee provided a report on its meeting held on 12/08/04. Committee members present were Councilmembers Bertagna, Kirk, and Herbert, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Approval of Recommendation to Amend Chapter 3.52.150, of the Chico Municipal Code (CMC) Entitled “Penalties for Failure to Remit Tax When Due.” The Committee recommended (3-0) amending the penalty provisions of the CMC, Chapter 3.52.150.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to introduce the following ordinance, by reading of title only:

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO CLARIFY THE DUE DATE FOR TRANSIENT OCCUPANCY TAXES AND PROVIDE FOR PENALTY ASSESSMENTS FOR FAILURE TO TIMELY PAY THE TAXES - Introductory Reading

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

B. Approval of Traffic Regulation Amendment (TRA) No. 787 Which Will Remove Parking on Carmichael Drive Near East Park Avenue. The Committee adopted (3-0) TRA No. 787 which removes parking on Carmichael Drive near East Park Avenue.

C. Five Year Update on Chico Urban Area Fire and Rescue Agreement. This item was a discussion item only with no action required.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to accept the 12/8/04 Internal Affairs Committee report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.5 ITEMS ADDED AFTER POSTING OF THE AGENDA — See Closed Session, Item 2.1.
5. **BUSINESS FROM THE FLOOR**

Tim Woodworth addressed Council about his concerns with the Police Department and how a family dispute was handled. It was noted that staff would provide Council with a memorandum outlining the incident and a subsequent meeting held with the City Manager, Chief of Police and Mr. Woodworth.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items are provided for the Council’s information. No action was taken unless otherwise noted.

6.1. Letter received 12/15/04 from Ed McLaughlin requesting that the City schedule a series of workshops regarding the Enloe Hospital expansion. The City Manager recommended a work session be scheduled.

Council concurred that it would conduct a joint meeting with representatives from Enloe and concerned neighbors sometime in March. Council will set the date for this meeting at its meeting of 1/25/05.

6.2. Letter received 12/28/04 from Tim Woodworth requesting to appear before the City Council to discuss the Chief of Police and the Chico Police Department. This item was addresses during Business from the Floor.

6.3. Letter dated 12/13/04 from Thomas Fogarty requesting financial assistance with the cleanup of burn dump materials in compliance with the Humboldt Road Burn Dump remediation. The City Manager recommended that this item be scheduled for the 1/25/05 work session.

Mayor Gruendl asked that staff agendize at a future meeting the discussion of the top five goals of each Councilmember.

7. **ADJOURNMENT**

Adjourned at 9:37 p.m. to January 25, 2005, at 1:00 p.m., in the City Council Chamber for an adjourned regular work session.

Date Approved: March 15, 2005

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Vice Mayor Kirk called the January 25, 2005 - Adjourned Regular Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, at 1:05 p.m.

1.1. Flag Salute

1.2. Roll Call – Present: Bertagna, Herbert, Holcombe, Kirk, Wahl
   Absent: Gruendl - arrived at 4:50 p.m. and Schwab - arrived at 5:10 p.m.

1.3. Presentation - Government Finance Officers Association (GFOA) Award of Achievement for Excellence in Financial Reporting to the City of Chico for its FY 03-04 Comprehensive Annual Financial Report (CAFR).

1.4. The City Council determined that it would meet in Closed Session at approximately 4:30 p.m., with dinner served at that time.

2. **CONSENT AGENDA** – The Redevelopment Agency acted in its capacity as both the Redevelopment Agency and the City Council for consideration of this item. A motion was made by Council Bertagna and seconded by Councilmember Herbert to approve the following item:

2.1. **RESOLUTION NO. 81 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE PAYMENT BY THE CHICO REDEVELOPMENT AGENCY OF COSTS RELATED TO THE CHICO OPEN BOARD ART (COBA) PROJECT AND MAKING CERTAIN FINDINGS THERETO** (City Council Action)

RESOLUTION NO. 01-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING TAX INCREMENT REVENUE FROM THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT FOR COSTS RELATED TO THE CHICO OPEN BOARD ART (COBA) PROJECT (Agency Action)

By memorandum dated 1/13/05, the Executive Director reported that at its 1/04/05 meeting, the Agency recommended allocating RDA Merged Art Funds for the Chico Open Board Art (COBA) Project for FY 04-05. The recommended project is the display of twenty paintings over a four month period culminating in a public vote which will determine the winning artists for two mural commissions. The Agency resolution would allocate $30,600 from the Merged Arts Fund (382) for COBA funding, staff costs, and capital project overhead. A confirming administrative supplemental appropriation will be processed following this meeting. The Executive Director recommended adoption of the resolutions.

The motion to approve the Consent Agenda item, as read, carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Wahl

**NOES:** None

**ABSENT:** Schwab, Gruendl

**DISQUAL:** None

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA — None**
4.2. **YEAR IN REVIEW PRESENTATION**

Projects Manager Wood and Economic Development/Housing Specialist Burkland presented a slide show of operations and major projects accomplished in 2004.

4.3. **BUDGET REVIEW**

Agency staff reviewed the financial status of the Chico Amended and Merged Redevelopment Project and related funds including:

A. Chico Amended and Merged Redevelopment Project Fund Trends and Projections

B. Chico Amended and Merged Low and Moderate Income Housing Fund Summary

4.4. **CONSIDERATION OF ARTS COMMISSION RECOMMENDATION TO PURCHASE TWO BENCHES FABRICATED OF WOOD FROM THE HOOKER OAK TREE AND TO INSTALL THE BENCHES IN THE OLD MUNICIPAL BUILDING** — The Redevelopment Agency acted in its capacity as both the Redevelopment Agency and the City Council for consideration of this item.

By memorandum dated 1/13/05, the Art Projects Coordinator reported that at its 12/08/04 meeting, the Arts Commission recommended allocating RDA Merged Art Funds for the Hooker Oak Bench Project. The recommended project is design and construction of two benches commemorating the Bidwell Park Centennial Celebration. The benches would be fabricated out of wood from the historic Hooker Oak Tree and would include development of a pamphlet detailing the history of the tree and a poem (resulting from a community wide contest) that celebrates the 100th Anniversary of Bidwell Park to be incorporated into the benches. The benches would be placed temporarily in the foyer of the Council Chamber Building and installed permanently in the Old Municipal Building in connection with renovation of the historic building. The Agency resolution would allocate $17,340 from the Merged Arts Fund (382) for project expenses, staff costs, and capital project overhead. A confirming administrative supplemental appropriation will be processed following this meeting.

A motion was made by Councilmember Bertagna and seconded by Councilmember Holcombe to (1) adopt the following resolutions, as amended to reflect an appropriation in the amount of $12,500 from the Chico Merged Arts Fund (382) to provide funding for the project; (2) direct staff to prepare a confirming administrative supplemental appropriation following this meeting; and (3) direct the City Manager to provide Council with a memorandum advising how the informational pamphlet and the poem contest would be funded. If Council has additional questions, this item could be reagendized for discussion at a future meeting.

RESOLUTION NO. 82 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE PAYMENT BY THE CHICO REDEVELOPMENT AGENCY OF COSTS RELATED TO THE PURCHASE AND INSTALLATION IN THE OLD MUNICIPAL BUILDING OF TWO BENCHES FABRICATED WITH WOOD FROM THE HOOKER OAK TREE AND MAKING CERTAIN FINDINGS THERETO (City Council Action)

RESOLUTION NO. 02-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING TAX INCREMENT REVENUE FROM THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT FOR COSTS RELATED TO THE PURCHASE AND INSTALLATION IN THE OLD MUNICIPAL BUILDING OF TWO BENCHES FABRICATED WITH WOOD FROM THE HOOKER OAK TREE (Agency Action) — as amended

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl
NOES: None
ABSENT: Schwab, Gruendl
DISQUAL: None
4.5. **UPDATE ON NITRATE COMPLIANCE PROGRAM**

Jennifer Macarthy, Butte County Manager - Program Resource and Development, provided a presentation on the status of the Nitrate Compliance Program. There was no written report on this item.

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Council recessed for a ten minute break at 2:10 p.m.

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4.6. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Vice Mayor Kirk called the January 25, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 1:50 p.m.

1.1. Roll Call — Present: Bertagna, Herbert, Holcombe, Kirk, Wahl
Absent: Gruendl, who arrived at 4:50 p.m. and Schwab, who arrived at 5:10 p.m.

2. **CONSENT AGENDA** — Item 2.5. and 2.7. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Herbert and seconded by Councilmember Holcombe to approve the remaining Consent Agenda items:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO WIRELESS TELECOMMUNICATIONS FACILITIES - Introductory Reading**

By memorandum dated 01/07/05, Assistant Planner Redeker reported that at the Planning Commission meeting of 12/02/04, the Commission voted (5 in favor, 2 opposed) to recommend amending the text of Title 19 regarding Wireless Telecommunications Facilities to allow the placement of antennas on light standards and other structures in Open Space zoning districts. The Planning Commission also recommended adoption of a negative declaration for this project, pursuant to the California Environmental Quality Act (CEQA). The Planning Director recommended that the City Council introduce the ordinance by reading of the title only and schedule the matter for public hearing on 02/15/05. Councilmember Bertagna disqualified himself on this item

2.2. **ORDINANCE NO. 2314 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO CLARIFY THE DUE DATE FOR TRANSIENT OCCUPANCY TAXES AND PROVIDE FOR PENALTY ASSESSMENTS FOR FAILURE TO TIMELY PAY THE TAXES - Final Reading and Adoption**

Based on the City Council’s acceptance of the Internal Affairs Committee recommendation at its meeting of 12/8/04, the above ordinance was introduced at the 1/4/05 City Council meeting. This ordinance revises Section 3.52.150 of the Chico Municipal Code to allow a penalty assessment immediately upon delinquency of a Transient Occupancy Tax payment and to increase the penalty assessment from 10% to 15% on second and subsequent violations within a six-month period. The Finance Director recommended adoption of the ordinance by reading of the title only.

2.3. **RESOLUTION NO. 83 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE PUBLIC SAFETY MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 47 04-05 TO INCREASE THE CITY’S PAYMENT OF THE EMPLOYEE RETIREMENT CONTRIBUTION AMOUNT IN LIEU OF A FORMULA-BASED PAY ADJUSTMENT (AMENDMENT NO. 2 - 2004 PUBLIC SAFETY MANAGEMENT PAY AND BENEFITS RESOLUTION)**

Effective 12/26/04, most of the City’s employee organizations and groups received a formula-based 2.4% pay increase in accordance with the provisions of their respective memorandum of understanding or pay and benefit resolution previously approved by the City Council. In lieu of receiving the same pay rate increase, the Public Safety Management Employees requested that the equivalent cost to the City for such an increase (3.5%) be converted to payment of a portion of their employee contribution into the retirement plan. This resolution amends the Public Safety Management Employee pay and benefit resolution to provide the requested benefit to these employees in lieu of a pay increase. The Director of Human Resources and Risk Management, and the City Manager, recommended adoption of this resolution.
2.4. **ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM**

By memoranda dated 12/20/04, the Director of Public Works reported that in accordance with a petition from the below property owners, adoption of the following resolutions authorizes sewer assessments to be collected on the tax roll as set forth in the Director of Public Works’ reports attached to each resolution.

These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolutions.

A. **RESOLUTION NO. 84 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1005 POMONA AVENUE, A.P. NO. 004-510-026** (Petition from property owners Jerry J. and Deborah A. Jones)

B. **RESOLUTION NO. 85 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1092 HUMBOLDT AVENUE, A.P. NO. 004-353-025** (Petition from property owners Stephen C. and Sarah G. Ballinger)

C. **RESOLUTION NO. 86 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 679 EL VARANO WAY, A.P. NO. 007-130-037** (Petition from property owners Edward Dean and Nancy A. Raimer)

D. **RESOLUTION NO. 87 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 998 E. 9TH STREET, A.P. NO. 004-320-030** (Petition from property owners Aldolfo and Elva Rios)

E. **RESOLUTION NO. 88 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1014 ARCHER AVENUE, A.P. NO. 004-510-020** (Petition from property owners Matthew Clarke and Jason Jepson)

F. **RESOLUTION NO. 89 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 995 HUMBOLDT AVENUE, A.P. NO. 004-354-004** (Petition from property owners Scott and Kathleen Huber)

2.5. **MINUTE ORDERS - AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENTS TO ACQUIRE PROPERTY RIGHTS IN CONNECTION WITH THE EAST AVENUE/COHASSET ROAD INTERSECTION PROJECT (MAIN & MAIN INVESTMENTS; GIAMPAOLI)** — This item was removed from the Consent Agenda and heard under 4.1. due to the disqualification of Councilmembers Bertagna and Herbert and the absence of Councilmember Schwab and Mayor Gruendl.
2.6. MINUTE ORDER NO. 06-05 — AUTHORIZATION FOR FINANCE DIRECTOR TO MAKE DIRECT PAYMENTS TO BUTTE COUNTY FOR THE CHICO REDEVELOPMENT AGENCY’S 2004-05 AND 2005-06 EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF) OBLIGATIONS AS MANDATED BY AB 2115

Assembly Bill 2115, the clean-up bill for the State’s local government budget trailer bill, required the Chico Redevelopment Agency to make payments in the amount of $928,917.48 into Butte County’s Educational Revenue Augmentation Fund (ERAF) in both 2004-05 and 2005-06 to fund the State-required $250 million shift of tax increment revenue to K-12 schools and community colleges. The legislation also required the legislative body of the Agency (the City Council) to report to the county auditor as to the method by which the Agency intends to fund its ERAF obligation or that the City intends to remit the amount in lieu of the Agency. This minute order authorizes the Finance Director to make direct payments to Butte County from the Chico Amended and Merged Redevelopment Fund. The City Manager recommended approval of the minute order.

2.7. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 04-05 15 TO PROVIDE ADDITIONAL FUNDING FOR THE POLICE FACILITIES SPACE NEEDS ANALYSIS PROJECT (25121) — this item was removed from the Consent Agenda and heard under Item 4.1.

2.8. APPROVAL OF CITY’S STATEMENT OF INVESTMENT POLICY

By memorandum dated 12/30/04, the Finance Director submitted the City’s Statement of Investment Policy as required by California Government Code §53646, and as set forth in Administrative Procedure and Policy No. 15-13. The Finance Director recommended that no changes be made to the existing policy.

2.9. ACCEPTANCE OF THE ANNUAL REPORT OF THE CHICO REDEVELOPMENT AGENCY FOR FISCAL YEAR 2003-04

By memorandum dated 12/29/04, the Housing Officer previously distributed this report to Council. The report is available for public review in the City of Chico Housing Office. Community Redevelopment Law requires that the Chico Redevelopment Agency prepare and submit an annual report to the City Council, acting in its capacity as the Legislative Body of the Agency, prior to 12/31/04, and that the Council review and accept the report, or take any action deemed appropriate, at its first meeting occurring at least 21 days following receipt of the report. The Housing Officer recommended acceptance of the report.

2.10. ACKNOWLEDGE RECEIPT OF ANNUAL FINANCIAL REPORTS AND REFER THE REPORTS TO THE FINANCE COMMITTEE FOR REVIEW

By memorandum dated 1/04/05, the Finance Director submitted, for the year ended 6/30/04, the Report to Management, City of Chico Comprehensive Annual Financial Report, City of Chico Single Audit Report, Chico Redevelopment Agency Component Unit Financial Report, Chico Public Financing Authority Component Unit Financial Report, and the Transportation Development Act Audits for the City of Chico Transportation Fund and the City of Chico Transit Fund.

Pursuant to the provisions of Section 1109 of the City Charter, an independent auditor, hired by the Council to perform an annual audit of the books, financial records and related documents of the City in accordance with generally accepted auditing standards, shall submit to the Council a report on the audit for the preceding fiscal year on or before the first regular City Council meeting in February.

The Finance Director recommended the City Council acknowledge receipt of the reports and refer the reports to the Finance Committee for review.

2.11. APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 11/16/04 AND 12/7/04

The City Council was provided with the minutes of its meetings held on 11/16/04 and 12/7/04. Councilmember Holcombe abstained from voting on the 11/16/04 minutes.
The motion to approve the Consent Agenda, with Items 2.5. and 2.7. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl
NOES: None
ABSENT: Schwab, Gruendl
DISQUAL: Bertagna on Item 2.1.
ABSTAIN: Holcombe on Item 2.11, 11/16/04 minutes only

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.5. **MINUTE ORDERS - AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENTS TO ACQUIRE PROPERTY RIGHTS IN CONNECTION WITH THE EAST AVENUE/COHASSET ROAD INTERSECTION PROJECT (MAIN & MAIN INVESTMENTS; GIAMPAOLI)** — This item was removed from the Consent Agenda due to the disqualification of Councilmembers Bertagna and Herbert and the absence of Councilmember Schwab and Mayor Gruendl.

The City Council previously authorized the negotiated purchase for temporary construction easements and right of way needed in connection with the City’s East Avenue/Cohasset Road intersection widening project. The Senior Assistant City Manager recommended approval of the listed minute orders. Approval of these minute orders authorizes the City Manager to execute sales agreements and other documents necessary to acquire a temporary construction easement and right of way.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the following minute orders:

A. **MINUTE ORDER 04-05 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENTS TO ACQUIRE PROPERTY RIGHTS LOCATED AT 896 EAST AVENUE (APN 007-280-056) - GIAMPAOLI**

The City Council previously authorized the negotiated purchase of a portion of 896 East Avenue (APN 007-280-056) from Peter and Elizabeth Giampaoli, owners of the Hollywood Video site at East Avenue and Cohasset Road, for a temporary construction easement and right of way. This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire a temporary construction easement and the right of way for $10,309.

B. **MINUTE ORDER 05-05 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENTS TO ACQUIRE PROPERTY RIGHTS LOCATED AT 2444 COHASSET ROAD (APN 048-090-080) - MAIN & MAIN INVESTMENTS**

The City Council previously authorized the negotiated purchase of a portion of 2444 Cohasset Road (APN 048-090-080) from Main and Main Investments, owner of the Merrill Lynch site at East Avenue and Cohasset Road, for a temporary construction easement and right of way.

This minute order would authorize the City Manager to execute a sales agreement and other documents necessary to acquire a temporary construction easement and the right of way for $42,302. Councilmember Schwab and Mayor Gruendl were in attendance for consideration of this item.
The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
ABSENT: None
DISQUAL: Bertagna, Herbert

2.7. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 04-05 15 TO PROVIDE ADDITIONAL FUNDING FOR THE POLICE FACILITIES SPACE NEEDS ANALYSIS PROJECT (25121) — At the request of Councilmember Holcombe, this item was removed from the Consent Agenda for further discussion.

By memorandum dated 12/02/04 the Chief of Police reported that upon receipt of the proposal for a Space Needs Analysis detailing the current and future needs of the Police Facilities (25121), it was determined that additional funds are required to complete a comprehensive analysis. This supplemental appropriation allocates additional funds in the amount of $50,000 from the Police Protection Building and Equipment Fund (338) for the professional consulting services to conduct the analysis, related staff costs, and capital project overhead. The City Council was provided with a copy of the Police Protection Building and Equipment Fund (338) Fund Summary which reflected the 06/30/05 estimated fund balance. The Chief of Police recommended approval of this supplemental appropriation.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to approve Supplemental Appropriation No. 04-05 15.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl
NOES: None
ABSENT: Schwab, Gruendl
DISQUAL: None

4.2. BUDGET REVIEW

A. General Budget Review

The City Manager provided the City Council with an overview of the following documents:

A. General and Park Funds Projected Trends
B. Summary of Estimated Fund Balances
C. Capital Project Status Report

B. Consideration of Budget Modification to Fund Demonstration Site Project at the Water Pollution Control Plant (14012)

By memorandum dated 1/18/05, staff requested that the City Council authorize a $200,000 shift in funds budgeted for the co-generation facility upgrade for the Water Pollution Control Plant (WPCP) to be used for a related demonstration project with the goals of reducing the energy demand of the WPCP, increasing co-generation energy production, and increasing the treatment capacity of the WPCP. The Director of Public Works recommended that the City Council authorize the shift in funding as described.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to authorize the requested budget modification. A confirming administrative budget modification will be processed following this meeting.

The motion carried by the following vote:
C. **Discussion of Bienniel Budget**

The City Manager discussed alternatives for implementation of a bienniel budget. The City Council was provided with a copy of City Charter Section 1103.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to implement a bienniel budget beginning with odd numbered fiscal years. As required by City Charter Section 1103, a resolution electing to adopt a bienniel budget for fiscal years 2006-07 will be presented to Council for consideration at a future meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl
NOES: None
ABSENT: Schwab, Gruendl
DISQUAL: None

Council recessed for a ten minute break at 4:15 p.m.

4.3. **DEPARTMENTAL STRATEGIC PLANS**

By memorandum dated 01/14/05, the City Council was provided with a binder which includes updated departmental Five Year Strategic Plans (2005-06 through 2009-10). Each department presented its top goals.

Council discussed the need for uniformity on the manner in which departments present staffing needs in future plans. Staff will continue to refine the plans.

Council recessed for a ten minute break at 5:20 p.m.

4.4. **TOP FIVE GOALS OF EACH COUNCILMEMBER**

At the City Council meeting of 01/4/05, the Mayor requested that each Councilmember bring his/her top five goals for discussion at this meeting. Listed below are each Councilmember’s goals:

**Councilmember Bertagna**

1. Prioritization of staffing - not only interdepartmental but over other expenditures as well
2. Housing - land use availability and planning process stability
3. Bidwell Ranch - get the issue off the table. Make a decision regarding neighborhood park or open space and funding issues
4. Economic development issues

**Councilmember Wahl**
1. Increase police protection
2. Formalize the area of concern with the County and begin long range planning for the next 50 years
3. Place Bidwell Ranch disposition before voters to determine if this is a potential funding source for Chico’s parks and recreation facilities
4. Increase the supply of buildable residential land to promote housing affordability
5. Maintain city financial discipline while keeping taxes and fees no higher than now

**Councilmember Herbert**

1. Law enforcement in general, with a focus on the west side
2. New housing and land availability for housing
3. Infrastructure/traffic
4. Park funding

**Mayor Gruendl**

1. Form-based zoning code
2. Park funding and development
3. Increase solar usage
4. Alcohol abuse prevention
5. Quality of City services

**Vice Mayor Kirk**

1. Road maintenance, i.e., traffic and congestion due to development
2. More public safety staff
3. Park funding
4. Expedite planning for the NorthWest, Barber Yard, Meriam Park
5. Entry level affordable housing

**Councilmember Holcombe**

1. Resolve Bidwell Ranch issues
2. Move forward with citywide funding proposals for safety and parks, i.e. bond or sales tax initiatives
3. City and county development standards, guidelines, or protocols for land in sphere of influence
4. Green line adjustments, if any
5. Zoning of new land coming into the city with affordable housing guidelines and Housing Element guidelines, i.e. inclusionary zoning

**Ann Schwab**

1. Community building which involves increased police protection and involvement
2. Diversity in the hiring of city staff
3. Environmental preservation issues, solar requirements for new housing and businesses, should look towards achieving the “silver” Bicycle & Friendly Community Award, walkable city and safe route to schools
4. South Chico vision plan for Park Avenue needs to come forward and the City should formalize the area of concern with the County and include a special emphasis on the viewshed to the north of Bidwell Park
5. Bidwell Ranch

4.5. PRESENTATION ON REGIONAL ROAD FUNDING

Jon Clark, Executive Director, Butte County Association of Governments, updated the City Council on the availability of State and Federal funds to assist with Chico Urban Area road improvements.

4.6. FUTURE MEETINGS
A. The City Council scheduled a meeting to be held on 2/22/05 from 6:30 - 9:30 p.m. with representatives from Enloe Hospital and concerned neighbors to discuss the Enloe Hospital expansion. The Council was provided with a memorandum dated 1/18/05 from the Planning Director.

B. Councilmember Holcombe is unable to attend the City Council meeting of 2/15/05. Council rescheduled the extended closed session to 3/8/05 from 6:30 - 8:30 regarding an update on labor negotiations.

4.7. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken unless otherwise noted.


6.2. Memorandum dated 1/06/05 from the Finance Director reported that the list of claims paid during the month of December 2004 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.3. Memorandum dated 1/10/05 from the Director of Human Resources and Risk Management reported on claims denied during the quarter ending 12/31/04.

6.4. Letter dated 01/09/05 from Save Bidwell Ranch requested that the matter of rezoning the Bidwell Ranch property as open space be voted on by the City Council as soon as possible. The Council was provided with a memorandum dated 1/18/05 from the City Manager responding to Councilmember Herbert’s and Mayor Gruendl’s questions regarding Bidwell Ranch.

Council agreed to schedule this item for consideration at its 4/5/05 meeting with public comment and discussion limited to 1½ hours, with public comments limited to one minute per person. The City Manager was directed to send out a letter to BIA asking if any specific builders were interested in the land for development, and, if so, to bring their proposal(s) forward at this meeting.

__________________________________________________
Council adjourned to Closed Session at 6:32 p.m.

__________________________________________________
ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO A CLOSED SESSION ITEM, CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The City Council shall adjourn to closed session to discuss negotiations with the City’s real property negotiator regarding the proposed acquisition affecting the following:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>William and Joan Lewis</td>
<td>2544 Highway 32</td>
<td>042-080-088</td>
</tr>
</tbody>
</table>

The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. **CALL TO ORDER**

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF PROPERTY FOR FIRE STATION 6:** Pursuant to Government Code Section 54954.8, the item of business discussed was a conference with the real property negotiator. The item under discussion was instruction to the City’s negotiator on price and terms of payment for proposed acquisition. The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

<table>
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<tr>
<td>William and Joan Lewis</td>
<td>2544 Highway 32</td>
<td>042-080-088</td>
</tr>
</tbody>
</table>

3. **ADJOURNMENT**

Adjourned from Closed Session at 7:20 p.m. to February 1, 2005 at 6:00 p.m., in Conference Room 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

DATE APPROVED: March 15, 2005

Deborah Presson, City Clerk
1. **CALL TO ORDER**

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER

1.1. Flag Salute

1.2. Invocation — Reverend David Leeper Moss, Chico Trinity United Methodist Church

1.3. Roll Call — Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

1.4. Closed Session Announcement – None.

1.5. Proclamation proclaiming January 30, 2005 - April 4, 2005 as “A Season for Nonviolence” was accepted by Kathy Webster and June Roth Barneson.

1.6. Proclamation proclaiming February 23, 2005 as “Rotary International Day” recognizing Rotary International for 100 years of service, was accepted by Walt Schafer and Cindy Santulli.

1.7. “Certificates of Appreciation” were presented to outgoing members of various City Boards and Commissions. Accepting certificates were: Sandy Moran, Maribeth Growden, Alan Chamberlain, Michael Worley, David Stephens, Ann Schwab, Jolene Francis, and Orval Hughes.

2. CONSENT AGENDA – None.

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON THE SALE OF AGENCY-OWNED PROPERTY WITHIN THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA TO DAVE AND CLAUDIA HARRISON

At its 01/13/05 meeting, the Economic Development Committee recommended approval of a request from Dave and Claudia Harrison to purchase a 1.0 acre parcel of Agency-owned property at the Chico Municipal Airport subject to the conditions outlined in the staff report to the Committee dated 01/07/05, a copy of which was provided to the Agency. The sale price of the property would be based on the current appraised market value of $159,000. The Agency was provided with a memorandum dated 01/21/05 from the Executive Director of the Redevelopment Agency submitting the Summary Report required by State law. The Economic Development Committee recommended (3-0) adoption of the resolution for the sale of Agency-owned property to Dave and Claudia Harrison.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to accept the recommendation of the Economic Development Committee and adopt the following resolution:

RESOLUTION NO. 03-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY APPROVING THAT CERTAIN AGREEMENT ENTITLED, “AGREEMENT FOR SALE OF PROPERTY WITHIN THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA BENEFITTED BY ECONOMIC DEVELOPMENT ADMINISTRATION GRANT (CHICO REDEVELOPMENT AGENCY/DAVE AND CLAUDIA HARRISON),” WHICH PROVIDES FOR THE SALE OF AGENCY-OWNED PROPERTY WITHIN THE BOUNDARIES OF THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA TO DAVE AND CLAUDIA HARRISON

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None
4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE ECONOMIC DEVELOPMENT COMMITTEE ON ITS MEETING HELD JANUARY 13, 2005

By memorandum dated 01/24/05, the Economic Development Committee provided a report on its meeting held on 01/13/05. Committee members present were Councilmembers Wahl, Bertagna and Kirk, Chair.

COMMITTEE ITEMS REQUIRING CITY COUNCIL/REDEVELOPMENT AGENCY ACTION ON 02/01/05

A. Consideration of Request to Purchase Chico Redevelopment Agency-Owned Property at the Chico Municipal Airport. The Economic Development Committee (3-0) recommended Chico Redevelopment Agency approval of the purchase of one acre of Agency-owned property at the CMA by Dave Harrison of Harrison Drywall. This item was considered by the Agency under item 3.1.

B. Consideration of Request for Funding from Aero Union Corporation to Develop Additional Facilities at the Chico Municipal Airport to Facilitate Future Growth. The Committee recommended (3-0) Chico Redevelopment Agency approval of an allocation of $5 million of Agency funds for development of two hangars and a new corporate office building at the CMA to be leased to Aero Union Corporation. Additionally, the Committee recommended that $100,000 be allocated from the 2004-2005 Agency budget to pay for design and engineering of the proposed facilities. If the Agency approved allocation of the $100,000 requested for design and engineering, it could be funded from existing funds in the Industrial Loan Program project (90091). The Committee also recommended that the City Council authorize the City Manager to execute lease agreements with Aero Union Corporation for the lease of City-owned property at the CMA. The leased property includes two 22,500-square foot hangar facilities and a 7,800 square foot administrative building. Since the Finance Committee was scheduled to consider the comprehensive list of potential redevelopment projects at its 2/23/05 meeting, the Executive Director recommended that this request be referred to the Finance Committee for consideration at the same time. Executive Director Lando explained that the item would then be listed as completed on the comprehensive list of potential redevelopment projects to be considered by the Finance Committee at its 2/23/05 meeting.

Addressing the Council in support of the request were Terry Unsworth and Bob Linscheid.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to accept the recommendation of the Economic Development Committee, authorizing execution of the lease with direction to staff to expedite the matter.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. Recommendation for Funding to Conduct Feasibility and Market Study for Development of the West Side of the Chico Municipal Airport. The Committee recommended (3-0) Chico Redevelopment Agency approval of an allocation of $50,000 of RDA funds to determine the feasibility of developing the west side of the CMA.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to accept the recommendation of the Economic Development Committee and allocated $50,000 for the feasibility study to be funded from existing funds in the CMA Westside Development project (00828) with replacement funds to be requested in the 2005-06 Agency budget.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. ADJOURNMENT
   Adjourned to a City Council meeting.
1. CALL TO ORDER

1.1. Roll Call

2. CONSENT AGENDA – A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the following Consent Agenda:

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE TO ALLOW CO-LOCATED AND BUILDING AND ROOF MOUNTED WIRELESS TELECOMMUNICATIONS FACILITIES IN THE OS1 AND OS2 ZONING DISTRICTS - Introductory Reading

By memorandum dated 01/26/05, Assistant Planner Redeker reported that, due to a staff error, this ordinance was introduced using an incorrect title at the City Council meeting of 01/25/05. All other history and analysis of the ordinance in the staff report dated 01/07/05, with the exception of the title, were correct. The Planning Director recommended that the City Council re-introduce the ordinance by reading of the title only and schedule the matter for public hearing on 02/15/05. Councilmember Bertagna was disqualified on this item.


By memorandum dated 1/19/05, the Assistant Community Development Director forwarded a report on the initiation of an amendment of the City of Chico Sphere of Influence to include a 4.59 acre parcel located at 13404/13434 Browns Valley Road, east of the Chico Municipal Airport and Cohasset Road, and the annexation of the property to the City limits. The site is currently developed with a 53,000+ square foot industrial building. Butte County has issued a use permit allowing conversion of the building to a Salvation Army substance abuse treatment and recovery facility. Annexation was requested to facilitate sanitary sewer connection. In accordance with adopted LAFCo policy, the City must adopt a resolution to initiate the sphere amendment and annexation of property to the City. The Assistant Community Development Director recommended adoption of the resolution. Councilmember Wahl was disqualified on this item.

2.3. RESOLUTION NO. 91 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - WEST AVENUES ANNEXATION DISTRICT NO. 1

By memorandum dated 1/20/05, the Assistant Community Development Director forwarded a report on the initiation of the annexation of 877 parcels, with a total area of 391 acres. The proposed annexation area is generally bound by Lindo Channel, the Esplanade, West 6th Avenue and its westerly projection, and the Union Pacific Railroad. The area is designated for a range of residential densities, commercial and office uses in the City General Plan, and prezoned consistent with the plan designations. The area is largely developed, although several large parcels remain in agricultural use and could be proposed for development. Based on a recommendation from the Internal Affairs Committee in August 2004, Council directed staff to explore the possibility of initiating an annexation of this area to extend municipal services, and allow connection of additional properties, including those that may be considered for development, to the sanitary sewer system. In accordance with adopted LAFCo policy, the City must adopt a resolution to initiate the annexation of property to the City. The Assistant Community Development Director recommended adoption of the resolution.
2.4. **RESOLUTION NO. 92 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO EXECUTE A RESOLUTION TO PARTICIPATE IN THE PREPARATION OF A MULTI-JURISDICTIONAL ALL HAZARDS MITIGATION PLAN**

The Federal Disaster Mitigation Act of 2000 requires all jurisdictions to be covered by a Pre-Disaster All Hazards Mitigation Plan. The Governor's Office of Emergency Services has developed a hazard mitigation program to help jurisdictions become "Disaster-Resistant Communities." The County of Butte is requesting City support in filing for a federal Fiscal Year 2005 Pre-Disaster Mitigation Grant. If successful, the county would be the lead agency in developing an All Hazards Multi-Jurisdictional Mitigation Plan. When completed, the plan would make the City eligible to apply for pre-disaster mitigation project funding. The Fire Chief recommended adoption of this resolution.

2.5. **DECLARATION OF VACANCY ON ARTS COMMISSION**

Due to relocating out of the City limits, Arts Commissioner Angela Nelson verbally resigned from her position on the Arts Commission effective 01/10/05. Her term would have expired in January 2007. Pursuant to Government Code § 54974.(a) a special vacancy notice was posted not later than 20 days after the vacancy occurs. Final appointment shall not be made for at least ten days after posting of the notice. Staff recommended that at its meeting of 2/15/05, the City Council select a replacement from the applications received during the recent biennial recruitment.

The motion to approve the Consent Agenda as read, carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None  
**ABSENT:** None  
**ABSTAIN:** None  
**DISQUAL:** Bertagna on Item 2.1. and Wahl on Item 2.2.

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR KOVAK COURT ANNEXATION DISTRICT NO. 1**

By memorandum dated 1/5/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of 7 parcels which comprise the entirety of an "island of unincorporated territory," with a total area of 4.77 acres, located on Kovak Court east of Cohasset Road. The area is developed with multiple family residential units and residential group care facilities. The General Plan designates the area for low density residential use and prezoning is R-2 Medium Density Residential. Property owners are identified in the staff report.

State law provides that a resolution initiating proceedings for the annexation of an “island” of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution.

The Mayor opened the public hearing. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt the following resolution:

**RESOLUTION NO. 93 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - KOVAK COURT ANNEXATION DISTRICT NO. 1**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None
3.2. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR LASSEN AVENUE ANNEXATION DISTRICT NO. 4

By memorandum dated 1/20/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of 188 parcels which comprise the entirety of an "island of unincorporated territory," with a total area of 92 acres, located west of the State Highway Route 99 and east of the Esplanade, generally between East Shasta Avenue and Panama Avenue. The area is developed with single family residential, a mobile home park, multiple family residential units, offices and commercial uses. The General Plan designates the area for low and medium density residential uses, commercial and office. Prezoning is R-1 Low Density Residential, R-2 Medium Density Residential, O-C Office Commercial and C-C Community Commercial. Property owners are identified in the staff report.

State law provides that a resolution initiating proceedings for the annexation of an "island" of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution.

Mayor Gruendl opened the public hearing. Melissa Nicholaw addressed the Council, requesting that her property be zoned CS Commercial, the city equivalent for the current County commercial zoning, concurrent with annexation. Mayor Gruendl closed the public hearing.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to adopt the following resolution, and to initiate rezoning of Melissa Nicholaw's property to commercial zoning:


The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.3. HEARING ON USE PERMIT APPLICATION 04-51 (HARRIS) TO ALLOW A CARDROOM WITH UP TO FIVE TABLES AND OFF-SITE PARKING AT 1431 PARK AVENUE AND IDENTIFIED AS ASSESSOR’S PARCEL NO. 005-177-009

By memorandum dated 1/21/05, Principal Planner Bishow reported that at its 12/14/04 meeting, the Planning Commission, on a vote of 5-2, conditionally approved Use Permit 04-51 (Harris) to allow a cardroom with up to five tables and off-site parking at 1431 Park Avenue. The Planning Commission’s decision was appealed to the City Council by two property owners in the area. At its meeting of 1/14/05, the City Council, after being advised of a procedural error in the record, scheduled a full public hearing on the use permit for this meeting. The Planning Director recommended that the City Council determine that the use permit is categorically exempt from the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15303 (Conversion of Small Structures), and approve the use permit by adoption of the following resolution.

Mayor Gruendl opened the public hearing. Addressing the Council in support of the use permit were Angie Harris, Marilyn Ditmanson, Scott Volpe, George Losada, Rachel Ditmanson, Ann Zammitt, John Mull, Joe Rankin, Matt Phillips, Carin Schulz, and Ken Rancine.

Addressing the Council in opposition of the use permit were Alectra Olsen, Claudine Franquet, Katie Salcido, Brian Kaps, and Jodi Noah. Mayor Gruendl closed the public hearing.

A motion of intent was made by Councilmember Wahl and seconded by Councilmember Schwab to deny the Use permit in accordance with Chico Municipal Code Section 19.24.040, finding that it would be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the proposed use, and that the proposed use is not compatible with the existing uses in the neighborhood, all based upon finding of fact presented at the hearing.
The motion carried by the following vote:

AYES: Bertagna, Herbert, Schwab, Wahl, Gruendl
NOES: Holcombe, Kirk

3.4. HEARING ON AN APPEAL OF THE PLANNING COMMISSION’S DETERMINATION TO UPHOLD THE PLANNING DIRECTOR’S APPROVAL OF SECONDARY DWELLING UNIT PERMIT 04-10 (LVV ENTERPRISES) TO ALLOW A 794 SQUARE FOOT SECONDARY DWELLING UNIT ON A 1.38 ACRE SITE LOCATED AT 3154 SHALLOW SPRINGS TERRACE AND IDENTIFIED AS ASSESSOR’S PARCEL NO. 011-030-143

By memorandum dated 1/21/05, Senior Planner Murphy reported that at the Planning Commission meeting of 12/14/04, the Commission voted (4-3) to deny an appeal filed by the Canyon Oaks Property Owners’ Association of the Planning Director’s 11/17/04 approval of a secondary dwelling unit (SDU) permit for a 794 square foot studio unit above a detached, three-car garage on a 1.38 acre site located at 3154 Shallow Springs Terrace. The Commission’s action was subsequently appealed to the City Council by the Canyon Oaks Property Owners’ Association. The City Council initially considered the Planning Commission’s decision and the appellant’s reasons for hearing the appeal at its 1/04/05 meeting. The Council voted to set the matter for a public hearing at this meeting. The subject property is designated Very Low Density Residential on the City of Chico General Plan Diagram and is within the RS-1-PD zoning district. Planning Staff recommended that the City Council deny the appeal, finding that the project is categorically exempt from environmental review, and uphold the Planning Commission’s determination to uphold the Planning Director’s approval of secondary dwelling unit permit SDU 04-10 (LVV Enterprises).

Mayor Gruendl opened the public hearing. Addressing the Council in favor of the appeal were Michael Wedow, Nancy Dooly, Harvey Heiler, Bill Pahland, Jim Higgins, Erica Higgins, and Stan Gottlieb. Addressing the Council in opposition to the appeal were Jim Stevens and Carl Leverenz. Mayor Gruendl closed the public hearing.

A motion of intent was made by Vice Mayor Kirk and seconded by Mayor Gruendl to uphold the appeal by the Canyon Oaks Property Owners Association and deny the secondary dwelling unit permit, without prejudice. The proposed unit was determined not to be compatible with the design of the primary dwelling unit and surrounding neighborhood in terms of scale, exterior treatment, building height, landscaping, and site coverage, and did not conform with the intent of Canyon Oaks Homeowner’s Association’s Landscaping and Design Guidelines.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl, Gruendl
NOES: Holcombe, Schwab

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

4.2. FUTURE MEETINGS

Due to a conflicting meeting, the Mayor had requested reconsideration of the joint meeting scheduled for 2/22/05 from 6:30 p.m. to 9:30 p.m. with representatives from Enloe Hospital and concerned neighbors to discuss the Enloe Hospital expansion. This meeting was not rescheduled.

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. BUSINESS FROM THE FLOOR

Minerva Williams addressed the Council regarding events being planned in recognition of Black History Month. Ms. Williams described several of the events and extended an invitation to Council. Mayor Gruendl requested that the City Clerk’s office prepare a proclamation proclaiming February as Black History Month.
Kent Cavender requested that the City Council consider making staffing of the Police Department a funding priority. He expressed concerns that the department may not have an adequate number of patrol cars or officers on duty to handle the increase in gang activity which he feels will most likely occur over the next few years.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless the Council agreed to include them on a subsequent posted agenda.

6.1. Information packet from Nester, Inc. regarding photo red light program, forwarded by the Chief of Police. The City Manager recommended this item be referred to the Internal Affairs Committee. This item was tabled at the request of staff.

6.2. Letter dated 1/21/05 from Mary Cahill, General Manager, Chico Area Recreation and Park District (CARD), seeking support from the City in the formation of a joint committee in an effort to find an appropriate existing or future site to honor Dr. Martin Luther King, Jr. The City Council agreed that Mayor Gruendl and Councilmember Bertagna will serve on the committee.

7. **ADJOURNMENT**

Adjourned at 10:45 p.m. to February 15, 2005, at 6:00 p.m., in Conference Room No. 2 for a closed session, followed by an adjourned regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: March 15, 2005

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Vice Mayor Kirk called the February 15, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

   Roll Call:  Present:  Bertagna, Herbert, Kirk, Schwab, Wahl
                Absent:  Gruendl, Holcombe

2. **CLOSED SESSION**

2.1. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION:**  The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Vice Mayor Kirk called the February 15, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation — Pastor Tom Shifflet, First Christian Church

1.3. Roll Call: Present: Bertagna, Herbert, Kirk, Schwab, Wahl

Absents: Gruendl, Holcombe

1.4. Closed Session Announcement — None

1.5. Recognition of Marla Hill after 13 years of service to the City of Chico

2. **CONSENT AGENDA** — None

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD JANUARY 26, 2005**

By memorandum dated 01/28/05, the Finance Committee provided a report on its meeting held on 01/26/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair.

**COMMITTEE ITEMS REQUIRING COUNCIL/AGENCY ACTION AT THIS MEETING:**

A. **Approval of Subordination of Mortgage Subsidy Program (MSP) Loans to California Housing Finance Agency (CHFA) First Time Homebuyer Loans.** The Committee approved (3-0) revising MSP Administrative Procedure and Policy (AP&P) 27-10 to authorize the subordination of MSP loans to the CHFA first time homebuyer loans.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to approve the subordinanation of MSP loans to the CHFA first time homebuyer loans.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Kirk, Schwab, Wahl

**NOES:** None

**ABSENT:** Gruendl, Holcombe

B. **Consideration of Proposed Acquisition of Creekside Greenway Property - 1365 Humboldt Avenue (AP No. 004-374-001) ( Chrisco).** The Committee recommended (2-1, Wahl opposed) that staff be directed to pursue the acquisition of the property, allocating up to $100,000 from a funding source to be determined by the Council. The allocation of CDBG Program Contingency funds for this purpose would have no impact on programmed CDBG activities. Kelly Meagher addressed the Council regarding his support for the acquisition of this property.

A motion was made by Councilmember Schwab and seconded by Councilmember Bertagna to authorize staff to pursue the acquisition of the property and that: (1) $75,000 be allocated from the Linear Parks/Greenways Fund (333) for acquisition; and (2) $25,000 be transferred from the Community Development Block Grant Program Contingency (65923) within the CDBG Fund (201) for studies, staff and escrow costs, demolition, and clearing. An administrative supplemental
appropriation/budget modification confirming Council's action will be processed following this meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab
NOES: Wahl
ABSENT: Gruendl, Holcombe

COMMITTEE ITEMS REQUIRING NO COUNCIL/AGENCY ACTION AT THIS MEETING:

C. Consideration of Parking Fee Increases. The Committee tabled this item for further consideration at a future meeting.

D. Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs Annual Planning Process and Introduction to Five-Year Consolidated Plan. This item was informational and no action was requested from the Committee.

E. Approval of Request for Community Development Block Grant (CDBG) Program Assistance - Work Training Center. This item was informational only, the Finance Committee will consider the draft Annual Plan at its 2/23/05 meeting.

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A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to accept the January 26, 2005 Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl, Holcombe

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Vice Mayor Kirk called the February 15, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:46 p.m.

1.1. Roll Call: Present: Bertagna, Herbert, Kirk, Schwab, Wahl
    Absent: Gruendl, Holcombe

2. **CONSENT AGENDA** — Item 2.4. was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Schwab and seconded by Councilmember Herbert to adopt the remaining Consent Agenda items:

2.1. **RESOLUTION NO. 95 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DESIGNATING AND APPOINTING ALTERNATES TO SERVE AS MEMBERS OF THE CITY COUNCIL IN THE EVENT OF AN EMERGENCY**

The City Council was provided with a resolution designating and appointing alternatives to serve as members of the Council in the event of an emergency pursuant to the California Emergency Services Act, Chico Municipal Code Section 2.68.050, and the City of Chico Emergency Plan. This resolution provides for the continuance of the city’s legislative and executive functions during a local emergency, state of emergency or state of war emergency, in the event that one, several or all of the members of the City Council are unavailable to fulfill their functions. Each Councilmember has provided three standby alternates in designated order of precedence who shall serve in their stead so long as the member remains unavailable. The City Clerk and Fire Chief recommended adoption of the resolution.

2.2. **RESOLUTION NO. 96 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO UPHOLDING AN APPEAL BY THE CANYON OAKS PROPERTY OWNERS ASSOCIATION AND DENYING WITHOUT PREJUDICE SECOND DWELLING UNIT PERMIT SDU 04-10 AT 3154 SHALLOW SPRINGS TERRACE (LVV ENTERPRISES)**

By memorandum dated 2/04/05, Senior Planner Murphy reported that at its meeting of 2/01/05, the City Council approved a motion of intent to uphold an appeal by the Canyon Oaks Property Owners Association and denied secondary dwelling unit permit SDU 04-10, without prejudice. The Council found that the proposed unit was not compatible with the design of the primary dwelling unit and surrounding neighborhood in terms of scale, exterior treatment, building height, landscaping, and site coverage. The Council also found that the proposed unit does not conform with the intent of Canyon Oaks Homeowner’s Association’s Landscaping and Design Guidelines with respect to providing architectural articulation of building faces and roof planes, as required by condition of approval of subdivision map S/PDP 02-04 (LVV Enterprises). Planning staff recommended that the Council adopt the above resolution upholding the appeal, thereby denying secondary dwelling unit permit SDU 04-10 (LVV Enterprises), without prejudice. The Council was provided with a letter dated 02/14/05 from James Stevens, Northstar Engineering, requesting that this item be postponed.

2.3. **MINUTE ORDER NO. 07-05 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH VERIZON WIRELESS TO REPLACE A COMMUNICATIONS ANTENNA TOWER AT THE CHICO POLICE FACILITY**

This minute order authorizes the City Manager to execute an agreement with Verizon Wireless to replace an existing 80 foot communication antenna tower at the Chico Police Facility with a new, taller tower approximately 100 feet in height. There will be no expense to the City for the installation or maintenance of the tower, or removal of the old tower. Verizon Wireless will pay a minimum monthly lease rate of $1,500. The City will have the ability to install additional services on the antenna and will be allowed to lease space to other communications providers. The Police Chief and the Information Systems Director recommended approval of the minute order. Councilmember Bertagna was disqualified on this item.

2.4. **DENIAL OF REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - LIQUOR BANK 3 (1033 WEST FIFTH STREET) — this item was removed from the Consent Agenda and heard under Item 4.1.**
The motion to approve the Consent Agenda, as read, with Item 2.4. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl, Holcombe
DISQUAL: Bertagna - Item 2.3.

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE TO ALLOW CO-LOCATED AND BUILDING AND ROOF MOUNTED WIRELESS TELECOMMUNICATIONS FACILITIES IN THE OS1 AND OS2 ZONING DISTRICTS**

By memorandum dated 02/02/05, Assistant Planner Redeker reported that at its 02/01/05 meeting, the City Council introduced the ordinance amending the text of Title 19 regarding Wireless Telecommunications Facilities by reading of the title only. By Council motion, the proposed amendments were set for public hearing on 02/15/05. The amendments to Title 19 would allow the placement of antennas on light standards and other structures in Open Space zoning districts. At its 12/02/04 meeting, the Planning Commission voted (5 in favor, 2 opposed) to recommend amending the text of Title 19 regarding Wireless Telecommunications Facilities. The Planning Commission also recommended adoption of a negative declaration for this project, pursuant to the California Environmental Quality Act (CEQA). The Planning Director recommended that the City Council adopt a negative declaration for this project, and adopt the following ordinance. The Council was provided with a copy of an email received 02/02/05 from Jacqueline Yourch, and packet of information received 02/08/05 from Karen Kite Montana, opposing adoption of the ordinance. Vice Mayor Kirk opened the hearing to the public. Addressing the Council on this item were Mary Cahill, Harold Carlson, Linnea Hanson, Grace Marvin, Craig Scarpelli, Doug Perske, Chris Perske, Karen Kite Montana, Wendy Smith, Peter Laughton, Judith Humbert, and Christina Downer. The hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the following ordinance:

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE TO ALLOW CO-LOCATED AND BUILDING AND ROOF MOUNTED WIRELESS TELECOMMUNICATIONS FACILITIES IN THE OS1 AND OS2 ZONING DISTRICTS**

Final reading and adoption

The motion failed due to the following vote:

AYES: Herbert, Wahl
NOES: Schwab, Kirk
ABSENT: Gruendl, Holcombe
DISQUAL: Bertagna

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.4. **DENIAL OF REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - LIQUOR BANK 3 (1033 WEST FIFTH STREET) — this item was removed from the Consent Agenda and heard under Item 4.1.**

By memorandum dated 2/02/05, the Community Development Director forwarded a request that the City Council make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of an off-sale alcoholic beverage license for the Liquor Bank 3 located at 1033 West Fifth Street. The Community Development Director and the Chief of Police recommended that the City Council deny the request from the Liquor Bank 3 and find that public convenience and necessity would not be served by the issuance of an off-sale alcoholic beverage license at this location. Included in material provided to the Council was a letter dated 1/21/05
from CSUC President Paul Zingg in opposition to the granting of a liquor license in the above mentioned location. Addressing the Council on this item were Jim Moon, Sam Sayeger, Ray Sandelman, and Shauna Quinn.

A motion was made by Councilmember Herbert and seconded by Councilmember Schwab to deny the request for determination of public convenience or necessity for the Liquor Bank 3.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl, Holcombe

4.2. INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION APPROVAL OF USE PERMIT 04-24 (WOOLLEY) TO AUTHORIZE THE USE OF A NONCONFORMING STRUCTURE, ORIGINALLY A GARAGE, AS A 520 SQUARE FOOT ONE-BEDROOM SECOND DWELLING UNIT AT THE REAR OF PROPERTY LOCATED AT 178 EAST WASHINGTON AVENUE, AND IDENTIFIED AS ASSESSOR’S PARCEL NO. 003-171-012

By memorandum dated 1/27/05, Assistant Planner Redeker reported that at its 1/6/05 meeting, the Planning Commission voted (6 in favor, 1 opposed) to approve, with conditions, a use permit to authorize the use of a non-conforming structure located at the rear of 178 E. Washington Avenue as a second dwelling unit. A timely appeal was filed by Marci Goulart, a neighbor immediately to the west of the project site. The subject property is designated Low Density Residential on the City of Chico General Plan Diagram and is located in an R1 Low Density Residential zoning district. The Council was provided with copies of postcards received 02/10/05, 02/11/05 and 02/14/05 from Marci Goulart, Caleb Giffin, Kimberly Giffin, Richard Wodrich, B. Diane Ayers, Mary Ann Sullivan, Patricia Darrow, Bruce McMahon, Leslie Grayson, Richard Sullivan, Daniel Holmer, Debra Holmer, Stephen Matoian, Don Roy Ayers, Christi Collins, Robert Darrow, Susan Ratledge, Richard Ratledge, Karen Swartz, Ernest Brown, Brian Collins, and Andy Grayson requesting that the City Council hear the appeal, and an information packet received 02/15/05 from Thomas Woolley.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to schedule the appeal for a public hearing at the 3/1/05 meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl, Holcombe

4.3. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE SOLID WASTE COMMITTEE ON ITS MEETING HELD JANUARY 26, 2005

By memorandum dated 01/31/05, the Solid Waste Committee provided a report on its meeting held on 01/26/05. Committee members present were Councilmembers Gruendl, Holcombe, and Wahl, Chair.

COMMITTEE ITEMS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of a Request from the Associated Students Recycling for Assistance for an Athletic Shoe Recycling Event. The Committee recommended (3-0) an allocation of up to $1,500 from the advertising/marketing line item in the 2004-05 Environmental Services operating budget to provide assistance for the event. Councilmember Schwab was disqualified on this item.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to accept the committee recommendation to allocate $1,500 for assistance with the event.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl
NOES: None
ABSENT: Gruendl, Holcombe
DISQUAL: Schwab
B. **Consideration of Request from the Solid Waste Collectors for an Increase in the Solid Waste Collection Rates.** The Committee recommended (3-0): (1) approval of an amendment to the Solid Waste Collection and Recycling Fee Schedule to increase the rates to compensate the waste haulers for the landfill increase; (2) that the methodology also be amended to be an administrative activity, giving the City Manager the authority to increase the rates based on the methodology without City Council approval; (3) that upon City Manager approval, the waste haulers be allowed to request a CPI increase in November 2005 to become effective on 01/01/06 pursuant to the methodology; and (4) that the methodology be revised again after 01/01/06 to change the annual rate review schedule from November to March of each year to coincide with the landfill increase schedule which is proposed to be adjusted on the fiscal year basis with the effective date of 07/01/06 and on July 1 for subsequent future increases.

**Posted Addendum** – Added the following ordinance and resolution:

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CHAPTER 5.16 ENTITLED, “SOLID WASTE COLLECTORS,” OF THE CHICO MUNICIPAL CODE - Introductory Reading**

**RESOLUTION NO. 97 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 290 -SOLID WASTE COLLECTION AND RECYCLING FEES)**

A motion was made by Councilmember Herbert and seconded by Councilmember Schwab to: (1) accept the Solid Waste Committee's recommendations as listed above; (2) introduce the following ordinance; and (3) adopt Resolution No. 97 04-05.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Kirk, Schwab, Wahl  
**NOES:** None  
**ABSENT:** Gruendl, Holcombe

4.4. **DISCUSSION AND CONSIDERATION OF PARKING ISSUES AT 233 WEST SECOND STREET - THE PRESENT EL REY THEATER**

By letter received 01/13/05, Architect David Griffith requested that the City Council discuss the possibility of utilizing a portion of Municipal Parking Lot No. 2 to gain access to below grade parking for the planned redevelopment of the El Rey building. Councilmember Herbert was disqualified on this item. Addressing the Council on this item were Eric Hart, David Griffith, and Tom Bend.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to allow access to the parking and to direct staff to work with the owners to explore a series of alternatives that are to be brought back to the Council at a subsequent meeting.

The motion carried by the following vote:

**AYES:** Bertagna, Kirk, Schwab, Wahl  
**NOES:** None  
**ABSENT:** Gruendl, Holcombe  
**DISQUAL** Herbert

4.5. **APPOINTMENT OF ARTS COMMISSIONER TO FILL VACANCY**

Arts Commissioner Angela Nelson resigned from her position on the Arts Commission effective 1/10/05. Her term would have expired in January 2007. Pursuant to Government Code § 54974.(a) a special vacancy notice was posted not later than 20 days after the vacancy occurred. Because the required ten days have passed since the posting of the notice of vacancy, final appointment may be made at this meeting. By memorandum dated 2/4/05, the City Clerk forwarded the applications received during the recent biennial recruitment.

Gregg Payne was appointed to fill the vacancy which will expire in January 2007.
4.6. **FUTURE MEETINGS**

A. The City Council scheduled a meeting on 3/22/05 at 6:30 - 9:00 p.m. to discuss Barber Yard, Southwest Chico, and the Park Avenue Visioning Study.

B. The City Council agreed to list residential density issues under future meetings at its regular meeting of 3/1/05.

4.7. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – See Item 4.3.B regarding the consideration of request from the Solid Waste Collectors for an increase in the solid waste collection rates.

5. **BUSINESS FROM THE FLOOR**

Greg Burton addressed Council on the Barber Yard planning session.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken.

6.1. Memorandum dated 02/01/05 from the Finance Director reported that the list of claims paid during the month of January 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

7. **ADJOURNMENT**

Adjourned at 8:26 p.m. to February 22, 2005, at 6:30 p.m., in the Council Chamber for Council to hear comments from Enloe Hospital representatives and concerned neighbors regarding the Enloe Hospital expansion.

Date Approved: April 26, 2005

__________________________
Deborah R. Presson, City Clerk
CALL TO ORDER — Mayor Gruendl called the February 22, 2005 – Adjourned Regular Chico City Council meeting to order at 6:30 p.m. in the Chico Municipal Center, Council Chamber at 421 Main Street.

Flag Salute

Roll Call – Present: Bertagna, Herbert, Holcombe, Schwab, Wahl, Kirk, Gruendl
Absent: None

PUBLIC COMMENT

DISCUSSION WITH ENLOE HOSPITAL REPRESENTATIVES AND CONCERNED NEIGHBORS REGARDING THE ENLOE HOSPITAL EXPANSION

At the request of neighborhood residents, the City Council scheduled this community workshop to discuss the future expansion plans of the Enloe Medical Center. A proposed plan had been submitted which includes a new five-story surgery bed tower and two multi-story parking structures. This workshop allowed the discussion of issues related to the proposed project.

By memorandum dated 2/15/05, the Planning Director provided background information on the Enloe Medical Center project. The Council was also provided with a letter dated 12/15/04 from Ed McLaughlin requesting workshops on the project and communications received from citizens supporting and opposing the proposed expansion. In addition, the City Council received a copy of: (1) 2003-2004 Community Benefits Plan and Assessment Update received 2/18/05 from Philip Wolfe, CEO, Enloe Hospital; (2) Enloe Century Project, Highlights of the 2004 Community Benefit Report, and Stethoscope received 2/22/05 from Ann Prater, Director of Public Relations, Enloe Hospital; and (3) an e-mail received 2/22/05 from Jeff House supporting the Enloe Hospital expansion.

Council recessed for a 10 minute break at 7:15 p.m. and reconvened at 7:25 p.m.

Councilmember Holcombe stated for the record that after further review by the City Attorney’s Office, he was not disqualified from participating in this discussion due to his leasehold agreement for his business.

Councilmember Wahl announced that he would not be participating in this meeting due to a preliminary City Attorney opinion that he was disqualified pending further review.

Speaking in opposition to the expansion were John Martin, Charles Withuhn, Mickey Harrington, Robert Woods, Beverly Robertson, Barbara Reed, Carol Sherling, Melinda Vasquez, Linda Furr, Karen Laslo, Peggy DuFon, Tony Sanchez, Kyle Harp, James Harro, Molly Amick, Cathy Webster, David Lebermass, Rodney Willis, Linda Kline, and Walter Ballin.

Speaking in favor of the expansion were Robin Klutta, Marsha Martin, James Schlund, Fred Watson, Dr. Cappelli, Dr. Marcie Nelson, Dennis Westphal, Ahmed Abonesh, Mike Reilly, Bob Linschied, Jolene Nixon, Tom DiGiovanni, Steve Gonsalves, Jan Probst, and Joy Kimball. Petitions containing 60 physician signatures in support of the expansion were also turned in at the meeting.

Council recessed for a 10 minute break at 8:30 p.m. and reconvened at 8:40 p.m.

Written comments in opposition to the expansion were received at the meeting from Maria Easton, Beverly Robertson, Becky Short, and Amy DeDeaux. Written comments in favor of the expansion were received from Bob Hope, and Walter Mazen.

Councilmember Herbert stated that the areas of concern for him were the parking structure location, closing of city streets, and design issues, not labor issues.
Vice Mayor Kirk agreed with Councilmember Herbert's comments and stated that Enloe should address these issues.

Councilmember Holcombe also agreed with prior comments, but indicated that he would be interested in the labor issues that had been raised at this meeting.

Councilmember Bertagna stated that his areas of concern were for the traffic impacts, parking structure, and flight path for the helicopter. He felt that Enloe’s design for the Esplanade was a good one, it still needed to look at the parking structure and not allow it to be built overlooking someone’s back yard.

Councilmember Schwab also agreed with all prior Council comments. She indicated that she wanted more information on the number of helicopter flights and if they were justified and whether others were allowed to use this heli-pad. Councilmember Schwab stated she felt that all issues could be resolved.

Mayor Gruendl stated that he felt there were multiple options available. He requested staff to prepare a thorough analysis on the proposed street closure(s). His main concern was with the impacts to the Esplanade, not just for the next 20 years, but 40 years out. He also reiterated that the City did not have jurisdiction over labor issues.

2.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

3. **BUSINESS FROM THE FLOOR** — None

4. **ADJOURNMENT**

   Adjourned at 9:40 p.m. to March 1, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

   Date Approved: April 26, 2005

   ____________________________
   Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Gruendl called the March 1, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator is Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

3. **ADJOURNMENT**

Adjourned to a Redevelopment Agency meeting in the Council Chamber.
REGULAR CHICO REDEVELOPMENT AGENCY MEETING — March 1, 2005
Minutes

1. CALL TO ORDER — Mayor Gruendl called the March 1, 2005 – Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute
1.2. Invocation — John Warwick, Pacific Asian Missions, Inc.
1.3. Roll Call — Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
               Absent: None
1.4. Closed Session Announcement — None
1.5. Presentation – The City of Chico was presented with the “Tree City USA” award.
1.6. Proclamation – Proclaimed March 7, 2005 as “Arbor Day”

2. CONSENT AGENDA — A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the following Consent Agenda item:

2.1. RESOLUTION NO. 04-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AMENDING RDA RESOLUTION NO. 23-04 TO AUTHORIZE ACCEPTANCE OF AN AMENDED FIRST DEED OF TRUST AS AN ALTERNATIVE TO A SECOND DEED OF TRUST TO SECURE A SECOND LOAN FOR REHABILITATION OF THE DIAMOND HOTEL

At its meeting held 11/16/04, the Agency adopted RDA Resolution No. 23-04 allocating an additional loan in the amount of $1 million to Wayne Cook to complete the rehabilitation of the Diamond Hotel and authorizing the Executive Director to enter into a loan agreement requiring that the loan funds be secured by a deed of trust in favor of the Agency which would be in second position to the deed of trust securing the original loan. This resolution amends RDA Resolution No. 23-04 to allow an amended first deed of trust as an alternative to a second deed of trust. The Executive Director recommended adoption of the resolution. Councilmember Wahl announced his disqualification on this item.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
DISQ: Wahl

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. ITEMS ADDED AFTER POSTING OF THE AGENDA

5. ADJOURNMENT
   Adjourned to a City Council meeting
1. **CALL TO ORDER** — Mayor Gruendl called the March 1, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, 6:30 p.m.

1.1. Roll Call — Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

Absent: None

2. **CONSENT AGENDA** — Items 2.4. and 2.5. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the remaining Consent Agenda items:

2.1. **ORDINANCE NO. 2315 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CHAPTER 5.16, ENTITLED, “SOLID WASTE COLLECTORS,” OF THE CHICO MUNICIPAL CODE - Final Reading and Adoption**

At its 2/15/05 meeting, the City Council approved (5-0) the recommendation from the Solid Waste Committee and the introductory reading of the ordinance to amend Chapter 5.16 of the Chico Municipal Code to repeal Section 5.16.135 entitled “Annual Rate Review.” The City Manager recommended adoption of this ordinance by reading of the title only.


By memorandum dated 2/02/05, the Assistant Community Development Director reported that City approval of Monarch Park Subdivision requires the annexation of this property to County Service Area No. 23 (Pleasant Valley Storm Drainage) for the maintenance of storm drainage facilities. The 17 lot single family residential subdivision is located on the west side of Ceanothus Avenue, 845 feet north of East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended adoption of the resolution.


By memorandum dated 2/14/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of four parcels at 468 Manzanita Avenue and 954, 964 and 968 Myrtle Avenue, with a total area of 2.67 acres. One parcel is developed with an office complex, and three are developed with single family residences. Subdivision to create one or two additional lots for single family residential development is proposed, requiring connection to the sanitary sewer. Property owners are identified in the staff report. The Assistant Community Development Director recommended adoption of the resolution.

2.4. **RESOLUTION NO. 100 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - POMONA AVENUE ANNEXATION DISTRICT NO. 6**

— This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

2.5. **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING EXECUTION OF A GRANT AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE CHICO URBAN STREAMS ALLIANCE CLEAN CREEKS PROJECT**

— This item was removed from the Consent Agenda at the request of Councilmember Wahl.
2.6. MINUTE ORDER 08-05 — AUTHORIZING THE CITY ATTORNEY TO RETAIN PETERS, RUSH, HABIB & MCKENNA FOR LEGAL SERVICES PERTAINING TO THE MATTER OF CITY OF CHICO v. GREGORY R. JENKINS, ET AL., BUTTE COUNTY SUPERIOR COURT CASE NO. 133930

This minute order authorized the City Attorney to retain Peters, Rush, Habib & McKenna, for legal services pertaining to the eminent domain action City of Chico v. Gregory R. Jenkins, et al. The City Attorney recommended approval of this minute order.

2.7. APPROVAL OF SUPPLEMENTAL APPROPRIATION TO PROVIDE ADDITIONAL FUNDING FOR THE HOMELESS EMERGENCY LIAISON PROGRAM (HELP) - CHICO COMMUNITY SHELTER PARTNERSHIP - FISCAL YEAR 2004-05

By memorandum dated 02/16/05, the City Manager recommended an additional allocation of $1,500 from the General Fund (001) to the Chico Community Shelter Partnership for FY 04-05 expenses of the HELP Program which provides one-way bus ticket vouchers to homeless clients seeking reunification with family or other safe support systems. The additional allocation will be reflected in the 2004-05 estimated expenditures in the 2005-06 Annual Budget. The City Manager recommended approval of the supplemental appropriation.

The motion to approve the Consent Agenda, with Items 2.4. and 2.5. removed and heard under Item 4.1., carried, as read, by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON AN APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF USE PERMIT 04-24 (WOOLLEY) TO AUTHORIZE THE USE OF A NONCONFORMING STRUCTURE, ORIGINALLY A GARAGE, AS A 520 SQUARE FOOT ONE-BEDROOM SECOND DWELLING UNIT AT THE REAR OF PROPERTY LOCATED AT 178 EAST WASHINGTON AVENUE, AND IDENTIFIED AS ASSESSOR’S PARCEL NO. 003-171-012

By memorandum dated 2/18/05, Assistant Planner Redeker reported that at its 2/15/05 meeting, the City Council scheduled a public hearing on an appeal of the Planning Commission’s approval of a use permit to authorize the use of a non-conforming structure located at the rear of 178 East Washington Avenue as a second dwelling unit. The subject property is designated Low Density Residential on the City of Chico General Plan Diagram and is located in an R1 Low Density Residential zoning district. The Planning Director recommended that the City Council find that the project is categorically exempt from environmental review and uphold the Planning Commission’s approval of Use Permit 04-24 (Woolley).

Councilmember Holcombe announced he was disqualified on this item due to his close proximity to the area in question and then left the Council Chamber. Councilmembers Bertagna, Schwab, Wahl, and Mayor Gruendl announced ex parte communications held with various individuals residing in the neighborhood.

Addressing the Council on this issue were Marci Goulart, Susan Woolley, Richard Widrich, Sam Arion, Dominic Watkins, Shannon Steffy, Kimberly Giffin, Thomas Woolley, Bill Burbard, Ernie Brown, Ken Fleming, Caleb Griffin, Susan Halliday, Kasey Merrill, William Apger, Karen Laslo, and Blanca Simon.

Council concurred that it would be beneficial for the Council and Planning Commission to conduct a joint meeting to discuss overall land use policies including the Housing Element, inclusionary zoning and residential density. Staff was directed to agendize the scheduling of this meeting at the 3/15/05 adjourned regular Council meeting.
A motion of intent was made by Councilmember Wahl to uphold the appeal, thereby overturning the Planning Commission's approval of Use Permit No. 04-24, based on the following findings: (1) that the occupancy of the second dwelling unit will result in excessive noise and will disturb the existing neighbors; (2) the dwelling unit is not compatible with the surrounding neighborhood; and (3) the proposed use would be detrimental to persons residing or working in the neighborhood.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Kirk, Schwab, Wahl, Gruendl
**NOES:** None
**DISQ:** Holcombe

### 3.2. GENERAL PLAN AMENDMENT 04-12, ADOPTING A REVISED HOUSING ELEMENT

By memorandum dated 02/16/05, the Planning Director reported that at the Planning Commission meeting of 02/03/05, the Commission voted (7 in favor and 0 opposed) to recommend to Council approval of General Plan Amendment 04-12, which substitutes the revised Housing Element for the existing Housing Element (Exhibit I of the adopting resolution). On 12/16/03, the City Council adopted a Housing Element which was forwarded to the State Department of Housing and Community Development (HCD) for its review and acknowledgment. HCD notified the City that the Housing Element needed specific revisions in order to fully comply with statutory requirements. Staff coordinated revisions with HCD and received acknowledgment from HCD that the revised Housing Element would comply with State Law upon City adoption. The minor revisions to the Housing Element associated with the proposed General Plan amendment are consistent with the negative declaration previously adopted in conjunction with the existing Housing Element and no additional environmental review was required pursuant to Section 15073.5(c)(2) of the CEQA Guidelines. Speaking against adoption of the plan were Tami Ritter and Emily Fisher. Addressing the Council on the overall plan was Jason Bougie.

A motion was made by Vice Mayor Kirk and seconded by Mayor Gruendl to adopt the resolution which: (1) determines that this action is consistent with the negative declaration previously adopted in conjunction with Council’s 12/16/03 adoption of the Housing Element and therefore no further environmental review is required; and (2) approves General Plan Amendment 04-12, substituting the revised Housing Element for the existing Housing Element.

**RESOLUTION NO. 101 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING GENERAL PLAN AMENDMENT NO. 04-12 (REVISED HOUSING ELEMENT)**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
**NOES:** Wahl

Council concurred that additional discussion should be held regarding the Housing Element including inclusionary zoning requirements.

### 4. REGULAR AGENDA

#### 4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

**RESOLUTION NO. 100 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - POMONA AVENUE ANNEXATION DISTRICT NO. 6** — This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further discussion.

By memorandum dated 2/14/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of 60 parcels, with a total area of 15.61 acres, located in the area generally bounded by Little Chico Creek, Dayton Road and McIntosh Avenue. Most parcels are developed with single family residential uses, though several parcels have existing multiple family residential use and two are developed for commercial use.
The area is designated and prezoned for low density residential use. The Assistant Community Development Director recommended adoption of the resolution.

Councilmember Holcombe requested that this item be removed from the Consent Agenda for further discussion regarding the possible need for the City to address density issues as land is annexed, especially in-fill areas. The City Manager stated that this could be addressed by a change to the General Plan. Councilmember Holcombe encouraged the Council to consider this type of zoning at a future meeting.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to adopt Resolution No. 100 04-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

2.5. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING EXECUTION OF A GRANT AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE CHICO URBAN STREAMS ALLIANCE CLEAN CREEKS PROJECT — This item was removed from the Consent Agenda for further discussion at the request of Councilmember Wahl for additional clarification.

By memorandum dated 2/14/05, the Director of Public Works recommended the adoption of a resolution authorizing the Senior Assistant City Manager to execute the grant agreement with the State Water Resources Control Board for the Chico Urban Streams Alliance Clean Creeks Project. The Director of Public Works recommended the adoption of the resolution. This item was removed from the Consent Agenda for further discussion at the request of Councilmember Wahl. He asked staff for more clarification on how the grant money would be spent and tracked as well as who would be using the money.

A motion was made by Councilmember Wahl and seconded by Vice Mayor Kirk to table this item to a future meeting to allow time for staff to place a memorandum in Council mailboxes which provide the background information as requested. This item will come back on the Consent Agenda at the 3/15/05 meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2. CONSIDERATION OF RESOLUTION CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE EATON ROAD EXTENSION PROJECT: FLORAL AVENUE TO EAST AVENUE/MANZANITA AVENUE

By memorandum dated 2/14/05, the Assistant Community Development Director submitted a report on the Final Environmental Impact Report (FEIR) prepared for the Eaton Road Extension Project: Floral Avenue easterly and southerly to the East Avenue/Manzanita Avenue intersection. The FEIR identifies potential environmental impacts associated with construction of the project and proposes mitigation measures to reduce or eliminate the significance of identified impacts. Impacts from traffic generated noise remains as a significant environmental impact because no feasible mitigation measures are available. The Assistant Community Development Director recommended City Council adoption of the resolution. Councilmember Bertagna and Herbert announced that they were disqualified on this item pending further review by the City Attorney regarding a potential conflict.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to adopt the following resolution; to direct staff to provide the Council with the information regarding the construction of roundabouts; and to schedule community meetings to discuss the design.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

4.3. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON FEBRUARY 9, 2005

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of an Ordinance and Fee Schedule Amendment to Establish a Permit Process and Fee for Placement of Outdoor Planters Within the Central Business District. The Committee recommended approval (2-0, Schwab disqualified) of the permit process, as amended, and fee schedule to allow for outdoor planters within the Central Business District. Councilmembers Schwab and Wahl announced their disqualifications on this item.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to direct the City Attorney’s Office to prepare an ordinance establishing the permit process for mobile planters, clarifying that the fee is per application not per planter. This ordinance will be brought forward for introduction at a future meeting, along with a fee schedule resolution.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl
NOES: None
DISQ: Schwab, Wahl

B. Approval of the Implementation of Traffic Regulation Amendment (TRA) No. 784 Which Removed the Parking along Forest Avenue Between Notre Dame and Raley Boulevards to Improve Public Safety. The Committee recommended approval (3-0) of the implementation of Traffic Regulation Amendment (TRA) No. 784 which removed parking along Forest Avenue between Notre Dame and Raley Boulevard.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to approve implementation of Traffic Regulation Amendment (TRA) No. 784.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl
NOES: None
ABSENT: Schwab, Wahl

C. Consideration of a Request by Building Industry Association (BIA) Representative Jason Bougie to Amend Chico Municipal Code Chapter 9.38, Entitled "Noise," to Allow Construction Projects to Start at 6:00 a.m. between May 1 and September 30. The Committee recommended (3-0) amending Chico Municipal Code (CMC) Chapter 9.38 to allow for a 6:00 a.m. start time for cement pours only. The distance away from existing residential homes for the 6:00 a.m. cement pour is to be determined by staff and clearly stated in the Code. This code amendment will be reviewed after one year.
A motion was made by Councilmember Bertagna and seconded by Councilmember Holcombe to direct the City Attorney to prepare an ordinance that would authorize a start time of 6:00 a.m., Monday through Friday, for cement pours based on the distance away from existing residential homes which is to be determined by staff and clearly defined in the Code. Current restrictions for weekend construction are to remain in force. After final adoption of the ordinance, staff will schedule a six-month review, with an analysis provided to the Council regarding the impact of the earlier start time.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab, Wahl
NOES: Kirk, Gruendl

4.4. FUTURE MEETINGS

The Council considered the Mayor’s request to schedule a meeting to discuss residential density issues. A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to schedule a meeting to discuss and consider raising residential density.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

It was agreed that this issue would be included on the agenda for the joint meeting with the Planning Commission.

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items.

6.1. Memorandum dated 02/14/05 from the Chief of Police providing the Citizens’ Option for Public Safety Grant Summary Report for the period of July 2004 - December 2004.

7. ADJOURNMENT

Adjourned at 10:04 p.m. to March 15, 2005, at 6:00 p.m. for a Closed Session in Conference Room No. 2, followed by an adjourned regular meeting to begin at 6:30 p.m. in the Council Chamber.

Date Approved: April 26, 2005

__________________________
Deborah R. Presson, City Clerk
ADJOINED REGULAR CHICO CITY COUNCIL MEETING — March 15, 2005
Minutes

ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO A CLOSED SESSION ITEM, CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The City Council adjourned to closed session to discuss negotiations with the City’s real property negotiator regarding the proposed acquisition affecting the following:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>DES Partnership</td>
<td>NW corner Bruce Road/SHR 32</td>
<td>002-160-076</td>
</tr>
<tr>
<td>Bellin, Ross &amp; Anderson</td>
<td>730 Bruce Road</td>
<td>002-610-047</td>
</tr>
<tr>
<td>Elks Hall Assn. of Chico</td>
<td>1705 Manzanita Avenue</td>
<td>015-520-062</td>
</tr>
<tr>
<td>Mark &amp; Kammie Sorensen</td>
<td>1789 Manzanita Avenue</td>
<td>015-520-094</td>
</tr>
<tr>
<td>Starnes Family Trust/ Christopher J. Starnes</td>
<td>1795 Manzanita Avenue</td>
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</tr>
</tbody>
</table>

The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. CALL TO ORDER – Mayor Gruendl called the March 15, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street, at 6:00 p.m.

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. CLOSED SESSION

2.1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF PORTIONS OF VARIOUS PROPERTIES FOR MANZANITA CORRIDOR RECONSTRUCTION PROJECT. Pursuant to Government Code Section 54954.8, the item of business to be discussed was a conference with the real property negotiator. The items under discussion are instruction to the City’s negotiator on price and terms of payment for proposed acquisition. The City’s negotiator is City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

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</table>

2.2. CONFERENCE WITH LABOR NEGOTIATOR: The City’s negotiator is Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association (Sworn and Non-Sworn Units), International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation: One Case. (Gov. Code Sec. 54956.9(b).)

Posted Addendum Items:

2.4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION: Significant exposure to litigation: One Case. (Gov. Code Sec. 54956.9(b).)
2.5. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:** Initiation of litigation: City of Chico v. David A. Garner, Linda G. Titus, Barbara G. Alden and David A. Garner as Executor of the Estate of Robert J. Garner. (Gov. Code Sec. 54956.9(c.).)

3. **ADJOURNMENT**

   Adjourned at 6:25 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER — Mayor Gruendl called the March 15, 2005 – Adjourned Regular Redevelopment Agency meeting to order at 6:40 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Pastor Reginald Schultz-Ackerson, Faith Lutheran Church

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement:

In regard to the Closed Session Item 2.5. on the Posted Addendum to the Council’s agenda, the City Council voted 7-0 to authorize the City Attorney to initiate litigation against David A. Garner, Linda G. Titus, Barbara G. Alden, and David A. Garner as Executor of the Estate of Robert J. Garner. The purpose of the litigation is to gain access to property owned by those individuals for purposes of conducting surveys and an appraisal in relation to the potential acquisition of an easement.

1.5. Proclamation — Proclaimed March 20, 2005 as the first day of the Persian New Year
Proclaimed April 1 and 2, 2005 as Students for the Advancement of Global Entrepreneurship Days

2. CONSENT AGENDA – None

3. NOTICED PUBLIC HEARINGS – None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD FEBRUARY 23, 2005

By memorandum dated 02/24/05, the Finance Committee provided a report on its meeting held on 02/23/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair.

COMMITTEE ITEMS REQUIRING COUNCIL/AGENCY ACTION AT THIS MEETING:

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to accept and approve the Finance Committee recommendations as listed below:

A. Acceptance of Annual Financial Reports. (Council Action) The Committee recommended (3-0) acceptance of the reports.

B. Discussion Regarding the Expansion of the Mortgage Subsidy Program (MSP) Area of Eligibility to Include Homes in the Unincorporated Portion of the Amended and Merged Redevelopment Project Area. (Agency Action) The Committee recommended (3-0) that the City Council modify the MSP to include areas within the unincorporated portion of the Chico Amended and Merged Redevelopment Project Area as eligible for program assistance.

C. Housing Rehabilitation Program Grant Request - Edith Hildenbrand 134 West 21st Street. (Council Action) The Committee recommended (3-0) approval of Mrs. Hildenbrand’s request that $7,500 of Housing Rehabilitation Program assistance be provided in the form of a grant.
The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

**COMMITTEE ITEMS REQUIRING NO COUNCIL/AGENCY ACTION AT THIS MEETING:**

D. **Consideration of Draft Annual Plan and Draft Consolidated Plan for the City’s 2005-06 Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs.** The Committee agreed to tentatively accept the Draft Annual Plan for the City’s 2005-06 Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs and requested that at its March meeting staff provide additional information regarding: (1) the property acquisition request from Habitat for Humanity; (2) the Community Action Agency request for Community Housing Development Organization (CHDO) funds for the Esplanade House; and (3) potential CDBG funded economic development activities.

E. **Consideration of Potential Redevelopment Projects.** The Committee requested that the amended Potential List of Redevelopment Projects and a report on bond financing be submitted to the Redevelopment Agency for further discussion at its work session scheduled for 04/26/05.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to accept the 2/23/05 Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — Closed Session Items 2.4. and 2.5.

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. CALL TO ORDER — Mayor Gruendl called the March 15, 2005 – Adjourned Regular Chico City Council meeting to order at 6:40 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. CONSENT AGENDA — Items 2.5., 2.6., and 2.7. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the remaining Consent Agenda items:

2.1. RESOLUTION NO. 103 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING THE MODIFICATION OF A PREVIOUSLY RECOGNIZED EMPLOYEE ORGANIZATION AS THE MAJORITY REPRESENTATIVE FOR POLICE DEPARTMENT EMPLOYEES HOLDING THE JOB TITLES OF POLICE OFFICER AND POLICE SERGEANT IN THEIR EMPLOYMENT RELATIONS WITH THE CITY (CHICO POLICE OFFICERS’ ASSOCIATION)

RESOLUTION NO. 104 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO GRANTING FORMAL RECOGNITION TO THE CHICO PUBLIC SAFETY ASSOCIATION AS THE MAJORITY REPRESENTATIVE FOR CERTAIN NON-SWORN POLICE DEPARTMENT EMPLOYEES IN THEIR EMPLOYMENT RELATIONS WITH THE CITY

The Chico Police Officers’ Association (CPOA), the recognized employee organization which represents most non-management Police Department employees in their employment relations with the City, requested a change in this recognition in order to represent only Police Officers and Police Sergeants. In accordance with the City’s personnel rules, a secret ballot election of all represented employees was held and indicated that a majority of the employees voted in favor of the change in representation.

At the same time, a new employee organization, the Chico Public Safety Association (CPSA), requested recognition as the representative of those Police Department employees who would no longer be represented by CPOA. This group of employees includes Animal Control Officers and Supervisor, Communications/Records Supervisors, Community Services Officers, and Public Safety Dispatchers. A secret ballot election was held and indicated that a majority of the employees proposed to be represented were in favor of representation by the CPSA.

The personnel rules require City Council approval of the change in CPOA’s representation before it can become effective. The rules also require City Council approval to formally recognize the CPSA upon certification by the City Manager that the new organization represents a majority of the employees in the unit, and the City Manager had made such certification. The City Manager and the Director of Human Resources and Risk Management recommended adoption of these resolutions.

Councilmember Bertagna announced his disqualification on this item.

2.2. RESOLUTION NO. 105 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING A USE PERMIT FOR A CARDROOM AT 1431 PARK AVENUE (UP 04-51)

By memorandum dated 2/22/05, Principal Planner Bishow reported that at its meeting of 2/01/05, the City Council approved a motion of intent to deny a use permit for a cardroom at 1431 Park Avenue (UP 04-51). The Council found that the proposed use permit would be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the proposed use, and that the proposed use was not compatible with the existing uses in the neighborhood. Planning staff recommended adoption of the resolution denying a use permit for a cardroom at 1431 Park Avenue (UP 04-51).
2.3. ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM

By memoranda dated 2/10/05 and 2/23/05, the Director of Public Works reported that in accordance with a petition from the below property owners, adoption of the following resolutions would authorize sewer assessments to be collected on the tax roll as set forth in the Director of Public Works’ reports attached to each resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolutions.

A. RESOLUTION NO. 106 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1369 EAST AVENUE, A.P. NO. 015-440-014 (petition from property owners Aaron and Darla Hammer)

B. RESOLUTION NO. 107 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1296 EAST AVENUE/ A.P. NO. 016-040-028 (petition from property owners Michael and Helen Isaacs)

2.4. RESOLUTION NO. 108 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO AMENDING RESOLUTION NO. 98 03-04 LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1440 LABURNUM AVENUE / ASSESSOR’S PARCEL NO. 003-441-019

By memorandum dated 2/24/05, the Director of Public Works reported that the Schedule of Assessment Payments attached to Resolution No. 98 03-04 and adopted by the City Council on 04/20/04, contained a clerical error.

This resolution amends Resolution No. 98 03-04 by replacing the Schedule with a revised schedule which indicates that payments will begin December 2004. The Director of Public Works recommended adoption of the resolution.

2.5. RESOLUTION NO. 109 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 789) — This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Holcombe.

2.6. RESOLUTION NO. 110 04-05 — A RESOLUTION AUTHORIZING THE SENIOR ASSISTANT CITY MANAGER TO SUBMIT AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES UNDER THE URBAN STREAM RESTORATION GRANT PROGRAM AND TO EXECUTE ANY CONTRACTS OR OTHER DOCUMENTS RELATED TO THE GRANT — This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmembers Holcombe and Wahl.

2.7. RESOLUTION NO. 111 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING EXECUTION OF A GRANT AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE CHICO URBAN STREAMS ALLIANCE CLEAN CREEKS PROJECT — This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Wahl.

2.8. RESOLUTION NO. 112 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING DESTRUCTION OF CERTAIN CITY RECORDS PURSUANT TO GOVERNMENT CODE SECTION 34090

The City Attorney requested authorization to destroy certain City Attorney Office records over two years of age. The City Attorney recommended adoption of the resolution.
2.9. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 12/21/04, 1/4/05, 1/25/05, AND 2/1/05**

The City Council was provided with the minutes of its meetings held on 12/21/04, 1/4/05, 1/25/05, and 2/1/05.

The motion to approve the Consent Agenda, with Items 2.5., 2.6., and 2.7. removed and heard under Item 4.1., carried, as read, by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

**DISQUAL:** Bertagna - on Item 2.1. only

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3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 548 (BALTAR ESTATES SUBDIVISION)**

By memorandum dated 2/18/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 548. As a condition of approval of a subdivision map for this development, generally located on Godman Avenue north of Lassen Avenue, the developers, Ernie, James, and Cindy Lower and Linkside Place Inc., have consented to the formation of this district for the annual maintenance and future replacement of the landscaping and irrigation along Joshua Tree Road at the entrance to the subdivision and the storm drain facilities located within the subdivision. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution.

The hearing was opened to the public. No one spoke and the hearing was closed. A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolutions:

**RESOLUTION NO. 113 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 548 - BALTAR ESTATES SUBDIVISION**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

3.2. **HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 551 (MONARCH PARK SUBDIVISION)**

By memorandum dated 2/11/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 551. As a condition of approval of a subdivision map for this development, generally located off Ceanothus north of East Avenue, the developer, Tony Symmes, has consented to the formation of this district for the annual maintenance and future replacement of the landscaping and irrigation of the strip between the back of curb and fence, the storm water interceptor facility, and the oversized storage pipes for storm water quantity mitigation, all located within the subdivision. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Councilmembers Bertagna and Wahl announced that they were disqualified on this item and both left the Chamber. The hearing was opened to the public. No one spoke and the hearing was closed.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:


The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
DISQUAL: Bertagna, Wahl

3.3. HEARING ON THE MASTER PLAN AND PROPOSED MITIGATED NEGATIVE DECLARATION FOR BARONI PARK

By memorandum dated 3/01/05, the Park Director reported that at its 2/28/05 meeting, the Bidwell Park and Playground Commission voted unanimously to recommend that the City Council adopt a mitigated negative declaration and monitoring program, and approve the Master Plan for Baroni Park in southeast Chico. Pursuant to the California Environmental Quality Act, a mitigated negative declaration is proposed for this project. In order to implement the Master Plan and develop the park, the Park Director recommended that the Council authorize staff to proceed with the grading of the park site, and with establishing a funding mechanism for the ongoing maintenance of the park. The City Council was provided with a letter dated 3/07/05 from “Friends of Baroni Park” pertaining to this item. Mayor Gruendl announced his disqualification on this item and left the Chamber. Vice Mayor Kirk opened the hearing to the public. Addressing the Council on this item were John White, Bill Smith, and Mike Genga. The hearing was then closed.

Councilmember Holcombe indicated that in terms of approach on the maintenance district process he did not want to forego voting on the full scope of park facilities. Councilmember Bertagna stated for the record that he agreed with Councilmember Holcombe’s statement.

A motion was made by Councilmember Schwab and seconded by Councilmember Wahl to adopt Resolution No. 115 04-05 and approve Minute Order No. 09-05.

A. RESOLUTION NO. 115 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PROGRAM AND APPROVING THE MASTER PLAN FOR BARONI PARK

B. MINUTE ORDER NO. 09-05 — AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH BUTTE COMMUNITY COLLEGE TO PERFORM GRADING AND DRAINAGE WORK AT BARONI PARK

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
DISQ: Gruendl

C. Authorization for staff to initiate the establishment of a maintenance assessment district for maintenance of the park.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to direct staff to provide an update on the procedure, including a time line for the formation of a maintenance district for consideration at the 4/26/05 Council meeting.
The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl  
**NOES:** None  
**DISQ:** Gruendl

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.5. **RESOLUTION NO. 109 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 789) —** At the request of Councilmember Holcombe this item was removed from the Consent Agenda for further discussion.

By memorandum dated 2/18/05, the Director of Public Works forwarded Traffic Regulation Amendment No. 789 which authorized the conversion of a red curb “no parking” area on the Esplanade East Side Drive adjacent to Northern Star Mills to three one-hour metered parking spaces. The Parking Place Commission, at its meeting of 1/19/05, considered and recommended the conversion to metered parking. This will result in an annual increase of approximately $2,000 in revenue to the City. The Parking Place Commission and the Director of Public Works recommended adoption of the resolution. Councilmember Holcombe asked staff for clarification on the three parking places in front of the complex, with one parking space marked for the hair salon. Councilmember Holcombe asked if those spaces were public and if so, could they be metered. Staff indicated that during road construction, the hair salon was given access to one of the parking spaces.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to adopt Resolution No. 109 04-05 and to direct staff to provide Council with a memorandum on the private parking space for the hair salon and whether any additional parking spaces could be metered.

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

2.6. **RESOLUTION NO. 110 04-05 — A RESOLUTION AUTHORIZING THE SENIOR ASSISTANT CITY MANAGER TO SUBMIT AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES UNDER THE URBAN STREAM RESTORATION GRANT PROGRAM AND TO EXECUTE ANY CONTRACTS OR OTHER DOCUMENTS RELATED TO THE GRANT —** This item was removed from the Consent Agenda at the request of Councilmembers Holcombe and Wahl for further discussion.

By memorandum dated 2/15/05, the Park Director reported that the Big Chico Creek Watershed Alliance (BCCWA), Little Chico Creek Watershed Group, Streaminders, Kids and Creeks, and CSU, Chico Research Foundation have requested the City participate in a collaborative application for a grant from the California Department of Water Resources (DWR) Urban Stream Restoration Program. The groups are requesting $300,976 in grant funds for removal of Arundo Donax (Giant Reed) and restoration of flood flow capacity within the Big Chico Creek Watershed area, and development of a creek restoration educational program for elementary schools. This program will help the City Park Department in its existing Arundo Donax eradication efforts, and will begin to address the fire and flood problems caused by Arundo Donax in the Little Chico Creek drainage area. DWR requires a resolution from a local governmental agency as a condition for consideration of a grant proposal. The resolution authorizes the Senior Assistant City Manager to submit the grant application and to execute any contracts or other documents related to the grant if awarded. To meet the 1/25/05 grant submittal deadline, a preliminary application was filed with DWR listing BCCWA as the primary grant applicant and the City as a cosponsor, pending City Council authorization. The Park Director recommended adoption of the resolution.

Councilmember Wahl requested clarification on what entities would make up the collaboration. Park Director Beardsley indicated it would be Big Chico Creek Watershed Alliance (BCCWA), Little Chico Creek Watershed Group, Streaminders, Kids and Creeks, and CSU, Chico Research Foundation. City Manager Lando was disqualified from participating in the discussion due to his close proximity to Lindo Channel. Councilmember Holcombe indicated that he would support the grant application if it was to replace the DWR contract. Staff confirmed that it would.
A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to adopt Resolution No. 110 04-05.

The motion carried by the following vote:

AYES:  Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

NOES:  None

2.7. RESOLUTION NO. 111 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING EXECUTION OF A GRANT AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR THE CHICO URBAN STREAMS ALLIANCE CLEAN CREEKS PROJECT — This item was removed from the Consent Agenda at the request of Councilmember Wahl for further discussion.

By memorandum dated 3/9/05, the Director of Public Works recommended the adoption of a resolution authorizing the Senior Assistant City Manager to execute the grant agreement with the State Water Resources Control Board for the Chico Urban Streams Alliance Clean Creeks Project.

This item was considered previously at the Council meeting of 3/1/05 during which Council requested more information be provided regarding the scope of the grant and agencies involved in the work. This additional information was included in the memorandum. The Director of Public Works recommended adoption of the resolution.

A motion was made by Councilmember Wahl to table this item to allow staff to provide additional information on this item. The motion failed due to the lack of a second.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt Resolution 111 04-05.

The motion carried by the following vote:

AYES:  Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl

NOES:  Wahl

4.2. FUTURE MEETINGS

The City Council scheduled a joint meeting between the Planning Commission and the City Council for April 19, 2005, from 6:30 - 8:30 p.m.

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA — See Items 2.4. and 2.5. under Closed Session.

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Letter dated 2/22/05 from Christina Downer asking the City Council to agendize the preservation and restoration of the El Rey Theatre. She also asked that Council agendize discussion to set guidelines to preserve buildings in Chico that have aesthetic and historical significance and value. Councilmember Herbert announced his disqualification on this item.

The Council concurred to send this item to the next regularly scheduled Internal Affairs Committee meeting with the committee to be provided with a summary of the related history of the Historical Preservation Ordinance. Staff was further asked to check on the possibility of moving the murals.

6.2. Memorandum dated 03/04/05 from the Finance Director reported that the list of claims paid during the month of February 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.
7. **ADJOURNMENT**

Adjourned at 8:10 p.m. to March 22, 2005, at 6:00 p.m. for a Closed Session and then  6:30 p.m., in the Council Chamber for Council to discuss Barber Yard, Southwest Chico, and the Park Avenue Visioning Study.

Date Approved: May 17, 2005

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the March 22, 2005 – Adjourned Regular Chico City Council/Redevelopment Agency meeting to order in the Chico Municipal Center, Conference Room No. Two, 421 Main Street at 6:00 p.m.

Present: Herbert, Holcombe, Kirk, Wahl, Gruendl

Absent: Schwab

Disqual: Bertagna

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.) Councilmember Bertagna disqualified himself on this item.

3. **ADJOURNMENT**

Adjourned at 6:25 p.m. to a City Council/Redevelopment Agency meeting in the Council Chamber.
CALL TO ORDER – Mayor Gruendl called the March 22, 2005 – Adjourned Regular Chico City Council/Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

REGULAR AGENDA

DISCUSSION OF SOUTHWEST CHICO ISSUES

The City Council/Redevelopment Agency scheduled this meeting at the request of Jeffrey Greening, owner of the Diamond Match property to discuss the Park Avenue Visioning Study, the Barber Yard project, and tax increment financing for improvements in the area. By memorandum dated 3/17/05, the Community Development Director and Planning Director reported on the draft Park Avenue Visioning Study, the Barber Yard project, and redevelopment issues in southwest Chico. The City Council was provided with a copy of a letter received 3/21/05 from Sarah Salisbury, a member of the Barber Neighborhood Association.

Tom Ford, a consultant from Design, Community & Environment provided the Council with an overview of the draft Park Avenue Visioning Study. Jeffrey Greening addressed the Council regarding the possible expansion of the study to include the larger southwest Chico Park Avenue neighborhood, as well as the project area, and the need for a committed reinvestment within the project area of the tax increment which he believed would lead to private-sector investment and successful redevelopment. In addition, John Shreve, architect for the Barber Yard project, provided the Council with an overview of the proposed Southwest Chico Redevelopment Project.

Addressing the Council/Agency were Janet Ellner, Sarah Salisbury, Rolland Berger, Michael Pike, Jim Stevens, Greg Burton, Juanita Sumner, and Mike Donnelly.

Councilmember Herbert expressed interest in moving forward on this item since there is an interested party who had taken the initiative to conduct numerous community meetings and is willing to talk about what is best for the community.

Mayor Gruendl also supported moving forward and suggested that the area of the visioning study be expanded to include the area between Little Chico Creek and Comanche Creek, including Fair Street as well.

Councilmember Holcombe offered his support in expanding the study as well as looking at this particular area and how it fits in as part of the Chico Amended and Merged redevelopment project area. He stated that he wanted to keep the focus on this area as a gateway to our community and that Park Avenue should be used as a connector between the neighborhoods. Walkability is also a key issue that he felt should be considered.

Mayor Gruendl asked about the Redevelopment Agency boundary lines and whether there was potential for expansion, including the Comanche Creek area.

The City Manager indicated Comanche Creek is included but stated that the expansion of the boundary lines for the redevelopment areas would be a County decision, not the City’s.

Councilmember Bertagna encouraged the Council to not lose sight of the opportunity being brought forward by an individual willing to work with the City. He also agreed that perhaps staff should contract out for some help on expanding the visioning study.
The City Manager stated that, given the workload, he felt that staff should first complete this portion and then as a separate work item, expand the visioning study to include the additional areas as requested by Council. He felt that it would be difficult to complete it with all the other priorities that have been identified for staff. The City Manager stated that while staff could possibly contract out for assistance it would be dependent on the level of staff review desired by the Council. There was the possibility of using the same consultant since Council had provided direction to have the study expanded to include the area from Little Chico Creek and Comanche Creek along with Fair Street. The City Manager suggested that Council consider this in a larger discussion that should be held regarding current Planning Department priorities at its meeting of 4/26/05. Council agreed.

Vice Mayor Kirk and Councilmember Schwab agreed that the neighbors should be asked what type of improvements they want in their neighborhood, if any.

Staff indicated that neighborhood meetings could be held to gather this information.

The City Council then directed staff to expand the visioning study to include the area between Little Chico Creek and Comanche Creek, including Fair Street, keeping a focus on the area as a gateway into our community with an emphasis on walkability. Staff was further directed to provide the Council with recommendations at its work session scheduled for 4/26/05 on how the neighborhood meetings would be structured and whether staff, a subcommittee of the Council, or the full Council would conduct those meetings.

2.2. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

3. BUSINESS FROM THE FLOOR

Kaivan Farahmand addressed his concerns to the Council regarding how he was treated by the Chico Police Department when he was in the downtown area on St. Patrick’s Day. The City Manager stated that Council would be provided with the details regarding this situation.

4. ADJOURNMENT

Adjourned at 9:07 p.m. to April 5, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: May 17, 2005

Deborah R. Presson, City Clerk
REGULAR CHICO REDEVELOPMENT AGENCY MEETING — April 5, 2005
Minutes

1. CALL TO ORDER – Mayor Gruendl called the April 5, 2005 – Regular Chico Redevelopment Agency Meeting to order at 6:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Pastor Neal Neuenburg, Aldersgate United Methodist Church

1.3. Roll Call
   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

1.4. Closed Session Announcement – No Closed Session held.

1.5. Proclamation — Proclaiming April as “Child Abuse Prevention Month”

1.6. Recognition of Reserve Units returning from Iraq and Afghanistan:
   Alpha Company 579th Engineer Battalion, attached to the 81st Brigade Combat Team, California National Guard, Operation Iraqi Freedom II 2004-05
   Sgt. 1st Class Darrell Taylor  Staff Sgt. Eugene Schoen  Staff Sgt. Francisco Carrillo
   Staff Sgt. Timothy McClurg  Staff Sgt. Jonathan Simmons  Sergeant Rodney Brooks
   Sergeant William Fennell  Sergeant Bruce Himelright  Specialist Sean Farley
   Specialist William Gable  Specialist Buck Garrett  Specialist Robert Ratajczak
   Specialist Christopher Ulen  Specialist Nick Starzer  Specialist Mervyn Stephens
   Specialist Jasonne York  Specialist Sesar Gonzalez  Specialist John Nakaishi

   K9 Mine Detection, Charlie Company 579th Engineer Battalion, 67th Mine Dog Detachment, California National Guard, attached to the 10th Mountain Division, Operation Enduring Freedom IV 2003-04, Afghanistan
   Sergeant Douglas Shaw

   Councilmember Wahl left the Council Chamber at 6:50 p.m.

2. CONSENT AGENDA – None

3. NOTICED PUBLIC HEARINGS – None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None

4.2. DISCUSSION AND CONSIDERATION OF ISSUANCE OF TAX ALLOCATION BONDS

   Agency staff requested Agency authority to proceed with a preliminary financial analysis regarding the potential issuance of redevelopment tax allocation bonds which staff believed may provide some protection from further State raids of redevelopment funds. This analysis would tie into the discussion of potential redevelopment projects scheduled for the Redevelopment Agency meeting of 4/26/05. Receiving direction at this meeting would allow more comprehensive information to be available for Agency consideration at the April work session. There was no written report for this item.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to direct staff to proceed with the analysis for consideration at the Agency meeting of 4/26/05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** – Mayor Gruendl called the meeting to order at 6:52 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: Wahl - returned to the Council Chamber at 6:55 p.m.

2. **CONSENT AGENDA** – A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the following Consent Agenda:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO PROVIDE FOR PLACEMENT OF SIDEWALK PLANTERS WITHIN THE CENTRAL BUSINESS DISTRICT** - Introductory Reading

At its 3/01/05 meeting, the City Council approved (5-0, Wahl and Schwab disqualified) the Internal Affairs Committee’s recommendation to amend the Chico Municipal Code to establish a permit process to allow for the placement of decorative planters on downtown sidewalks. The Council also approved the Committee’s recommendation to establish a $23 fee to cover the City’s cost to process and administer the permits, with the clarification that the fee be assessed for each permit and not for each planter. Therefore, the ordinance would add a new Chapter 14.80 to the Chico Municipal Code entitled “Placement of Sidewalk Planters within the Central Business District.” This project has been determined to be exempt from environmental review pursuant to Sections 15301 (a) and 15061 (b)(3) of the State CEQA Guidelines in that it will result in minor alterations to existing public facilities (sidewalks) and has no potential for causing a significant effect on the environment since safe pedestrian access will continue to be provided along each sidewalk in the Central Business District in accordance with adopted City standards. A fee schedule resolution will be agendized with final reading and adoption of the ordinance. The City Manager recommended introduction of the ordinance by reading of the title only. Councilmember Schwab was disqualified on this item.

2.2. **RESOLUTION NO. 116 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING A USE PERMIT FOR A SECOND DWELLING AT 178 EAST WASHINGTON AVENUE (UP 04-24)**

By memorandum dated 3/15/05, Principal Planner Bishow reported that at its meeting of 3/01/05, the City Council approved a motion of intent to grant an appeal and deny a use permit for a second dwelling at 178 East Washington Avenue (UP 04-24). The Council found that the proposed conversion of a non-conforming structure to a second dwelling would result in excessive noise, would not be compatible with the surrounding neighborhood, and would be detrimental to the health, safety, and general welfare of persons residing in the neighborhood. The Planning Director recommended adoption of the resolution. Councilmember Holcombe was disqualified on this item.

2.3. **RESOLUTION NO. 117 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO AMEND THE CITY OF CHICO SPHERE OF INFLUENCE AND TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - EATON ROAD ANNEXATION DISTRICT NO. 3**

By memorandum dated 03/10/05, the Assistant Community Development Director forwarded a report on the initiation of an amendment of the City of Chico Sphere of Influence to include 240 acres located north of Sycamore Creek and southwest of the Chico Municipal Airport, and the annexation of those properties and three others south of Sycamore Creek along Eaton Road to the City limits, totaling 358 acres. The properties south of Sycamore Creek are designated and zoned for a variety of residential densities and mixed use; the properties north of the creek are designated and prezoned for industrial use, with a resource management overlay. Property owners were listed in the annexation summary. In accordance with adopted LAFCo policy, the City must adopt a resolution to initiate a sphere of influence amendment and the annexation of property to the City. The Assistant Community Development Director recommended adoption of the resolution.
2.4. RESOLUTION NO. 118 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DECLARING PUBLIC NUISANCE AND SETTING TIME FOR HEARING ON OBJECTIONS TO ABATEMENT AND ASSESSMENT OF COSTS RELATING TO THE ABATEMENT OF WEEDS, RUBBISH, REFUSE AND/OR DEBRIS

By memorandum dated 3/17/05, Projects Manager Wood reported that the Lot Cleaning/Weed Abatement Program is conducted each year under the provisions of the California Government Code. Pursuant to those provisions, the City is required to inspect properties located within the City limits and determine which properties contain weeds, rubbish, refuse, and/or debris which constitute a fire hazard, or may become a fire hazard, if not abated.

Adoption of this resolution declared that noxious, combustible, or dangerous weeds and/or rubbish, refuse, and/or debris existing on the properties set forth on Exhibit “A” attached to the resolution constitute, or have the potential to constitute, a public nuisance which must be abated. The resolution also sets a public hearing for Tuesday, 5/3/05. The purpose of the hearing is to consider all objections to the proposed removal of weeds, rubbish, refuse, and/or debris, and the assessment of the cost of such removal and to set a deadline for the removal of weeds, rubbish, refuse, and/or debris. The Projects Manager recommended adoption of the resolution.


At its 12/7/04 meeting the City Council adopted Resolution No. 68 04-05 authorizing the City Manager to submit an application for grant funds from the Roberti-Z’berg-Harris Urbanized Area Need-Basis Program under the California Clean Water, Clean Air, and Safe Neighborhood Parks and Coastal Protection Act of 2002, and to execute grant funding agreements with the California Department of Parks and Recreation. The grant application, which was submitted on 12/10/04, requested $200,000 in grant funds to help replace the Sycamore Pool Dam at the One Mile Recreation Area. However, the California Department of Parks and Recreation recently notified staff that the resolution that was adopted by Council did not include the language and format required by the grant guidelines. By memorandum dated 3/23/05, the Park Director submitted a new resolution which rescinds Resolution No. 68 04-05 and authorizes the same actions set forth above. The Park Director recommended adoption of the resolution. Councilmember Holcombe abstained on this item.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl
ABSTAIN: Holcombe - Item 2.5.
DISQUAL: Holcombe - Item 2.2. and Schwab - Item 2.1.

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON THE 2005-06 DRAFT ANNUAL PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM, AND HOME INVESTMENT PARTNERSHIP (HOME) PROGRAM, AND THE DRAFT FIVE YEAR CONSOLIDATED PLAN FOR CDBG AND HOME PROGRAM FUNDS – The City Council acted in its capacity as both the City Council and the Redevelopment Agency for consideration of this item.

A. By memorandum dated 3/24/05 the Housing Officer reported that the City will receive $1,727,694 of Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds for the 2005-06 program year. The memorandum included a list of proposed housing and community development activities recommended by the Finance Committee at its 2/23/05 and 3/23/05 meetings for inclusion in the City’s draft annual plan and the two activities set forth in B. and C. below which are recommended for funding from existing funds. The Committee also reviewed the Five Year Consolidated Plan.
At this meeting, the City Council conducted the first of two public hearings to receive citizen input on the use of CDBG and HOME funds in compliance with the Citizen Participation requirements of the U.S. Department of Housing and Urban Development (HUD). A second hearing and adoption of the final Annual Plan and Consolidated Plan will be scheduled for the City Council meeting of 5/17/05. Councilmember Wahl was absent during this portion of the meeting. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to: (1) adopt the draft Annual Plan; (2) adopt the draft Five Year Consolidated Plan; and (3) direct staff to publish the draft Annual Plan and summary of the Five Year Consolidated Plan as part of a 30-day public comment period.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl

B. At the Finance Committee’s meeting of 3/23/05, the Committee recommended approval of a request from Habitat for Humanity for funding in the amount of $400,000 for the acquisition of building lots, and also recommended an allocation of $10,000 for appraisal and environmental expenses. The minute orders below authorize the execution of a grant agreement for City HOME funds and a loan agreement for Agency Low and Moderate Income Housing Funds. An administrative supplemental appropriation/budget modification confirming the budget adjustments set forth in the minute orders will be processed following this meeting.

Councilmember Wahl returned to the Council Chamber at 6:55 p.m.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to approve the following minute orders:

MINUTE ORDER NO. 10-05 — AUTHORIZING THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH HABITAT FOR HUMANITY OF CHICO FOR USE OF HOME FUNDS TO ACQUIRE PROPERTY FOR HABITAT FOR HUMANITY’S BUILDING PROGRAM AND APPROVAL OF BUDGET ADJUSTMENTS (City Council Action)

RDA MINUTE ORDER NO. 01-05 — AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A LOAN AGREEMENT WITH HABITAT FOR HUMANITY OF CHICO FOR USE OF AGENCY FUNDS TO ACQUIRE PROPERTY FOR HABITAT FOR HUMANITY’S BUILDING PROGRAM AND APPROVAL OF BUDGET ADJUSTMENTS (Agency Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. The Committee also recommended (2-1, Wahl opposed) approval of a request from the Community Action Agency of Butte County for funding assistance in the amount of $200,000 for an operating subsidy during implementation of the Esplanade House transitional housing program. The minute order listed below authorizes execution of a grant agreement for use of Chico HOME funds. An administrative budget modification confirming the budget adjustments set forth in the minute order will be processed following this meeting.

A motion was made by Councilmember Herbert and seconded by Councilmember Holcombe to approve the following minute order:

MINUTE ORDER NO. 11-05 — AUTHORIZING THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH COMMUNITY ACTION AGENCY OF BUTTE COUNTY FOR $200,000 OF HOME FUNDS AND APPROVAL OF BUDGET ADJUSTMENTS (City Council Action)
The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **DISCUSSION AND DIRECTION REGARDING THE FUTURE OF THE BIDWELL RANCH PROPERTY**

By memorandum dated 3/29/05, the Planning Director provided additional background for this discussion, including summaries of several proposals for acquisition of the property as well as correspondence received regarding this matter. The Council was asked to provide direction to staff regarding: (1) initiating a general plan amendment and rezoning of the property, (2) conveying all or part of the property to a public or private entity for conservation; (3) conveying all or part of the property to a private party or entity for development and conservation; (4) a combination of these options; and (5) preparation of a management plan. Regardless of whether the property is redesignated to open space, the Planning Director recommended that the Council provide direction to staff to prepare a management plan for the Bidwell Ranch property.

Addressing the Council supporting the rezone to open space were John Harmon, Billie Crosby, Jim Garton, Gloria Bettencourt, Phil Johnson, Randy Lassen, Suellen Rowlison, Jerry Olio, Elizabeth Devereux, Greg Miller, Vita Segalla, Tom Nickel, Grace Marvin, Jeff Carter, Andy Tomaselli, John Sun, Carol Wright, Nancy Praizler, John Larkin, Stan Olbert, Chester Conway, Randy Larsen, Karen Kite-Montana, John Merz, Todd Hall, Barbara Vlamis, Victoria Hunt, Christina Downer, Laurel Blankenship, Estela Salazar, Regina Buckner, Saul Henson, Diane Suzuki, Nancy Park, David Guzzetti, Steve Mardigian, Michael McGinnis, Kristyna Demasu, Brad Power, Nita Torres, Kathy Ramirez, and Lou Russell.

Addressing the Council in support of sending the issue to the voters were Cynthia Van Auken, Marilyn Ey, Alan Chamberlain, Jim Gardner, Pete Weber, Bob Linscheid, Howard Slater, Jim Goodwin, Rick Coletti, Jolene Francis, David Bisson, Rodney Krebs, Stan Olberg, Mark Sorenson, Rene Vercruyssen, Pete Carr, Lon Russell, Elizabeth Patterson, Lee Altier, Jackie Santos, Jason Bougie, Karen Van Ness, Steve Genezes, and Gino Fiori.

It was noted that the Council received letters opposing the sale of the Bidwell Ranch property and supporting a rezone to open space from Kathy Christian, Amy Murray, Hilary Locke, The Bidwell Ranch Conservancy, Laurie Feldman, Grace M. Marvin, Chair, Sierra Club - Yahi Group, Jim Dwyer, Paul and Debra Abbott, Nani Teves, and Jonas Herzog.

Council also received letters from Cynthia Van Auken, Jim Goodwin, Stephen Mardigan, Kenneth Derucher, Kenneth Sanchez, and Henri Brachais.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to send the possible rezone to the voters.

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl
A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to direct staff to: (1) initiate or reinstate a prior rezone process to rezone this land as open space; (2) solicit proposals for the creation of a management plan, which would include a full range of alternatives, including the possibility of using the land for wetland mitigation and/or grazing; and (3) proceed on the rezone only after receipt of the letter regarding the issue of mitigation credit from the Army Corp of Engineers.

The motion carried due to the following vote:

**AYES:** Holcombe, Kirk, Schwab, Gruendl  
**NOES:** Bertagna, Herbert, Wahl

4.3. **COMMITTEE RECOMMENDATION OF CRITERIA FOR THE NAMING OF A LOCATION TO HONOR DR. MARTIN LUTHER KING, JR.**

Mayor Gruendl and Councilmember Bertagna have met with representatives from the Chico Area Recreation and Park District (CARD) Board of Directors and developed proposed criteria for respective agency review and approval. Once criteria is adopted, the next step will be to apply the criteria to potential locations. The City Council was provided with a staff report dated 3/17/05 from Mary Cahill, General Manager of CARD, which included an agenda and meeting notes from the joint meetings. Council was also provided with a letter received 3/22/05 from Mharia Ron-Walcott. Addressing the Council on this item were Ed Segal, Emily Alma, and Diane Suzuki.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the criteria as defined by the committee.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

4.4. **INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF USE PERMIT 04-69 (BALKEN/CONDOS) TO AUTHORIZE THE CONVERSION OF AN EXISTING DETACHED GARAGE LOCATED AT 473 EAST 1ST AVENUE INTO A NON-OWNER-OCCUPIED SECOND DWELLING UNIT**

By memorandum dated 3/15/05, Assistant Planner Redeker reported that at its 2/17/05 meeting, the Planning Commission voted (4 in favor, 2 opposed, 1 absent) to approve, with conditions, a use permit to authorize the conversion of an existing detached garage located at the rear of 473 East 1st Avenue into a non-owner-occupied second dwelling unit. A timely appeal was filed by Ken Fleming. The subject property is designated Low Density Residential on the City of Chico General Plan Diagram and is located in an R1 Low Density Residential zoning district. The Planning Director recommended that the City Council take no action, thereby denying the appeal. Addressing the Council in support of hearing the appeal were Karen Laslo, Ken Fleming, Kasey Merrill, and Melinda Vasquez. Speaking in opposition to hearing the appeal was Bob Condas.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to take no action, thereby denying the appeal.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Kirk, Wahl  
**NOES:** Holcombe, Schwab, Gruendl

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| Council agreed to extend the meeting to 10:15 p.m. |
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CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON MARCH 9, 2005

By memorandum dated 3/10/05, the Internal Affairs Committee provided a report on its meeting held on 3/9/05. Committee members present were Councilmembers Holcombe, Schwab, and Herbert, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Termination of Agreement with the Department of Water Resources (DWR) for the Maintenance of Little Chico Creek. The Committee recommended (3-0) giving DWR notice of intent to terminate the agreement along with simultaneously requesting establishment of a cooperative process on issues relating to maintenance of Little Chico Creek with DWR, any non-profit agencies affected, and property owners.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to approve the following minute order:

MINUTE ORDER NO. 12-05 – AUTHORIZATION FOR CITY MANAGER TO GIVE A NOTICE OF INTENT TO TERMINATE AGREEMENT WITH THE STATE DEPARTMENT OF WATER RESOURCES FOR THE MAINTENANCE OF LITTLE CHICO CREEK

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. Consideration of an Amendment to the Chico Municipal Code Regarding Placement and Storage of Trash and Recycling Containers Within the Central Business District. The Committee recommended (2-0, Schwab disqualified) amending CMC Section 8.12.085 which limits the time trash and recycling containers can be set out for collection, conditioned upon clarifying the definition of the Central Business District in the ordinance.

By letter dated 3/29/05, Katrina Davis, Executive Director, Downtown Chico Business Association, requested that the City Council consider modifying the time limits in the ordinance from 5:00 p.m. - 9:00 a.m. to 5:00 p.m. - 9:30 a.m.

A motion was made by Councilmember Bertagna and seconded by Councilmember Schwab to introduce the following ordinance, amending the time limits in the ordinance to 5:00 p.m. - 9:30 a.m.

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO ESTABLISH TIMES FOR PLACEMENT OF SOLID WASTE AND RECYCLING CONTAINERS FOR COLLECTION WITHIN THE CENTRAL BUSINESS DISTRICT
- Introductory Reading

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

C. Discussion of the Potential Development of Properties Presently Located Within the Unincorporated Area of Butte County in the Vicinity of Keefer Road. The Committee asked (3-0) Mr. Kohrdt to submit a written proposal so that it could be considered by the full Council. The proposal is being included with the staff report for Item 4.2.

D. Consideration of Circulation Commission Proposal to Evaluate Transportation Issues. The Committee directed staff (3-0) to develop a recommendation on how a task force or committee might be set up to look at transportation issues in the context of the General Plan update. The Committee asked for a response to be brought back within 60 days.
E. **Consideration of Future Use of Abandoned Railroad Right-of-Way West of the Midway.**
   This item was tabled and will be heard at the meeting of 4/13/05.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to accept the report and recommendations from the Internal Affairs Committee on its meeting held on March 9, 2005.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.6. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

5. **BUSINESS FROM THE FLOOR** — None

6. **REPORTS AND COMMUNICATIONS**

   The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Letter dated 3/9/05 from Tony Symmes asking the City to consider selling its property located at the corner of Humboldt Road and Notre Dame Boulevard across from Hank Marsh Junior High for development of affordable housing. The Council previously considered this request at its meeting of 4/20/04.

   A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to agendize this item at a future meeting in May. The motion carried 4-3, with Kirk, Holcombe and Schwab voting against.

6.2. Community organization funding request form for Fiscal Year 2005-06, along with letters dated 2/27/05 and 3/16/05 from Lori Beth Way, representative of the Chico Cat Coalition, requesting acceptance of the funding request which was submitted after the application period closed on 2/25/05. This request will be scheduled for consideration by the Finance Committee at its 4/14/05 meeting.

6.3. Letter received 3/22/05 from Tom Stevens, Head Coach and General Manager of the Chico Nuts American Legion Baseball Club, asking that the amendments to Title 19 which would allow the placement of antennas on light standards and other structures in Open Space zoning districts that was originally heard by City Council on 2/15/05 be reopened solely as it pertains to Hooker Oak Recreation Area. Councilmember Bertagna was disqualified on this item. A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to agendize this item for discussion at a future meeting in May. The motion carried 6-0 -1, with Councilmember Bertagna disqualified.

6.4. Letter dated 3/18/05 from Will Escobar, Executive Director, Hispanic Business Association, requesting out of cycle funding in the amount of $7,500 for "Chico Cinco de Mayo Fiesta 2005" scheduled for 4/30/05.

7. **ADJOURNMENT**

   Adjourned at 10:37 p.m. to April 19, 2005, at 6:30 p.m., in the City Council Chamber for a joint meeting with the Planning Commission.

Date Approved: July 19, 2005

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the April 19, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room No. One at 6:30 p.m.

1.1. Flag Salute

1.2. Roll Call

**City Council**
Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

**Planning Commission**
Present: Kelly, Schiffman, Brownell, Monfort, Luvaas, O’Bryan, Alvistur
Absent: None

2. **REGULAR AGENDA**

2.1. **JOINT CITY COUNCIL/PLANNING COMMISSION WORKSHOP TO DISCUSS ROLES AND COORDINATION, AS WELL AS OTHER ISSUES OF MUTUAL CONCERN**

By memorandum dated 4/14/05, the Planning Director suggested topics to be discussed, which included: (1) roles of the Council and Commission; (2) appeals; (3) second dwelling units; (4) the General Plan; (5) ex parte communications; and (6) residential densities with the memo including background on each of these topics. Planning Director Seidler provided an overview on the role of the Commission.

By attached memorandum also dated 4/14/05, the Planning Director provided additional background on second dwelling units. Letters and emails were received and provided to the Council from Ken Fleming, Michele Shover, Judy Stolen, and Barbara Reed. At the request of Councilmember Wahl, Planning Commission attendance records for 2004 and 2005 were also provided.

Planning Director Seidler provided an overview of the roles and responsibilities of the Planning Commission as contained in Chico Municipal Code Section 2.52.020. He also reviewed the appeal process, the overall General Plan process and residential densities. A history was provided on second dwelling unit regulations currently in effect.

Vice Mayor Kirk indicated that many of the second dwelling units which have been approved recently by the Planning Commission were approved with numerous exceptions or variances which she believes could hold a potential health and safety risk to the neighborhoods. She suggested that regulations could be made more restrictive, with the number of variances limited. She also asked if it was possible to limit approval authority of the Zoning Administrator to only those permits that meet all requirements. She expressed concern regarding alleys and the condition of those alleys being further impacted by a second dwelling unit. Vice Mayor Kirk asked if there was a way to determine the number of units that could be supported by an alley. It was noted by staff that second dwelling units could be built anywhere it was allowed by zoning which may or may not be adjacent to an alley.

Councilmember Holcombe stated that he believed requiring owner occupancy only in the overlay zone is a problem.

Councilmember Bertagna indicated that he was not sure that an owner occupancy requirement solves the problem currently experienced with second dwelling units.

Councilmember Herbert commented that perhaps a specified maximum number of variances could be established for future use permits.
Mayor Gruendl provided a summary of possible options to be reviewed by staff. They included:

1. Direction related to converting garages;
2. Limiting the number of variances;
3. Affordability;
4. Control of second dwelling unit concentration;
   a. Annual
   b. Competitive
   c. Possible districts
5. Issues related to alleys;
6. Owner occupied requirement; and
7. Issues related to approvals granted by Zoning Administrator.

Based on the input from the members of the Planning Commission and staff, there was consensus that standards should be developed that would aide in the review and possible approval of second dwelling units. Staff indicated that they would develop possible options that would be consistent with Council direction.

City Manager Lando confirmed that staff could outline the issues in more detail but reminded the Council that many of the items mentioned at this meeting were policy issues and would need to be agendized for discussion at a future meeting. This would allow a full discussion open to public input with Council providing direction to staff for final action.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to limit public input to one minute per speaker.

The motion passed by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

Addressing the Council and Planning Commission regarding second dwelling units were Karen Laslo, Susan Mason, Ken Fleming, and two other speakers both unidentified.

Staff provided the Council and Planning Commission an overview regarding residential densities, specifically those parcels currently zoned R-2, which currently totals 300 parcels.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to agendize the consideration of residential densities at a future meeting for action by the Council.

The motion passed by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

The City Attorney provided the Council and Planning Commission with an overview of the regulations associated with ex parte communications. Staff will provide the Council with additional clarification on the definition of quasi-judicial proceedings.

Councilmember Wahl asked that staff and Council continue to look at private viewshed restrictions and street width standards. Councilmember Holcombe expressed a desire to look at form based zoning, walkability issues, and mixed use densities.

Staff was directed to (1) provide additional information on quasi-judicial/ex parte communications to the Council; (2) review standards for accessory buildings, street width standards, definition of neighborhoods, and how form based zoning would address these issues.
2.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

3. **BUSINESS FROM THE FLOOR**

Unidentified speaker asked that Council agendize consideration of affordability issues and inclusionary zoning.

Ken Fleming asked the Council to address illegal units.

Susan Mason asked that Council consider a residential business license for second dwelling units or rentals.

Karen Laslo asked that Council consider granting the Architectural Review Board more authority.

4. **ADJOURNMENT**

Adjourned at 8:50 p.m. to April 26, 2005, at 8:30 a.m., in the City Council Chamber for an adjourned regular work session.

Date Approved: July 19, 2005

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the April 26, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, 421 Main Street at 8:30 a.m.

2. **CLOSED SESSION** – The City Council agreed to consider these matters at 1:30 p.m. in Conference Room No. 2, Chico Municipal Center.

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:** The City Attorney reviewed the following: *LVV Enterprise, LLC, et al. v. City Council of the City of Chico, et al.*, Butte County Superior Court Case No. 134638. (Gov. Code Sec. 54956.9(a).)

2.3. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION:** The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

   Adjourned at 2:15 p.m. to a City Council meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Gruendl called the April 26, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 8:30 a.m.

1.1. Flag Salute

1.2. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.3. Recognition of Captain Mark Richey returning from Iraq and Afghanistan.

2. **CONSENT AGENDA** – None

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **BUDGET REVIEW**

The Chico Redevelopment Agency was provided with and considered the following documents:

- Chico Amended and Merged Redevelopment Project Area Trends and Projections
- Chico Amended and Merged Low and Moderate Income Housing Fund Summary

4.3. **CONSIDERATION OF POTENTIAL REDEVELOPMENT PROJECTS**

At its meeting held 02/23/05, the Finance Committee reviewed a draft list of potential redevelopment projects to be considered by the Agency at today’s meeting. By memorandum dated 04/18/05, the Executive Director forwarded an updated version of the list which has been modified to fit the fiscal constraints of estimated available redevelopment funding. Councilmember Schwab was disqualified on the Municipal Parking Lot No. 1 consideration and Councilmember Bertagna was disqualified on the Mangrove Avenue/Cohasset Road Reconstruction item.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve $500,000 for the Municipal Parking Lot No. 1 parking structure public outreach, design, and determination of preferred alternatives for a multi-story parking structure.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Wahl, Gruendl
**NOES:** None
**DISQ:** Schwab

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve $1,309,011 for the Mangrove Avenue/Cohasset Road Reconstruction for the roadway reconstruction from East 1st Avenue to East Avenue. Project includes planting street trees and the installation of an island median on Mangrove Avenue at various locations between East 1st Avenue and East 9th Avenue.
The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the remaining projects recommended for funding in 2005-06.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to approve a placeholder for the purchase of the Thomasson property located by Comanche Creek for up to $5,000,000.

The motion failed due to the following vote:

AYES: Holcombe, Schwab, Gruendl
NOES: Bertagna, Herbert, Kirk, Wahl

A motion was made and then withdrawn by Councilmember Schwab to add a bicycle path undercrossing of Pine and Cypress Streets at Annie’s Glen.

The Executive Director reviewed the list of potential projects recommended for 2006-07 through 2010-11, estimated redevelopment funding and the potential projects beyond 2010-11 and recommended that: (1) the estimated redevelopment funding for the community gymnasium be increased to $5 million; (2) that the Community Center and Community Park improvements be moved from the Beyond 2010-11 category to the 2006-07 through 2010-11 category; and (3) that Downtown bulbings at the estimated cost of $1.2 million be added back into the 2006-07 through 2010-11 category.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk for conceptual approval of the potential projects beyond 2005-06, with the Executive Director’s recommended changes and an acknowledgment that architectural and engineering work may be contracted as needed.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.4. CONSIDERATION OF ISSUING 2005 TAX ALLOCATION BONDS

In connection with its 02/23/05 discussion of potential redevelopment projects, the Finance Committee asked a number of questions related to bond financing and requested staff to provide additional information to the Agency at this meeting. By memorandum dated 04/18/05, the Executive Director forwarded a letter dated 04/12/05 from Suzanne Harrell, the City’s financial advisor, which answers the Committee’s questions and outlines the preliminary financial analysis. Ms. Harrell and Chick Adams, the City’s bond counsel, were in attendance at this meeting.

The Agency conceptually approved engaging consultants for the professional services to proceed with structuring the bonds. Staff indicated that the authorizing resolution would be placed on the Agency’s 05/17/05 agenda.

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. ADJOURNMENT — Adjourned to a City Council meeting.
1. **CALL TO ORDER** – Mayor Gruendl called the April 26, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. **CONSENT AGENDA** – Items 2.2., 2.7., and 2.9. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the remaining Consent Agenda items:

2.1. **ORDINANCE NO. 2316 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO PROVIDE FOR PLACEMENT OF SIDEWALK PLANTERS WITHIN THE CENTRAL BUSINESS DISTRICT** - Final Reading and Adoption

RESOLUTION NO. 120 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY'S FEE SCHEDULE (AMENDMENT NO. 291-PUBLIC RIGHT-OF-WAY OUTDOOR PLANTER PERMIT FEE)

At its 4/05/05 meeting, the City Council approved (5-0, Schwab disqualified and Wahl absent) the Internal Affairs Committee’s recommendation and the introductory reading of an ordinance to amend the Chico Municipal Code to establish a permit process to allow for the placement of decorative planters on downtown sidewalks. The Council also approved the Committee’s recommendation to establish a $23 fee to cover the City’s cost to process and administer the permits, with the clarification that the fee be assessed for each permit and not for each planter. By memorandum dated 4/12/05, Management Analyst Herman submitted the resolution amending the fee schedule and the ordinance for final reading and adoption. This project has been determined to be exempt from environmental review pursuant to Sections 15301 (a) and 15061 (b)(3) of the State CEQA Guidelines in that it will result in minor alterations to existing public facilities (sidewalks) and has no potential for causing a significant effect on the environment since safe pedestrian access will continue to be provided along each sidewalk in the Central Business District in accordance with adopted City standards. The City Manager recommended adoption of the ordinance and the resolution by reading of the titles only. Councilmember Schwab and Wahl announced they were disqualified on this item.

2.2. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO ESTABLISH TIMES FOR PLACEMENT OF SOLID WASTE AND RECYCLING CONTAINERS FOR COLLECTION WITHIN THE CENTRAL BUSINESS DISTRICT** - Final Reading and Adoption — This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

2.3. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY IDENTIFIED AS THE WESTERLY 1.13 ACRES OF A PARCEL LOCATED AT THE SOUTHWEST CORNER OF HENSHAW AVENUE AND THE ESPLANADE (ASSESSOR’S PARCEL NO. 006-530-003) FROM CC COMMUNITY COMMERCIAL TO R2 MEDIUM DENSITY RESIDENTIAL (GENERAL PLAN AMENDMENT/REZONE 04-10 AGASY, INC.)** - Introductory Reading

By memorandum dated 03/30/05, Senior Planner Sigona reported that at the Planning Commission meeting of 03/17/05, the Commission voted 6-0 (Alvistur absent) to forward a recommendation of approval to the City Council for a proposed General Plan Amendment and rezone of 1.13 acres, located on the south side of Henshaw Avenue, 245 feet west of the Esplanade, Assessor’s Parcel No. 006-530-003, from Community Commercial/CC land use designation/zoning to Medium Density Residential/R2 (4.01 to 14 units per acre) land use designation/zoning. A mitigated negative declaration of environmental impact is proposed for this project pursuant to the California Environmental Quality Act (CEQA). The Planning Commission and Planning Director recommended that the City Council: (1) introduce the rezone ordinance by the reading of the title only; and (2) schedule a public hearing at the 5/17/05 City Council meeting for approval of the mitigated negative declaration, and final adoption of the General Plan amendment and the rezone ordinance.

By memorandum dated 3/29/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of one parcel, with a total area of .35 acres, located at 823 Oak Lawn Avenue. The parcel is developed with a single residence, and creation of an additional lot for single family residential development is proposed, requiring connection to the sanitary sewer. The Assistant Community Development Director recommended adoption of the resolution.

2.5. **MINUTE ORDER NO. 13-05 — AUTHORIZATION FOR CITY MANAGER TO ACCEPT AND CONSENT TO THE ACQUISITION OF RIGHT OF WAY ON EAST FIRST AVENUE IN CONNECTION WITH THE CONSTRUCTION OF AN ADDITIONAL LANE AT THE NORTHBOUND OFF-RAMP OF THE SHR 99/EAST FIRST AVENUE INTERCHANGE**

The State Department of Transportation (Caltrans), in cooperation with the Butte County Association of Governments, will be constructing auxiliary lanes on the section of State Route 99 between the State Route 32 and East First Avenue interchanges. Phase One of the project adds a lane to the northbound off-ramp at East First Avenue and will involve road widening to accommodate the lane. Caltrans will negotiate and pay for temporary construction easements and/or right of way easements needed for the project adjacent to existing City right of way on East First Avenue. Caltrans has requested that the City accept ownership of the right of way after acquisition. This minute order authorizes the City Manager to accept right of way deeds for those properties affected. No City funding is required for the acquisition. The Senior Assistant City Manager recommended approval of the minute order.

2.6. **DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - VINO 100 (704 MANGROVE AVENUE, CHICO)**

By memorandum dated 4/13/05, the Community Development Director recommended that the City Council make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of on-sale and off-sale alcoholic beverage licenses for Vino 100, located at 704 Mangrove Avenue, Chico. The Community Development Director recommended a determination of public convenience or necessity. Councilmember Wahl was disqualified on this item.

2.7. **APPROVAL OF SUPPLEMENTAL APPROPRIATION TO FUND THE STATE MANDATED MUNICIPAL SERVICE REVIEW** — This item was removed from the Consent Agenda at the request of Councilmember Wahl and heard under Item 4.1.

2.8. **APPROVAL OF SUPPLEMENTAL APPROPRIATION TO PROVIDE FUNDING FOR EQUIPMENT IN THE POLICE DEPARTMENT COMMUNICATIONS CENTER TO ENSURE WORKSTATIONS ARE ERGONOMICALLY CORRECT**

Funds were allocated in the 2002-03 Annual Budget to acquire dispatch consoles and chairs to ensure that workstations used by Public Safety Dispatchers were ergonomically correct. It was subsequently determined that the Communications Center was not large enough to accommodate the consoles and the budgeted funds were not spent. The Police Department currently is working on a space needs analysis which will include alternatives for a permanent solution to the ergonomic challenges currently faced by dispatchers, but it is likely to be two to three years before a permanent solution is in place. This supplemental appropriation would allocate $50,000 from the General Fund (001) to acquire and install equipment in the Police Department Communications Center to ensure ergonomically correct workstations for use by Public Safety Dispatchers. The City Council was provided with the General Fund (001) fund summary which reflects the 06/30/05 estimated fund balance. The City Manager and Chief of Police recommend approval of the supplemental appropriation.

2.9. **APPROVAL OF REQUEST TO BUTTE COUNTY TO IMPLEMENT POLICIES RELATED TO DEVELOPMENT WITHIN THE AREA OF CONCERN** — This item was removed from the Consent Agenda at the request of Councilmember Wahl and heard under Item 4.1.
2.10. APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 2/15/05, 2/22/05, AND 3/1/05

The City Council was provided with the minutes of its meetings held on 2/15/05, 2/22/05, and 3/1/05.

2.11. ACCEPTANCE OF THE COMMUNITY ORGANIZATION COMPLIANCE AUDITS FOR FY 2003-04 AND APPROVAL OF 3/23/05 FINANCE COMMITTEE REPORT

By memorandum dated 4/05/05, the Finance Committee provided a report on its meeting held on 3/23/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair. The Committee recommended the following: (1) acceptance (2-0-1, Gruendl disqualified) of the Community Collaborative for Youth audit; (2) acceptance (2-0-1, Holcombe disqualified) of the Legal Services of Northern California audit; and (3) acceptance (3-0) of the remaining organizations’ audits and authorization for staff to make reasonable efforts to collect unexpended funding from Discovery World Child Development Programs. Full reimbursement in the amount of $208.29 was received from Discovery World Child Development Programs on 4/12/05. Councilmembers Holcombe, Schwab, and Gruendl announced they were disqualified on this item.

The motion to approve the Consent Agenda, as read, with items 2.2., 2.7., and 2.9. removed and heard under Item 4.1., carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Holcombe - Item 2.11, Schwab - Items 2.1, 2.11., Wahl - Items 2.1., 2.6., Gruendl - Item 2.11

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON APPEAL OF THE PLANNING COMMISSION’S CONDITIONAL APPROVAL OF THE AGUILAR PARCEL MAP AND PLANNED DEVELOPMENT PERMIT (PM/PDP 04-15)

By memorandum dated 4/14/05, the Principal Planner and Associate Planner Summerville reported that at the Planning Commission meeting of 3/17/05, the Commission voted (4 in favor, 1 against, 2 absent) to conditionally approve a request to divide a 0.67 acre parcel at the northeast corner of Manzanita and Myrtle Avenues into three lots. Concurrent with the land division, the Commission also conditionally approved a planned development permit to allow retention of the existing single-family home and construction of two new triplexes. The property is prezoned OR Office Residential and through the planned development permit process the Planning Commission granted modifications to certain development standards including front and rear yard setbacks and the number of required off-street parking spaces. The Planning Commission also conducted the required site plan and architectural review of the proposed multi-family project and granted the use permit allowing residential use in the OR zoning. The Planning Director recommended that following the close of the public hearing, the City Council direct staff to prepare a resolution affirming the Planning Commission’s decision to approve the project and deny the appeal.

It was noted that Council received a letter from Stephen Fritter and Maxine Kozma stating their concerns about the plan to narrow Myrtle Avenue near the Manzanita Avenue intersection and a letter from Mary Nichols clarifying details of a staff memorandum dated 3/8/05.

Councilmembers Bertagna, Herbert, Holcombe, Kirk, and Wahl announced that they had ex parte communication with Bob Stoffa regarding the appeal.

Mayor Gruendl opened the hearing to the public. Addressing the Council on upholding the appeal were Maurice Hahne, Will Nichols, Mary Brownell, Christine Rowen, Mary Nichols, Jim Aguilar, and Gregory Peitz. Speaking against the appeal was Bob Stofa. The hearing was closed.
A motion of intent was made by Councilmember Bertagna and seconded by Councilmember Holcombe to deny the appeal and direct staff to prepare a resolution affirming the Planning Commission’s decision to approve the project with the following conditions included: (1) add back two off-street guest parking spaces; (2) widen the parking area to 8 feet by reducing the width of the parkway strip to 6 feet; and (3) ensure the sidewalks match up.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab
NOES: Kirk, Wahl, Gruendl

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to refer the matter of parking restrictions at Myrtle and Manzanita Avenues to the Internal Affairs Committee.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.2. PUBLIC HEARING ON PROPOSED AMENDMENTS TO THE REDEVELOPMENT PLANS FOR THE AMENDED SOUTHEAST CHICO AND CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECTS TO EXTEND THE TIME LIMITS FOR EFFECTIVENESS AND THE REPAYMENT OF DEBT

By memorandum dated 04/15/05, the City Manager reported that Senate Bill 1096 was one of the adopted trailer bills which implemented the 2004-05 State of California budget. This bill required the Chico Redevelopment Agency to contribute $928,917 into the Educational Revenue Augmentation Fund (ERAF) in the 2004-05 fiscal year. In an effort to compensate for the tax increment lost to the State mandated ERAF payment, the bill allows redevelopment agencies required to make ERAF payments to amend redevelopment plans to extend the time limit on the effectiveness of the plans and the time limit for repayment of indebtedness by one year for each year an ERAF payment is made. The plans may be amended through adoption of an authorizing ordinance by the City Council following a noticed public hearing. The extensions are allowed only for those redevelopment plans with a time limit for plan effectiveness that is less than 20 years from the fiscal year in which the Agency made an ERAF payment. Therefore, only the Amended Southeast Chico and the Chico Municipal Airport redevelopment plans are eligible for the extension.

Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to introduce the following ordinances:


The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.2. **ORDINANCE NO. 2317 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO ESTABLISH TIMES FOR PLACEMENT OF SOLID WASTE AND RECYCLING CONTAINERS FOR COLLECTION WITHIN THE CENTRAL BUSINESS DISTRICT** - Final Reading and Adoption — This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

At its 4/05/05 meeting, the City Council approved the Internal Affairs Committee’s recommendation to amend Section 8.15.085 of the Chico Municipal Code to limit the time in which trash and recycling containers can be set out for collection within the Central Business District to no earlier than 5:00 p.m. on the day before the day of collection and removed no later than 9:30 a.m. on the day of collection. By memorandum dated 4/12/05 Management Analyst Herman submitted the ordinance for final reading and adoption. This project has been determined to be exempt from environmental review pursuant to Sections 15301 (a) and 15061 (b)(3) of the State CEQA Guidelines in that it will result in minor alterations to existing public facilities (sidewalks) and has no potential for causing a significant effect on the environment since safe pedestrian access will continue to be provided along each sidewalk in the Central Business District in accordance with adopted City standards. The City Manager recommended adoption of the ordinance by reading of the title only.

Councilmember Holcombe asked for clarification on requirements for placing cardboard out for collectors and whether this ordinance addressed the issue. The City Manager indicated that the disposing of cardboard was not included in the ordinance and recommended that this issue be referred to the Solid Waste Committee.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to adopt Ordinance No. 2317 and to refer the disposal of cardboard to the Solid Waste Committee.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

2.7. **APPROVAL OF SUPPLEMENTAL APPROPRIATION TO FUND THE STATE MANDATED MUNICIPAL SERVICE REVIEW** – This item was removed from the Consent Agenda at the request of Councilmember Wahl.

State law requires the City to prepare a Municipal Service Review (MSR) for adoption by the Local Agency Formation Commission (LAFCo) prior to January 1, 2006. The MSR is an inventory and analysis of the City’s capacity for providing services, identifies opportunities for increasing the efficiency of service provision, and discusses fiscal constraints and opportunities. The MSR is used by LAFCo to prepare the City’s sphere of influence, which corresponds to the area to be served by the City over the planning period (usually five years), and evaluate the ability of the City to provide services to areas proposed for annexation without sacrificing services in already incorporated areas. Without an updated sphere of influence following MSR approval, LAFCo cannot approve annexation proposals. This supplemental appropriation would allocate $65,790 from the General Fund (001) for professional consulting services to prepare the MSR. The City Council was provided with the General Fund (001) fund summary which reflected the 06/30/05 estimated fund balance. The Assistant Community Development Director recommended approval of the supplemental appropriation. Councilmember Wahl asked for further clarification on this state mandated review.

A motion was made by Councilmember Wahl and seconded by Vice Mayor Kirk to approve the supplemental appropriation to fund the state mandated Municipal Service Review.

The motion carried by the following vote:
2.9. APPROVAL OF REQUEST TO BUTTE COUNTY TO IMPLEMENT POLICIES RELATED TO DEVELOPMENT WITHIN THE AREA OF CONCERN — This item was removed from the Consent Agenda at the request of Councilmember Wahl.

By memorandum dated 4/20/05, the City Manager provided background on the Memorandum of Agreement entered into between the City and Butte County to plan and develop a coordinated approach for the processing and review of applications for land use entitlements in the areas around the City.

The Ad Hoc City/County Cooperative Planning Committee recommended that the City Council request that the Board of Supervisors implement policies to: (1) only approve subdivisions that are consistent with the City's General Plan, are designed to accommodate future sewer connection, and pay all sewer connection fees; (2) prevent the premature division of land within the remaining Area of Concern; and (3) establish the boundaries of this area.

Councilmember Wahl addressed his concern regarding this item and stated that he felt that sending this request to the Board of Supervisors for implementation of policies was premature. He indicated that he would like to table this item in order to gather more information regarding package plants, including failure statistics as well as costs of maintenance of such systems and who bears such costs. He also expressed concern regarding the proposed 160 acre minimum to prevent the premature division of land. Councilmember Wahl recommended that Council table this item for further discussion.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to table this item to a future meeting in order to allow staff to gather more information as requested by Councilmember Wahl and arrange a presentation on package plants.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2. GENERAL BUDGET REVIEW

City staff provided an overview of the 2004-05 annual budget. The City Council was provided with following budget documents:

A. General and Park Funds Projected Trends

B. Summary of Estimated Fund Balances

Vice Mayor Kirk requested discussion of the Volunteer Coordinator position in the Park Department and Council concurred to have this item agendized for the June 2005 worksession.

4.3 CAPITAL BUDGET REVIEW

The City Council was provided with the following capital project reports:

A. Capital Project Status Report

B. Preliminary Draft 2005-06 Major and Minor Capital Project Request Summaries

4.4. DISCUSSION OF WORK PRIORITIES FOR PUBLIC WORKS AND PLANNING IN RELATION TO EXISTING WORKLOAD

By memorandums dated 4/20/05, the Director of Public Works and the Planning Director provided information on workload issues that affect the completion of assignments made by the City Council. The Director of Public Works and Planning Director recommended that the Council consider this information and provide direction in prioritizing work assignments. Council concurred to have a subcommittee made up of Mayor Gruendl, Vice Mayor Kirk, and Councilmember Holcombe work with staff in order to determine priorities and provide Council with recommendations at the June budget meeting.

4.5. COUNCIL PRIORITIES

The City Council was provided with the priority list that each Councilmember submitted at the 1/25/05
work session. Council will consider this at a future meeting when staff priorities are brought back for consideration by the Council.

4.6. CONSIDERATION OF PROCEEDINGS FOR THE FORMATION OF THE BARONI NEIGHBORHOOD PARK AND OPEN SPACE LANDSCAPE AND LIGHTING DISTRICT NO. LLD 001-05 FOR PARK AND OPEN SPACE MAINTENANCE AND IMPROVEMENTS

By memorandum dated 4/08/05, the Park Director reported that in connection with the adoption of the Master Plan for the Baroni Neighborhood Park by the City Council on 3/15/05, Council authorized staff to initiate proceedings for the maintenance and operation of the Park and open spaces. The resolution is the first step toward the formation of a landscaping and lighting district. The next step would be preparation of an engineer’s report that will be presented to the City Council for review and approval prior to property owner’s voting on any assessment. The Council was provided with a letter dated 4/13/05 from Mary Cahill, General Manager, Chico Area Recreation and Park District (CARD), asking for clarification in the roles and responsibilities of the City and CARD regarding neighborhood parks. The Park Director recommended adoption of the resolution. Mayor Gruendl was disqualified on this item. Addressing the Council on this item was Mary Cahill.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 122 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS FOR THE FORMATION OF THE BARONI NEIGHBORHOOD PARK AND OPEN SPACE LANDSCAPE AND LIGHTING DISTRICT NO. LLD 001-05 FOR PARK AND OPEN SPACE MAINTENANCE AND IMPROVEMENTS

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
DISQ: Gruendl

4.7. CONSIDERATION OF ALTERNATIVES FOR ACCESS TO PARKING FOR THE PLANNED RENOVATION OF THE EL REY BUILDING

At its meeting of 2/15/05, the City Council considered the request from David Griffith to acquire access through Municipal Parking Lot No. 2 to the planned below grade parking under the El Rey Building. Mr. Griffith is working with Eric Hart and Tom van Overbeek to develop the theater building into a two story office complex, with traditional retail space at street level on Second Street. The Council directed staff to work with the developers to explore a series of alternatives for accessing their building for Council’s review at a future meeting. By memorandum dated 4/15/05, the Economic Development/Housing Specialist provided a list of alternatives that staff and the developers have identified to allow access to below grade parking through Municipal Parking Lot No. 2. The City Manager recommended that the Council require the developer to replace the parking spaces that are removed from Municipal Parking Lot No. 2 with leased spaces within the El Rey Building and that the lease revenue be paid to the City. Councilmember Herbert was disqualified on this item.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to require the developer to replace the spaces that are removed with leased spaces within the El Rey Building with the lease revenue being paid to the City.

The motion carried by the following vote:

AYES: Bertagna, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Herbert

4.8. DISCUSSION OF BARBER YARD NEIGHBORHOOD MEETING

At the conclusion of the City Council’s 3/22/05 meeting, regarding consideration of Southwest Chico issues, including the Park Avenue Visioning Study, the Barber Yard project and use of tax increment financing, staff was directed to hold a neighborhood meeting to obtain further public input on these issues. Staff was requesting further Council direction in preparing for the meeting, including limits of the
neighborhood, Council and staff participation, format and structure, form of notice (direct mailing or published), and focus issues. Addressing the Council on this item were Greg Burton and Sarah Salisbury.

It was noted that the Council received an e-mail dated 4/18/05 from Chris Nelson expressing concerns which he would like included in the discussion of Southwest Chico blight and redevelopment requirements.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to direct staff to hold a comprehensive neighborhood meeting at Fairview High School or another appropriate location to be determined by staff, notifying the neighbors by display ads in both the Enterprise Record and the Chico News and Review using the expanded area as defined by the City Council and notify by mail those interested parties on file with staff.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl, Gruendl
NOES: Holcombe

4.9. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. BUSINESS FROM THE FLOOR

Jeffrey Greening addressed the Council on the Thomasson property acquisition.

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken unless otherwise noted.

6.1. Memorandum dated 4/01/05 from the Director of Human Resources and Risk Management reporting on claims denied during the quarter ending 3/31/05.

6.2. Memorandum dated 04/05/05 from the Finance Director reporting that the list of claims paid during the month of March 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.3. Letter dated 3/28/05 and e-mail dated 4/14/05 from Michael and Kathryn Redman, Half a Bubble Out, requesting funding in the amount of $10,000 for their Bidwell Park documentary.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to agendize for a future meeting with Council to be provided with specific information on budget detail and pledges received to date. The motion carried 6-1, with Councilmember Schwab voting against.

6.4. E-mail received 4/8/05 from Jennifer Spangler requesting that the veteran’s memorial currently planned for the City Plaza be re-agendized for public design review.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to direct staff to meet with Ms. Spangler regarding her concerns. The motion carried 4-3, with Councilmembers Bertagna, Herbert and Wahl voting against.

6.5. E-mail received 4/18/05 from Greg Burton forwarding the Barber Neighborhood Association request for funding for a traffic study of the Barber Neighborhood. This item will be considered at a future meeting when the results of the neighborhood meeting are brought forward to Council.

7. ADJOURNMENT

Adjourned at 5:25 p.m. to May 3, 2005 at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: July 19, 2005
1. **CALL TO ORDER** — Mayor Gruendl called the May 3, 2005 – Adjourned Regular Chico City Council Meeting to order at 6:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

2. **CLOSED SESSION**

   **Roll Call:**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

2.1. **CONFERENCE WITH LEGAL COUNSEL AND RISK MANAGER – EXISTING LITIGATION:** The City Attorney and Risk Manager reviewed settlement of the workers compensation claim of Troy Morse. (Gov. Code Sec. 54956.9(a).)

2.2. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, for which City Manager Lando was the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** – Mayor Gruendl called the May 3, 2005 – Regular Redevelopment Agency meeting to order in the Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation — Bruce Finch, First Church of Christ, Scientist

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – None

1.5. Proclamation — Honoring Butte County Superior Court Judge Darrell W. Stevens on his retirement.

2. **CONSENT AGENDA**

3. **NOTICED PUBLIC HEARINGS**

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

4.2. **CONSIDERATION OF REQUEST FOR AN AFFORDABLE SINGLE FAMILY HOUSING DEVELOPMENT**

At its 4/05/05 meeting, the City Council voted (4-3) to agendize a letter dated 3/09/05 from Agasy Inc., regarding the use of the City owned site at the southeast corner of Humboldt Road and Notre Dame Boulevard for an affordable single family housing development. Agasy Inc. submitted a similar request in April 2004, which was referred to the Finance Committee and then tabled by Council. By memorandum dated 4/25/05, the Housing Officer submitted previous correspondence from Agasy Inc. and Chico Area Recreation and Park District (CARD) regarding the use of the subject property, along with minutes from the Finance Committee meeting of 4/22/04 and the City Council meeting of 5/18/04. Tony Symmes addressed the Council in support of converting the city owned site for an affordable single family housing development. Mary Cahill addressed the Council and asked this issue be forwarded to the Finance Committee for review.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to have the Finance Committee consider the possibility of a combination of parkland and affordable housing for the site with the issues of replacement parkland and owner occupancy requirements to be included in the discussion.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
**NOES:** None

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjoined to a City Council meeting.
1. CALL TO ORDER – Mayor Gruendl called the May 3, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, 6:30 p.m.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. CONSENT AGENDA – A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the following Consent Agenda items, as read:

2.1. ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM

By memoranda dated 4/12/05, the Director of Public Works reported that in accordance with a petition from the property owners listed below, adoption of the following resolutions will authorize sewer assessments to be collected on the tax roll as set forth in the Director of Public Works’ reports attached to each resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Public Works recommended adoption of the resolutions.


C. RESOLUTION NO. 125 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 546 JUNIPER STREET, A.P. NO. 045-412-001 (petition from property owner Harold S. Wright)

D. RESOLUTION NO. 126 04-05 — A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 15 W. EATON ROAD, A.P. NO. 006-690-022 (petition from property owner Peter Schaeffer)

2.2. APPROVAL OF SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF $30,000 FOR EMPLOYEE RECRUITMENT SERVICES TO BE PROVIDED BY COOPERATIVE PERSONNEL SERVICES (CPS) EXECUTIVE SEARCH

By memorandum dated 04/27/05, the Assistant City Manager recommended approval of a supplemental appropriation in the amount of $30,000 from the General Fund, and other funds as appropriate, to retain the services of Cooperative Personnel Services (CPS) Executive Search to assist the organization in identifying high quality candidates for management positions anticipated to be left vacant by impending retirements. The funds will be included in the 2004-05 estimated expenditures in the 2005-06 Operating Budget. The Assistant City Manager recommended approval of the supplemental appropriation.
The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO MINIMUM DENSITIES IN THE R2 AND R4 DISTRICTS**

At its meeting of 4/19/05, the City Council asked that this matter be scheduled for a hearing. By memorandum dated 4/27/05, Planning Director Seidler reported that at its 4/1/04 meeting, the Planning Commission approved a motion (4 in favor, 2 opposed, 1 absent) to recommend City Council approval of amendments to Title 19 Land Use and Development Regulations.

The amendments would increase the minimum density of the R2 Medium Density Residential zoning district from 4.01 to 7.01 dwelling units per acre and the R4 High Density Residential zoning district from 14.01 to 22.01 dwelling units per acre. The proposed amendments reinstate densities for these zoning districts established at the time the General Plan was adopted in 1994. The proposed amendments have no physical impact on the environment which was not contemplated with the EIR for the 1994 City of Chico General Plan. Pursuant to the California Environmental Quality Act (CEQA) Section 15162 Subsequent EIRs and Negative Declarations, no further environmental review is required. The Planning Commission and the Planning Director recommended that the City Council introduce the ordinance by reading of the title only.

Councilmember Wahl requested a copy of a staff report provided to the Council at its meeting of 9/1/98 pertaining to a General Plan Amendment which adjusted minimum density requirements. The Council was provided with a copy of this report.

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to raise the R2 Medium Density Residential zoning district minimum density to 7.01 dwelling units per acre and the R4 High Density Residential zoning district from 14.01 to 22.01 dwelling units per acre.

The motion failed due to the following vote:

AYES: Holcombe, Schwab, Gruendl
NOES: Bertagna, Herbert, Kirk, Wahl

A motion was made by Vice Mayor Kirk and seconded by Mayor Gruendl to raise the R2 Medium Density Residential zoning district minimum density to 5.5 dwelling units per acre and to leave the R4 High Density Residential zoning district density minimum at 14.01 dwelling units per acre by introducing the following ordinance, as amended.

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO MINIMUM DENSITIES IN THE R2 AND R4 DISTRICTS - Introductory Reading**

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

Council recessed for a 15 minute break at 7:45 p.m.
The meeting was reconvened and all members were present.

3.2. **HEARING ON RESOLUTION DECLARING WEEDS, RUBBISH, REFUSE, AND DEBRIS TO BE A...**
PUBLIC NUISANCE AND ORDERING THEIR ABATEMENT AND REMOVAL

By memorandum dated 4/20/05, Projects Manager Wood reported that the purpose of this hearing is to consider all objections to Resolution No. 118 04-05 adopted 4/05/05 which declared that weeds, rubbish, refuse, and/or debris must be removed and abated. Notice of the hearing was mailed to all property owners on the list attached to the resolution as Exhibit "A."

Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed. A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt a resolution which establishes Tuesday, 5/31/05 as the last day for voluntary abatement and removal of weeds, rubbish, refuse, and/or debris and directs the Community Development Director to: (1) cause removal of the weeds, rubbish, refuse, and/or debris not voluntarily removed; (2) maintain an accounting of costs associated with the abatement; and (3) provide the Council with a report of the costs to be recovered from property owners. The Projects Manager recommended adoption of the resolution.

RESOLUTION NO. 127 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO OVERRULING OBJECTIONS TO RESOLUTION DECLARING WEEDS, RUBBISH, REFUSE, AND DEBRIS TO BE A PUBLIC NUISANCE AND ORDERING ABATEMENT AND REMOVAL OF THE WEEDS, RUBBISH, REFUSE, AND DEBRIS, AND PROVIDING FOR AN ASSESSMENT OF THE COST OF SUCH ABATEMENT AND REMOVAL

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.3. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 550 (CROUCH FARR SUBDIVISION)

By memorandum dated 4/18/05, the Director of Public Works reported that this resolution will order the formation of Chico Maintenance Assessment District No. 550. As a condition of approval of a subdivision map for this development, generally located north of Fair Street between 23rd Street and the Silver Dollar Fairgrounds, the developer, Rick Souza, has consented to the formation of this district for the annual maintenance and future replacement of the storm drain facilities located within the subdivision. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution.

Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed. A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to adopt the following resolution:


The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. CONSIDERATION OF RECOMMENDATION FROM FINANCE COMMITTEE TO IMPLEMENT
CURRENT SECOND RESPONSE ORDINANCE AND CREATE AND IMPLEMENT A SAFETY PLAN ORDINANCE

At its meeting of 4/27/05, the Finance Committee reviewed a request from the Chief of Police for revisions and implementation of the Second Response Ordinance and creation and implementation of a Safety Plan Ordinance. This item was forwarded for Council consideration separately from the full 4/27/05 Finance Committee report.

By memorandum dated 4/20/05, the Chief of Police provided a report in response to community discussion regarding legislative action which could help the Police Department in dealing with the youth/alcohol culture in the Chico community. The Chief of Police recommended consideration of two proposals: (1) the revision and implementation of the Second Response Ordinance, and (2) a Safety Plan Ordinance. Council was provided with a copy of the 4/20/05 memorandum, and copies of Chico Municipal Code Chapter 9.38 entitled Noise, and Chapter 9.70 entitled Assessment of Second Response Costs.

The Committee recommended (3-0) that the current Second Response Ordinance be enforced and the remaining items be referred to the Internal Affairs Committee for development of a Safety Plan Ordinance and consideration of amendments to the Second Response Ordinance and the noise ordinance. Committee Chair Holcombe provided a verbal report. It was noted that staff provided the Council with a survey of six cities which have implemented a Second Response Ordinance.

Citizens addressing the Council are listed as follows:

Eric Twist stated that as a landlord, he wanted a process in place to notify him when his tenants were doing something that warranted a police call. He felt that landlords should be held accountable. He also volunteered to help with the Internal Affairs Committee with the development of the safety plan ordinance and any modifications to the second response ordinance.

Tahj Gomes expressed concern that the ordinance is not enforceable as currently written. He felt that the Police Department does not have time to handle these types of calls so enforcement would not be an effective deterrent. He encouraged the Council to modify the ordinance to make it more enforceable. He also felt that the landlords should be held accountable for their tenant’s actions and that he felt a safety plan requirement for parties would be beneficial.

Marian Gage indicated that it was important for communities to set lines for what is acceptable in their community and enforcement of the second response ordinance along with the creation of a safety plan ordinance would implement those lines for the City of Chico.

Barbara Reed expressed her concern that permitting large parties would not help her situation, as even a small party can impact her neighborhood with noise, parking issues, etc. However, she felt that landlords should be held accountable and would even support a first response ordinance, or extending the time period for a second response to a full year versus the 12 hours currently in place. She also volunteered to help the Internal Affairs Committee regarding this issue.

William Sheridan agreed with Councilmember Holcombe in delaying the enforcement of the second response ordinance until after the review and modifications were complete. However, he also felt that it was important to implement the enforcement now while the City could still notify the students who are here. He felt that property owners should not be held liable for actions taken by tenants, although landlords should be informed of situations that arise. He indicated that he did support the concept of a safety plan and encouraged the Council to make sure that what is being proposed by staff is legal.

Scott Schofield also supported enforcement of the second response ordinance.

Charlie Pruesser indicated that he has argued against this ordinance for the past 20 years. He feels that enforcement of the second response ordinance is onerous and unnecessary. As written, the Police Department could send 10 police cars to respond just because they happen to not like the guy. There is no protection from the court system. This is the major issue with the ordinance. He also offered to participate in any committee discussion of this issue.
Dustin Struble spoke on behalf of the Associated Students who support the enforcement of the existing ordinance, which he agreed needed refining, and the creation of a safety plan. He asked that the Council include the students in the planning process so that they could be part of the solution.

Adam Dondro also spoke on behalf of the Associated Students and indicated that the Association was looking forward to working with the Council. He could see where it might be beneficial to implement everything at once versus piecemeal. In addition, he encouraged the Council to seriously consider including something to address repeat offenders in the second response ordinance as well as holding landlords accountable for what goes on at their properties.

Nick Hollingsworth, Intrafraternity Council President, supports the enforcement of the second response ordinance and having staff create a safety plan requirement for all parties. He also supported including something in the regulations pertaining to repeat offenders.

Michelle Doblin, Panhellenic President, also supports the enforcement of the ordinance and the requirement of a safety permit for parties.

Jason Talbot, a student who plans to come back to Chico next fall, stated that he felt that the ordinance was discriminatory against students. He did not appreciate comments indicating that the students were guests while going to school. He felt that they were residents and should be treated as such. He questioned what this law would accomplish that current laws, such as the noise ordinance, does not already cover.

Greg Bard felt that enforcement of the current ordinance was unfair and discriminatory against students. However, the neighborhood association supports a permit for events. There are going to be events held. The second response is unfair and only about the money. Educational tools are more important. The noise ordinance is in place. Council should make its decision on facts, not conjecture.

Herman Ellis, representing CSUC, indicated that the University was concerned about the safety of students, so therefore totally supports the enforcement of the second response ordinance and the creation of a safety plan.

Scott Chalmers, business owner and chair of the University Advisory Committee, stated that he felt there were serious issues facing this community. Student leaders, University representatives, landlords, etc should be held accountable. He felt the serious issue is the repeat offenders and encouraged Council to look at including something in the second response ordinance that would cover this issue. He felt that there has to be laws or tools available to owners. Property owners are obligated to know the laws. He suggested that licensing could be required of the property owner who has rentals which would provide an opportunity to inform the owners of their responsibilities. He felt that it wouldn’t take very long for leases to be changed to incorporate the changes. He thanked the Council for looking at this situation.

Ken Fleming offered his support for the enforcement of the current ordinance and the creation of a safety plan ordinance as well.

Councilmember Schwab stated the enforcement of this ordinance would apply to the whole community not just specific parts of the city and partying should not be done at the expense of the neighbors. She felt that the timing of the implementation was important and that it should begin when school starts in the fall allowing enough time to ensure that all the stakeholders are at the table.

Councilmember Holcombe indicated that he would be supporting the enforcement but wanted to express his concern over the need to establish a clear line up front and not keep changing the line with additional revisions.

Both Vice Mayor Kirk and Councilmember Bertagna stated that they appreciated all the student support and thanked those present for being in attendance.

Mayor Gruendl stated that having attended the Youth Alcohol Advisory Committee, he is committed to working with the University to help with this cause. Council action taken at this meeting would be one piece of the puzzle. He indicated that there should be ample notification on the implementation of the enforcement of the second response ordinance.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to (1) direct staff to implement enforcement of the second response ordinance currently in place and develop a notification process regarding enforcement which is to include display ads and contacting property owners, tenants, and students; (2) refer the second response ordinance to the Internal Affairs Committee for additional review regarding the hours, possible fee structure and development of a clause pertaining to habitual offenders; (3) refer consideration of the development of a safety plan ordinance to the Internal Affairs Committee; and (4) direct the City Attorney’s office to conduct a legal review of both ordinances with the conclusion to be included in the Internal Affairs Committee discussion.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. CONSIDERATION OF FUNDING REQUEST FOR BIDWELL PARK DOCUMENTARY

The City Council agreed to consider this item at its meeting of 4/26/05. By letter dated 3/28/05 and e-mail dated 4/14/05, Michael and Kathryn Redman, Half a Bubble Out, requested funding in the amount of $10,000 for a Bidwell Park Documentary. Additional information requested by Council at its meeting of 4/26/05 was provided.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the expenditure of up to $10,000 allocated from Transient Occupancy Tax revenues and included in the Economic Development Operating Budget, and that the City Manager be authorized to execute a letter agreement for reimbursement of actual costs in an amount not to exceed $10,000 subject to the City’s right to use the documentary for economic development purposes. The funds will be included in the 2004-05 estimated expenditures in the 2005-06 Proposed Budget.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl, Gruendl
NOES: Schwab

4.4. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON APRIL 13, 2005

By memorandum dated 4/15/05, the Internal Affairs Committee provides a report on its meeting held on 4/13/05. Committee members present were Councilmembers Holcombe, Bertagna, and Herbert, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Future Use of Abandoned Railroad Right-of-Way East of the Midway. The Committee directed staff (3-0) to research ownership of the abandoned right-of-way, determine what portion is owned by the railroad and what it may cost to purchase, and, for those areas that have already been sold what it would take to acquire the parcels. When staff completes its research, this item will be rescheduled for a future Internal Affairs Committee meeting.

B. Consideration of a Request by Christina Downer Concerning the Preservation and Restoration of the El Rey Theatre. The Committee asked (2-0, Herbert disqualified) David Griffith to: (1) research the possibility of digital mapping the murals; (2) create a more accurate rendering of the original 1905 facade; (3) research the feasibility of the removal of the murals and be prepared to discuss these items at the 4/26/05 City Council meeting. This item was scheduled at the City Council meeting of 4/26/05.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to accept the 4/13/05 Internal Affairs Report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

4.6. FUTURE MEETINGS

The Council was asked to consider scheduling an additional meeting due to the number of major issues pending for the 5/17/05 agenda. No action was taken on this item.

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items.

6.1. Letter dated 4/18/05 from Susan Strachan, Watershed Coordinator, Big Chico Creek Watershed Alliance, requesting that the City Council schedule an agenda item to discuss amending the scope of the Cohasset Road widening project to incorporate design techniques to manage flooding of Sycamore Creek.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to refer this item to the Finance Committee.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

7. ADJOURNMENT

Adjourned at 9:45 p.m. to May 17, 2005, at 6:00 p.m. for an adjourned regular meeting in the Council Chamber.

Date Approved: July 19, 2005

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Gruendl called the May 17, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, at 6:00 p.m.

1.1. Flag Salute

1.2. Invocation — Reverend David Leeper Moss, Chico Trinity United Methodist Church

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

Absent: None

1.4. **REGULAR AGENDA**

1.5. **CONSIDERATION OF PARKING STRUCTURE (MUNICIPAL PARKING LOT NO. 1) PROGRESS REPORT AND RESOLUTION TO INCREASE PARKING METER ENFORCEMENT HOURS** — this item was time certain from 6:00 p.m. to no later than 7:30 p.m. The public comment portion was limited to one hour, with individual comments limited to one minute per person.

By memorandum dated 5/11/05, the Director of Public Works provided an update on the progress of the parking structure (Municipal Parking Lot No.1) preliminary design phase, including a background report on the history of the project, and transmitted a resolution to increase parking meter enforcement hours to include week nights from 6:00 p.m. to 10:00 p.m. and Saturdays from 8:00 a.m. to 10:00 p.m., effective 7/01/05. The Council was provided with an email from Katrina Davis, Executive Director, Downtown Chico Business Association, requesting that Council consider implementing extended enforcement hours to coincide with the parking meter increases. Council was provided copies of correspondence received on this item. The Director of Public Works recommended that the Council consider the progress report, including a presentation at this meeting by Watry Design, Inc., and provide direction to staff on the completion of the initial design process, and proceeding with the environmental review and engineering design plans for the structure. The Director of Public Works also recommended adoption of the resolution below which modifies parking meter enforcement hours. Councilmembers Schwab and Wahl were disqualified from this item due to owning property in close proximity of the proposed structure.

Vice Mayor Kirk requested information on parking leases and permits in connection with the discussion on the parking structure. The City Council was provided with a summary of existing leases and the number of permits sold in 2003-04 and 2004-05 along with plats of each Municipal Parking Lot showing the location of leased spaces.

The following correspondence was also received regarding the parking structure:


Addressing the Council in opposition to the increase in parking meter enforcement hours were Dennis Latimer, Ernie Washington, Debra Abbott, Eartha Shanti, Al Vogel, Robert Montgomery, James Brock,

Addressing the Council in support of the increase in parking meter enforcement hours were Charlie Osborn, Alan Chamberlain, Don Kidd, Katrina Davis, Marc Lucena, Earl W. Jessee, Marcus Morine, James Brandle, Barbara Mundy, Jim Goodwin, Mike Peary, Diane Naegeli, Susan Shaw, Rick Tofanelli, TJ Glenn, Ken Lange, Nancy Lindahl, and Mark Lance.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to: (1) eliminate retail spaces in the structure; (2) move forward with the EIR, looking at alternative locations including Municipal Parking Lot 1 and the Municipal Center Parking lot equally; and (3) adopt the following resolution expanding parking meter enforcement hours:

RESOLUTION NO. 129 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 778)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl
NOES: None
DISQ: Schwab, Wahl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to: (1) establish the meter rate at $.25 cents per hour from 6:00 - 10:00 p.m., Monday through Saturday, and at all 10-hour meters on Saturdays; and (2) refer to the Parking Place Commission the consideration of free parking for hybrid vehicles, lower rates for more remote parking and diagonal parking either during construction or permanently. Vice Mayor Kirk clarified that with the increase of the parking meter enforcement hours, four-hour parking increments will be available week nights from 6:00 p.m. to 10:00 p.m. and Saturdays from 8:00 a.m. to 10:00 p.m.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl
NOES: None
DIS: Schwab, Wahl

1.6. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

2. ADJOURNMENT
City Council recessed and reconvened as the Redevelopment Agency.
1. **CALL TO ORDER** — Mayor Gruendl called the May 17, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

2. **CONSENT AGENDA** — A motion was made by Vice Mayor Kirk and Councilmember Holcombe to approve the following Consent Agenda, as read:

2.1. **RESOLUTION NO. 05-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ENGAGING PROFESSIONAL SERVICES IN CONNECTION WITH THE ISSUANCE OF TAX ALLOCATION BONDS FOR THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT AREA**

   At its meeting held 04/26/05, the Chico Redevelopment Agency authorized staff to proceed with structuring the issuance of tax allocation revenue bonds for the Chico Amended and Merged Redevelopment Project to finance additional programs, projects, and activities and conceptually approved engaging consultants for the necessary professional services. By memorandum dated 05/06/05, the Senior Assistant City Manager reported that this resolution authorizes the Executive Director to enter into agreements for professional services to be provided by the Agency’s bond counsel and financial advisor. Compensation for the bond counsel and financial advisor would be contingent upon the successful issuance of the bonds and would be paid from the proceeds of the bond. The Senior Assistant City Manager recommended adoption of the resolution.

   The motion carried by the following vote:

   **AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   **NOES:** None

3. **NOTICED PUBLIC HEARINGS** — None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** — None

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA**

5. **ADJOURNMENT**

   Adjourned the Redevelopment Agency meeting and reconvened as the City Council to consider the remaining Council items.

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Council recessed at 8:00 p.m. for a break. Council reconvened at 8:10 p.m. and all members of Council were present except for Councilmember Wahl, who rejoined the Council at 8:15 p.m.
1. CALL TO ORDER — Mayor Gruendl reconvened the May 17, 2005 – Adjourned Regular Chico City Council Meeting at 8:10 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

2. CONSENT AGENDA — Items 2.2. and 2.4. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to approve the remaining Consent Agenda items:

2.1. ORDINANCE NO. 2318 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO, EXTENDING THE TIME LIMITS FOR EFFECTIVENESS AND THE REPAYMENT OF DEBT OF THE REDEVELOPMENT PLAN FOR THE AMENDED SOUTHEAST CHICO REDEVELOPMENT PROJECT - Final Reading and Adoption

ORDINANCE NO. 2319 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO, EXTENDING THE TIME LIMITS FOR EFFECTIVENESS AND THE REPAYMENT OF DEBT OF THE REDEVELOPMENT PLAN FOR THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT - Final Reading and Adoption

Following a public hearing at its meeting held 04/26/05, the City Council introduced the above ordinances which would amend the Redevelopment Plans for the Amended Southeast Chico and the Chico Municipal Airport Redevelopment Projects to extend the time limit on the effectiveness of the plans and the time limit for repayment of indebtedness by one year. By memorandum dated 04/27/05, the City Manager explained that Senate Bill 1096 was one of the adopted trailer bills which implemented the 2004-05 State of California budget. This bill requires the Chico Redevelopment Agency to contribute $928,917 into the Educational Revenue Augmentation Fund (ERAF) in the 2004-05 fiscal year. In an effort to compensate for the tax increment lost to the State mandated ERAF payment, the bill allows redevelopment agencies required to make ERAF payments to extend the limits one year for each year an ERAF payment is made for those redevelopment plans with a time limit for plan effectiveness that is less than 20 years from the fiscal year in which the Agency made an ERAF payment. Therefore, only the Amended Southeast Chico and the Chico Municipal Airport redevelopment plans are eligible for the extension. The City Manager recommended adoption of the ordinances.

2.2. RESOLUTION NO. 130 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - LASSEN AVENUE ANNEXATION DISTRICT NO. 6 (TOWER ENERGY GROUP - ASSESSOR’S PARCEL NO. 007-200-076 AND 092) – This item was removed from the Consent Agenda at the request of Councilmember Holcombe and heard under Item 4.1.

2.3. MINUTE ORDER NO. 14-05 – AUTHORIZATION FOR THE CITY MANAGER TO AMEND THE LEASE AGREEMENT WITH AERO UNION CORPORATION FOR PROPERTY AT THE CHICO MUNICIPAL AIRPORT (PIPER AVENUE HANGAR FACILITY)

In September 2003, the City Council authorized the City Manager to execute a lease agreement with Aero Union Corporation for the lease of City-owned property at the Chico Municipal Airport. At its meeting of 9/21/04, the City Council subsequently authorized the City Manager to amend the lease to increase the rent to reflect the increased Agency investment for additional office infill expenses. Recently, Aero Union requested that the Agency provide additional funds in the amount of $37,635 for unanticipated expenses required to complete the Piper Avenue Hangar Facility. The City Manager recommended approval of an amendment to the “Lease of Real Property at the Chico Municipal Airport Piper Avenue Hangar Facility (City of Chico/Aero Union Corporation)” to include additional rent in the amount of $2,505 annually for a 20 year period.

2.4. APPROVAL OF THE LIST OF PRIORITY PROJECTS FOR THE 2005-06 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY ANNUAL UPDATE — This item was removed from the Consent Agenda at the request of Councilmember Holcombe and heard under Item 4.1.
2.5. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 3/15/05 AND 3/22/05**

The City Council was provided with the minutes of its meetings held on 3/15/05 and 3/22/05.

The motion to approve the Consent Agenda, as read, with Items 2.2. and 2.4. removed and heard under Item 4.1., carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

3. **NOTICED PUBLIC HEARINGS**

3.1. **SECOND HEARING ON THE 2005-06 ANNUAL PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAMS AND 2005-09 CONSOLIDATED PLAN FOR THE CDBG AND HOME PROGRAMS**

By memorandum dated 5/09/05, the Housing Officer reported on the 2005-06 Annual Plan for the allocation of Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds and the Five Year Consolidated Plan. The memorandum included the 2005-06 Proposed Annual Plan adopted by Council at its 4/05/05 meeting and published for a 30 day comment period. There were no comments received from the public at the time of agenda preparation. The Council was provided with previous staff reports regarding the prior actions by Council and the Finance Committee regarding the 2005-06 Annual Plan process. At this meeting, the City Council conducted the second of two public hearings to receive citizen input on the use of CDBG and HOME funds in compliance with the Citizen Participation requirements of the Department of Housing and Urban Development (HUD) for both the Annual Plan and Consolidated Plan. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to: (1) adopt the final 2005-06 Annual Plan; (2) adopt the final Consolidated Plan for the use of CDBG and HOME for 2005-09; and (3) authorize the City Manager to submit the 2005-06 Annual Plan and 2005-09 Consolidated Plan to HUD along with the required certifications.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

3.2. **PUBLIC HEARING ON REQUEST FOR TAX-EXEMPT FINANCING FOR MULTIFAMILY HOUSING PROJECT (MURPHY COMMONS)**

By memorandum dated 5/05/05, the Housing Officer provided background information on proposed tax-exempt revenue bond financing for the construction of an 86 unit affordable apartment complex (Murphy Commons) on Notre Dame Boulevard across from Marsh Junior High School. Although the City was not being requested to issue the tax-exempt bonds, a hearing had to be held by the public agency with jurisdiction over the property on which the project will be located. The Housing Officer recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolution:

**A RESOLUTION NO. 131 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY FOR THE PURPOSE OF FINANCING THE CONSTRUCTION OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT KNOWN AS MURPHY COMMONS**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None
3.3. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR MULBERRY STREET ANNEXATION DISTRICT NO. 1

By memorandum dated 4/21/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of nine parcels which comprise the entirety of an "island of unincorporated territory," with a total area of 2.73 acres, bounded by Mulberry Street, East 21st Street and Laurel Street. The area is developed with residential uses, consistent with the General Plan and R-1 Low Density Residential zoning. Property owners were identified in the staff report.

State law provided that a resolution initiating proceedings for the annexation of an "island" of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolution:

RESOLUTION NO. 132 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - MULBERRY STREET ANNEXATION DISTRICT NO. 1

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.4. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR HUMBOLDT AVENUE ANNEXATION DISTRICT NO. 17

By memorandum dated 4/22/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of 133 parcels which comprise the entirety of an "island of unincorporated territory," with a total area of 27.17 acres, bounded by East 9th Street, State Highway Route 99, Humboldt Avenue and Alder Street. The area is developed with residential, commercial and light manufacturing uses, consistent with the General Plan, and R-1 Low Density Residential, R-1 Low Density Residential, C-N Neighborhood Commercial, C-S Service Commercial and ML Light Manufacturing zoning. Property owners were identified in the staff report.

State law provides that a resolution initiating proceedings for the annexation of an "island" of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 133 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - HUMBOLDT AVENUE ANNEXATION DISTRICT NO. 17

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
3.5. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR VALLOMBROSA AVENUE ANNEXATION DISTRICT NO. 14

By memorandum dated 4/21/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of 39 parcels which comprise the entirety of an "island of unincorporated territory," with a total area of 11.93 acres, located on Vallombrosa Avenue, Vallombrosa Lane, Crister Avenue and Huggins Avenue. These parcels are the only remaining unincorporated parcels between Lindo Channel and Bidwell Park east of Mangrove Avenue. The area is developed with residential uses, consistent with the General Plan and R-1 Low Density Residential zoning. Property owners were identified in the staff report.

State law provides that a resolution initiating proceedings for the annexation of an "island" of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed. Staff indicated that they would continue to work with the neighborhood in order to identify funding for street improvements. It was noted that Council received a letter dated 4/29/05 from the Vallombrosa Lane Neighborhood and 5/16/05 from Homeowners on Vallombrosa Lane.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the following resolution and to direct staff to continue working with the neighborhood on financing the street improvements.

RESOLUTION NO. 134 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - VALLOMBROSA AVENUE ANNEXATION DISTRICT NO. 14

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.6. HEARINGS ON GENERAL PLAN AMENDMENT AND REZONES FOR BIDWELL RANCH AND OTHER PROPERTIES AND TEXT AMENDMENTS TO THE LAND USE AND PARKS, PUBLIC FACILITIES AND SERVICES ELEMENTS, AND AMENDMENT TO TITLE 19 OF THE CHICO MUNICIPAL CODE - GENERAL PLAN AMENDMENT/REZONE 03-05 (CITY OF CHICO), GENERAL PLAN AMENDMENT/REZONE 04-04 (CITY OF CHICO), GENERAL PLAN AMENDMENT/REZONE 04-09 (20TH STREET MANGROVE LLC) AND GENERAL PLAN AMENDMENT/REZONE 04-10 (AGASY, INC.)

The hearings on the following General Plan amendments and rezones were combined due to the limitation on the number of amendments that may be approved annually for any one element of the General Plan. One resolution approving all General Plan amendments had been prepared for adoption by the Council following the public hearings on all items, and prior to the final reading and adoption of the rezone ordinances. Separate staff reports were provided for each application. The Planning Director recommended that the City Council hold public hearings on each of the items listed below, and following the conclusion of those hearings, adopt the resolution amending the General Plan, and take action on the rezone ordinances as set forth below.

A. GENERAL PLAN AMENDMENT AMENDING THE LAND USE ELEMENT REGARDING MINIMUM DENSITIES ASSOCIATED WITH THE MEDIUM DENSITY RESIDENTIAL LAND USE DESIGNATION - GENERAL PLAN AMENDMENT/REZONE 03-05 (CITY OF CHICO)

By memorandum dated 05/09/05, Planning Director Kim Seidler reported that at its meeting of 5/03/05, the City Council held a public hearing and directed staff to adjust the minimum density for the Medium Density Residential General Plan designation and R2 zoning district from 4.01 to 5.5 dwelling units per gross acre. Staff has determined that no subsequent environmental analysis is required because the Environmental Impact Report certified for the 1994 General Plan update included these provisions in its scope. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.
B. GENERAL PLAN LAND USE AMENDMENT AND REZONE FROM OPEN SPACE FOR ENVIRONMENTAL CONSERVATION/SAFETY AND VERY LOW DENSITY RESIDENTIAL TO OPEN SPACE FOR ENVIRONMENTAL CONSERVATION/SAFETY FOR THE BIDWELL RANCH PROPERTY IDENTIFIED AS ASSESSOR’S PARCEL NOS. 016-230-010, 016-200-002, AND 016-170-002 - GENERAL PLAN AMENDMENT/REZONE 04-04 (CITY OF CHICO)

By memorandum dated 05/03/05, Senior Planner Vieg reported that at its 04/05/05 meeting, the City Council directed staff to bring forward a General Plan amendment and rezone of Bidwell Ranch to permanent open space. Council direction was consistent with a 9/16/04 Planning Commission vote (5-1, Schiffman absent) recommending that Council adopt a negative declaration and approve General Plan Amendment/Rezone 04-04. The proposed General Plan amendment would change the land use designation from Open Space for Environmental Conservation/Safety and Very Low Density Residential to Open Space for Environmental Conservation/Safety. The proposed rezone would change the zoning from PMU-RM-PD Planned Mixed Use-Resource Management-Planned Development to OS1 Primary Open Space. In addition, various General Plan text amendments are proposed to ensure internal consistency within the General Plan. The Bidwell Ranch property is approximately 750± acres and is located northeast of the Sycamore Creek Diversion Channel and adjacent to the western edge of Upper Bidwell Park. The properties are identified as Assessor’s Parcel Nos. 016-230-010, 016-200-002, and 016-170-002. A negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA).

The staff report for this item concluded (page 7) that the proposed rezoning of the Bidwell Ranch property does not reduce the capacity for housing development, and refers to sites with a capacity of 15,000 housing units, compared with the City’s regional allocation of 9,479 units. Councilmember Wahl requested the following tables from the Housing Element: Table 10-31b, Basic New Construction Need by Income Group and Table 10-36, Land Availability Holding Capacity Analysis. The Council was also provided with these tables.

It was noted Council received a letter dated 5/17/05 from Thomas J. Cavanaugh, Chief, U.S. Army Corps of Engineers. Letters and e-mails received from David Bisson, Cynthia Van Auken, Cap Porterfield, O.J. and Gene Anna McMillan, Joel Castle, Grace Marvin, and Braham D. Sharma were provided to Council as well regarding the Bidwell Ranch property.

Mayor Gruendl opened the hearing to the public. Addressing the Council in support of rezoning the property to open space were Kelly Meagher, Jim Dwyer, Billie Crosby, Chester Conway, Greg Miller, Lois Davis, Debbie Villasenor, Diane Naigley, John Merz, Suellen Rowleson, Paul Persons, Lin Jensen, Liz Mosher, Karen Laslo, Ann Morrissey, Jerry O'Neill, Emily Alma, Grace Marvin, Linda Furr, Michael Pike, Julie Nelson, Quetin Colgan, Evanne O'Donnell, Nancy Park, Robert Helms, Steve Schuman, and Myrna Vandenokas.

Addressing the Council requesting that the Council delay its action and forward this issue to the voters were Marilyn Ey, Steve Gonsalves, John Gillander, Mary Kennedy, Cynthia Van Auken, Dave Bisson, George Roy, Jim Goodwin, Tess Armstrong, Jason Bougie, Mark Sorenson, Rick Coletti, Anthony Watts, and Bob Best. The hearing was closed.

C. GENERAL PLAN LAND USE AMENDMENT FROM PUBLIC FACILITIES AND SERVICES TO COMMUNITY COMMERCIAL AND A REZONE FROM PQ PUBLIC/QUASI PUBLIC TO CC COMMUNITY COMMERCIAL FOR PROPERTY LOCATED APPROXIMATELY 175 FEET WEST OF MANGROVE AVENUE, AND 175 FEET NORTH OF VALLOMBROSA AVENUE - GENERAL PLAN AMENDMENT/REZONE 04-09 (20TH STREET MANGROVE LLC)

By memorandum dated 04/25/05, Senior Planner Sigona reported that at the Planning Commission meeting of 4/21/05, the Commission voted (7-0) to recommend City Council approval of General Plan Amendment/Rezone (GPA/RZ) 04-09.

The application consisted of a proposal to amend the General Plan land use designation for a 0.39-acre parcel located approximately 175 feet west of Mangrove Avenue, and approximately 175 feet north of Vallombrosa Avenue, from Public Facilities and Services to Community Commercial and concurrently rezone the site from PQ Public/Quasi Public to CC Community Commercial. The subject site is identified as Assessor’s Parcel No. 003-210-011. The General Plan amendment and rezone are intended to facilitate development of the site and adjacent parcels with a small commercial shopping center. A mitigated negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA). Mayor Gruendl opened the hearing to the public. Addressing the Council on this issue were Greg Steel and Karen Laslo. The hearing was closed.
D. GENERAL PLAN LAND USE AMENDMENT FROM COMMUNITY COMMERCIAL TO MEDIUM DENSITY RESIDENTIAL AND A REZONE FROM CC COMMUNITY COMMERCIAL TO R2 MEDIUM DENSITY RESIDENTIAL FOR PROPERTY LOCATED ON THE SOUTH SIDE OF HENSHAW AVENUE, 245 FEET WEST OF THE ESPLANADE - GENERAL PLAN AMENDMENT/REZONE 04-10 (AGASY, INC.)

By memorandum dated 04/25/05, Senior Planner Sigona reported that at the Planning Commission meeting of 03/17/05, the Commission voted (6-0, Alvistur absent) to recommend City Council approval of General Plan Amendment/Rezone (GPA/RZ) 04-10. The application consisted of a proposal to amend the General Plan land use designation for 1.13 acres, located on the south side of Henshaw Avenue, 245 feet west of the Esplanade, from Community Commercial to Medium Density Residential, and concurrently rezone the site from CC Community Commercial to R2 Medium Density Residential (4.01 to 14 units per acre). The subject site is identified as Assessor’s Parcel No. 006-530-003. The General Plan amendment and rezone are intended to facilitate development of the site with residential uses consistent with the Medium Density Residential land use designation. A mitigated negative declaration of environmental impact is proposed for this project pursuant to the California Environmental Quality Act (CEQA). The rezone ordinance for GPA/RZ 04-10 was introduced by the City Council on 04/26/05. Mayor Gruendl opened the hearing to the public. Addressing the Council were Tony Symmes and John Merz. The hearing was closed.

A straw poll was taken individually on each item to determine how to proceed on the overall decision of the General Plan amendment.

Item A. Density Carried 4-3, with Bertagna, Herbert, and Wahl voting against.
Item B. Bidwell Ranch Failed 3-4, with Bertagna, Herbert, Kirk, and Wahl voting against.
Item C. Mangrove Rezone Carried 7-0
Item D. Tony Symmes Carried 7-0

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to: (1) introduce the following ordinances as set forth below; (2) direct staff to contact the Army Corp of Engineers for further clarification of its letter dated 5/17/05; (3) provide the Council with the financing information for the purchase of Bidwell Ranch at the 6/7/05 Council meeting; and (4) direct staff to bring the General Plan resolution and ordinances back for final action at the 6/7/05 meeting:

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO INCREASE THE MINIMUM DENSITY IN THE R2 ZONING DISTRICT FROM 4.01 TO 5.5 UNITS PER ACRE - Introductory Reading (Item A)

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING APPROXIMATELY 750 ACRES COMMONLY REFERRED TO AS BIDWELL RANCH AND LOCATED NORTHEAST OF SYCAMORE CREEK DIVERSION CHANNEL AND ADJACENT TO THE WESTERN EDGE OF UPPER BIDWELL PARK (ASSESSORS PARCEL NOS. 016-230-010, 016-200-002, AND 016-170-002) FROM PMU-RM-PD PLANNED MIXED USE WITH RESOURCE MANAGEMENT AND PLANNED DEVELOPMENT OVERLAYS TO OS1 PRIMARY OPEN SPACE (GENERAL PLAN AMENDMENT/REZONE 04-04; CITY OF CHICO) - Introductory Reading (Item B)

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONE PROPERTY LOCATED 175 FEET WEST OF MANGROVE AVENUE AND 175 FEET NORTH OF VALLOMBROSA AVENUE, IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 003-210-011 FROM PQ PUBLIC/QUASI PUBLIC TO CC COMMUNITY COMMERCIAL (GPA/RZ 04-09 20TH STREET MANGROVE LLC) - Introductory Reading (Item C);

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY IDENTIFIED AS THE WESTERLY 1.13 ACRES OF A PARCEL LOCATED AT THE SOUTHWEST CORNER OF HENSHAW AVENUE AND THE ESPLANADE (ASSESSOR’S PARCEL NO. 006-530-003) FROM CC COMMUNITY COMMERCIAL TO R2 MEDIUM DENSITY RESIDENTIAL (GENERAL PLAN AMENDMENT/REZONE 04-10 AGASY, INC.) - Final Reading and Adoption (Item D).

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Herbert, Bertagna, Wahl

3.7. APPEAL OF THE PLANNING COMMISSION’S DECISION ON 4/21/05 TO: (1) CERTIFY THE FINAL ENVIRONMENTAL IMPACT REPORT, ADOPT A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPT THE MITIGATION MONITORING PROGRAM FOR THE OAK VALLEY PROJECT; AND (2) APPROVE THE VESTING TENTATIVE SUBDIVISION MAP, PLANNED DEVELOPMENT PERMIT, AND CONCEPTUAL MASTER PLAN FOR THE PROJECT WHICH WOULD DIVIDE A 340-ACRE SITE INTO 141 PARCELS (FOGARTY INVESTMENTS)

By memorandum dated 5/10/05, Senior Planner Murphy reported that at the Planning Commission meeting of 4/21/05, the Commission voted unanimously to certify the final environmental impact report (FEIR) for the project and also voted (6-1) to approve a vesting tentative subdivision map, planned development permit (PDP), and conceptual master plan authorizing the subdivision of a 340-acre parcel into 141 parcels. Development of the 340-acre site would take place pursuant to a Conceptual Master Plan (Plan). At full buildout, the Plan for the site would accommodate approximately 1,324 residential units, along with 109,000 square feet of commercial retail space on 10 acres, and 87.5 acres of open space. Phase I would provide for 295 units (85 single-family, 78 duplex, and 132 apartments).

Two separate appeals were filed on the project. Appeal No. 1, filed by Francis Farley, maintains that the EIR does not adequately address the potential impacts to the setting of historic Humboldt Road, stating that the setting for the historic features (wagon wheel ruts, rock wall) would be destroyed by the project. Appeal No. 2, filed by Nora Todenhagen, Julie Nasr, Alan and Francine Gair, Phil Johnson, Gene Anna McMillan, Philip Smith, and Cecilia Russ, cites inadequate traffic mitigation measures, impacts to the viewedhshed and natural character of the foothills, impacts to the natural open space recreational qualities of upper Humboldt Road; and the effects of allowing housing construction and occupancy in the area of the Humboldt Road Burn Dump (HRBD) before the HRBD is remediated.

The property (AP Nos. 018-500-090, -136, -138, and -139) is bounded by Bruce Road on the west, State Highway Route 32 on the north, a PG&E 500 kV transmission line on the east and Humboldt Road on the south. The property is designated Very Low Density Residential, Low Density Residential, Medium Density Residential, Medium High Density Residential and Community Commercial with an overlay designation of Open Space for Environmental Conservation/Safety. The subject site is also identified as a "Special Development Area" in the Chico General Plan due to sensitive biological habitat and the foothill viewshed.

The site is zoned Very Low Density Residential (RS-20), Low Density Residential (R1), Medium Density...
Residential (R2), Medium High Density Residential (R3), Community Commercial (CC) with a Planned Development Overlay zoning district (-PD Foothill) and a Special Design Considerations Overlay district (-SD2). The Planned Development Permit will allow the project developer to cluster housing units and to transfer density to the western portion of the site by reducing parcel sizes, setbacks or other development standards. The Planning Director recommended that Council: (1) adopt a motion of intent to deny the appeals and uphold the decision of the Planning Commission to (a) certify the Final Environmental Impact Report, adopt a Statement of Overriding Considerations, and adopt the mitigation monitoring program for the project; and (b) approve the vesting tentative subdivision map, planned development permit, and conceptual master plan for the project, subject to the findings and conditions specified as conditioned by the Planning Commission; and (2) schedule the adoption of appropriate resolutions for the certification of the EIR and map approval on the consent agenda of a future Council meeting. It was noted that the Council received letters and/or emails from Randy Herbert, Phil Johnson, Michael Magliari, Barbara Vlamis, Tom Fogarty, O.J. and Gene Anna McMillan, Mary Jensen, Grace Marvin, Barbara Gates, and Julie Nasr.

Mayor Gruendl opened the hearing to the public. Addressing the Council in support of upholding the appeal were Julie Nasr, Frances Farley, Phil Johnson, Alan Gair, Gene Anna McMillion, Cecilia Russ, Nora Todenhagen, Susan Minasian, John Merz, Doug Aikens, John Luvaas, and Michael Pike. Addressing the Council in opposition to the appeal were Jim Mann and Tom Fogarty.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to: (1) adopt a motion of intent to deny the appeals and uphold the decision of the Planning Commission to (a) certify the Final Environmental Impact Report, adopt a Statement of Overriding Considerations, and adopt the mitigation monitoring program for the project; and (b) approve the vesting tentative subdivision map, planned development permit, and conceptual master plan for the project, subject to the findings and conditions specified as conditioned by the Planning Commission; and (2) schedule the adoption of appropriate resolutions for the certification of the EIR and map approval on the consent agenda of a future Council meeting.

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to: (1) adopt a motion of intent to deny the appeals and uphold the decision of the Planning Commission to (a) certify the Final Environmental Impact Report, adopt a Statement of Overriding Considerations, and adopt the mitigation monitoring program for the project; and (b) approve the vesting tentative subdivision map, planned development permit, and conceptual master plan for the project, subject to the findings and conditions specified as conditioned by the Planning Commission with amendments to following items: RS-20 to a maximum of 80 units with the density to be made up elsewhere, Condition 27 to protect creekside setbacks and greenway as open space, and Condition 39 to include both inside and outside the fenced area; and (2) schedule the adoption of appropriate resolutions for the certification of the EIR and map approval on the consent agenda of a future Council meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl, Gruendl
NOES: Schwab

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.2. **RESOLUTION NO. 130 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - LASSEN AVENUE ANNEXATION DISTRICT NO. 6 (TOWER ENERGY GROUP - ASSESSOR’S PARCEL NO. 007-200-076 AND 092)** – This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further discussion.

By memorandum dated 4/22/05, the Assistant Community Development Director forwarded a report on
initiation of the annexation of two parcels located on the northeast corner of the intersection of East Lassen Avenue and Godman Avenue, and adjacent Godman Avenue right-of-way, with a total area of .94 acres. The properties are designated and zoned for commercial and residential uses, and developed with a convenience store and supplemental parking. An application has been filed to zone the entire property for commercial use. The annexation was initiated to facilitate the commercial redevelopment of the property utilizing City services. In accordance with adopted LAFCo policy, the City must adopt a resolution to initiate the annexation of property to the City. The Assistant Community Development Director recommended adoption of the resolution. Councilmember Holcombe indicated that he had asked that this item be removed from the Consent Agenda due to his concern for protecting the R2 zoning designation.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt Resolution No. 130 04-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl, Gruendl
NOES: Holcombe

2.4. APPROVAL OF THE LIST OF PRIORITY PROJECTS FOR THE 2005-06 COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY ANNUAL UPDATE — This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further clarification.

At its meeting of 4/21/05, the Economic Development Committee reviewed the request from Tri-County Economic Development Corporation (TCEDC) for a list of priority projects for the City of Chico to be included in the 2005-06 update of the Comprehensive Economic Development Strategy (CEDS). The Federal Economic Development Administration (EDA) requires that the CEDS project list be updated each year by each jurisdiction within the District. The projects contained in the CEDS must be consistent with the EDA’s economic development priorities and must provide technical assistance, financing or infrastructure. Because there have been no changes in the EDA’s priorities for the 2005-06 planning year, staff is recommending that the City submit the prior project list to TCEDC without changes. The Council was provided with the Economic Development Committee report dated 4/12/05 from the Economic Development/Housing Specialist which provided background on the annual update of the CEDS requested by TCEDS. The Economic Development Committee recommended (2-0, Wahl absent) that the City Council approve submitting the prior list of priority projects with no revisions or additions to TCEDC for the 2005-06 Comprehensive Economic Development Strategy annual update.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to approve the list of priority projects for the 2005-06 Comprehensive Economic Development Strategy Annual Update.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Wahl, Gruendl
NOES: Holcombe

4.2. CONSIDERATION OF LOCATIONS TO HONOR DR. MARTIN LUTHER KING, JR.

Mayor Gruendl and Councilmember Bertagna have met with representatives from the Chico Area Recreation and Park District (CARD) Board of Directors and have identified the following locations for honoring Dr. Martin Luther King, Jr. that are consistent with the criteria approved by the City Council and the CARD Board of Directors: (1) Community Park; (2) Children’s Park; and (3) Wildwood Park, with alternatives being a monument in Community Park and the renaming of Whitman Avenue. Mayor Gruendl provided a verbal report. The Council was provided with a copy of the adopted criteria. It was also noted that the Council received letters from G. Morey, William Limpach, and Brahama D. Sharma.

A motion was made by Councilmember Bertagna and seconded by Mayor Gruendl to approve the renaming of Whitman Avenue to Dr. Martin Luther King, Jr. Parkway from East Park Avenue to the entrance of Community Park, with a letter of support from the City being sent to CARD for the inclusion of an inscription of “Honoring the Legacy of Dr. Martin Luther King, Jr.” at the entrance of Community Park, as well as a monument dedicated in his honor.

The motion carried by the following vote:
AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Memorandum dated 05/04/05 from the Finance Director reporting that the list of claims paid during the month of April 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.2. E-mail dated 5/04/05 from Barbara Reed, Chico Avenues Neighborhood Association, asking that the City Council agendize the request for an Avenues Neighborhood Plan at its meeting of 6/07/05. Council referred this item to the Internal Affairs Committee for consideration.

6.3. Letter received 5/02/05 from Eric Enns, Pastor, Pleasant Valley Assembly of God, City Light, formally asking the City of Chico to pay for the costs of implementing the Remedial Action Plan, specifically, the billing from the Regional Water Quality Control Board. Also, by letter received 5/04/05, Pastor Enns requests reimbursement of $37,351 from Southeast Chico Sewer Assessment District monies for AP No. 002-180-083. Council referred this item to the Finance Committee for consideration.

7. ADJOURNMENT

Adjourned at 12:37 a.m. to June 7, 2005, at 8:30 a.m., in the City Council Chamber for an adjourned regular work session.

Date Approved: July 19, 2005

_________________________________
Deborah R. Presson, City Clerk
1. CALL TO ORDER – Mayor Gruendl called the June 7, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 8:30 a.m.

1.1. Flag Salute

Proclamation — Proclaiming June 14, 2005 as Flag Day

1.2. Roll Call

Present: Bertagna, Herbert, Holcombe, Schwab, Wahl, Kirk, Gruendl
Absent: None

1.3. The Redevelopment Agency/City Council scheduled its lunch break between 12:00 p.m. and 1:30 p.m. with closed session following at 1:30 p.m.

1.4. REGULAR AGENDA

1.5. CONSIDERATION OF GENERAL PLAN AMENDMENT AND REZONES FOR BIDWELL RANCH AND OTHER PROPERTIES AND TEXT AMENDMENTS TO THE LAND USE AND PARKS, PUBLIC FACILITIES AND SERVICES ELEMENTS, AND AMENDMENT TO TITLE 19 OF THE CHICO MUNICIPAL CODE - GENERAL PLAN AMENDMENT/REZONE 03-05 (CITY OF CHICO), GENERAL PLAN AMENDMENT/REZONE 04-04 (CITY OF CHICO), GENERAL PLAN AMENDMENT/REZONE 04-09 (20TH STREET MANGROVE LLC) AND GENERAL PLAN AMENDMENT/REZONE 04-10 (AGASY, INC.)

Action on the following General Plan amendments and rezones were combined due to the limitation on the number of amendments that may be approved annually for any one element of the General Plan. One resolution approving all General Plan amendments was prepared for adoption by the Council.

Public hearings on all four items were held on 05/17/05, after which Council continued the matter for final action until this meeting, in order to allow more time to determine the Army Corps of Engineers’ position on whether the Bidwell Ranch property could still be used as a wetland mitigation bank if it is designated Open Space for Environmental Conservation/Safety and zoned OS1 Primary Open Space. As requested at the 05/17/05 meeting, Council was provided with a summary of Bidwell Ranch acquisition costs and funding sources through 11/01/04. The Planning Director recommended that the City Council adopt the resolution amending the General Plan, and take action on the rezone ordinances as set forth below. Public comment was taken on these matters at the public hearings held on 05/17/05, and those hearings were closed.

The following correspondence was received regarding Bidwell Ranch: (1) e-mails received from Fred Davis, Cap Porterfield, Sherrie Wierenga, Pete Carr, Lea Wagner, Patricia Trimbell and Donald Durand; and (2) letters from Thomas J. Cavanaugh, Chief, U.S. Army Corps of Engineers and Kenneth N. Derucher, Dean, College of Engineering, Computer Science, and Construction Management.

A. GENERAL PLAN AMENDMENT AMENDING THE LAND USE ELEMENT REGARDING MINIMUM DENSITIES ASSOCIATED WITH THE MEDIUM DENSITY RESIDENTIAL LAND USE DESIGNATION AND R2 ZONING DISTRICT FROM 4.01 TO 5.5 UNITS PER ACRE - GENERAL PLAN AMENDMENT/REZONE 03-05 (CITY OF CHICO)

B. GENERAL PLAN LAND USE AMENDMENT AND REZONE FROM OPEN SPACE FOR ENVIRONMENTAL CONSERVATION/SAFETY AND VERY LOW DENSITY RESIDENTIAL TO OPEN SPACE FOR ENVIRONMENTAL CONSERVATION/SAFETY AND REZONE FROM PMU-RM-PD PLANNED MIXED USE-RESOURCE MANAGEMENT-PLANNED DEVELOPMENT TO OS1 PRIMARY OPEN SPACE FOR THE BIDWELL RANCH PROPERTY IDENTIFIED AS ASSESSOR’S PARCEL NOS. 016-230-010, 016-200-002, AND 016-170-002 - GENERAL PLAN AMENDMENT/REZONE 04-04 (CITY OF CHICO)
C. GENERAL PLAN LAND USE AMENDMENT FROM PUBLIC FACILITIES AND SERVICES TO COMMUNITY COMMERCIAL AND A REZONE FROM PQ PUBLIC/QUASI PUBLIC TO CC COMMUNITY COMMERCIAL FOR PROPERTY LOCATED APPROXIMATELY 175 FEET WEST OF MANGROVE AVENUE, AND 175 FEET NORTH OF VALLOMBROSA AVENUE, IDENTIFIED AS ASSESSOR'S PARCEL NO. 003-210-011 - GENERAL PLAN AMENDMENT/REZONE 04-09 (20TH STREET MANGROVE LLC)

D. GENERAL PLAN LAND USE AMENDMENT FROM COMMUNITY COMMERCIAL TO MEDIUM DENSITY RESIDENTIAL AND A REZONE FROM CC COMMUNITY COMMERCIAL TO R2 MEDIUM DENSITY RESIDENTIAL FOR PROPERTY LOCATED ON THE SOUTH SIDE OF HENSHAW AVENUE, 245 FEET WEST OF THE ESPLANADE, ASSESSOR’S PARCEL NO. 006-530-003 - GENERAL PLAN AMENDMENT/REZONE 04-10 (AGASY, INC.)

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to postpone the General Plan Amendment for Bidwell Ranch (Item B) to allow presentations by developers on potential offers on a portion of the land.

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl

It was noted, for the record, that while Councilmembers Bertagna, Herbert and Wahl supported both Item C - General Plan Amendment/Rezone 04-09 and Item D - General Plan Amendment/Rezone 04-10, they could not support the motion if it included the approval of the Bidwell Ranch amendment and the increase in densities associated with the Medium Density Residential Land Use designation and the R2 Zoning District.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution and ordinances:


ORDINANCE NO. 2320 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO INCREASE THE MINIMUM DENSITY IN THE R2 ZONING DISTRICT FROM 4.01 TO 5.5 UNITS PER ACRE - Final Reading and Adoption (Item A)

ORDINANCE NO. 2321 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING APPROXIMATELY 750 ACRES COMMONLY REFERRED TO AS BIDWELL RANCH AND LOCATED NORTHEAST OF SYCAMORE CREEK DIVERSION CHANNEL AND ADJACENT TO THE WESTERN EDGE OF UPPER BIDWELL PARK (ASSESSORS PARCEL NOS. 016-230-010, 016-200-002, AND 016-170-002) FROM PMU-RM-PD PLANNED MIXED USE WITH RESOURCE MANAGEMENT AND PLANNED DEVELOPMENT OVERLAYS TO OS1 PRIMARY OPEN SPACE (GENERAL PLAN AMENDMENT/REZONE 04-04; CITY OF CHICO) - Final Reading and Adoption (Item B)
ORDINANCE NO. 2322 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY LOCATED 175 FEET WEST OF MANGROVE AVENUE AND 175 FEET NORTH OF VALLOMBROSA AVENUE, IDENTIFIED AS ASSESSORS’ PARCEL NUMBER 003-210-011 FROM PQ PUBLIC/QUASI PUBLIC TO CC COMMUNITY COMMERCIAL (GPA/RZ 04-09 20TH STREET MANGROVE LLC) - Final Reading and Adoption (Item C)

ORDINANCE NO. 2323 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY IDENTIFIED AS THE WESTERLY 1.13 ACRES OF A PARCEL LOCATED AT THE SOUTHWEST CORNER OF HENSHAW AVENUE AND THE ESPLANADE (ASSESSOR’S PARCEL NO. 006-530-003) FROM CC COMMUNITY COMMERCIAL TO R2 MEDIUM DENSITY RESIDENTIAL (GENERAL PLAN AMENDMENT/REZONE 04-10 AGASY, INC.) - Final Reading and Adoption (Item D)

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

1.6. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

2. ADJOURNMENT

City Council recessed and reconvened as the Redevelopment Agency.
CALL TO ORDER – Mayor Gruendl called the June 7, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. CONSENT AGENDA — A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the following Consent Agenda items:

2.1. MINUTE ORDER NO. 02-05 — AUTHORIZATION FOR THE EXECUTIVE DIRECTOR TO EXECUTE A JOINT EXERCISE OF POWERS AGREEMENT FOR THE CHICO URBAN AREA JOINT POWERS FINANCING AUTHORITY BY AND BETWEEN THE COUNTY OF BUTTE AND THE CHICO REDEVELOPMENT AGENCY REGARDING PROJECT FINANCING FOR THE INSTALLATION AND CONSTRUCTION OF PUBLIC SEWER FACILITIES IN THE CHICO URBAN AREA

By Minute Order No. RDA 03-04, approved 05/18/04, the Agency authorized execution of a letter agreement regarding the use of Agency funds to support project financing for the installation of public sewer facilities in the Chico Urban Area. The letter agreement provided that the Agency and Butte County would work together to seek an appropriate financing mechanism, including the possible formation of a Joint Powers Authority to apply for a State Revolving Fund (“SRF”) loan. This minute order authorizes the Executive Director to execute an agreement with the County to form the Chico Urban Area Joint Powers Financing Authority which would be created under the authority granted by the California Government Code. The sole purpose of the agreement was to facilitate the financing of the construction and installation of sewer facilities and improvements. The Executive Director recommended approval of the minute order.

2.2. MINUTE ORDER NO. 03-05 — AUTHORIZATION FOR EXECUTIVE DIRECTOR TO EXECUTE A LETTER AGREEMENT FOR REIMBURSEMENT BY BUTTE-GLENN COMMUNITY COLLEGE DISTRICT OF COSTS OF ADDITIVE PARKING LOT IMPROVEMENTS IN CONJUNCTION WITH THE CHICO REDEVELOPMENT AGENCY’S FOREST AVENUE TRAFFIC SIGNAL PROJECT

Butte College has proposed additive modifications and improvements to its parking lot at the Chico Center to increase the efficiency of traffic circulation in conjunction with the Agency’s project to install a traffic signal at the intersection of Forest Avenue and the Chico Center entrance. This minute order authorizes the Executive Director to execute a reimbursement agreement with the Butte-Glenn Community College District by which the College will pay for the costs of additive improvements specific to the College’s parking lot. The Director of Public Works recommended approval of the minute order.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — None

4.2. REDEVELOPMENT BUDGET REVIEW

A. General Budget Review

The Executive Director provided an overview of the 2005-06 Proposed Chico Redevelopment Agency Budget, including a review of the Chico Amended and Merged Redevelopment Project Areas Trends and Projections, the Operating Budget, and the following summaries:
The Agency directed staff to revise park projects in Exhibit B to add “or other location” to all that currently are site specific in the exhibit and to include this change in the final budget resolution.

B. Capital Budget Review

Since a thorough review of the proposed 2005-06 redevelopment capital projects was conducted at the Agency’s 04/26/05 work session, Agency staff did not prepare a formal review of the projects, but was prepared to discuss capital projects in as much detail as desired by the Agency. The Executive Director reviewed his recommendation regarding the additive request related to acquisition of 14.5 acres of property along Comanche Creek as set forth in the Redevelopment Budget Message. Final action on the Comanche Creek acquisition is found under the City Council Capital Budget section 4.2.F.

Addressing the Council on the Capital Budget were Mary Cahill, representing CARD, who asked that Council consider including the funds for the remodel of the Old Municipal Building, and Bob Best, who asked to be notified when the Finance Committee would be considering capital projects so that he could participate in future discussions.

Staff was directed to provide in the final budget memorandum additional information related to costs for the remodel of the Old Municipal Building for both the Agency and tenants if received from Mary Cahill.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to move $40,500 from Fund 352 for Rotary Park improvements from the five year category to the 2005-06 budget.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Councilmember Holcombe to move the entire list of five year projects into the 2005-06 budget. The motion died for a lack of a second.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to allocate an additional $900,000 from Fund 352 to award the bid for the renovation of the City Plaza.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. Conclusion of the Redevelopment Agency Budget Review

In order to allow the review of both the 2005-06 Proposed City Budget and the 2005-06 Proposed Redevelopment Budget prior to the City Council taking action, the resolution adopting the 2005-06 Tentative Budget was moved to the end of the City budget review agenda (City Council Agenda Item No. 4.2.).

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. ADJOURNMENT

The Redevelopment Agency meeting was adjourned and reconvened as the City Council to consider the remaining Council items.
1. **CALL TO ORDER**

1.1. The City Council meeting was reconvened following the Redevelopment Agency meeting.

2. **CONSENT AGENDA** — Items 2.1., 2.2., and 2.3. were removed from the Consent Agenda and heard immediately following the Consent Agenda. A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the remaining items:

2.1. **RESOLUTION NO. 136 04-05** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 293 - PARKING FEES AND RATES) — This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

2.2. **RESOLUTION NO. 137 04-05** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO MODIFYING THE PLANNING COMMISSION’S CONDITIONAL APPROVAL OF AGUILAR PARCEL MAP AND PLANNED DEVELOPMENT PERMIT (PM/PDP 04-15) — This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

2.3. **RESOLUTION NO. 138 04-05** — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING PROGRAM FOR THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT 02-01 AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS) — This item was removed from the Consent Agenda at the request of Vice Mayor Kirk.

2.4. **RESOLUTION NO. 140 04-05** — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PORTION OF PUBLIC RIGHT-OF-WAY PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (FRANKLIN STREET - SIERRA NEVADA BREWING COMPANY / APN 005-443-006)

By memorandum dated 4/19/05, the Director of Public Works reported on a request from the Sierra Nevada Brewing Company to abandon a portion of public right-of-way located on Franklin Street to facilitate the reconstruction of Franklin Street. The Director of Public Works recommended adoption of the resolution which schedules a public hearing for 7/19/05 at 6:30 p.m.

2.5. **RESOLUTION NO. 141 04-05** — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (FRANKLIN STREET - SIERRA NEVADA BREWING COMPANY / APN 005-443-006)

By memorandum dated 4/19/05, the Director of Public Works reported on a request from the Sierra Nevada Brewing Company to abandon an existing ten-foot wide public utility easement located on Franklin Street to facilitate the reconstruction of Franklin Street. The Director of Public Works recommended adoption of the resolution which schedules a public hearing for 7/19/05 at 6:30 p.m.

2.6. **MINUTE ORDER NO. 15-05** — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A LETTER OF AGENCY AND RELATED DOCUMENTS WITH THE STATE OF CALIFORNIA IN RELATION TO THE IMPLEMENTATION OF THE ENHANCED WIRELESS 911 CALL SYSTEM WITHIN THE CITY OF CHICO JURISDICTIONAL BOUNDARIES

Wireless 911 calls are currently answered by the California Highway Patrol and then transferred to the appropriate local public safety agency. However, it is likely that the State will mandate that local safety agencies answer wireless 911 calls originating within their jurisdictions in the future.
The State of California has offered to act as an agent in representing local public safety agencies statewide in negotiations with the wireless carriers and other affected parties to implement these changes. This minute order authorizes the City Manager to execute an agency letter and any related documents with the State of California for agency assistance and reservation of State funding if the City elects to answer wireless 911 calls originating within the City of Chico. The Chief of Police recommended approval of the minute order.

2.7. MINUTE ORDER NO. 16-05 — AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENTS TO ACQUIRE PROPERTY RIGHTS LOCATED AT 730 BRUCE ROAD (APN 002-610-047) - BELLIN, ROSS, AND ANDERSON

The City Council previously authorized the negotiated purchase of a portion of 730 Bruce Road (APN 002-610-047) from Ann Marie Bellin, Franklin and Joann Ross, and Thomas and Cheryl Anderson, owners of an undeveloped parcel on Bruce Road, for a temporary construction easement and right-of-way needed in connection with the City’s Manzanita Corridor Reconstruction Project. This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire a temporary construction easement and the right-of-way for $19,540. The Senior Assistant City Manager recommended approval of the minute order.

2.8. ACCEPTANCE OF AUDIT REPORT OF THE SOLID WASTE COLLECTORS’ COMPLIANCE WITH THE CHICO MUNICIPAL CODE REQUIREMENTS

By memorandum dated 5/02/05, the Solid Waste Committee provided a report on its meeting held on 4/27/05. Committee members present were Councilmembers Holcombe and Wahl, Chair. The Committee recommended (2-0-1, Gruendl absent) acceptance of the audit of the solid waste collectors. The Committee directed staff to agendize the issue of backyard service for discussion at a future meeting.

The motion to approve the Consent Agenda, with Items 2.1., 2.2., and 2.3. removed and heard immediately following the Consent Agenda, carried, as read, by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — This item was moved up to be heard immediately following the Consent Agenda.

2.1. RESOLUTION NO. 136 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 293 - PARKING FEES AND RATES) — This item was removed from the Consent Agenda at the request of Councilmember Holcombe for clarification regarding the possible referendum.

At its 5/17/05 meeting, the City Council adopted (5-0, Wahl and Schwab disqualified) Resolution No. 129-04-05 to expand parking meter enforcement hours to include weeknights from 6:00 p.m. to 10:00 p.m. and Saturdays from 8:00 a.m. to 10:00 p.m. effective 7/1/05.

The Council also approved (5-0, Wahl and Schwab disqualified) a parking meter rate of $0.25 per hour for all meters after 6:00 p.m. and for the ten-hour meters on Saturdays only. A rate of $0.50 per hour will apply at all other times. The resolution amended the City's Fee Schedule to revise the Parking Fees and Rates (Schedule 15.090) to implement Council’s action. The City Manager recommended adoption of the resolution. Councilmembers Schwab and Wahl were disqualified on this item.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to adopt the following resolution:

RESOLUTION NO. 136 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 293 - PARKING FEES AND RATES)
2.2. MODIFYING THE PLANNING COMMISSION’S CONDITIONAL APPROVAL OF AGUILAR PARCEL MAP AND PLANNED DEVELOPMENT PERMIT (PM/PDP 04-15) — This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further clarification.

By memorandum dated 5/16/05, Associate Planner Summerville reported that on 4/26/05, the City Council held a public hearing to consider an appeal involving certain conditions of approval adopted by the Planning Commission for the Aguilar Parcel Map/Planned Development Permit (PM/PDP 04-15). At the conclusion of the hearing, the Council approved a motion of intent to modify the Planning Commission’s decision to approve the two applications by amending the conditions of approval.

The project included a request to divide a 0.67 acre parcel located at the northeast corner of Manzanita and Myrtle Avenues into three lots. Concurrent with the land division, a planned development permit was proposed to allow retention of an existing single-family home with a reduced side yard setback and construction of two new triplexes with reduced front and rear yard setbacks. The applications also included a request to reduce the required off-street parking by eliminating guest parking and to adjust the City street design for Myrtle Avenue. The property is prezoned OR-Office Residential and through the planned development permit process, the applicant requested approval of the Site Plan and Architectural Review required for the new triplex buildings and authorization of the residential uses. The Planning Director recommended adoption of the resolution. It was noted that this item could only be removed from the Consent Agenda for clarification at the request of a member of Council or a member of staff. Public comment was taken on this matter at the public hearing held on 04/26/05, and that hearing was closed.

Staff confirmed that the discussion of limiting parking on the corner of Myrtle Avenue is on the Internal Affairs Committee pending list for consideration at a future meeting.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to adopt Resolution No. 137 04-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab
NOES: Kirk, Wahl, Gruendl

2.3. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING PROGRAM FOR THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT 02-01 AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO MODIFYING THE PLANNING COMMISSION’S DECISION TO CONDITIONALLY APPROVE THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT PDP 02-01, AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS) BY AMENDING THE CONDITIONS OF APPROVAL — This item was removed from the Consent Agenda at the request of Vice Mayor Kirk.

By memorandum dated 5/31/05, Senior Planner Murphy reported that at its meeting of 5/17/05, the City Council held a public hearing on two appeals of the Planning Commission’s decision to certify the Final Environmental Impact Report (Final EIR) for the Oak Valley development.

The City Council approved a motion of intent to deny the appeals and uphold the decision of the Planning Commission to (a) certify the Final EIR, adopt a Statement of Overriding Considerations, and adopt the mitigation monitoring program for the project; and (b) approve the vesting tentative subdivision map, planned development permit, and conceptual master plan for the project, as amended.
In upholding the Planning Commission’s determination to certify the Final EIR, the Council also amended certain conditions of approval adopted by the Planning Commission for the Vesting Tentative Subdivision Map, Planned Development Permit, and Conceptual Master Plan for the Oak Valley development. Development of the 340-acre site would take place pursuant to a Conceptual Master Plan (Plan). At full buildout, the Plan for the site would accommodate approximately 1,324 residential units, along with 109,000 square feet of commercial retail space on 10 acres, and 87.5 acres of open space. The property is bounded by Bruce Road on the west, State Highway Route 32 on the north, a PG&E 500 kV transmission line on the east and Humboldt Road on the south. The Planning Director recommended adoption of the resolutions.

The following correspondence was received regarding the Oak Valley Project: (1) letters and e-mails received from Phil Johnson, Emily Alma, Teresa Cunniff, Barbara Boyle, Kerry Kelly, Catherine Wade, Bob and Ty Benoit, Mari Moore, Jennifer Heck, Kathleen Faith, Mary Fogarty, John Miller, and Shute, Mihaly & Weinberger LLP; and (2) facsimile received 6/06/05 from Douglas B. Aikins, Attorney, requesting that the City Council continue further action on the land use approvals for the Oak Valley Project for approximately two to four weeks.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to continue this matter in order to allow staff to respond to additional questions raised by members of Council regarding the clustering of the upper portion and confirmation that CEQA was followed when considering the area by Humboldt Road.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF THE HAWES PARCEL MAP (PM 05-02) LOCATED AT 1581 MOUNTAIN VIEW AVENUE — This item was time certain for 11:00 a.m.

By memorandum dated 5/23/05, Assistant Planner Redeker reported that at the Planning Commission meeting of 5/05/05, the Commission voted (6-1) to approve a request to divide a 0.69 acre (gross) parcel located at 1581 Mountain View Avenue into three lots. At the hearing, the Commission imposed additional conditions of approval to ensure neighborhood compatibility. A timely appeal was filed by Tom Blodget, representing a group of 20 area residents. The Council was provided with a letter dated 5/31/05 from Richard Hawes. The Planning Director recommended that the City Council adopt a motion of intent to deny the appeal and uphold the decision of the Planning Commission.

E-mails were received from Lisa Riley, Christina Hoover, Annemarie Baltzell, Matt Zerega, Ben and Mildred Barker, William and Laura Carter, and Doris and Marshall Hollingsworth.

Councilmember Holcombe announced ex parte communication with Dan Bartel and Councilmember Bertagna announced an ex parte communication with Paul Hawes. Mayor Gruendl opened the hearing to the public. Addressing the Council in support of the appeal were Tom Blodget, Tina Hoover, Dan Katz, Paul Watters, Dave Cornett, Janet Owens, Kevin Atkin, Lisa Riley, John Mahony, Linda Halbert, and Mark Walker. Speaking against granting the appeal were Tim Wood, Rich Hawes, and Paul Hawes. The hearing was closed.

A motion was made by Councilmember Wahl and seconded by Vice Mayor Kirk to adopt a motion of intent to uphold the appeal thereby overturning the Planning Commission’s approval of the Hawes parcel map (PM 05-02) located at 1581 Mountain View Avenue.

The motion carried by the following vote:

AYES: Herbert, Kirk, Wahl, Gruendl
NOES: Bertagna, Holcombe, Schwab
3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 545 (YOSEMITE COMMONS/YOSEMITE AT 32 SUBDIVISIONS)

By memorandum dated 5/04/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 545. As a condition of approval of subdivision maps for these two subdivisions, generally located on Yosemite Drive at SHR 32, the developer, Marcon, Inc. (Don Marshall and Pay Conroy), has consented to the formation of this district for the annual maintenance and future replacement of the landscaping and irrigation of the surface storm water detention facility (Lot A) and the pre-manufactured underground storm water quality treatment facilities located within each of the subdivisions.

Marcon requested one maintenance district be formed for the two subdivisions since they share the Lot A area. Costs were calculated based on each subdivision paying its proportionate share of the costs of maintaining Lot A, but each maintains its own underground storm water quality facilities. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution.

Mayor Gruendl opened the hearing to the public. Nicole Ledford addressed the Council. The hearing was closed to the public.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to adopt the following resolution:

RESOLUTION NO. 142 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE ASSESSMENT DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 545 YOSEMITE COMMONS/YOSEMITE AT 32 SUBDIVISIONS

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.3. HEARING ON ACQUISITION OF INTERESTS IN REAL PROPERTY BY EMINENT DOMAIN FOR THE MANZANITA CORRIDOR RECONSTRUCTION PROJECT (ASSSESSOR’S PARCEL NO. 002-160-076 - DES PARTNERSHIP)

The City is undertaking the Manzanita Corridor Reconstruction Project which will reconstruct, widen and install full urban improvements along the Manzanita Avenue/Chico Canyon Road/Bruce Road Corridor between East Avenue and State Highway Route 32 (referred to as the Manzanita Corridor). Because of this reconstruction project, the City must acquire additional right-of-way and temporary construction easements from several property owners proximate to the Manzanita Corridor.

By notice letter dated 5/20/05, DES Partnership, the owner of the vacant property located at the northwest corner of Bruce Road and SHR 32 was advised of this hearing, of the City’s intent to purchase a right-of-way, improvements, and a temporary construction easement, and that the property owner should submit a request in writing within 15 days of the date of the letter if they wished to be heard at this meeting. No request was received.

By memorandum dated 5/27/05, the Senior Assistant City Manager transmitted the resolution authorizing acquisition of interests in the properties by eminent domain with notice letter attached as Exhibit “B,” the 5/23/05 Engineer’s Report from the Director of Public Works which supports the California Government Code findings required to adopt the resolution, and the notice of determination for the reconstruction project. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the following resolution:
RESOLUTION NO. 143 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO FINDING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF PROPERTY LOCATED AT THE NORTHWEST CORNER OF BRUCE ROAD AND STATE HIGHWAY ROUTE 32 (ASSESSOR’S PARCEL NO. 002-160-076) IN CONNECTION WITH THE MANZANITA CORRIDOR RECONSTRUCTION PROJECT AND AUTHORIZING THE INITIATION OF AN EMINENT DOMAIN ACTION TO ACQUIRE SUCH PROPERTY

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

Council recessed for lunch from 12:15 to 1:30 p.m. and reconvened to Closed Session at that time.

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA — This item was heard immediately following the approval of the Consent Agenda.

4.2. BUDGET REVIEW

A. General Budget Review.

The City Manager provided an overview of the 2005-06 Proposed Budget, including a review of the Budget Message, Budget Policies, General Fund, and Estimated Fund Balances.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to fund three positions for Fire Truck No. 1 in November 2005 if funds are available. This motion was voted on under Item 4.2.E.

B. Capital Budget Review

C. Review of Additive Requests

The City Manager reviewed his recommendations for additive requests as set forth in Exhibit “F” to the City Manager’s Budget Message.

D. Other Budget Requests

1. Memorandum dated 5/17/05 from the Art Projects Coordinator reported that the Arts Commission was recommending that Council approve funding of $150,000 over a three-year period, beginning with a 2005-06 budget amount of $50,000, for the coordination of an annual October arts festival entitled Chico Artstoberfest. If funding is approved by Council, staff will need to solicit proposals to hire a consultant who would market and coordinate the Chico Artstoberfest. By letter dated 5/19/05, Kathy Barrett, Chair, City of Chico Arts Commission, submitted a proposal regarding the fall festival. This item was acted on under Item E.

By letter dated 5/18/05, Bob Linscheid, General Manager, Chico Outlaws, proposed that funds previously allocated for fireworks for the Community July 4th celebration be used to offset the cost of shuttles from downtown to the Outlaws ballpark.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to authorize the use of funds for a shuttle instead of fireworks.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

E. Community Organization Funding — This item was time certain for 2:00 p.m. Councilmembers Holcombe and Schwab were disqualified on this item.
By memorandum dated 05/17/05, the Senior Assistant City Manager transmitted the following:

1. Worksheet showing the 2005-06 community organization funding recommendations made by the Finance Committee in the General/CDBG and TOT - Tourism and Economic Development categories and by the Arts Commission in the TOT - Arts category.

2. Finance Committee reports and related documents for its meetings held on 04/14/05 and 04/28/05.

3. Memorandum dated 05/01/05 from the Arts Project Coordinator providing the Arts Commission’s funding recommendations.

The Senior Assistant City Manager recommended that the City Council: (1) accept the Finance Committee reports for its 4/14/05 and 4/28/05 meetings; (2) accept the recommendations of the Finance Committee and Arts Commission for the FY 2005-06 community organization funding allocations; (3) accept the recommendation of the Arts Commission to allocate $10,000 of the TOT revenue available for organization/artist funding to market the Artstoberfest event in October 2005; and (4) accept the recommendation of the City Manager to allocate $5,000 to University Public Events for its Field Trip Series for local schoolchildren.

The Council was provided with a revised worksheet showing the community organization funding recommendations. Due to a clerical error, the formula for a 4 percent increase recommended by the City Manager and the Finance Committee for organizations requesting an increase in funding from FY 2004-05 was inadvertently applied to Rape Crisis. The worksheet was revised to show a recommended allocation for Rape Crisis of $25,603, the full amount funded in FY 2004-05 and requested for FY 2005-06, rather than $26,627, and the organization has been advised that the revised figure will be the allocation considered by the Council at this meeting. Katrina Davis and Jim Goodwin addressed the Council regarding the TOT funding.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to authorize the carryover of unexpended funds for the Veteran's Memorial in the amount of $684.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl, Gruendl
NOES: None
DISQ: Holcombe, Schwab

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to allocate an additional $2,000 to Sunshine Kids.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl, Gruendl
NOES: None
DISQ: Holcombe, Schwab

Councilmembers Holcombe and Schwab rejoined the City Council for consideration of the TOT allocations.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to allocate $10,000 to University Public Events.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: None
A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to allocate $10,000 for Artstoberfest, with the three-year request of $150,000 to be considered in November 2005.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: None

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the TOT allocations, in addition to the items listed above, as recommended.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

F. Conclusion of the 2005-06 Budget Review

For the record it was noted that Councilmembers Bertagna, Herbert, and Wahl opposed the allocation of funds for the purchase of Comanche Creek. In addition, Susan Mason addressed the Council in support of adding a Volunteer Coordinator position to the Park Department.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to add the position of Volunteer Coordinator to the Park Department with the requirement that this individual also be responsible for grant writing.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert, on behalf of both the City Council and Redevelopment Agency, to: (1) approve the City Manager’s recommendations as set forth in the Additive List, attached as Exhibit “B” to the Budget Message, except for the Volunteer Coordinator position that Council approved in a separate action; (2) approve the modifications to the proposed budgets; and (3) adopt the resolutions listed below:


RDA RESOLUTION NO. 06-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ADOPTING THE 2005-06 TENTATIVE BUDGET FOR THE CHICO REDEVELOPMENT AGENCY

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

G. Consideration of a Biennial Budget

During the election of November 2004, the voters approved the adoption of a biennial budget. The City Manager recommended that beginning in 2006-07, the City Council utilize the newly adopted authority. While Council will continue to meet quarterly to review the ongoing budget status, the preparation of a two year budget will dramatically decrease the amount of administrative time required to prepare the budget document. Under this resolution, the City Council would elect to adopt biennial budgets for the City of Chico, the Chico Public Financing Authority, and the City of Chico Parking Authority commencing with the 2006-07 fiscal year.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:


The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. CONSIDERATION OF THE VETERANS MEMORIAL — This item was heard at 2:30 p.m.

By e-mail dated 5/26/05, Councilmember Holcombe requested that the City Council review the process or criteria for selection of text for the memorial, and how that selected text was to be affixed to the memorial. He also asked for clarification of how names will be selected for placement on the memorial. Pursuant to City Council rules of procedure, the Council voted to consider this matter at this meeting.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to hear the item at this meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

Councilmember Wahl read the proposed inscription for the Memorial which was drafted by the Veteran’s Memorial Committee:

"IN TRIBUTE to the men and women who have served our nation. On foreign land, at sea, in the air, and at home. Many have served honorably to protect the freedom and liberty we have been granted by our creator in this great land of opportunity. A Proud and Thankful Community."

Councilmember Holcombe stated that he wanted to make sure that the inscription represented all people equally in the community and asked for additional time in order to allow for more public input. Councilmember Wahl indicated that the Committee had worked long and hard to provide an inscription that would show our gratitude to those men and women who have made a difference, whether that be overseas or at home. Councilmember Herbert expressed concern over the Council participating at this point in determining what should be written on the Memorial, or the process by which people’s names will be inscribed as that was not part of the original action taken by the Council.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to request that Council be provided with additional information regarding the selection of names on the Memorial and the final text to be inscribed when finalized. The information is to be presented at the beginning of a future Council meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl, Gruendl
NOES: Holcombe, Schwab

Council recessed for a ten minute break at 3:25 p.m.
Council reconvened at 3:35 p.m. and all members were present.
4.4. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON APRIL 27, 2005 – A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to continue this item to the 6/21/05 City Council meeting.

The motion to continue this item to a future meeting carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA — None

5. BUSINESS FROM THE FLOOR — None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Letters dated 5/09/05 from Brooks Taylor and 5/22/05 from Susan Parsons asking the City Council to agendize the issue of on-street parking of trailers within the City of Chico and to consider passing an ordinance restricting the parking of trailers on city streets. The City Manager recommended referral to the Internal Affairs Committee for discussion at the next scheduled meeting. Staff was directed to provide the committee with the background information from prior discussions.

6.2. Letter dated 5/25/05 from Francis Farley requesting a chance to speak to the Council regarding the Oak Valley Project (Item 2.3. on today’s agenda). A prior public hearing was held on this item on 5/17/05.

7. ADJOURNMENT

Adjourned at 4:15 p.m. to June 21, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 6:30 p.m.
1. **CALL TO ORDER** – Mayor Gruendl called the June 7, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street to order at 1:30 p.m.

**Roll Call**

Present: Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None
Disqualified: Bertagna

Staff Members Present: City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, City Clerk Presson and Human Resources Director Koch.

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.)

3. **ADJOURNMENT**

Closed Session was adjourned at 1:37 p.m. to a City Council meeting in the Council Chamber.

Date Approved: September 6, 2005

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** — Mayor Gruendl called the June 21, 2005 – Adjourned Regular Chico City Council meeting to order at 6:00 p.m. in the Chico Municipal Center, Conference Room #2, 421 Main Street.

2. **CLOSED SESSION**

   **Roll Call:**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Members Present: City Manager Lando, City Attorney Frank, Senior Assistant City Manager Dunlap, Assistant City Manager Jones, City Clerk Presson, and Director of Human Resources Koch.

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City's negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City's negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees and Management Employees. (Gov. Code Sec. 54957.6.) Councilmember Bertagna was disqualified on this item.

2.2. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following: LVV Enterprise, LLC, et al. vs. City Council of the City of Chico, et al., Butte County Superior Court Case No. 134638. (Gov. Code Sec. 54956.9(a).)

3. **ADJOURNMENT**

   Adjourned at 6:15 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER — Mayor Gruendl called the June 21, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order at 6:30 p.m. in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation — Dr. Tom Shifflet, Pastor, First Christian Church

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – None

1.5. Proclamation — Honoring the retirement of Assistant Director of Public Works Tom Alexander

2. CONSENT AGENDA — Item 2.1. was removed from the Consent Agenda for further discussion at the request of Councilmember Wahl and heard under Item 4.1.

2.1. ADOPTION AND IMPLEMENTATION OF THE 2005-06 CITY OF CHICO AND CHICO REDEVELOPMENT AGENCY BUDGETS

3. NOTICED PUBLIC HEARINGS — None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.1. ADOPTION AND IMPLEMENTATION OF THE 2005-06 CITY OF CHICO AND CHICO REDEVELOPMENT AGENCY BUDGETS – This item was removed from the Consent Agenda at the request of Councilmember Wahl. To consider this item, the Redevelopment Agency convened as both the Chico Redevelopment Agency and the City Council.

By memorandum dated 06/13/05, the City Manager/Executive Director submitted the documents to implement the 2005-06 City of Chico and Chico Redevelopment Agency budgets. The memorandum outlined the budget adjustments approved by the City Council and the Agency at the 06/07/05 meeting, and other budget adjustments identified by staff following preparation of the Proposed Budgets. The ordinance would formally approve the reorganization tentatively authorized by Council on 06/07/05 and establishes a Community Services Department and a General Services Department. The resolution amending the Management Employees Pay and Benefit Resolution adds the new job titles and sets the salary rates associated with implementation of the reorganization.

The adjustments adopted by the budget resolutions will be incorporated into the Final City of Chico and Chico Redevelopment Agency Budgets. The City Manager/Executive Director recommended introduction of the ordinance and adoption of the resolutions.

Councilmember Wahl asked for clarification regarding the $300,000 increase in funds set aside for the purchase of Comanche Creek included in the Redevelopment Agency Resolution, as listed under “D”. The City Manager indicated that the funds were for relocation costs for two existing businesses.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to remove the purchase of Comanche Creek from the above mentioned resolution.

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl
A. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO REORGANIZE THE FUNCTIONS OF THE PERSONNEL, COMMUNITY DEVELOPMENT AND PUBLIC WORKS DEPARTMENTS BY PROVIDING FOR THE DEPARTMENTS OF HUMAN RESOURCES AND RISK MANAGEMENT, GENERAL SERVICES AND COMMUNITY SERVICES - Introductory Reading (City Council Action)

Councilmember Holcombe indicated that he supported the reorganization that was presented to Council at its meeting of 6/7/05. However, this ordinance contained the creation of another position not originally discussed and he asked staff for further clarification on how this position would be funded. City Manager Lando indicated that this ordinance would be brought back for final adoption. Before that meeting, staff would provide Council with a memorandum outlining the funding sources, which, for the record, does not include the General Fund.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to introduce the ordinance, by reading of title only.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. RESOLUTION NO. 146 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 114 00-01 TO ADD THE POSITIONS OF COMMUNITY SERVICES DIRECTOR, GENERAL SERVICES DIRECTOR, DIRECTOR OF ENGINEERING, ASSISTANT COMMUNITY SERVICES DIRECTOR, DIRECTOR OF OPERATIONS AND MAINTENANCE, ECONOMIC DEVELOPMENT/REDEVELOPMENT MANAGER, FACILITIES MANAGER AND HOUSING SPECIALIST TO THE MANAGEMENT EMPLOYEE GROUP AND SET THE SALARY RATES FOR THOSE POSITIONS (AMENDMENT NO. 11 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION) (City Council Action)

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to adopt Resolution No. 146 04-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None


A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt Resolution No. 147 04-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

D. RESOLUTION NO. 07-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ADOPTING THE 2005-06 ADOPTED BUDGET FOR THE CHICO REDEVELOPMENT AGENCY (Agency Action)

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt RDA Resolution No. 07-05.

The motion carried by the following vote:
AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** — None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** — Mayor Gruendl called the June 21, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call**

   Absent: None

2. **CONSENT AGENDA** — Item 2.6. was removed from the Consent Agenda and tabled. Items 2.9. and 2.10. were removed from the Consent Agenda to be heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the remaining Consent Agenda items:

2.1. **RESOLUTION NO. 148 04-05** — **A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO CONSENTING TO THE INCLUSION OF A PART OF THE CITY OF CHICO IN BUTTE COUNTY SERVICE AREA NUMBER 24 - FLORAL ARRANGEMENT SUBDIVISION - FLORAL ARRANGEMENT, INC.**

   By memorandum dated 5/27/05, the Assistant Community Development Director reported that City approval of Floral Arrangement Subdivision required the annexation of this property to County Service Area No. 24 (Chico Mud Creek Drainage) for the maintenance of storm drainage facilities. The six lot single family residential subdivision is located on the west side of Floral Avenue, 470 feet north of East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item.

2.2. **RESOLUTION NO. 149 04-05** — **A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO CONSENTING TO THE INCLUSION OF A PART OF THE CITY OF CHICO IN BUTTE COUNTY SERVICE AREA NUMBER 23 AND BUTTE COUNTY SERVICE AREA NUMBER 24 - HANNAH COURT SUBDIVISION - MARIPOSA VISTA, INC.**

   By memorandum dated 5/27/05, the Assistant Community Development Director reported that City approval of Hannah Court Subdivision requires the annexation of this property to County Service Area No. 23 (Pleasant Valley Drainage) and County Service Area No. 24 (Chico Mud Creek Drainage) for the maintenance of storm drainage facilities. The five lot single family residential subdivision is located on the east side of Ceanothus Avenue, 1,800 feet north of East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item.

2.3. **RESOLUTION NO. 150 04-05** — **A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO CONSENTING TO THE INCLUSION OF A PART OF THE CITY OF CHICO IN BUTTE COUNTY SERVICE AREA NUMBER 23 AND BUTTE COUNTY SERVICE AREA NO. 24 - JENSEN PARK SUBDIVISION - CEANOThUS TRADITIONS, INC.**

   By memorandum dated 5/27/05, the Assistant Community Development Director reported that City approval of Jensen Park Subdivision requires the annexation of this property to County Service Area No. 23 (Pleasant Valley Drainage) and County Service Area No. 24 (Chico Mud Creek Drainage) for the maintenance of storm drainage facilities. The 44 lot single family residential subdivision is located on the east side of Ceanothus Avenue, 705 feet north of East Avenue. Prior to annexation of properties within the City limits to a County Service Area, the City Council must consent to such annexation. The Assistant Community Development Director recommended adoption of the resolution. Councilmembers Bertagna and Wahl were disqualified on this item.


By memorandum dated 6/15/05, the Director of Human Resources and Risk Management recommended adoption of two resolutions which extend the term of the employee bargaining agreements between the City and Service Employees International Union (SEIU) - Clerical, Technical and Professional Unit, and the SEIU Trades and Crafts Unit, and modify a number of pay and benefit provisions in each. These modifications resulted from recently concluded negotiations with both employee groups. The estimated costs associated with these modifications were set forth in the memorandum. The Director of Human Resources and Risk Management and the City Manager recommended adoption of these resolutions.

2.5. MINUTE ORDER NO. 17-05 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE CONSENT TO ASSIGNMENT LEASE OF REAL PROPERTY CHICO MUNICIPAL AIRPORT (CITY OF CHICO/DOUGLAS J. AND DEBORAH M. GUILLOM AND DAVID O. JEFFRIES) TO DANFORD A. JAY AND SANDRA R. JAY

At its meeting of 5/26/05, the Airport Commission approved a minute order recommending that the City Council authorize the City Manager to execute an assignment for lease of real property at the Chico Municipal Airport. The property located at 109 Convair is leased to Douglas J. Guillon, Deborah M. Guillon and Kathryn Egan and is currently subleased to Redding Aero Enterprises Inc., d.b.a. Chico Aviation, the airport’s fixed based operator.

Douglas J. Guillon, Deborah M. Guillon and Kathryn Egan desire to assign the lease to Danford A. Jay and Sandra R. Jay. Because the term of the lease allows for an extension of an additional 25 year period, City Council approval was required. All other terms and conditions of the lease will remain in effect. The Council was provided with a memorandum dated 5/23/05 from the Economic Development/Housing Specialist to the Airport Commission which provided background on the request to assign the lease at 109 Convair Avenue. The Airport Commission recommended approval of the minute order.

2.6. MINUTE ORDER – AUTHORIZATION TO ALLOW DISPOSAL OF NON-WORKING COMPUTERS AND RELATED EQUIPMENT TO RECYCLING COMPANIES — this item was tabled at the request of staff.

2.7. MINUTE ORDER NO. 18-05 – AUTHORIZATION FOR THE CITY MANAGER TO ENTER INTO A SUBLEASE WITH THE COUNTY OF BUTTE FOR USE OF PROPERTY LOCATED AT 2544 HIGHWAY 32 AS FIRE STATION NO. 6 SITE

Since September 2001, under the terms and conditions of the Chico Urban Area Fire and Rescue Agreement (CUAFRA) between the City and the County of Butte, the City has been operating Fire Station No. 6 on property owned by William Lewis at 2544 Highway 32 and leased by the County. The County’s obligation to pay the lease payments under CUAFRA expires on 06/30/05. This minute order authorizes the City Manager to enter into a sublease with the County for the remaining term of the County’s lease with Mr. Lewis (07/01/05 through 08/31/06). The Senior Assistant City Manager recommended approval of the minute order.

2.8. MINUTE ORDER 19-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH CHICO COMMUNITY SHELTER PARTNERSHIP (CCSP) FOR $400,000 OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE SECOND PHASE OF THE TORRES COMMUNITY SHELTER

Community Development Block Grant funds in the amount of $400,000 have been budgeted to expand services to the homeless at the Torres Community Shelter. This minute order authorizes the City Manager to execute an agreement with Chico Community Shelter Partnership for administration of the grant funding. The Housing Officer recommended approval of the minute order.
2.9. **DENIAL OF REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - 99 CENTS PLUS GROCERY (598 EAST EIGHTH STREET, CHICO 95928)** – This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Holcombe.

2.10. **REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - THE TACKLE BOX (379 EAST PARK AVENUE, CHICO 95928)** – This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Schwab.

2.11. **APPROVAL OF A VEHICLE FOR HIRE OWNER’S PERMIT - LIBERTY CAB**

   By memorandum dated 6/02/05, Management Analyst Herman recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit to Liberty Cab (Gianni C. Caponera and John J. Beaver), finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all applicable Chico Municipal Code requirements relating to Vehicle for Hire permits. The applicants requested authorization to operate an unlimited number of vehicles under the permit.

   This application is for the operation of taxi cab services. There currently are six active Vehicle for Hire Owner’s Permits issued, one of which only transports school children. Management Analyst Herman recommended approval of the issuance of the permit.

2.12. **APPROVAL OF AWARD OF BID FOR LEGAL PUBLICATIONS FOR THE 2005-06 FISCAL YEAR**

   By memorandum dated 6/08/05, the City Clerk forwarded pertinent information on the bid received for Legal and Display Publications for the 2005-06 fiscal year. It is noted that in the year 2000 it was determined that the Chico Enterprise-Record is currently the only newspaper in the City that meets the criteria set forth in Government Code Section 6008 as a “newspaper of general circulation,” and is, therefore, the only newspaper qualified to bid for the City’s Legal Publications pursuant to the City’s Charter. The City Clerk recommended that the bid for Legal Publications be awarded to the Chico Enterprise-Record.

2.13. **ACCEPTANCE OF BUILDING OFFICIAL’S ANNUAL REPORT TO COUNCIL FOR CALENDAR YEAR 2004 - REVENUE & TAXATION REQUIREMENT FOR SUBSTANDARD HOUSING CODE ENFORCEMENT (RENTAL)**

   By memorandum dated 5/19/05, the Building Official reported that there were no substandard rental units reported to the Franchise Tax Board during the 2004 calendar year. Four violation notices were issued for substandard rental housing units during that time period. All violations were cleared within the six-month compliance deadlines. The Building Official recommended acceptance of the Report.

The motion to approve the Consent Agenda, with Item 2.6. tabled, and Items 2.9. and 2.10. removed and heard under Item 4.1., as read, carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

**DISQ:** Bertagna - on Items 2.1., 2.2., and 2.3. and Wahl on Item 2.3.

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF LABURNUM ESTATES TENTATIVE SUBDIVISION MAP (S 04-16) LOCATED AT 1602 LABURNUM AVENUE** — This item was tabled at the request of Pam Stoesser, whose letter was received 6/21/05, withdrawing her appeal of the Laburnum Estates Tentative Subdivision Map.
3.2. HEARING TO ASCERTAIN WHETHER THE PUBLIC NECESSITY, HEALTH OR SAFETY REQUIRES THE REMOVAL OF POLES, OVERHEAD WIRES AND ASSOCIATED OVERHEAD STRUCTURES FROM ANY STREET, ALLEY OR PUBLIC WAY WITHIN A PORTION OF UNDERGROUND DISTRICT 14, AREA C

By agenda report dated 6/01/05, the Director of Public Works requested that the City Council hold a public hearing to consider ordering the undergrounding of existing overhead utilities in Underground District 14, Area C, which is generally located on East Avenue, from 640 feet east of Cohasset Road to Ceanothus Avenue. The memorandum also provided background on Underground Utility Districts and the use of PG&E Rule 20 A funds. The Director of Public Works recommended adoption of the resolution. Councilmember Wahl was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:

RESOLUTION NO. 153 04-05 OF THE CITY COUNCIL OF THE CITY OF CHICO FINDING AND DETERMINING THAT PUBLIC NECESSITY, HEALTH OR SAFETY REQUIRE REMOVAL OF POLES, OVERHEAD WIRES, AND ASSOCIATED STRUCTURES, AND ORDERING REMOVAL OF SAME (UNDERGROUND DISTRICT NO. 14, AREA C)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
DISQ: Wahl

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.9. DENIAL OF REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - 99 CENTS PLUS GROCERY (598 EAST EIGHTH STREET, CHICO 95928) – This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Holcombe.

By memorandum dated 6/02/05, the Community Development Director forwarded a request that the City Council make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of an off-sale alcoholic beverage license for the 99 Cents Plus Grocery located at 598 East 8th Street, Chico. The Community Development Director and the Chief of Police recommended that the City Council deny the request from the 99 Cents Plus Grocery and find that public convenience and necessity would not be served by the issuance of an off-sale alcoholic beverage license at this location. Addressing the Council on this item was Sam Sayegh.

Councilmember Holcombe stated that he felt that this request should be approved as markets such as this one help promote the walk-ability of our neighborhoods. He indicated that he would support limiting the hours but that the actual request seemed appropriate.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to grant the request for determination of public convenience or necessity, subject to the restrictions listed on Attachment No. 1, pages 29, 30, and 31, as set forth by the Alcoholic Beverage Control of the State of California.

The motion carried by the following vote:

AYES: Bertagna, Holcombe, Schwab, Wahl,
NOES: Kirk, Herbert, Gruendl
2.10. REQUEST FOR DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - THE TACKLE BOX (379 EAST PARK AVENUE, CHICO 95928)

By memorandum dated 6/09/05, the Community Development Director forwarded a request that the City Council make a determination of public convenience or necessity as required by Business and Professions Code Section 23958.4, concerning the issuance of an off-sale alcoholic beverage license for The Tackle Box located at 379 East Park Avenue, Chico. The Community Development Director recommended that the City Council find that public convenience and necessity would be served by the issuance of an off-sale alcoholic beverage license at this location. Addressing the Council on this item were Dennis Bird and Richard Peoples.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the request for determination of public convenience or necessity for the Tackle Box.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2. DISCUSSION REGARDING SECOND DWELLING UNITS

By memorandum dated 6/13/05, the Planning Director provided background on the regulation of second dwelling units in Chico, along with options for further refinements in the regulatory process. The Planning Director recommended that the Council discuss these options and provide appropriate direction to staff. Councilmembers Holcombe and Wahl were disqualified due to residing within 500 feet of the proposed overlay zone. The Council was provided with copies of emails received from Kasey Merrill and Pam Stoesser regarding second dwelling units. Addressing the Council in favor of additional restrictions were Stan Merritt, Ed Holohan, Ken Fleming, Marvin Davidson, Melinda Vasquez, Lee Laney, Karen Laslo, and Kasey Merrill. Addressing the Council in opposition to a size restriction for square feet was Bobby Mann.

A motion was made by Councilmember Herbert and seconded by Councilmember Schwab to direct staff to move forward with implementing a city wide owner occupied requirement for second dwelling units.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Gruendl
NOES: None
DISQ: Holcombe, Wahl

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to direct staff to develop a second dwelling unit design manual, and at the same time to look at other ways to revise the code.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Gruendl
NOES: None
DISQ: Holcombe, Wahl

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to direct staff to develop a range of adjustments proportional to lot size and other property characteristics.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab, Gruendl
NOES: None
DISQ: Holcombe, Wahl

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna that future projects be required to meet all second dwelling unit development standards.
The motion carried by the following vote:

AYES: Bertagna, Herbert, Schwab, Gruendl
NOES: Kirk
DISQ: Holcombe, Wahl

4.3. DISCUSSION OF PACKAGE SEWAGE PLANTS AND CONSIDERATION OF RECOMMENDATION TO BUTTE COUNTY BOARD OF SUPERVISORS REGARDING DEVELOPMENT WITHIN THE CHICO AREA OF CONCERN

By memorandum dated 6/15/05, the Planning Director reported that as requested by Councilmember Wahl, Mark Adams of North Star Engineering and Ron Dykstra of the Regional Water Quality Control Board will present information on package sewage systems.

The memorandum also attached the 4/20/05 memorandum from the City Manager informing the City Council that the City/County Ad Hoc Cooperative Planning Committee has recommended that the Council request that the County implement policies to: (1) only approve a subdivision within the North Chico Planning Area if it is addressed in and consistent with the City's General Plan, constructed to accommodate future public sewer connections, and required to pay sewer connection fees, with package treatment plants not allowed as a permanent waste disposal system; (2) establish a 160-acre minimum lot size (or other mechanism that will prevent the premature division of land) in the Area of Concern until infrastructure and land use appropriate for urban development have been planned and designated; and (3) none of the property west of the greenline should be subdivided into lots of less than 160 acres in size. The City Manager recommended that the Council direct that the letter reflecting the conclusion of the Committee be sent to the Board of Supervisors. Presenting information on package sewage systems were Ron Dykstra and Marc Adams of the State Regional Water Control Board. Addressing the Council in support of sending the letter and agreement to the County were Jane Dolan and Mary Ann Houx.

Councilmember Wahl stated that he felt that at this time Council should not authorize the distribution of the proposed letter and agreement thereby allowing property owners an opportunity to provide input. He also felt that this agreement would promote sprawl. He urged Council to table this item until after the County standards were developed and then the City could participate in the public hearing process.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to direct staff to send a letter to the County requesting the County implement policies to: (1) approve a subdivision within the North Chico Planning Area only if it is addressed in and consistent with the City's General Plan, constructed to accommodate future public sewer connections, and required to pay sewer connection fees, with package treatment plants not allowed as a permanent waste disposal system; (2) establish a 160-acre minimum lot size (or other mechanism that will prevent the premature division of land) in the Area of Concern until infrastructure and land use appropriate for urban development have been planned and designated; and (3) none of the property west of the greenline should be subdivided into lots of less than 160 acres in size.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

4.4. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON APRIL 27, 2005

By memorandum dated 5/06/05, the Finance Committee provided a report on its meeting held on 4/27/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of the Assumptions to be used in the 2005-06 Update of Development Impact Fees Analysis and Recommendation (Nexus Study). The Committee recommended (2-1, Wahl opposed) approval of the assumptions to be used in the 2005-06 update of the Development Impact Fees Analysis and Recommendations.
The City Manager provided the Council with an overview of the new assumptions included in the report dated 4/12/05 provided by the Director of Public Works.

Council voted 4-3, with Councilmembers Bertagna, Herbert and Wahl voting against, to approve the new general assumption that adds a 1% Administrative and Geographic Information System component to each fee.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the new Street Facility Improvement Fee Assumption regarding the State Highway 99 improvements attributed to new development to be primarily funded through development impact fees.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the new Street Facility Improvement Fee Assumption regarding State Highway 32 improvements (Fir to Yosemite - $10 million) attributed to new development to be funded through $8.5 million in development impact fees, with $1.5 million contributed by RDA funds.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the new Street Facility Improvement Fee Assumption regarding development impact fees on all street facility improvement projects through 2014 to be offset through the receipt of $6.6 million in CMAQ funds.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the new Street Facility Improvement Fee Assumption regarding development impact fees on all street facility improvement projects through 2014 to be offset through the allocation of $12.8 million in RDA funds (this total includes the $1.5 million in funding for SR 32).

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the Bikeway Improvement Fee Assumptions as recommended by the Finance Committee.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to apply $5.5 million in Transportation Equity Act (TEA) 21 funds to street maintenance versus capacity.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
A motion was made by Councilmember Bertagna and seconded by Councilmember Schwab to approve the Police Protection Building and Equipment Fee Assumptions.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. Consideration of Amendments to the City of Chico Fee Schedule (Transportation System Fees, Copy Fees, Vehicle for Hire Permit Fees, Special Meeting Fees, Bicycle Fees, Business License Tax Information, Dog License Fees, Planning Division Fees, Building Department Fees, Police Department Fees, Sewer Fees, and Airport Fees). The Committee recommended (2-1, Wahl opposed) approval of the 2005-06 Annual Fee Schedule Adjustments with the following recommended changes:

11.110 - Special Meeting Fees - The Committee recommended (2-1, Gruendl opposed) removal of the proposed Special Meeting Fees.

30.020 - Police Department Fees - The Committee recommended (3-0) changing the firearms Storage Fee from a daily fee to a flat fee, and implementation of a firearm disposal fee.

90.010 - Airport Fees - The Committee recommended (3-0) that the Fee Schedule adjustments be submitted to the Airport Commission for review and consideration.

At its meeting of 5/26/05, the Airport Commission made its recommendations on the Airport fees. By memorandum dated 5/27/05, Management Analyst Herman provided a copy of the Annual Fee Schedule Adjustments summarizing staff's proposed fee schedule revisions, and the Finance Committee's and Airport Commission's recommendations regarding each of these proposed revisions (Exhibit "1").

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following fee schedule resolution:

RESOLUTION NO. 154 04-05 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY'S FEE SCHEDULE (AMENDMENT NO. 292 - TRANSPORTATION SYSTEM FEES, COPY FEES, BOOKS, CODES, DOCUMENTS, MAPS, REPORTS, SPECIFICATIONS, VEHICLE FOR HIRE PERMIT FEES, BICYCLE FEES, BUSINESS LICENSE TAX INFORMATION, DOG LICENSE FEES, PLANNING DIVISION FEES, BUILDING DEPARTMENT FEES, POLICE DEPARTMENT FEES, SEWER FEES, AND AIRPORT FEES)

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

C. Consideration of Second Response Ordinance and Safety Plan Ordinance. At its meeting of 5/03/05, the City Council considered this item and forwarded it to the Internal Affairs Committee for further consideration.

D. Consideration of Request for $113,581 Housing Rehabilitation Loan - Rico and Shua Fojas 263 East 19th Street. The Committee approved (3-0) the request for the Housing Rehabilitation Loan.
A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to accept the Finance Committee Report from its meeting of April 27, 2005.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.5. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **BUSINESS FROM THE FLOOR**

Ken Fleming thanked the Council and staff for the availability of the agenda and supporting agenda reports on the webpage.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council's information. No action was taken on any of the items unless otherwise noted.

6.1. By letter dated 6/06/05, John Merz requested clarification on the time period during which fundraising for City Council candidates may take place. This item was referred to the Finance Committee.

6.2. Memorandum dated 06/09/05 from the Finance Director reported that the list of claims paid during the month of May 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

7. **ADJOURNMENT**

Adjourned at 10:38 p.m. to July 5, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: September 6, 2005

Deborah R. Presson, City Clerk
The City Council adjourned to closed session to discuss negotiations with the City’s real property negotiator regarding the proposed acquisition affecting the following:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timothy and Terryl Murphy</td>
<td>881 Forest Avenue</td>
<td>002-050-005</td>
</tr>
</tbody>
</table>

The City’s negotiator was Senior Assistant City Manager Trish Dunlap and the parties with whom negotiations are proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. **CALL TO ORDER** – Mayor Gruendl called the July 19, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street, at 6:00 p.m.

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, City Clerk Presson, Director of Human Resources Koch

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF PORTIONS OF VARIOUS PROPERTIES FOR FOREST AVENUE RECONSTRUCTION.** Pursuant to Government Code Section 54954.8, the item of business discussed was a conference with the real property negotiator. The items under discussion were instructions to the City’s negotiator on price and terms of payment for proposed acquisition. The City’s negotiator was Senior Assistant City Manager Trish Dunlap and the parties with whom negotiations were proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

<table>
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<th>Property Owner</th>
<th>Property Address</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Timothy and Terryl Murphy</td>
<td>881 Forest Avenue</td>
<td>002-050-005</td>
</tr>
</tbody>
</table>

3. **ADJOURNMENT**

Adjourned at 6:05 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER – Mayor Gruendl called the July 19, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation – Dr. Tom Shifflet, Pastor, First Christian Church

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – None

2. CONSENT AGENDA – None

3. NOTICED PUBLIC HEARINGS – None

3.1. HEARING ON THE SALE OF AGENCY-OWNED PROPERTY WITHIN THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA TO DANIEL T. AND DAWN M. GONZALES

At its 6/09/05 meeting, the Economic Development Committee recommended approval of a request from Daniel T. and Dawn M. Gonzales to purchase a 4.61 acre parcel of Agency-owned property at the Chico Municipal Airport subject to the conditions outlined in the staff report to the Committee dated 6/05/05, a copy of which was provided to the Agency. The sale price of the property would be based on the current appraised market value of $432,000. By report dated 7/08/05, the Executive Director of the Redevelopment Agency submitted the Summary Report required by State law. The Economic Development Committee recommended (2-0, Bertagna absent) adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 08-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY APPROVING THAT CERTAIN AGREEMENT ENTITLED, “AGREEMENT FOR SALE OF PROPERTY WITHIN THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA BENEFITTED BY ECONOMIC DEVELOPMENT ADMINISTRATION GRANT (CHICO REDEVELOPMENT AGENCY/ DANIEL T. AND DAWN M. GONZALES),” WHICH PROVIDES FOR THE SALE OF AGENCY-OWNED PROPERTY WITHIN THE BOUNDARIES OF THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA TO DANIEL T. AND DAWN M. GONZALES

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None

4.2. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. ADJOURNMENT

Adjourned to a City Council meeting.
1. **CALL TO ORDER** – The Redevelopment Agency meeting was adjourned and the July 19, 2005 – Adjourned Regular Chico City Council Meeting was convened.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
Absent: None

2. **CONSENT AGENDA** – Items 2.1., 2.2., 2.3., 2.4., 2.5., 2.7., and 2.11. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to approve the remaining Consent Agenda items as follows:

2.1. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO DESIGNATE THE PERSONNEL DIRECTOR AS THE HUMAN RESOURCES DIRECTOR AND TO REORGANIZE THE FUNCTIONS OF THE COMMUNITY DEVELOPMENT, PARK AND PUBLIC WORKS DEPARTMENTS BY PROVIDING FOR THE DEPARTMENTS OF GENERAL SERVICES AND COMMUNITY SERVICES** - Introductory Reading – This item was removed from the Consent Agenda and heard under Item 4.1.

2.2. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS** – Introductory Reading – This item was removed from the Consent Agenda and heard under Item 4.1.

2.3. **RESOLUTION NO. 01 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING A TENTATIVE PARCEL MAP AT 1581 MOUNTAIN VIEW AVENUE (PM 05-02)** – This item was removed from the Consent Agenda and heard under Item 4.1.

2.4. **RESOLUTION NO. 02 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO RESCINDING RESOLUTION NO. 88 04-05 LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM, 1014 ARCHER AVENUE – ASSESSOR’S PARCEL NO. 004-510-020** – This item was removed from the Consent Agenda and heard under Item 4.1.

2.5. **RESOLUTION NO. 03 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 2R.04.070, ENTITLED “CITY MANAGER AUTHORIZED TO MAKE LOCAL SAFETY MEMBER DISABILITY DETERMINATIONS,” OF TITLE 2R OF THE CHICO MUNICIPAL CODE** – This item was removed from the Consent Agenda and heard under Item 4.1.

2.6. **MINUTE ORDER NO. 20-05 – APPROVAL OF THE 2005-06 BUTTE INTERAGENCY NARCOTICS TASK FORCE (BINTF) GENERAL BUDGET**

The Butte Interagency Narcotics Task Force Memorandum of Understanding between the City and various other agencies in Butte County provides that each participating agency shall approve or disapprove the BINTF General Budget. The BINTF funds have been included in the 2005-06 Police Operating Budget. This minute order approves the BINTF General Budget for 2005-06. The Chief of Police recommended approval of the minute order.

2.7. **MINUTE ORDER NO. 21-05 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE “JOINT POWERS AGREEMENT FOR THE BUTTE COUNTY ASSOCIATION OF GOVERNMENTS” (CITIES OF OROVILLE, GRIDLEY, BIGGS, CHICO, TOWN OF PARADISE, AND COUNTY OF BUTTE)** – This item was removed from the Consent Agenda and heard under Item 4.1.
2.8. **APPROVAL OF A VEHICLE FOR HIRE OWNER'S PERMIT- ECO-CAB**

By report dated 6/30/05, Management Analyst Herman recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit to Eco-cab (Bryan Gabbard), finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all applicable Chico Municipal Code requirements relating to Vehicle for Hire permits. The applicants requested authorization to operate an unlimited number of vehicles under the permit.

This application was for the operation of taxi cab services. There are currently seven active Vehicle for Hire Owner’s Permits issued, one for transportation of school children only. All current Vehicle for Hire Owner’s permittees were notified of the Council’s consideration of this matter at this meeting. Management Analyst Herman recommended approval of the issuance of the permit.

2.9. **ACCEPTANCE OF REPORT FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON MAY 25, 2005**

By memorandum dated 6/15/05, the Finance Committee provided a report on its meeting held on 5/25/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair. The Committee continued its discussion of the appropriate use for City-owned property at the corner of Notre Dame Boulevard and Humboldt Road.

In consideration of the request from Big Chico Creek Watershed Alliance to amend the scope of the Cohasset Road widening project to incorporate design techniques to manage flooding of Sycamore Creek, the Committee directed staff to keep the culverts within the scope of the project and to obtain cost information on bridge replacements.

2.10. **ACCEPTANCE OF REPORT FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON JUNE 8, 2005**

By memorandum dated 6/21/05, the Internal Affairs Committee provided a report on its meeting held on 6/08/05. Committee members present were Councilmembers Holcombe, Schwab and Herbert, Chair. In response to the request by Chico Avenues Neighborhood Association for City initiation of a Neighborhood Plan, the Committee recommended (2-0, Holcombe disqualified) the following: (1) request the Council Subcommittee on Planning/DPW Priorities provide information on how neighborhood planning will fit with their current priorities; (2) allocate funds for neighborhood planning; and (3) contact the southwest neighborhood to see if they desire neighborhood planning. (This matter was considered under Item 4.2. on this agenda.)

The Committee adopted (3-0) the following Traffic Regulation Amendments: (1) Traffic Regulation Amendment (TRA) No. 790 which authorized the installation of a yield sign on Village Lane at its intersection with Karen Drive to assign the right-of-way for the intersection; (2) Traffic Regulation Amendment (TRA) No. 791 which authorized the removal of the parking along Eaton Road from the Esplanade to Eaton Village Drive; and (3) Traffic Regulation Amendment (TRA) No. 792 which authorized the removal of the parking along East First Avenue at Kentfield Road.

2.11. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 4/05/05, 4/19/05, 4/26/05, 5/03/05, AND 5/17/05 — This item was removed from the Consent Agenda and heard under Item 4.1.**

The motion to approve the Consent Agenda, as read, with Items 2.1., 2.2., 2.3., 2.4., 2.5., 2.7., and 2.11. removed and heard under Item 4.1., carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
**NOES:** None

3. **NOTICED PUBLIC HEARINGS**
3.1. HEARING ON APPEAL OF THE PLANNING COMMISSION’S DENIAL OF BRUCE ROAD TENTATIVE SUBDIVISION MAP (S 04-04) LOCATED ON THE EAST SIDE OF BRUCE ROAD APPROXIMATELY 400 FEET NORTH OF LITTLE CHICO CREEK

By report dated 7/05/05, Associate Planner Palmeri reported that at the Planning Commission meeting of 6/02/05, the Commission voted (6-1) to deny a request to divide 2.5 acres located on the east side of Bruce Road approximately 400 feet north of Little Chico Creek and identified as Assessor’s Parcel Number 018-390-012.

The Commission denied the project finding the subdivision inconsistent with General Plan policies and findings for modifications to City Design Criteria and Improvement Standards could not be made. A timely appeal was filed by applicant’s attorney stating the project is consistent with General Plan policies and findings could be made for requested modifications.

The Planning Director provided Council with an overview of the project and also informed City Council of a change in staff’s recommendation. He stated that he was recommending that the City Council adopt a motion of intent to uphold the appeal and overturn the decision of the Planning Commission. The Council was provided with a letter received on 7/18/05 from William W. Abbott, Attorney, providing additional information on the proposed subdivision. Mayor Gruendl opened the hearing to the public. Addressing the Council were Bill Abbott, Tim Wood, Marty Luger, Andrew Meghdadi, Dawn Panek, John Merz, Sean McCleary, Lani Lila, and Kristina Miller.

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to continue the hearing in order to allow more public input.

The motion failed due to the following vote:

AYES: Holcombe, Schwab, Gruendl
NOES: Bertagna, Herbert, Kirk, Wahl

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to: (1) adopt a motion of intent to approve a revised mitigation negative declaration dated 4/05/05 thereby upholding the appeal and overturning the decision of the Planning Commission; (2) use as the basis, the draft Planning Commission Resolution No. 5-22, included in the agenda report, for the proposed approval of the project; and (3) add the conditions listed below:

1. Ensure adequate back-up sight distance on Lots 1 and 12 driveways onto Street “A” by angling, if necessary;
2. No cul-de-sac at the easterly terminus of Street “A”; and
3. Transitional fencing for Lots 1 and 12 - with step down toward Street “A” to prevent the creation of sight distance problems at the intersection of Bruce Road.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl
NOES: Schwab, Gruendl

The Council recessed at 8:09 p.m. for a ten minute break. Council reconvened and all members of Council were present.
3.2. 2005 LOT CLEANING/WEED ABATEMENT PROGRAM - COST REPORT AND HEARING PERTAINING TO LOTS WHICH WERE CLEANED BY THE CITY

By report dated 7/05/05, Projects Manager Wood reported on the costs incurred by the City in connection with the 2005 Lot Cleaning/Weed Abatement Program. In accordance with Section 39575 of the Government Code the cost report attached to the memorandum was posted three days prior to its submission to the Council for consideration. Each property owner will be billed for costs incurred in cleaning the lot. After the public hearing process discussed in the memorandum, any unpaid bills will be added to the tax roll for collection. The Mayor opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to confirm the cost report as submitted.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.3. HEARING ON ABANDONMENT AND VACATION OF A PORTION OF PUBLIC RIGHT-OF-WAY AND A PUBLIC UTILITY EASEMENT (FRANKLIN STREET – SIERRA NEVADA BREWING COMPANY/ASSESSOR’S PARCEL NO. 005-443-006)

By reported dated 6/15/05, the Director of Public Works reported that property owners Kenneth R. Grossman and Kathryn D. Gonser, co-trustees of the Grossman Family Trust, petitioned the City to abandon a portion of a public right-of-way and a portion of a public utility easement located on Franklin Street, Assessor’s Parcel No. 005-443-006, to allow for the reconstruction of Franklin Street. At its meeting of 6/7/05, the City Council adopted resolutions of intention to abandon the portion of right-of-way and the easement and set a public hearing for this meeting. The Director of Public Works recommended adoption of the resolutions. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Holcombe to adopt the following resolutions:

RESOLUTION NO. 04 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A PORTION OF PUBLIC RIGHT-OF-WAY PURSUANT TO THE PUBLIC STREETS, HIGHWAYS AND SERVICE EASEMENTS VACATION LAW (FRANKLIN STREET/ASSESSOR’S PARCEL NO. 005-443-006)

RESOLUTION NO. 05 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS AND SERVICE EASEMENTS VACATION LAW (FRANKLIN STREET/ASSESSOR’S PARCEL NO. 005-443-006)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.1. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO DESIGNATE THE PERSONNEL DIRECTOR AS THE HUMAN RESOURCES DIRECTOR AND TO REORGANIZE THE FUNCTIONS OF THE COMMUNITY DEVELOPMENT, PARK AND PUBLIC WORKS DEPARTMENTS BY PROVIDING FOR THE DEPARTMENTS OF GENERAL SERVICES AND COMMUNITY SERVICES – Introductory Reading – This item was removed from the Consent Agenda at the request of Councilmember Wahl for further discussion.

At its 06/21/05 meeting, the City Council introduced an ordinance to formally approve a restructure of the City organization that would establish a Department of Human Resources, create a Community Services Department and General Services Department, and abolish the Department of Public Works and the Park
and Community Development Departments. To ensure future flexibility, staff recommended that the Human Resources function remain a part of the Administrative Offices as opposed to being established as a separate department. Therefore, the ordinance has been revised to remove the establishment of a Department of Human Resources. The City Manager recommended that the ordinance be reintroduced.

Vice Mayor Kirk left the Council Chamber at 8:25 p.m.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to introduce the ordinance by reading of title only.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab, Wahl, Gruendl
NOES: None
ABSENT: Kirk

Vice Mayor Kirk returned to the Council Chamber at 8:30 p.m.

2.2. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS** - Introductory Reading – This item was removed from the Consent Agenda at the request of Councilmember Wahl for further discussion.

By report dated 7/11/05, Principal Planner Bishow reported that at its 6/21/05 meeting, the City Council directed staff to prepare an ordinance amending the City Code to require second dwelling units to be owner occupied and to no longer allow exceptions to second dwelling unit standards. The Planning Commission is scheduled to conduct a public hearing on the ordinance on 7/21/05. The Planning Commission’s recommendation would then be provided at the 8/16/05 City Council meeting. The Planning Director recommended that the City Council introduce the ordinance by the reading of the title only and schedule the ordinance for a public hearing on 8/16/05.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to continue this item until after the Planning Commission conducted the public hearing.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Schwab, Wahl
NOES: Holcombe, Kirk, Gruendl

2.3. **RESOLUTION NO. 01 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING A TENTATIVE PARCEL MAP AT 1581 MOUNTAIN VIEW AVENUE (PM 05-02)** – This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further discussion.

By report dated 6/29/05, Assistant Planner Redeker reported that at its meeting of 6/07/05, the City Council adopted a motion of intent to grant an appeal and deny a parcel map at 1581 Mountain View Avenue (PM 05-02). The Council found that the proposed parcel map was inconsistent with the character of the established neighborhood. The Planning Director recommended adoption of the resolution. The Council was provided with a letter received on 7/19/05 from Dan Katz in support of Council adoption of the resolution denying the tentative parcel map.

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to reconsider this item and reopen the public hearing.

The motion failed by the following vote:
A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to adopt Resolution No. 01 05-06.

The motion carried by the following vote:

AYES: Herbert, Kirk, Wahl, Gruendl
NOES: Bertagna, Holcombe, Schwab

2.4. RESOLUTION NO. 02 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO RESTRING RESOLUTION NO. 88 04-05 LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM, 1014 ARCHER AVENUE – ASSESSOR’S PARCEL NO. 004-510-020 – This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further discussion.

By report dated 06/28/05, the Director of Public Works recommended approval of a resolution to rescind Resolution No. 88 04-05, previously adopted on 1/25/05, which levied assessment installments in lieu of the payment of sewer system connection fees incident to the connection of premises to the City sewer system, for the property located at 1014 Archer Avenue.

The property owner has decided not to develop the property, and has requested that the City rescind the recorded resolution levying the assessment installments prior to the first installment due date. The Director of Public Works recommended adoption of the resolution.

A motion was made by Councilmember Holcombe and seconded by Councilmember Herbert to adopt Resolution No. 02 05-06.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

2.5. RESOLUTION NO. 03 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 2R.04.070, ENTITLED “CITY MANAGER AUTHORIZED TO MAKE LOCAL SAFETY MEMBER DISABILITY DETERMINATIONS,” OF TITLE 2R OF THE CHICO MUNICIPAL CODE – This item was removed from the Consent Agenda at the request of Councilmember Wahl for further discussion.

The City Council previously delegated to the City Manager the authority to make safety employee disability determinations for the purposes of the Public Employees' Retirement Law of the State, and to determine whether such disability is “industrial” within the meaning of that law. As a result of a recent change in the law, the City's authorizing language needs to be amended to conform to the new Government Code section number. The Director of Human Resources and Risk Management recommended adoption of this resolution.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to adopt Resolution No. 03 05-06.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

2.7. MINUTE ORDER NO. 21-05 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE “JOINT POWERS AGREEMENT FOR THE BUTTE COUNTY ASSOCIATION OF GOVERNMENTS” (CITIES OF OROVILLE, GRIDLEY, BIGGS, CHICO, TOWN OF PARADISE, AND COUNTY OF BUTTE) – This item was removed from the Consent Agenda at the request of Councilmember Wahl for further discussion.
The Butte County Association of Governments is administered under a Joint Powers Agreement between the Cities of Oroville, Gridley, Biggs, and Chico, the Town of Paradise, and the County of Butte. The existing JPA terminated 5/18/05. In order to renew the JPA, it was necessary for the participating agencies to enter into a restated agreement. The new JPA incorporates the provisions of the prior JPA, would require a super majority vote of the BCAG Board of Directors on transportation and project funding issues, and would establish a new ten-year term. The Senior Assistant City Manager recommended approval of the minute order.

A motion was made by Councilmember Wahl to postpone approval of the minute order in order to allow Council additional time to review the agreement. That motion died for a lack of a second. Staff provided Council with an overview of the changes to the agreement.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve Minute Order No. 21-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl

2.11. APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 4/05/05, 4/19/05, 4/26/05, 5/03/05, AND 5/17/05 – This item was removed from the Consent Agenda at the request of Vice Mayor Kirk and heard under Item 4.1. for further clarification.

The City Council was provided with the minutes of its meetings held on 4/05/05, 4/19/05, 4/26/05, 5/03/05, and 5/17/05.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the minutes of the City Council meetings held on 4/05/05, 4/19/05, 4/26/05, 5/03/05, with 5/17/05, as amended to include a clarification that with the increase of the parking meter enforcement hours, four-hour parking increments will be available week nights from 6:00 p.m. to 10:00 p.m. and Saturdays from 8:00 a.m. to 10:00 p.m.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2. CONSIDERATION OF LONG-RANGE PLANNING PRIORITIES

By memorandum dated 7/13/05, the Planning Director reported that the City Council Priorities Ad Hoc Committee (consisting of Mayor Gruendl and Councilmembers Kirk and Holcombe) met to discuss priorities for the City's long-range planning program, and recommended the priorities set forth in the memorandum. In addition, a general work program and initial cost estimates for neighborhood planning were included in the memorandum. The Planning Director recommended that the Council: (1) consider the recommendations and provide appropriate direction; and (2) further direct staff to make all necessary arrangements to prepare neighborhood plans for the Southwest Chico neighborhood and for the Chico Avenues neighborhood. It was noted that Councilmembers Bertagna, Holcombe and Wahl are disqualified on the discussion concerning the Chico Avenues Neighborhood Plan. The Council was provided with an email received on 7/05/05 from Chris Nelson supporting the Barber Yard Neighborhood Association’s request for a neighborhood based traffic study. Addressing the City Council on this item were Adam Fedeli, Katie Salcido, Margaret Reece Gazda, Sarah Salisbury, Greg Burton, Debbie Villasenor, and Steven Schuman.

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to accept the planning priorities, with the following changes: (1) separate out Priority 6 – 6a Southwest, 6b Avenues - Neighborhood Plans; (2) change Priority 14 to Priority 8 and insert ALUC compatibility plan amendments as Priority 7; (3) renumber priorities below Priority 8. Staff was also directed to provide quarterly priority updates to Council and to agendize Priority 4 - General Plan Update/Area 1, at a future meeting for Council discussion.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl
A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve $125,000 for a Southwest Neighborhood Plan, within the boundaries as outlined by prior Council action, with direction to staff to bring this item back once funding sources have been identified.

The motion carried by the following vote:
AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to authorize $125,000 for the Avenues Neighborhood Plan, with the Avenues boundaries to include the area from the railroad track to Mangrove, Lindo Channel to Chico State, with direction to staff to bring this item back once funding sources have been identified.

The motion carried by the following vote:
AYES: Herbert, Kirk, Schwab, Gruendl
NOES: None
DISQ: Bertagna, Holcombe, Wahl

4.3. REQUEST OF COUNCILMEMBERS BERTAGNA AND WAHL FOR A DISCUSSION OF A POLICY OR POSSIBLE CHARTER AMENDMENT CLARIFYING THE CITY AND RDA’S USE OF EMINENT DOMAIN

By electronic message dated 7/4/05, Councilmembers Bertagna and Wahl requested that this matter be scheduled for Council consideration. Pursuant to City Council Rules of Procedure, a majority vote of the Council was required to approve the request. The City Manager recommended referral to the Internal Affairs Committee.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to refer the discussion of pending state legislation regarding eminent domain and the discussion of potential eminent domain issues in the Northwest Specific Plan to the Internal Affairs Committee.

The motion carried by the following vote:
AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Holcombe, Wahl

4.4. DISCUSSION OF CHARRETTE TO ADDRESS COMPREHENSIVE DOWNTOWN PARKING ISSUES

The Mayor requested discussion of a possible design study/charrette to comprehensively address issues of downtown parking.

Councilmembers Schwab and Wahl were disqualified on this issue. A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to agendize the discussion of a charrette at its 9/06/05 meeting where staff will provide details on the length of time needed to organize, estimated costs, and possible funding sources.

The motion carried by the following vote:
AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl
NOES: None
DISQ: Schwab, Wahl

4.5. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON JUNE 22, 2005

By memorandum dated 6/28/05, the Finance Committee provided a report on its meeting held on 6/22/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair. The matters considered by the Committee are listed below.
COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Discussion of Police Department Fees for Citation Sign-Offs and Vehicle Identification Number Verifications (VIN). The Committee recommended (2-1, Wahl opposed) implementation of the following Police Department fees: $10 citation sign-off and $20 VIN verification fees. After further research, staff has determined that there are no additional administrative costs associated with processing these proposed fees. The resolution adopting these fees is listed under item C. below.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the fee for citation sign-offs and vehicle identification verifications.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl

B. Consideration of Request from Pleasant Valley Assembly of God for Reimbursement of Southeast Chico Sewer Assessment District Payments. The Committee recommended (3-0) reimbursement to Pleasant Valley Assembly of God Church of a proportional amount of the sewer fees that were paid for the portion of the property that is now undevelopable due to wetlands and meadowfoam.

By report dated 7/11/05, the City Manager outlined the basis for his recommendation to reimburse Pleasant Valley Assembly of God for five acres of undevelopable property.

A motion was made by Councilmember Bertagna and seconded by Councilmember Schwab to approve the supplemental appropriation allocating $9,633 for reimbursement of sewer fees.

The motion was withdrawn by Councilmember Bertagna.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to refer this item back to the Finance Committee for review and determination of usable land and to look at the precedent being set, if the reimbursement is approved by Council.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. Consideration of Parking Space Lease and Municipal Parking Permit Fee Increases. The Committee approved (2-0, Wahl disqualified) an increase in the parking permit and lease fees as set forth in Exhibit “A” to the report. Councilmember Schwab was also disqualified on this item.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION NO. 06 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 293 - PARKING FEES AND RATES AND POLICE DEPARTMENT FEES)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Gruendl
NOES: Kirk
DISQ: Schwab, Wahl

D. Consideration of Appropriate Service Level for Public Safety, Parks and Roads. The Committee recommended (3-0) that the Finance Committee draft an opinion survey for the residents of Chico regarding the possibility of a sales or phone tax to fund public safety, road maintenance, and parks.

July 19, 2005
A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to direct the Finance Committee to continue developing the survey, with it noted that CARD was still committed to participating. Past survey information will be provided to the Council.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

E. Consideration of Request for $142,337 Housing Rehabilitation Loan - Dori Moura - 124 W. 22nd Street. The Committee approved (3-0) the loan request.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to accept the 6/22/05 Finance Committee report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.6. CONSIDERATION OF APPOINTMENT TO FILL HUMAN RESOURCES COMMISSION VACANCY

By report dated 6/30/05, the Council was provided with a copy of a letter dated 4/27/05 from Alfred Moser resigning from the Human Resources Commission. This resignation created a vacant position, the term of which expires 1/01/07. Attached to the report were the applications currently on file. At the request of Councilmember Wahl, the Council was provided with a copy of an application from John Hopkins received on 7/18/05. Pursuant to Administrative Procedure and Policy 10-24, Section II., A.3., states that “applications received after the filing deadline will not be submitted to the City Council until a subsequent vacancy occurs on the Board or Commission of the applicant’s choice and will not be considered by the Council unless it advertises for additional applicants.”

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to re-advertise for applicants.

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl

A motion was made by Vice Mayor Kirk and seconded by Mayor Gruendl to appoint Jimmy Reed.

The motion failed due to the following vote:

AYES: Holcombe, Kirk, Gruendl
NOES: Bertagna, Herbert, Schwab, Wahl

A motion was made by Councilmember Holcombe and seconded by Councilmember Herbert to appoint Mary Lopez.

The motion failed due to the following vote:

AYES: Holcombe, Schwab, Gruendl
NOES: Bertagna, Herbert, Kirk, Wahl

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to readvertise for this position.
The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl
NOES: Holcombe, Schwab, Gruendl

4.7. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **BUSINESS FROM THE FLOOR**

Robert Mullins addressed the Council regarding his concerns pertaining to parking citations associated with parking meter issues. Staff was directed to provide the Council with a response in writing with a copy to Mr. Mullins.

Alan Chamberlain addressed the Council in support of the downtown parking charrette, stating the parking structure should be included in the discussions for the overall plan for this area.

Terry Allread expressed his interest in being appointed to the Human Resources Commission.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information.


6.2. Letter dated 6/16/05 from Mary Cahill, General Manager, Chico Area Recreation and Park District (CARD) proposing the City and CARD work together on two proposed art projects at the entrance to the Community Park site. Staff will work with CARD consistent with the discussion on the naming of the Martin Luther King, Jr. Parkway. Council directed that this item be referred to Internal Affairs in order to define the project and develop a policy for final review of such projects. Council directed that this item be referred to Internal Affairs in order to define the project and once defined, then referred to the Arts Commission for consideration.

6.3. Letter dated 6/07/05 from Margaret Reece Gazda, Executive Director, Chico Country Day School, requesting assistance with a variety of issues as the school transitions to the Fairview High School location. Staff continues to work with Chico Country Day School staff and will provide an update to Council in their mailboxes in the near future. Margaret Reece Gazda addressed this item under 4.2., during the discussion of the Southwest Neighborhood planning issues. Council directed that this item continue to be reviewed and discussed by the Internal Affairs Committee.

Councilmember Herbert asked that Council refer the letter dated 7/15/05 from the Chamber of Commerce regarding the conduct of Council meetings to the Council Policy and Procedures Committee. Council concurred.

7. **ADJOURNMENT**

Adjourned at 11:30 p.m. to August 2, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: October 4, 2005

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Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Vice Mayor Kirk called the August 2, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street, at 6:00 p.m.

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
   Absent: Gruendl

   Staff Present: City Manager Lando

2. **CLOSED SESSION**

2.1. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION:** The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER – Vice Mayor Kirk called the August 2, 2005 – Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Flag Salute

1.2. Invocation – A moment of silence was observed.

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
Absent: Gruendl

1.4. Closed Session Announcement – None

1.5. Proclamation – Honoring the retirement of Fire Division Chief Gary Scholar

1.6. Recognition of Chief Warrant Officer Tim McWilliams, United States Marine Corps, returning from Operation Iraqi Freedom

2. CONSENT AGENDA – Item 2.1 was removed from the Consent Agenda and heard under Item 4.1.

2.1. RESOLUTION NO. 09-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE AMENDMENT OF (1) THE LEASE OF PARKING SPACES IN THE DOWNTOWN MUNICIPAL PARKING STRUCTURE IN THE CITY OF CHICO (CITY OF CHICO/CHICO REDEVELOPMENT AGENCY), AND (2) THE SUB-LEASE OF PARKING SPACES IN THE DOWNTOWN MUNICIPAL PARKING STRUCTURE IN THE CITY OF CHICO (CHICO REDEVELOPMENT AGENCY/CHICO DIAMOND HOTEL, LLC) (Agency Action)

RESOLUTION NO. 07 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE AMENDMENT OF THE LEASE OF PARKING SPACES IN THE DOWNTOWN MUNICIPAL PARKING STRUCTURE IN THE CITY OF CHICO (CITY OF CHICO/REDEVELOPMENT AGENCY) (Council Action)

3. NOTICED PUBLIC HEARINGS

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.1. RESOLUTION NO. 09-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE AMENDMENT OF (1) THE LEASE OF PARKING SPACES IN THE DOWNTOWN MUNICIPAL PARKING STRUCTURE IN THE CITY OF CHICO (CITY OF CHICO/CHICO REDEVELOPMENT AGENCY), AND (2) THE SUB-LEASE OF PARKING SPACES IN THE DOWNTOWN MUNICIPAL PARKING STRUCTURE IN THE CITY OF CHICO (CHICO REDEVELOPMENT AGENCY/CHICO DIAMOND HOTEL, LLC) (Agency Action)

RESOLUTION NO. 07 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE AMENDMENT OF THE LEASE OF PARKING SPACES IN THE DOWNTOWN MUNICIPAL PARKING STRUCTURE IN THE CITY OF CHICO (CITY OF CHICO/REDEVELOPMENT AGENCY) (Council Action) – This item was removed from the Consent Agenda at the request of Councilmember Holcombe for further discussion.

By memorandum dated 07/26/05, the Economic Development/Housing Specialist transmitted two resolutions which implement the recommendations of the Economic Development Committee at its 07/14/05 meeting to change locations of parking spaces leased to Chico Diamond Hotel, LLC and authorizes the Executive Director to approve future changes. The Council/Agency was also provided with the staff report dated 7/11/05 to the Economic Development Committee. Adoption by the Agency of the first resolution listed above authorizes the Executive Director to amend the Lease Agreement with the City of Chico for the parking spaces for the Diamond Hotel and amend the sub-lease agreement.
with Chico Diamond Hotel, LLC. Adoption by the City Council of the second resolution listed above authorizes the City Manager to amend the Lease Agreement with the Chico Redevelopment Agency for the lease of parking spaces for the Diamond Hotel, and to approve future modifications for the location and type of parking spaces. The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item. The Economic Development Committee (2-0, Wahl disqualified) recommended adoption of the resolutions. The Agency was provided with a copy of an e-mail received 7/12/05 from Katrina Davis, Downtown Chico Business Association, regarding the Diamond Hotel parking situation. Both Councilmembers Schwab and Wahl were disqualified on this item. Wayne Cook provided Council with further information regarding the requested change in signage for those spaces reserved for the hotel.

A motion was made by Councilmember Herbert and seconded by Councilmember Holcombe to adopt RDA Resolution No. 09-05 and City Council Resolution No. 07 05-06.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk
NOES: None
ABSENT: Gruendl
DISQ: Schwab, Wahl

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** -- Vice Mayor Kirk called the August 2, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call**

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl

Absent: Gruendl

2. **CONSENT AGENDA** – Items 2.2., 2.7., and 2.8. were removed from the Consent Agenda and heard under Item 4.1. Item 2.3. was continued to the 8/16/05 meeting. A motion was made by Councilmember Herbert and seconded by Councilmember Holcombe to approve the remaining Consent Agenda items:

2.1. **ORDINANCE NO. 2324 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CHICO MUNICIPAL CODE TO DESIGNATE THE PERSONNEL DIRECTOR AS THE HUMAN RESOURCES DIRECTOR AND TO REORGANIZE THE FUNCTIONS OF THE COMMUNITY DEVELOPMENT, PARK AND PUBLIC WORKS DEPARTMENTS BY PROVIDING FOR THE DEPARTMENTS OF GENERAL SERVICES AND COMMUNITY SERVICES** - Final Reading and Adoption

At its 07/19/05 meeting, the City Council introduced an ordinance to formally approve a restructure of the City organization. This ordinance creates a Community Services Department and General Services Department which incorporates the current Department of Public Works, and the Park and Community Development Departments. The City Manager recommended adoption of the ordinance.

2.2. **ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS** – Introductory Reading – This item was removed from the Consent Agenda and heard under Item 4.1.

2.3. **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO UPHOLDING APPEAL OF THE PLANNING COMMISSION’S DENIAL OF BRUCE ROAD TENTATIVE SUBDIVISION MAP AND ADOPTING A MITIGATED NEGATIVE DECLARATION AND CONDITIONALLY APPROVING BRUCE ROAD TENTATIVE SUBDIVISION MAP (S 04-04) LOCATED ON THE EAST SIDE OF BRUCE ROAD APPROXIMATELY 400 FEET NORTH OF LITTLE CHICO CREEK** – At the request of staff, this item was removed from the Consent Agenda and continued to the 8/16/05 meeting.

2.4. **MINUTE ORDER NO. 22-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE LEASE AGREEMENT WITH THE CHICO AREA RECREATION AND PARK DISTRICT FOR THE HOOKER OAK RECREATION AREA**

In 1993, the City of Chico entered into a long term lease with the Chico Area Recreation and Park District (CARD) for the use of Hooker Oak Park Recreation Area. The initial term of the lease is for 20 years, or until 2013, with automatic 10-year extensions unless either party requests termination of the lease. CARD is intending to use Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Proposition 12) grant funds to install new playground equipment on the west side of Hooker Oak. The Proposition 12 grant terms and conditions require a 10-year initial lease term for leasehold properties that are improved using $100,000 or less in grant funds. This minute order authorizes the City Manager to execute an amendment extending the initial lease term to 2/08/16 to meet this grant requirement. The Bidwell Park and Playground Commission and Park Director recommended approval of the minute order.
2.5. MINUTE ORDER NO. 23-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE CONSOLIDATED HOUSING AUTHORITY OF SUTTER COUNTY FOR ADMINISTRATION OF THE CITY’S HOUSING REHABILITATION PROGRAM AND APPROVAL OF BUDGET ADJUSTMENTS

The Consolidated Housing Authority of Sutter County currently administers the City’s Housing Rehabilitation Program. At its meeting of 5/17/05, the City Council allocated additional funding from Federal HOME funds for Housing Rehabilitation loans and the administration of the Program. This minute order authorizes the City Manager to execute an amendment to the current agreement to extend the term to 8/31/07. In addition, the minute order approves a supplemental appropriation to budget unanticipated program income from the State HOME program in the amount of $135,000 and allocates it to the Housing Rehabilitation Program. An administrative supplemental appropriation to confirm Council’s action will be processed following this meeting. The Housing Officer recommended approval of the minute order and budget adjustments.

2.6. MINUTE ORDER NO. 24-05 – AUTHORIZATION FOR CITY MANAGER TO ENTER INTO AGREEMENT TO ACQUIRE PROPERTY RIGHTS LOCATED AT THE NORTHWEST CORNER OF BRUCE ROAD AND STATE HIGHWAY ROUTE 32 (APN 002-160-076)-DES PARTNERSHIP

The City Council previously authorized the negotiated purchase of a portion of an unimproved parcel located at the northwest corner of the intersection of Bruce Road and State Highway Route 32 (APN 002-160-076) from DES Partnership for a temporary construction easement and right of way needed in connection with the City’s Manzanita Corridor Reconstruction Project. At its 06/07/05 meeting, the Council adopted Resolution No. 143 04-05 which authorized initiation of eminent domain, if necessary, to obtain possession of the needed property prior to construction. The negotiation was successfully concluded prior to taking any eminent domain action. This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire a temporary construction easement and the right of way for $19,686. The Senior Assistant City Manager recommended approval of the minute order.

2.7. ACCEPTANCE OF COUNTY CLERK’S CERTIFICATION OF SUFFICIENCY FOR THE REFERENDUM PETITION REGARDING ADDITIONAL PARKING METER ENFORCEMENT HOURS – This item was removed from the Consent Agenda and heard under Item 4.1.

2.8. DECLARATION OF VACANCY ON PARKING PLACE COMMISSION – This item was removed from the Consent Agenda and heard under Item 4.1.

The motion to approve the Consent Agenda, with Items 2.2., 2.7., and 2.8. removed and heard under Item 4.1., and Item 2.3. continued to the 8/16/05 meeting, carried as read, by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 541 (PARK VISTA SUBDIVISION)

By report dated 6/27/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 541. As a condition of approval of a subdivision map for this development, generally located southeast of East Eighth Street, the developer, Phil Engelbert, has consented to the formation of this district for the annual maintenance and future replacement of the landscaping and irrigation of the parkway strip along the entrance to the subdivision and the storm water interceptor facility located within the subdivision. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Vice Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Holcombe and seconded by Councilmember Bertagna to adopt the following resolution:
RESOLUTION NO. 09 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 541 – PARK VISTA SUBDIVISION

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl

3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 553 (MARIPOSA VISTA UNIT 1, PHASE II)

By report dated 7/8/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 553. As a condition of approval of a subdivision map for this development, generally located between Mariposa and Ceanothus Avenues, the developer, Tony Symmes, has consented to the formation of this district to share in the annual maintenance and future replacement costs for the landscaping and irrigation of two storm water detention facilities and a stamped concrete traffic circle within the Mariposa Vista Subdivision. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Vice Mayor Kirk opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Schwab and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 10 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 553 – MARIPOSA VISTA UNIT 1, PHASE II

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl
DISQ: Bertagna

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.2. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS – Introductory Reading –

This item was removed from the Consent Agenda for further discussion at the request of Councilmember Wahl.

By report dated 7/26/05, Principal Planner Bishow reported that at its 6/21/05 meeting, the City Council directed staff to prepare an ordinance amending the City Code to require second dwelling units to be owner occupied and to no longer allow exceptions to second dwelling unit standards. At the Planning Commission meeting of 7/21/05, the Commission voted (7-0) to recommend adoption of the ordinance. The Planning Director recommended that the City Council introduce the ordinance by the reading of the title only and schedule the ordinance for a public hearing on 8/16/05. The City Council was provided with an email dated 7/31/05 from John Gillander and a letter dated 7/25/05 from Linda Furr. Addressing the Council on this item were Ken Fleming, Melinda Vasquez, and Amyre DeDeaux.

A motion was made by Councilmember Holcombe and seconded by Councilmember Herbert to introduce the ordinance and schedule the public hearing for 8/16/05.
The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab
NOES: Wahl
ABSENT: Gruendl

2.7. **ACCEPTANCE OF COUNTY CLERK’S CERTIFICATION OF SUFFICIENCY FOR THE REFERENDUM PETITION REGARDING ADDITIONAL PARKING METER ENFORCEMENT HOURS**

– This item was removed from the Consent Agenda at the request of a member of the audience for additional discussion.

By report dated 7/26/05, the City Clerk forwarded the County Clerk’s Certification of Sufficiency for the Referendum Petition requesting repeal of City Council Resolution No. 129 04-05 (adoption of additional parking meter enforcement hours). The Council was also provided with a copy of the memorandum dated 7/20/05 from the City Attorney outlining the referendum process. Council consideration of action to be taken on the Referendum Petition would be scheduled for a future Council meeting. Councilmembers Schwab and Wahl were disqualified on this item. Addressing the Council on this issue were Karl Ory, Dennis Latimer, Amyre DeDeaux, and Katrina Davis.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to acknowledge the Butte County Clerk’s Certification of Sufficiency.

The motion carried by the following:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to agendize the consideration of either rescinding the original Council action or forwarding this issue to the voters by placing it on a future ballot.

The motion failed due to the following vote:

AYES: Holcombe, Kirk
NOES: Bertagna, Herbert
DISQ: Schwab, Wahl
ABSENT: Gruendl

2.8. **DECLARATION OF VACANCY ON PARKING PLACE COMMISSION**

– This item was removed from the Consent Agenda at the request of Councilmember Schwab for further clarification.

By report dated 7/22/05, the City Clerk forwarded a letter dated 5/4/05 from Don Kidd, Chair, Parking Place Commission, which reported that Marta Lorber had not attended any Parking Place Commission meetings since her appointment in January 2005 and asked that Council declare a vacancy. Once the position is declared vacant, a notice of unscheduled vacancy is required to be posted for ten days after which an appointment can then be considered, with the recruitment for applicants beginning immediately. The City Clerk recommended declaring the vacancy.

A motion was made by Councilmember Schwab and seconded by Councilmember Bertagna to declare a vacancy on the Parking Place Commission and direct staff to recruit for applicants.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl

4.2. **INITIAL CONSIDERATION OF APPEAL FILED BY JOHN SCHALLER, ON BEHALF OF TOM REED, REGARDING A SEWER MAIN REIMBURSEMENT AGREEMENT IN CONNECTION WITH THE DEVELOPMENT OF THOMAN COURT SUBDIVISION**

– No action taken. This item was withdrawn at the request of John Schaller by letter dated 7/28/05.
4.3. CONSIDERATION OF PROPOSAL TO INSTALL A STREAMING VIDEO SYSTEM IN THE CITY COUNCIL CHAMBER

The City received a proposal from Anthony Watts to install a “streaming video” system that would make City Council meetings available on the Internet. This system, including all hardware and software, would be installed free of charge to the City for a trial period of approximately three months in order to evaluate the demand for this service. No City staff time or funds were being requested for this project. At the end of the trial period, a report would be submitted to the City Council regarding usage and costs for continuing the service. Mr. Watts provided Council with an overview of his proposal. There was no written report on this item. The Information Systems Director recommended approval of the installation of the system on a trial basis.

A motion was made by Councilmember Wahl and seconded by Councilmember Schwab to approve the installation of the system on a 90-day trial basis beginning with the first meeting in September with staff to provide the City Manager with a summary of usage and associated costs.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: None
ABSENT: Gruendl

4.4. DESIGNATION OF CITY COUNCIL VOTING DELEGATE AND ALTERNATE TO REPRESENT THE CITY AT THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE OCTOBER 8, 2005

By letter dated 7/6/05, the President of the League of California Cities requested the City Council to designate a voting representative and an alternate who will be registered at the Conference and present at the annual business meeting on Saturday, 10/8/05, at 10:30 a.m. The League Annual Conference is to be held 10/6/05 through 10/8/05. Mayor Gruendl will be the voting delegate with Vice Mayor Kirk and Councilmember Holcombe designated as alternates.

4.5. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. BUSINESS FROM THE FLOOR – None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Section 3.28.130 of the Chico Municipal Code requires that annually at its first meeting in August the City Council shall be provided with a report showing the disposition of all lost, stolen or unclaimed property delivered to the City Manager which was not disposed of at public auction during the preceding fiscal year. By memorandum dated 7/14/05, the Finance Director transmitted the annual report for Fiscal Year 2004-05.

6.2. Memorandum dated 7/11/05, from the Director of Human Resources and Risk Management reporting on claims denied during the quarter ending 6/30/05.

6.3. Letter dated 7/6/05, from Tom Haithcock, Director, and Jeanne Boze, President, Board of Directors, Chico Creek Nature Center, requesting assistance totaling $125,000 from Chico Redevelopment Agency funds to provide the balance of funds needed to construct a new exhibit and classroom facility.

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to refer consideration of this request to the Finance Committee. The motion failed 2-4, with Councilmembers Bertagna, Herbert, Wahl, and Vice Mayor Kirk voting against. No action was taken on this item.

6.4. Letter dated 7/15/05, from the Chamber of Commerce requesting Council to review its procedures and conduct at City Council meetings. At its meeting of 7/19/05, the City Council referred this item to the Council Procedures Committee.
A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to agendize in September the discussion of the City Council's policy on Supplemental Appropriations. The motion carried 6-0, with Mayor Gruendl absent.

7. **ADJOURNMENT**

Adjourned at 8:25 p.m. to August 16, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: October 4, 2005

Deborah R. Presson, City Clerk
1. CALL TO ORDER – Mayor Gruendl called the August 16, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
   Absent: Wahl

   Staff Present: City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, City Clerk Presson, and Director of Human Resources Koch

2. CLOSED SESSION

   2.1. CONFERENCE WITH LABOR NEGOTIATOR: The City’s negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees, Management Employees, and Public Safety Management Employees. (Gov. Code Sec. 54957.6.)

   2.2. CONFERENCE WITH LEGAL COUNSEL -- ANTICIPATED LITIGATION: Significant exposure to litigation: One Case. (Gov. Code Sec. 54956.9(b).)

   2.3. PUBLIC EMPLOYEES PERFORMANCE EVALUATION: The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. ADJOURNMENT

   Adjourned at 6:25 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** – Mayor Gruendl called the August 16, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street, at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation — The City Council observed a moment of silence.

1.3. The City Council observed a moment of silence for Ethel Wahl, mother of Councilmember Wahl, who passed away on 8/7/05.

1.4. Roll Call

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl

   Absent: Wahl

1.5. Closed Session Announcement – None

2. **CONSENT AGENDA** – Item 2.1. was removed from the Consent Agenda and considered under Item 4.1.

2.1. **MINUTE ORDER — AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE BUTTE COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE FINANCIAL ASSISTANCE FOR THE VISION 2008 PLAN AND APPROVAL OF A SUPPLEMENTAL APPROPRIATION TO PROVIDE FUNDING FOR THE FIRST YEAR**

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.1. **MINUTE ORDER — AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE BUTTE COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE FINANCIAL ASSISTANCE FOR THE VISION 2008 PLAN AND APPROVAL OF A SUPPLEMENTAL APPROPRIATION TO PROVIDE FUNDING FOR THE FIRST YEAR** – This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

   At its meeting of 06/09/05, the Economic Development Committee recommended (2-0, Bertagna absent) that the Redevelopment Agency authorize the Executive Director to execute an agreement with Butte County Economic Development Corporation (Butte EDC) to provide $60,000 of Redevelopment Agency funds over a three-year period ($20,000 per year) for support of the Vision 2008 plan. Future allocations would be included in the Redevelopment Agency operating budget.

   The Agency was provided with the staff report dated 6/06/05 to the Economic Development Committee which provided background on the request and the full proposal submitted by Butte EDC. The Economic Development Committee recommended (2-0, Bertagna absent) approval of the minute order and supplemental appropriation.

   Councilmember Holcombe removed this item from the Consent Agenda in order to discuss Council policy on supplementals. In addition, he requested that Butte EDC provide additional information regarding a summary of jobs created and the impact resulting from those jobs.

   A motion was made by Councilmember Bertagna and seconded by Councilmember Holcombe to continue this item to the November worksession so it could be considered with other budget adjustment requests and to request that Butte EDC provide Council with the additional information regarding the creation of jobs.

   The motion carried by the following vote:

   **AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl

   **NOES:** None
ABSENT: Wahl

4.2. CONSIDERATION OF ISSUANCE OF 2005 TAX ALLOCATION BONDS BY THE CHICO REDEVELOPMENT AGENCY – To consider this item, the Chico Redevelopment Agency convened as the Chico Redevelopment Agency, the Chico Public Financing Authority, and the City Council.

At its meeting held 04/26/05, the Chico Redevelopment Agency authorized staff to proceed with structuring the issuance of tax allocation revenue bonds for the Chico Amended and Merged Redevelopment Project to provide funding for capital projects. By report dated 08/05/05, the Budget Officer outlined the proposed issuance and sale of 2005 Tax Allocation Bonds by the Chico Redevelopment Agency in a principal amount not to exceed $70 million and transmitted a copy of the Preliminary Official Statement. The resolutions authorize and approve issuance of the bonds. Charles Adams of Jones Hall, bond counsel, and Suzanne Harrell of Harrell & Company Advisors, financial advisor, were in attendance at this meeting. The Assistant Executive Director/Senior Assistant City Manager recommended adoption of the resolutions. Addressing the Council on this item was Marilyn Ey.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolutions:

RESOLUTION NO. 10-05 — A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE AND SALE OF 2005 TAX ALLOCATION BONDS TO FINANCE PROJECTS RELATING TO THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $70,000,000, AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS (Agency Action)

RESOLUTION NO. 11 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING THE ISSUANCE BY THE CHICO REDEVELOPMENT AGENCY OF 2005 TAX ALLOCATION BONDS IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $70,000,000 RELATING TO THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT (City Council Action)

CPFA RESOLUTION NO. 01-05 — A RESOLUTION OF THE CHICO PUBLIC FINANCING AUTHORITY APPROVING AMENDMENTS TO 1996 LOAN AGREEMENT AND 2001 LOAN AGREEMENT WITH THE CHICO REDEVELOPMENT AGENCY (Authority Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. ADJOURNMENT

Adjourned to a City Council meeting.
1. CALL TO ORDER – Mayor Gruendl called the August 16, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
Absent: Wahl

2. CONSENT AGENDA – Items 2.3., 2.5., and 2.8. were removed from the Consent Agenda and considered under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the remaining Consent Agenda items, as read:


The City Council previously approved a memorandum of understanding (MOU) between the City and the Chico Police Officers’ Association for the non-sworn Police Department employees represented by the Association. As a result of the Council’s recent recognition of the Chico Public Safety Association (CPSA) as the representative of the employees covered by this MOU, and recently concluded negotiations with CPSA, certain modifications to the MOU are required. These modifications include changing the name of the MOU to reflect the change in recognition, an increase in the number of hours of compensating time off which employees may accrue and be paid for, and an increase in shift differential pay for night shift employees. The estimated cost associated with these modifications will not exceed $6,500, and there is adequate funding in the current Annual Budget to cover this cost. There was no written report for this item. The Director of Human Resources and Risk Management and the City Manager recommended adoption of this resolution. Councilmember Bertagna was disqualified on this item.


By memorandum dated 8/11/05, the Director of Human Resources and Risk Management recommended adoption of this resolution which modified a number of pay and benefit provisions in the Memorandum of Understanding applicable to the Police Officers and Police Sergeants of the Chico Police Department. These modifications resulted from recently concluded negotiations with the Chico Police Officers’ Association and are described in the memorandum.

The estimated cost associated with these modifications was also set forth in the Memorandum, and sufficient funding is available in the Annual Budget to cover this cost. The Director of Human Resources and Risk Management and the City Manager recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item.

2.3. RESOLUTION NO. 14 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO UPHOLDING APPEAL OF THE PLANNING COMMISSION’S DENIAL OF BRUCE ROAD TENTATIVE SUBDIVISION MAP AND ADOPTING A MITIGATED NEGATIVE DECLARATION AND CONDITIONALLY APPROVING BRUCE ROAD TENTATIVE SUBDIVISION MAP (S 04-04) LOCATED ON THE EAST SIDE OF BRUCE ROAD APPROXIMATELY 400 FEET NORTH OF LITTLE CHICO CREEK – This item was removed from the Consent Agenda and considered under Item 4.1.

2.4. RESOLUTION NO. 15 05-06 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A STORM DRAIN EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (SIERRA NEVADA COURT - SIERRA NEVADA BREWING COMPANY / APN 005-550-034)

RESOLUTION NO. 16 05-06 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE
CITY OF CHICO TO ABANDON AND VACATE A STORM DRAIN AND SANITARY SEWER ACCESS EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (FRANKLIN STREET - SIERRA NEVADA BREWING COMPANY / APN 005-550-033)

RESOLUTION NO. 17 05-06 — A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF CHICO TO ABANDON AND VACATE A PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (SIERRA NEVADA COURT - SIERRA NEVADA BREWING COMPANY/ APN 005-550-033)

By report dated 7/21/05, the Director of Public Works reported on a request from the Sierra Nevada Brewing Company to abandon and vacate a storm drain easement located on Sierra Nevada Court, a storm drain and sanitary sewer access easement located on Franklin Street, and a public utility easement located on Sierra Nevada Court, to allow for the expansion of existing buildings and facilities. The Director of Public Works recommended adoption of the resolutions which schedule a public hearing for 9/6/05.

2.5. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 797) – This item was removed from the Consent Agenda and considered under Item 4.1.

2.6. MINUTE ORDER NO. 25-05 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AN AGREEMENT WITH BUTTE COUNTY FOR SUPPLEMENTAL FUNDING FOR ADDITIONAL HOURS OF OPERATION AT CHICO BRANCH OF BUTTE COUNTY LIBRARY (FY 05-06)

This minute order authorizes an agreement with Butte County by which the City provides supplemental funding to increase the hours of operation at the Chico branch of the Butte County Library from 35 hours per week to 60 hours per week.

The execution of the agreement, with a term commencing 10/1/05 and ending 9/30/06, is contingent on confirmation that Butte County has adopted a budget which continues the base level of service for the Chico branch of the library. The Senior Assistant City Manager recommended approval of the minute order.

2.7. MINUTE ORDER NO. 26-05 — AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A GRANT AGREEMENT WITH CHICO COMMUNITY CHILDREN’S CENTER (CCCC) FOR $115,000 OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR IMPROVEMENTS TO THE DAYCARE FACILITY AT 2224 ELM STREET

At its meeting of 5/17/05, the City Council allocated $115,000 to the Chico Community Children’s Center as part of the City’s Annual Plan for the Community Development Block Grant Program. The funds will be used for repairs and improvements to the infant and toddler building at the center. This minute order provides the City Manager the authority to execute a grant agreement with CCCC for the funding. The Housing Officer recommended approval of the minute order.

2.8. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 05-06 04 FOR THE FUNDING OF A DOWNTOWN PARKING AND TRANSPORTATION CHARRETTE – This item was removed from the Consent Agenda and considered under Item 4.1.

2.9. AUTHORIZATION TO RECRUIT FOR APPLICANTS FOR CITY OF CHICO APPOINTEE TO THE BUTTE COUNTY ASSOCIATION OF GOVERNMENTS SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

The Transportation Development Act (TDA) requires the Butte County Association of Governments (BCAG) to establish a Social Services Transportation Advisory Council (SSTAC) to review and identify any unmet transit needs within Butte County. The SSTAC also serves as an advisory committee to the BCAG Board on other transportation issues. The recently approved BCAG Joint Powers Agreement (JPA) provides for each member jurisdiction to appoint a citizen member to the SSTAC. Only one member of the City’s former Community Transit Advisory Committee who is a City resident has expressed an interest in serving on the SSTAC. By report dated 7/29/05, Management Analyst Herman provided the background information regarding the City’s previous Transit Advisory Committee and discussion regarding this item. The City Manager recommended that the City Council authorize staff to begin the recruitment process and advertise for applications for the City’s SSTAC appointment.
2.10. APPROVAL OF A VEHICLE FOR HIRE OWNER’S PERMIT - TAXI DAVE

By report dated 7/29/05, Management Analyst Herman recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit to Taxi Dave (David and Tamara Coito), finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all applicable Chico Municipal Code requirements relating to Vehicle for Hire permits. The applicants requested authorization to operate an unlimited number of vehicles under the permit. This application is for the operation of taxi cab services. There are currently eight active Vehicle for Hire Owner’s Permits issued, one of which only transports school children. All current Vehicle for Hire Owner’s permittees were notified of the Council’s consideration of this matter on this agenda. Management Analyst Herman recommended approval of the issuance of the permit.

2.11. APPROVAL OF A VEHICLE FOR HIRE OWNER’S PERMIT - AMERICAN TAXI

By report dated 8/01/05, Management Analyst Herman recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit for American Taxi to Kristin Flock and Vance Vanella, finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all Chico Municipal Code (CMC) requirements relating to Vehicle for Hire permits. An Owner’s Permit was previously issued for American Taxi to Hubert Beaver. Mr. Beaver is in the process of selling the company to Ms. Flock and Mr. Vanella. Since the CMC regulations relating to Vehicles for Hire Owner’s Permits do not contain a provision for the transfer of an Owner’s Permit, the new owners must submit a new permit application for City Council consideration. All current Vehicle for Hire Owner’s permittees were notified of the Council’s consideration of this matter. Management Analyst Herman recommended approval of the issuance of the permit.

The motion to approve the Consent Agenda, with Items 2.3., 2.5., and 2.8. removed and considered under Item 4.1., carried, as read.

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl
DISQ: Bertagna – Items 2.1., 2.2.

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR EATON ROAD ANNEXATION DISTRICT NO. 4

By report dated 7/21/05, the Assistant Community Development Director forwarded a report on initiation of the annexation of 10 parcels which comprise the entirety of an “island of unincorporated territory,” with a total area of 21.7 acres, between Eaton Avenue and East Lassen Avenue, west of the City bicycle path. The area is developed with residential, commercial and light industrial uses, consistent with the General Plan and M-L Manufacturing/Light Industrial zoning. Property owners are identified in the staff report. The annexation was initiated by the owner of a vacant 11.5 acre parcel to facilitate further light industrial development.

State law provides that a resolution initiating proceedings for the annexation of an “island” of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Development Director recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to adopt the following resolution:

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl

3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 552 (WANDERING HILLS SUBDIVISION)

By report dated 7/12/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 552. As a condition of approval of a subdivision map for this development, generally located east of Floral Avenue, the developer, Will Baker, has consented to the formation of this district to fund the annual maintenance and future replacement costs for the landscaping and irrigation in the Floral Avenue median and of the storm water detention treatment facilities. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 20 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 552 — WANDERING HILLS SUBDIVISION

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl
DISQ: Bertagna

3.3. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 554 (FIVE MILE COURT SUBDIVISION)

By report dated 7/14/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 554. As a condition of approval of a subdivision map for this development, generally located between Manzanita and East Avenues across from Navarro Drive, the developers, Richard and Sherry Payne, have consented to the formation of this district to fund the annual maintenance and future replacement costs of the landscaping and irrigation between the back of curb to the property line on East Avenue, a masonry wall along the East Avenue frontage, and the storm water interceptor facilities. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to adopt the following resolution:


The motion carried by the following vote:
3.4. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 555 (HANNAH'S COURT SUBDIVISION)

By report dated 7/28/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 555. As a condition of approval of a subdivision map for this development, generally located at 2790 Ceanothus Avenue, the developer, Tony Symmes, has consented to the formation of this district to cover the annual maintenance and future replacement costs of the storm drain detention pipes, a storm water interceptor, and a street light within the Hannah's Court Subdivision. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 22 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 555 — HANNAH'S COURT SUBDIVISION

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl
DISQ: Bertagna

3.5. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 557 (FLORAL ARRANGEMENT SUBDIVISION)

By report dated 7/18/05, the Director of Public Works reported that this resolution orders the formation of Chico Maintenance Assessment District No. 557. As a condition of approval of a subdivision map for this development, generally located on the west side of Floral Avenue north of East Avenue, the developer, Tony Symmes, has consented to the formation of this district to fund the annual maintenance and future replacement costs of the landscaping and irrigation within a portion of the Floral Avenue median and the storm water interceptor. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Public Works recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to adopt the following resolution:

RESOLUTION NO. 23 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 557 — FLORAL ARRANGEMENT SUBDIVISION

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl
DISQ: Bertagna
3.6. HEARING ON CHANGING THE NAME OF WHITMAN AVENUE TO MARTIN LUTHER KING JR. PARKWAY

By report dated 07/27/05, the Director of Public Works forwarded the resolution changing the name of Whitman Avenue to Martin Luther King Jr. Parkway. The Council voted unanimously at its 5/17/05 meeting to change the name, and this public hearing provided official notice to the public of the Council’s intent to implement the name change 12 months from the adoption of the City Council resolution. Mayor Gruendl opened the hearing to the public. Addressing the Council in favor of changing the name were Linda Furr, Carol Eberling and Dave Becker. Addressing the Council opposing the change were Jan Bratcher, David Bisson, Theresa McDonald, Rocky Niles, and Marilyn Ey. The hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to adopt the following resolution, as amended, to: (1) include the effective date of 1/15/07 for the change in the street name of Whitman Avenue to Martin Luther King Jr. Parkway; and (2) direct staff to provide Council with a report regarding the feasibility of installing a second street name sign during the interim.

RESOLUTION NO. 24 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CHANGING THE NAME OF WHITMAN AVENUE TO MARTIN LUTHER KING JR. PARKWAY – as amended

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl

3.7. HEARING ON AMENDMENT OF TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS

By report dated 8/3/05, Principal Planner Bishow reported that at its 8/2/05 meeting, the City Council introduced the ordinance amending the Chico Municipal Code in regard to second dwelling units by reading of the title only, and scheduled the hearing for this meeting. At the Planning Commission meeting of 7/21/05, the Commission voted (7-0) to recommend adoption of the ordinance. The Planning Director recommended adoption of ordinance. Mayor Gruendl opened the hearing to the public. Addressing the Council in favor of the amendment were Marvin Davidson, John Anderson, Molly Emick, Marilyn Ey, Melinda Vasquez, Bev Markum, Cindy Maderos, Casey Merrill, Amyre DeDeaux, Karen Laslo, Ken Fleming, Sarah Salisbury, Pam Stossor, Marci Goulart, and Rick Turner. Opposing the amendment were John Gillander, Chris Mitchell, Tony Symmes, and Juanita Sumner. The hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following ordinance:

ORDINANCE NO. 2325 — AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 19 OF THE CHICO MUNICIPAL CODE IN REGARD TO SECOND DWELLING UNITS - Final Reading and Adoption

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert
ABSENT: Wahl

3.8. HEARING ON APPEAL OF THE PLANNING COMMISSION’S DECISION TO ADOPT A MITIGATED NEGATIVE DECLARATION AND APPROVE THE RIVER GLEN VESTING TENTATIVE SUBDIVISION MAP, PLANNED DEVELOPMENT PERMIT AND USE PERMIT (S/PDP 03-18 & UP 05-33)

By report dated 8/5/05, Principal Planner Bishow reported that at its 7/21/05 meeting, the Planning Commission voted (4-3) to adopt a mitigated negative declaration and approve, with conditions, the River Glen Vesting Tentative Subdivision Map, Planned Development Permit, and Use Permit (S/PDP 03-18 & UP 05-33) located off of Glenwood Avenue, west of State Highway Route 32/Nord Avenue, and south of Lindo Channel.
The project would divide a 5.23 acre site into 26 lots, 25 lots would be developed with single-family homes and one lot would be dedicated to the City for open space. The project is adjacent to the Chico Sphere of Influence and Greenline. A timely appeal was filed by John Merz. Following the close of the public hearing, the Planning Director recommended that the City Council direct staff to prepare a resolution affirming the Planning Commission’s decision to approve the project and deny the appeal. The Council was provided with letters in opposition to the project from Debra Anderson and Reno DeBon. Mayor Gruendl opened the hearing to the public. Addressing the Council in support of the appeal were John Merz, Debra Anderson, Ken Fleming, Marie Mitchell, and Donn Marshall. Opposing the appeal were Jim Stevens and Pat Conroy. The hearing was closed.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to deny the appeal and direct staff to prepare a resolution affirming the Planning Commission’s decision to approve the project.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab
NOES: Holcombe, Gruendl
ABSENT: Wahl

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.3. RESOLUTION NO. 14 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO UPHOLDING APPEAL OF THE PLANNING COMMISSION’S DENIAL OF BRUCE ROAD TENTATIVE SUBDIVISION MAP AND ADOPTING A MITIGATED NEGATIVE DECLARATION AND CONDITIONALLY APPROVING BRUCE ROAD TENTATIVE SUBDIVISION MAP (S 04-04) LOCATED ON THE EAST SIDE OF BRUCE ROAD APPROXIMATELY 400 FEET NORTH OF LITTLE CHICO CREEK – This item was removed from the Consent Agenda at the request of Vice Mayor Kirk and Councilmember Holcombe.

By report dated 08/05/05, Associate Planner Palmeri reported that at its meeting of 7/19/05, the City Council on a vote of 5-2 adopted a motion of intent to adopt a mitigated negative declaration and approve Bruce Road Tentative Subdivision Map (S 04-04) located on the east side of Bruce Road approximately 400 feet north of Little Chico Creek. The Planning Director recommended adoption of the resolution. The Council was provided with an e-mail dated 8/15/05 from Planning Commissioner Jon Luvaas requesting that the Council consider adding as a condition of approval that the heritage oaks to the rear of the southerly lots be preserved. Councilmember Holcombe asked that GPHD-44 be stricken from the resolution, which states that this development promotes home ownership.

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to adopt the resolution, as amended to remove finding GPHD-44.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES None
ABSENT: Wahl

2.5. RESOLUTION NO. 18 05-06 — A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 797) – This item was removed from the Consent Agenda at the request of a citizen.

At its meeting of 8/10/05, the Internal Affairs Committee considered the requests from the staff of Chico Country Day School for a variety of traffic calming and traffic infrastructure measures around the former Fairview High School location. This item was forwarded to Council in advance of the full Internal Affairs report so that these issues could be addressed at the beginning of the school year. The Committee recommended (3-0) designation of a loading zone in front of the school and removal of the crosswalk on Park Avenue at Eleventh Street. Marie Mitchell addressed the Council regarding her concerns with the loading zone.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to continue this item in order to allow additional review by staff.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Gruendl
NOES: None
ABSENT: Wahl

2.8. APPROVAL OF SUPPLEMENTAL APPROPRIATION NO. 05-06 04 FOR THE FUNDING OF A DOWNTOWN PARKING AND TRANSPORTATION CHARRETTE – This item was removed from the Consent Agenda and considered under Item 4.1. at the request of Councilmembers Bertagna and Herbert.

At its meeting held 07/19/05, the City Council directed staff to conduct research regarding the possibility of utilizing a charrette process to address downtown parking issues and to determine when a charrette could be completed, who would conduct the charrette, the stakeholders who would be included, and to recommend funding for the process.

By staff report dated 08/08/05, the City Manager provided information about the charrette process and transmitted Supplemental Appropriation No. 05-06 04 which budgets $500,000 in increased parking meter revenue and allocates $150,000 for professional consulting services to conduct the charrette and related staff costs. The City Manager recommended approval of the supplemental appropriation. The Council was provided with two e-mails dated 8/16/05 from Kim Ormiston in opposition to funding of a downtown parking and transportation charrette. Councilmember Schwab was disqualified on this item. Karl Ory addressed the Council on this item.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to approve the supplemental.

The motion carried by the following vote:

AYES: Bertagna, Holcombe, Kirk, Gruendl
NOES: Herbert
ABSENT: Wahl
DISQ: Schwab

4.2. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. BUSINESS FROM THE FLOOR

Joe Persons thanked the Council for its support in naming a street after Dr. Martin Luther King, Jr.

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Memorandum dated 08/04/05 from the Finance Director reporting that the list of claims paid during the months of June and July 2005 have been produced and are available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.2. Letter dated 7/27/05 from Cathy Augros, Executive Director of the Butte Humane Society requesting additional funding in order to open the animal shelter an additional two days a week. A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to refer this item to Finance Committee. Carried 4-2, with Councilmembers Bertagna and Holcombe opposed.

6.3. E-mail dated 8/3/05 from Vice Mayor Kirk withdrawing her request to reconsider Growth Area 1.

6.4. Letter from Tony Symmes dated 8/3/05 requesting Council consideration of his proposal regarding affordable home ownership on City-owned property at the southeast corner of Humboldt Road and Notre Dame Boulevard. It was noted that this item is already under review by the Finance Committee.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to add the discussion of the recent referendum regarding additional parking meter enforcement hours to a future meeting. The motion carried 5-1-1, with Councilmember Bertagna opposed and Councilmember Wahl absent.

7. **ADJOURNMENT**

Adjourned at 10:27 p.m. to September 6, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: October 18, 2005

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the September 6, 2005 – Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation – Andrew Burchett, Neighborhood Church
   
   A moment of silence was held for the victims of Hurricane Katrina.

1.3. **Roll Call**
   
   **Present:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   
   **Absent:** None

1.4. Presentation – Butte College President, Dr. Diana Van Der Ploeg, presented the City of Chico with a token of appreciation for its assistance with the Butte College Chico Center.


2. **CONSENT AGENDA** – None

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **CONSIDERATION OF ARTS COMMISSION RECOMMENDATION TO ALLOCATE FUNDS FOR CITY PLAZA ART PROJECT** – Councilmembers Schwab and Wahl were disqualified on this item. Vice Mayor Kirk made a motion which was seconded by Councilmember Herbert to continue this item to 9/20/05 with direction to staff to: (1) provide additional information regarding the cost estimates on the proposed project; (2) clarify the 15 percent contingency requirement; (3) provide details on proposed funding; and (4) direct the Arts Commission to consider alternative recommendations in terms of the funding for this project.

   The motion carried by the following vote:

   **AYES:** Bertagna, Herbert, Holcombe, Kirk, Gruendl
   
   **NOES:** None
   
   **DISQ:** Schwab, Wahl

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

   Adjourned to a City Council meeting.
1. **CALL TO ORDER** – Mayor Gruendl called the September 6, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call**
Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. **CONSENT AGENDA** – Items 2.1. and 2.5. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to approve the remaining items:

2.1. **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING PROGRAM FOR THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT 02-01 AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS)** – This item was removed from the Consent Agenda and considered under Item 4.1.

2.2. **MINUTE ORDER NO. 27-05 – AUTHORIZATION FOR THE CITY ATTORNEY TO RETAIN PETERS, RUSH, HABIB & MCKENNA FOR LEGAL SERVICES PERTAINING TO THE MATTER OF CITY OF CHICO v. OSWALD G. AUER, ET AL., BUTTE COUNTY SUPERIOR COURT CASE NO. 133931**

This minute order authorizes the City Attorney to retain Peters, Rush, Habib & McKenna, for legal services pertaining to the eminent domain action *City of Chico v. Oswald G. Auer, et al.* The City Attorney recommended approval of this minute order.

2.3. **MINUTE ORDER NO. 28-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A LEASE AGREEMENT WITH BCM CONSTRUCTION COMPANY FOR TEMPORARY USE OF A PORTION OF THE CITY-OWNED BUILDING AT 441 MAIN STREET (OLD MUNICIPAL BUILDING)**

BCM Construction Company, the contractor awarded the Chico City Plaza Renovation Project, has requested the temporary use of a portion of the first floor of the vacant City-owned building located at 441 Main Street, which is commonly referred to as the Old Municipal Building and is located across the street from the City Plaza worksite.

BCM Construction has requested a month-to-month lease and will pay a rental for use of the premises as outlined in the minute order. Councilmember Schwab and Wahl were disqualified on this item. The City Manager recommended approval of the minute order.

2.4. **DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - BACCHUS WINE SHOP AND WINE BAR (190 COHASSET ROAD, CHICO)**

By memorandum dated 8/12/05, the Community Development Director recommended that the City Council make a determination of public convenience or necessity as required by the Business and Professions Code, concerning the issuance of alcoholic beverage licenses for Bacchus Wine Shop and Wine Bar, to be located at 190 Cohasset Road, Chico. The Community Development Director recommended a determination of public convenience or necessity.

2.5. **DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - THE BEACH (191 EAST SECOND STREET, CHICO)** – This item was removed from the Consent Agenda and considered under Item 4.1. at the request of Councilmember Herbert.
2.6. **APPROVAL OF SUPPLEMENTAL APPROPRIATION TO SECURE THE SERVICES OF A PROFESSIONAL RECRUITMENT FIRM TO ASSIST IN THE CITY MANAGER RECRUITMENT AND CONFIRMATION OF AN EXECUTIVE SEARCH COMMITTEE TO ASSIST IN THE RECRUITMENT PROCESS** – The Chico City Council acted in its capacity as both the Chico City Council and the Chico Redevelopment Agency for consideration of this item.

It was recommended that the City Council and Chico Redevelopment Agency approve a supplemental appropriation to secure the services of a professional recruitment firm to assist in the replacement of the City Manager with $20,000 allocated to the General Fund (001) and $10,000 allocated to the Merged Redevelopment Fund (352). A supplemental appropriation confirming the action will be processed following this meeting. In addition, Mayor Gruendl recommended that an Executive Search Committee be formed which would be comprised of Councilmembers Bertagna, Vice Mayor Kirk and himself.

2.7. **CONFIRMATION OF DIRECTOR OF HUMAN RESOURCES AND RISK MANAGEMENT**

By agenda report dated 8/29/05, the City Manager recommended that Daniel Fulks be appointed as Director of Human Resources and Risk Management for the City of Chico. The current Director, Bob Koch, is retiring effective 12/30/05.

2.8. **PUBLIC MEETING ON 2005 LOT CLEANING/WEED ABATEMENT ASSESSMENTS**

By agenda report dated 8/22/05, Projects Manager Wood reported that the lot cleaning/weed abatement program is conducted each year under the provisions of the California Government Code. Pursuant to those provisions, the City is required to hold a public meeting (9/06/05) and public hearing (9/20/05) before approving the placement of the assessments (the costs incurred by the City for performing the lot cleaning plus administrative costs) on the property tax roll. Affected property owners were provided with written notice of the public meeting and public hearing. A list of those property owners whose lot cleaning/weed abatement bills remain unpaid as of 8/22/05 was attached to the Projects Manager’s report.

2.9. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 6/07/05 AND 6/21/05, as amended**

The City Council was provided with the minutes of its meetings held on 6/07/05 and 6/21/05. It was noted for the record, that the minutes of 6/21/05 would be amended to correct the vote on Item 4.2. regarding approval of future second dwelling units based on meeting all setback requirements. The correct vote was 5-0-2, with Councilmembers Holcombe and Wahl disqualified.

The motion to approve the Consent Agenda with Items 2.1. and 2.5., removed and considered under Item 4.1., carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

**DISQ:** Schwab, Wahl - Item 2.3.
3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON EASEMENT ABANDONMENTS – SIERRA NEVADA BREWERY**

By agenda report dated 8/23/05, the Director of Public Works reported on a request from the Sierra Nevada Brewing Company to abandon and vacate a storm drain easement located on Sierra Nevada Court, a storm drain and sanitary sewer access easement located on Franklin Street, and a public utility easement located on Sierra Nevada Court, to allow for the expansion of existing buildings and facilities. At its meeting of 8/16/05, the City Council adopted resolutions of intention to abandon these easements and scheduled a public hearing for this meeting. The Director of Public Works recommended adoption of the resolutions. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolutions:

**RESOLUTION NO. 25 05-06 – A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A STORM DRAIN EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (SIERRA NEVADA COURT - SIERRA NEVADA BREWING COMPANY / APN 005-550-034)**

**RESOLUTION NO. 26 05-06 – A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A STORM DRAIN AND SANITARY SEWER ACCESS EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (FRANKLIN STREET - SIERRA NEVADA BREWING COMPANY / APN 005-550-033)**

**RESOLUTION NO. 27 05-06 – A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO ORDERING ABANDONMENT AND VACATION OF A PUBLIC UTILITY EASEMENT PURSUANT TO THE PUBLIC STREETS, HIGHWAYS, AND SERVICE EASEMENTS VACATION LAW (SIERRA NEVADA COURT - SIERRA NEVADA BREWING COMPANY / APN 005-550-033)**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.1. **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING PROGRAM FOR THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT 02-01 AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS)** – This item was removed from the Consent Agenda at the request of Councilmember Holcombe.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO MODIFYING THE PLANNING COMMISSION’S DECISION TO CONDITIONALLY APPROVE THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT PDP 02-01, AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS) BY AMENDING THE CONDITIONS OF APPROVAL**

By memorandum dated 8/31/05, Senior Planner Murphy reported that at its meeting of 5/17/05, the City Council held a public hearing on two appeals of the Planning Commission’s decision to certify the Final Environmental Impact Report (Final EIR) for the Oak Valley development.

The City Council approved a motion of intent (6 in favor, 1 in opposition) to deny the appeals and uphold the decision of the Planning Commission to (a) certify the Final EIR, adopt a statement of overriding considerations, and adopt the mitigation monitoring program for the project; and (b) approve the vesting
tentative subdivision map, planned development permit, and conceptual master plan for the project, as amended. In upholding the Planning Commission’s decision, the Council also amended certain conditions of approval adopted by the Planning Commission for the Project. As part of the approval, staff was now recommending that Council revise Condition #33 to eliminate the requirement to construct a separated Class I bike path along the Humboldt Road corridor and instead require that the roadway accommodate a Class II bike lane alongside both travel lanes. The property is bounded by Bruce Road on the west, State Highway Route 32 on the north, a PG&E 500 kV transmission line on the east and Humboldt Road on the south. The Planning Director recommended adoption of the resolutions. The Council was provided with a letter received 8/26/05 from Francis Farley forwarding a letter from the Office of Historic Preservation and a request from Friends of the Foothills that the Mayor open up discussion on the Oak Valley matter.

Councilmember Holcombe announced an ex parte discussion with Phil Johnson and Susan Minasian and discussed his concerns regarding the number of approved units assigned to the parcels. He asked if the numbers in the resolution were maximum or minimum numbers subject to the planned development and compliance with the EIR. Planning Director Seidler indicated that the numbers listed were the maximum. Staff further explained that it allows each parcel to be looked at on a case-by-case basis, with a total number of units that could be shifted throughout the project.

Mayor Gruendl asked that Attachment “F” be corrected to reflect that it is not a “vested” subdivision. Staff said the attachment could be annotated to include this statement.

Councilmember Holcombe expressed his concern over the number of units remaining for Area “Q.” He felt that it was difficult to weigh the conflicting General Plan principals thereby forcing the Council to make findings of overriding consideration. He indicated that the proposed resolution currently reflects the need to have a wide range of housing projects, consistent with foothill development guidelines. He disagreed with this and thought that some of the parcels should come off the ridge due to the fact that the City suffers from a lack of R2 or R3 at higher densities, not from a lack of R1.

Councilmember Schwab indicated that she felt that close attention should be paid to the EIR, changes to the visual character, and compliance with air traffic plans. She felt that if the City approved Option 3 and left the eastern portion of the site alone, it would help accomplish the goal of not altering Humboldt Road which might later prevent the road from being named as a historic road as mentioned in the Historic Preservation letter recently received.

City Attorney Frank indicated that Council could not consider that letter regarding the road unless the hearing was reopened. In addition, if Council wished to have a discussion of moving or shifting densities, he recommended that the hearing be reopened to consider that as well.

Councilmember Holcombe stated that he felt the shifting of densities was discussed during the EIR process and that it was not necessary to reopen the hearing in order for Council to consider relocating the 80 units in Area “Q.”

Councilmember Bertagna stated that the Council actually removed 80 units from the upper area and displaced them in other areas when it took its original action on 5/17/05. Councilmember Holcombe indicated that he was requesting the remaining 80 units be moved elsewhere in the project.

City Attorney Frank stated that if Council wanted to take an action other than what was voted on 5/17/05, then the Council should schedule a new public hearing.

For the record, Councilmember Bertagna indicated that it was his opinion if Council did not follow through with their vote on 5/17/05, then the original Planning Commission decision would stand for 160 units in the upper area.

The City Attorney explained that the Council needed to determine if it wanted to procedurally preserve the opportunity to hear this item again, and if so, then reopen the hearing for those specific items.

Councilmember Herbert indicated that he felt the Council was opening itself up to litigation by making a decision to change the prior action and wanted to remind the Council that the project proponents have been working with the City on this project for over ten years.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to adopt the resolutions confirming the action taken by the Council at its meeting of 5/17/05.
The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl

A motion was made by Councilmember Schwab to reopen the hearing and limit the discussion to review of the letter regarding the historical preservation of Humboldt Road and reconsideration of the development of Areas “P” and “Q.” That motion died due to a lack of a second.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to approve the inclusion of the clarification regarding the minimum versus maximum number of units and to relocate the remaining 80 units in Area “Q” to the westerly portion of the development. The motion was withdrawn by Councilmember Holcombe and the second withdrawn by Vice Mayor Kirk.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to reopen the hearing to consider only the relocation of the 80 units from Area “Q” to some other location within the development.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

Staff was directed to schedule this item for the 9/20/05 meeting if all noticing requirements can be met.

The Council recessed for a ten minute break at 7:35 p.m.
The meeting was reconvened at 7:45 p.m. and all Council members were present.

2.5. DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - THE BEACH (191 EAST SECOND STREET, CHICO) – This item was removed from the Consent Agenda and considered under Item 4.1. at the request of Councilmember Herbert.

By memorandum dated 8/16/05, the Community Development Director recommended that the City Council make a determination of public convenience or necessity as required by the Business and Professions Code, concerning the issuance of an alcoholic beverage license for The Beach, to be located at 191 East Second Street, Chico. The Community Development Director recommended a determination of public convenience or necessity. Councilmember Schwab was disqualified on this item.

The Chief of Police provided Council with background information regarding this new application for an existing business which had experienced difficulties in the past with serving minors. The Chief indicated that the Police Department did not have a problem with this new request due to the change in the type of business.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the Determination of Public Convenience or Necessity.

The motion carried by the following vote:

AYES: Bertagna, Holcombe, Kirk, Wahl, Gruendl
NOES: Herbert
DISQ: Schwab

4.2. CONSIDERATION OF REFERENDUM PETITION REGARDING EXTENDED PARKING METER ENFORCEMENT

At its meeting of 8/02/05, the City Council certified the results of a referendum petition filed with the City Clerk on 6/16/05 and subsequently verified by the Butte County Clerk-Recorder on 7/20/05. The
referendum petition protests the adoption of Resolution No. 129 04-05, entitled “Resolution of the City Council of the City of Chico Adopting Traffic Regulation (Amendment No. 778)” adopted on 5/17/05. At its 8/16/05 meeting, the City Council requested staff to bring this item back for formal consideration and disposition. By agenda report dated 8/25/05, the City Manager provided additional information and requested direction regarding the previously certified petition results. The Council was provided with a letter dated 8/31/05 from Jim Goodwin, President, Chico Chamber of Commerce, requesting that the City Council rescind its action to extend parking meter enforcement and an e-mail dated 9/06/05 from Katrina Davis, Executive Director, Downtown Chico Business Association (DCBA), stating the DCBA would not oppose the City Council rescinding its action on extended parking meter enforcement. Councilmembers Schwab and Wahl were disqualified on this item. Addressing the Council were Alan Chamberlain, Carol Eberling, Karl Ory, Linda Furr, John Gillander, and Diane Naegeli.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to rescind its original action, by adoption of the resolution below:

RESOLUTION NO. 28 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO REPEALING RESOLUTION NO. 129 04-05 REGARDING TRAFFIC REGULATION

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Gruendl
NOES: Holcombe
DISQ: Schwab, Wahl

4.3. CONSIDERATION OF CITY COUNCIL FISCAL CONTROL POLICIES

At its meeting held 08/02/05, the City Council directed staff to prepare a report on fiscal control policies for discussion and consideration at this meeting. By agenda report dated 08/29/05, the City Manager outlined the current Council policies, including the requirements for supplemental appropriations and budget modifications, and provided a summary of the supplemental appropriations and budget modifications processed in 2003-04 and 2004-05.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to refer this item to the Finance Committee for further discussion.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.4. CONSIDERATION OF POSSIBLE CHANGES TO ADMINISTRATIVE PROCEDURE AND POLICY NO. 10-10, CITY COUNCIL RULES OF PROCEDURE REGARDING THE CONDUCT OF COUNCIL MEETINGS

By report dated 8/30/05, the City Clerk forwarded recommendations made by the Council Procedures Committee, comprised of Councilmembers Bertagna, Wahl, and Holcombe, Chair, which were discussed at its meeting held on 8/11/05.

The Council was provided with the Chamber of Commerce letter dated 7/15/05 and Councilmember Herbert’s e-mail dated 7/26/05 regarding the conduct of Council meetings. In addition, the Council was asked to consider several minor amendments to Administrative Procedure and Policy (AP&P) No. 10-10, a copy of which was included in the report, in order to accurately reflect current procedures. The Council was provided with an e-mail dated 9/04/05 from Dan Nguyen-Tan and e-mail dated 9/06/05 from Kristyna DeMarree. Addressing the Council on this item were Jim Goodwin, Ken Lange, Barbi Boeger, Diana Fogel, Steve Gonsalves, Karen Laslo, Jim Stevens, Jason Bougie, and Mario Sagasumi.

COMMITTEE ITEMS REQUIRING CITY COUNCIL ACTION:

A. **Sign-In Procedure for Speakers to Address Council.** The Council Procedures Committee recommended (3-0) that Council direct staff to develop a sign-in procedure for speakers wishing to address the Council.
A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to direct staff to develop a sign-in procedure for consideration by Council at its 9/20/05 meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. **Conduct of Council Meetings.** The Committee recommended (3-0) that the Mayor implement a zero tolerance for disruptive behavior at the Council meetings and that at each meeting the Mayor announce the procedures pertaining to the conduct of the meetings.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to accept the Committee’s recommendations on the conduct of Council meetings.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. **Limiting the Display of Signs and Banners at Meetings.** The Committee recommended (2-1, with Holcombe voting against) that the Council limit the display of signs and banners at meetings by limiting placement of those items only in the foyer area of the Council Chamber.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to limit the display of signs and banners at meetings to the foyer area of the Council Chamber.

The motion failed by the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Schwab, Gruendl

A motion was made by Vice Mayor Kirk and seconded by Mayor Gruendl to limit the display of signs and banners at meetings along the back wall of the Council Chamber.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert that the Council will follow its rule of not interrupting the speakers at the podium as well as all other rules as defined in AP&P 10-10.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

The Council took a ten minute break at 9:10 p.m.

The meeting was reconvened at 9:20 p.m. and all members of Council were present.

4.5. **CONSIDERATION OF APPOINTMENT TO FILL THE VACANCY ON THE HUMAN RESOURCES COMMISSION AND THE PARKING PLACE COMMISSION**

At its meeting of 7/19/05, the City Council directed staff to advertise for additional applicants to fill a vacant position created by a resignation on the Human Resources Commission. In addition, at its meeting of 8/02/05 the City Council declared a vacancy on the Parking Place Commission. Advertisements seeking volunteers for both commissions were placed in the Chico Enterprise Record.
and the *Chico News & Review*. By agenda report dated 8/23/05, the City Clerk forwarded copies of applications submitted in response to the advertisements, along with the applications currently on file in the Clerk's Office. The Council was provided with a letter dated 8/19/05 from James Reed (Human Resources Commission applicant) expressing his willingness to serve as a commissioner and notification of a phone call received 9/06/05 from Ali Sarsour indicating his interest in the Parking Place Commission, but due to prior commitments, he was unable to attend the meeting until after 9:00 p.m.

The Council appointed Barbi Boeger to the Human Resources Commission to complete a term that expires 1/1/07. Ali Sarsour was appointed to the Parking Place Commission with a term to expire 1/1/09.

4.6. **CONSIDERATION OF EXTENSION OF TIME TO COMMENCE APPEAL FOR GOOD CAUSE AND INITIAL CONSIDERATION OF AN APPEAL OF THE PLANNING COMMISSION’S APPROVAL OF USE PERMIT 05-19 (WHITLOCK) TO ALLOW A NON-OWNER OCCUPIED SECOND DWELLING UNIT**

By memorandum dated 8/31/05, Associate Planner Summerville reported that at its 8/04/05 meeting, the Planning Commission approved a use permit (4 in favor, 3 in opposition) to allow a non-owner occupied second dwelling unit located in the R1-SD-4 Low Density Residential-Special Design Considerations-4 overlay zoning district. Subsequently, after the Planning Director determined that a procedural error may have been involved in the Planning Commission’s decision and agendized a reconsideration of the project at the Planning Commission’s 9/01/05 meeting, the City Attorney’s office determined that the Chico Municipal Code does not empower the Commission to reconsider a previously approved project (unless requested by the applicant). Because it was initially understood that the item would be reconsidered by the Commission, no appeals to the City Council were filed within the required period after the Commission’s original action. A late appeal was filed by Marvin Davidson.

The Planning Director recommended that the City Council: (1) determine that there is good cause to extend the time to commence the appeal and accept the appeal application; and (2) take no action on the appeal, thereby affirming the decision of the Planning Commission. Addressing the Council on this item was Marvin Davidson.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab that due to the procedural error the deadline would be extended and the appeal accepted.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to set the appeal for hearing at a future City Council meeting.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

4.7. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON AUGUST 10, 2005**

By agenda report dated 8/19/05, the Internal Affairs Committee provided a report on its meeting held on 8/10/05. Committee members present were Councilmembers Holcombe, Schwab and Herbert, Chair. The matters considered by the Committee are listed below.

**COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:**

A. **Consideration of Proposed Historic Preservation Ordinance.** The Committee recommended (2-0, Herbert disqualified) that staff draft an ordinance to preserve historic buildings using existing laws in other cities as a starting point. Councilmember Herbert was disqualified on this item. Addressing the Council on this item were John Gallardo and Arlene Ward.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to refer this item to the Internal Affairs Committee to develop a list of options for review by Council before a final decision is made on the preparation of an ordinance and a determination of where the project, if approved, would be placed in the Planning Office priorities.

The motion carried by the following vote:

AYES: Bertagna, Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl
DISQ: Herbert

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

B. Consideration of Requests from Chico Country Day School. The Committee approved (3-0) forwarding a Traffic Regulation Amendment to the City Council designating a loading zone in front of Chico County Day School. - This item was considered by Council at its meeting of 8/16/05.

C. Request from Chico Area Recreation and Park District (CARD) for Funding for Art Projects to Honor Dr. Martin Luther King, Jr. The Committee approved (3-0) forwarding CARD’s request for the funding of two art projects near Community Park to the Arts Commission.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna for the acceptance of the 8/10/05 Internal Affairs Committee report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.8. FUTURE MEETINGS

A. The City Council scheduled a closed session for negotiations with all labor groups on 9/27/05 from 6:00 - 8:00 p.m.

B. The City Council scheduled a joint meeting to discuss the Northwest Specific Plan and development infill issues with the Planning Commission on 10/13/05 from 6:00 - 10:00 p.m.

4.9. ITEMS ADDED AFTER POSTING OF THE AGENDA

CONSIDERATION OF COUNCILMEMBER SCHWAB’S REQUEST OF AGENDIZING COUNCIL DISCUSSION ON HOW THE CITY AND COMMUNITY CAN ASSIST THE VICTIMS OF THE KATRINA DISASTER

By e-mail dated 9/01/05, Councilmember Schwab has requested that the City Council consider agendizing a discussion on how the City and the community can assist the victims of the Katrina Disaster in a coordinated effort with California State University, Chico and the American Red Cross, including awareness and fundraising. Council concurred to hear this item at this meeting. Information was shared on what relief efforts were being taken to help the victims of the hurricane.

5. BUSINESS FROM THE FLOOR – None

6. REPORTS AND COMMUNICATIONS – None

7. ADJOURNMENT

Adjourned at 10:15 p.m. to September 20, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: October 18, 2005

______________________________________________
Deborah R. Presson, City Clerk
ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO A CLOSED SESSION ITEM, CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The City Council adjourned to closed session to discuss negotiations with the City’s real property negotiator regarding the proposed acquisition affecting the following:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timothy and Terryl Murphy</td>
<td>881 Forest Avenue</td>
<td>002-050-005</td>
</tr>
</tbody>
</table>

The City’s negotiator was City Manager Tom Lando and the parties with whom negotiations are proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. **CALL TO ORDER** – Mayor Gruendl called the September 20, 2005 – Adjourned Regular City Council meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street, at 6:00 p.m.

   Roll Call

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, Director of Human Resources Koch, City Clerk Presson, Director of Engineering McKinley

2. **CLOSED SESSION**

   2.1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF PORTIONS OF VARIOUS PROPERTIES FOR FOREST AVENUE RECONSTRUCTION.** Pursuant to Government Code Section 54954.8, the item of business discussed was a conference with the real property negotiator. The items under discussion were instructions to the City’s negotiator on price and terms of payment for proposed acquisition. The City’s negotiator was City Manager Tom Lando and the parties with whom negotiations were proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timothy and Terryl Murphy</td>
<td>881 Forest Avenue</td>
<td>002-050-005</td>
</tr>
</tbody>
</table>

   2.2. **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION:** Significant exposure to litigation: Two cases. (Gov. Code Sec. 54956.9(b).)

3. **ADJOURNMENT**

   Adjourned at 6:25 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER – Mayor Gruendl called the September 20, 2005 – Adjourned Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation — Pastor Reg Schultz-Ackerson, Faith Lutheran Church

1.3. Roll Call

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

1.4. Closed Session Announcement – None

1.5. Proclamation — Proclaimed September 18-24, 2005 as North State Symphony Week – This proclamation was not presented.

1.6. Proclamation — Proclaimed September 17-23, 2005 as Constitution Week

1.7. Certificate of Appreciation - Presented to Phi Delta Theta Fraternity, California, Xi, for their fund-raising efforts for the victims of Hurricane Katrina.

2. CONSENT AGENDA – None

3. NOTICED PUBLIC HEARINGS – None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None

4.2. CONSIDERATION OF ARTS COMMISSION RECOMMENDATION TO ALLOCATE FUNDS FOR CITY PLAZA ART PROJECT – The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item.

   By agenda report dated 08/29/05, the Art Projects Coordinator forwarded a recommendation from the Arts Commission to allocate funds for a City Plaza Art Project. The project consists of a chess playing area located in the middle of the block on the Broadway side of the City Plaza and a ten by twenty foot mural on the wall of the restroom that faces the center of the plaza.

   By agenda report supplement dated 09/13/05, the Art Projects Coordinator provided additional information on the project costs as requested by the Agency at its 09/06/05 meeting. Because the total cost of $249,232 exceeds the available Merged Arts Fund (382) fund balance of $171,378, the Commission considered options to fund the remaining $77,854 at its meeting of 09/14/05. Staff provided a verbal report of the Arts Commission's recommendations. Councilmembers Schwab and Wahl were disqualified. Elizabeth Devereaux and Gregg Payne addressed the Council regarding this item.

   A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolutions and allocate $249,232 to the project. At such time as the 2004-05 books are closed, staff was authorized to process a supplemental appropriation allocating the entire merged Art Fund (382) fund balance to the project, with the remainder of the costs to be funded from the Merged Redevelopment Fund (352).

   RESOLUTION NO. 29 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE PAYMENT BY THE CHICO REDEVELOPMENT AGENCY OF COSTS RELATED TO THE INSTALLATION OF PERMANENT ART WORKS TO BE INCLUDED IN THE CITY PLAZA RENOVATION PROJECT AND MAKING CERTAIN FINDINGS RELATED THERETO (City Council Action)
RESOLUTION NO. 11-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING TAX INCREMENT REVENUE FROM THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT FOR COSTS RELATING TO THE INSTALLATION OF PERMANENT ART WORKS TO BE INCLUDED IN THE CITY PLAZA RENOVATION PROJECT (Agency Action)

The motion carried by the following vote:

AYES: Holcombe, Kirk, Gruendl
NOES: Bertagna, Herbert
DISQ: Schwab, Wahl

Staff was directed to review the plans for the iron fence to ensure the location would not preclude holding future special events in the City Plaza.

4.3. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON AUGUST 24, 2005 – The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item.

By memorandum dated 9/01/05, the Finance Committee provided a report on its meeting held on 8/24/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Appropriate Use for City-Owned Property at the Corner of Notre Dame Boulevard and Humboldt Road. The Committee recommended (2-1, Wahl opposed) that the property be kept as open space and directed staff to obtain a feasibility study and determine the appropriate use of the space, and to look into financing mechanisms to support affordable housing. Councilmember Bertagna was disqualified on this item.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to direct staff to obtain additional information from CARD to confirm its intentions regarding this property and to determine whether CARD has identified other sites in Southeast Chico for recreation facilities.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Herbert, Wahl
DISQ: Bertagna

B. Request from the Community Housing Improvement Program (CHIP) for Additional Funding for the Murphy Commons Affordable Housing Project. The Committee recommended (3-0) to approve the request from CHIP for additional funding for the Murphy Commons Affordable Housing Project in the amount of $1,531,203.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to adopt the following resolutions and approve the supplemental appropriation:

RESOLUTION NO. 12-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY, APPROVING A LOAN OF FUNDS FROM THE AGENCY'S LOW AND MODERATE INCOME HOUSING FUND TO COMMUNITY HOUSING IMPROVEMENT PROGRAM, INC. (CHIP) FOR DEVELOPMENT OF A MULTIFAMILY APARTMENT COMPLEX ON NOTRE DAME BOULEVARD, EAST OF HUMBOLDT ROAD, CHICO, CALIFORNIA, AS A LOW INCOME HOUSING PROJECT (MURPHY COMMONS) (Agency Action)

RESOLUTION NO. 30 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING AN AMENDMENT TO THE LEASE OF CITY OWNED PROPERTY ON NOTRE DAME BOULEVARD TO THE COMMUNITY HOUSING IMPROVEMENT PROGRAM, INC. (CHIP) FOR DEVELOPMENT AS AN AFFORDABLE HOUSING PROJECT (City Council Action)
SUPPLEMENTAL APPROPRIATION NO. RDA 05-06 02 ALLOCATING ADDITIONAL FUNDING FOR THE MURPHY COMMONS AFFORDABLE HOUSING PROJECT (Agency Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. Request from “Veterans Executive Corporation to Organize Rehabilitative Services” (VECTORS) for Financial Assistance to Acquire Property for a Transitional Housing Facility to Serve Veterans. The Committee recommended (3-0) to approve the request from VECTORS for $975,000 of funding assistance.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to adopt the following resolution as amended to correct the title and approve the supplemental appropriation:

RESOLUTION NO. 13-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY, APPROVING A LOAN OF FUNDS FROM THE AGENCY’S LOW AND MODERATE INCOME HOUSING FUND TO “VETERANS EXECUTIVE CORPORATION TO ORGANIZE REHABILITATIVE SERVICES” FOR DEVELOPMENT OF A TRANSITIONAL HOUSING FACILITY AT 171 RIO LINDO AVENUE, CHICO, CALIFORNIA

SUPPLEMENTAL APPROPRIATION NO. RDA 05-06 03 ALLOCATING LOAN FUNDS FOR ACQUISITION OF A TRANSITIONAL HOUSING FACILITY (VECTORS)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

D. Consideration of Appropriate Service Level for Public Safety, Parks, and Roads. The Committee recommended (2-1, Wahl opposed) that staff proceed with securing a consultant to draft a survey for Finance Committee consideration and that the funds previously allocated for the Park Opinion Survey (25130) be utilized for this purpose. The Agency was provided with a letter dated 9/18/05 from the Butte County Libertarian Party in opposition to hiring a consultant to explore a tax increase. Addressing the Council were Casey Aplanalp and Marilyn Ey.

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to not proceed with the survey.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Wahl
NOES: Holcombe, Schwab, Gruendl

COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

E. Request from Northern Valley Catholic Social Services (NVCSS) for Funding for the 50 Unit Senior Housing Project at East 20th Street and Notre Dame Boulevard (Jarvis Gardens). The Committee recommended (3-0) approving the request and increasing the allocation to $2,205,000 from the Redevelopment Agency’s Low and Moderate Income Housing Fund (LMIHF). This item will be considered by the Agency at its meeting of 10/18/05, together with the Planning Commission’s recommendations on a General Plan amendment and rezone.

F. Request for Additional Housing Rehabilitation Program Assistance - Joey and Jody Turner - 2203 Fair Street. The Committee approved (3-0) the request from Joey and Jody Turner for $7,500 in additional Housing Rehabilitation loan assistance to pay off a delinquent note secured in first position on the property.
G. **Consideration of Request from Pleasant Valley Assembly of God for Reimbursement of Southeast Chico Sewer Assessment District Payments.** The Committee continued (3-0) this item to its September meeting for clarification from PVAG of the amount it is being reimbursed from New Urban Builders for the property, as well as provision of a letter from New Urban Builders stating its belief that the entire property is unuseable.

H. **Future Meetings.** It was the consensus of the Committee to schedule a four hour meeting at its next regularly scheduled meeting in September to allow time for an overview of redevelopment.

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A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to accept the 8/24/05 Finance Committee report.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

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The Council recessed for a ten minute break at 7:55 p.m.
All members were present when the meeting was reconvened.

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4.4. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** – Mayor Gruendl called the September 20, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. **Roll Call**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

2. **CONSENT AGENDA** – A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the following Consent Agenda:

2.1. **RESOLUTION NO. 31 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING AN APPEAL AND ADOPTING A MITIGATED NEGATIVE DECLARATION AND APPROVING RIVER GLEN VESTING TENTATIVE SUBDIVISION MAP AND PLANNED DEVELOPMENT PERMIT (S/PDP 03-18) AND USE PERMIT (UP 05-33)**

   RESOLUTION NO. 32 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - GLENWOOD AVENUE ANNEXATION DISTRICT NO. 1

   A. By agenda report dated 9/01/05, Principal Planner Bishow reported that at its meeting of 8/16/05, the City Council voted (4 in favor, 2 opposed, 1 absent) to direct staff to prepare a resolution to adopt a Mitigated Negative Declaration and approve the River Glen Vesting Tentative Subdivision Map, Planned Development Permit, and Use Permit (S/PDP 03-18 & UP 05-33) located off Glenwood Avenue, west of State Highway Route 32/Nord Avenue, and south of Lindo Channel. The Planning Director recommended adoption of the resolution.

   B. By agenda report dated 8/24/05, the Assistant Community Services Director forwarded a report on initiation of the annexation of two parcels, with a total area of 13.6 acres, along both sides of State Highway 32, southeast of Lindo Channel. One of the parcels has been proposed for the River Glen Subdivision (above) and is consistent with the General Plan and prezoning. The second parcel will remain in orchard production until such time as development is proposed. Property owners are identified in the staff report. The annexation was initiated by the owner of the subdivision parcel to facilitate development of that project. To adopt the resolution initiating the annexation, the Council must first adopt the resolution adopting the mitigated negative declaration (which also addresses the annexation) and conditionally approving the River Glen Subdivision. The Assistant Community Services Director recommended adoption of the resolution initiating the annexation.

2.2. **APPROVAL OF RELEASE OF CITY EMPLOYEES TO PROVIDE PROFESSIONAL ASSISTANCE WITH THE KATRINA DISASTER**

   A number of different organizations requested professional assistance from City staff to help with the aftermath of the Katrina disaster including, but not limited to, building inspection assistance. The City Manager requested the City Council authorize the release of employees as needed, subject to City Manager approval, to provide technical/professional assistance. These employees would continue to receive their City pay. There was no written report for this item. The City Manager recommended approval.

The motion to approve the Consent Agenda carried by the following vote:

   **AYES**: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   **NOES**: None

3. **NOTICED PUBLIC HEARINGS**
3.1. **HEARING TO CONSIDER ADDITIONAL EVIDENCE REGARDING REMOVAL OR TRANSFER OF SUPPLEMENTAL RESIDENTIAL UNITS FROM LOT Q - OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP**

By agenda report dated 9/12/05, Senior Planner Murphy reported that at its meeting of 9/06/05, the City Council voted to schedule a supplemental public hearing to consider additional evidence regarding a proposed removal of all of the residential units from Lot Q at the easternmost portion of the site and a transfer of those units to other locations on the site. At the Council’s direction, public input at this hearing was limited to that issue. Staff provided the Council with two resolutions for the Project. The first resolution certifies the Final EIR and adopts statements of overriding considerations and the mitigation monitoring program for the Project. The second resolution approves the Project based upon the Council’s original motion of intent made at its 5/17/05 meeting. These were the same resolutions considered by the Council at its meeting of 9/06/05.

As part of the approval, staff recommended that Council revise Condition #33 to eliminate the requirement to construct a separated Class 1 bike path along the Humboldt Road corridor and instead require that the roadway accommodate a Class 2 bike lane alongside both travel lanes. Both versions of the Project resolution provided reflect this change. The property is bounded by Bruce Road on the west, State Highway Route 32 on the north, a PG&E 500 kV transmission line on the east and Humboldt Road on the south.

The Planning Director recommended that Council: (1) adopt the resolution certifying the Final EIR and adopting statements of overriding considerations and a mitigation monitoring program for the Project; and (2) adopt the appropriate resolution approving the Project based upon final Council action.

The City Council was provided with copies of correspondence received on this issue including a letter dated 9/09/05 from Jim Mann, Rural Consulting Associates, and a letter dated 9/14/05 from Nora Todenhagen, Philip Smith and Susan Minasian. In addition, the Council was provided copies of letters dated 9/14/05 from Carole O’Gara requesting that the Oak Valley project be modified and from E. Papin expressing concern about the Oak Valley project. In addition, Council received a letter dated 9/16/05 from Steven Breedlove, Environmental Advocates, Community Legal Information Center, forwarding a letter from the State Historic Preservation Office dated 8/25/05, and requesting an independent review be conducted at the site. By email dated 9/19/05, Susan Minasian responded to the City Attorney’s statements regarding the tentative map for Oak Valley.

The Council announced its ex parte communications. Vice Mayor Kirk had spoken with Tom Fogarty, Julie Nasr, Phil Johnson, Nora Todenhagen, Susan Minasian and Jon Luvaas. Councilmember Holcombe had spoken with Susan Minasian. Councilmember Schwab had spoken with Phil Johnson. Mayor Gruendl spoke with Jon Luvaas.

Mayor Gruendl opened the hearing to the public. Addressing the Council on this item were Phil Johnson, Francis Farley, Rich Riener, Laurel Blankenship, Susan Minasian, Steven Bigelow, Elizabeth Devereaux, Jon Luvaas, Paul Persons, Nora Todenhagen, Doug Aikens, Julie Nasr, Ken Fleming, and Jim Mann. The hearing was closed.

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to adopt the resolution reflecting the original Council action taken on May 17, 2005.

That motion failed due to the following vote:

**AYES:** Bertagna, Herbert, Wahl

**NOES:** Holcombe, Kirk, Schwab, Gruendl

A motion was made by Councilmember Schwab and seconded by Vice Mayor Kirk to adopt the alternative resolution certifying the Final EIR making findings regarding environmental effects, and adopting statements of overriding considerations and a mitigation monitoring program for the project, and adopt the resolution approving the project.

**RESOLUTION NO. 33 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, AND ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING PROGRAM FOR THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT**
02-01 AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS)

RESOLUTION NO. 34 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO MODIFYING THE PLANNING COMMISSION’S DECISION TO CONDITIONALLY APPROVE THE OAK VALLEY VESTING TENTATIVE SUBDIVISION MAP S 99-12, PLANNED DEVELOPMENT PERMIT PDP 02-01, AND CONCEPTUAL MASTER PLAN (FOGARTY INVESTMENTS) BY AMENDING THE CONDITIONS OF APPROVAL

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

3.2. HEARING ON PLACING ASSESSMENTS ON THE TAX ROLL TO RECOVER CITY COSTS ASSOCIATED WITH THE 2005 LOT CLEANING/WEED ABATEMENT PROGRAM

By agenda report dated 9/07/05, the Projects Manager reported that the lot cleaning/weed abatement program is conducted each year under the provisions of the California Government Code. Pursuant to those provisions, the City is required to hold a public hearing before approving the placement of the assessments (the costs incurred by the City for performing the lot cleaning plus administrative costs) on the tax roll. Affected property owners were provided with written notice of the public hearing, and a list of those property owners whose lot cleaning/weed abatement bills remain unpaid as of 9/07/05 was attached to the Project Manager’s report. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the costs for various parcels as recommended in the agenda report and approve the placement of the assessments on the tax roll.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.3. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR EAST AVENUES ANNEXATION DISTRICT NO. 1

By agenda report dated 8/24/05, the Assistant Community Services Director forwarded a report on initiation of the annexation of 312 parcels which comprise the entirety of three adjacent "islands of unincorporated territory," with a total area of 91.12 acres, south of Lindo Channel, west of Mangrove Avenue, north of East 3rd Avenue, and east of Oleander Avenue. The area is developed with residential, commercial, office, utility and service uses, consistent with the General Plan and zoning. Property owners were identified in the staff report.

State law provides that a resolution initiating proceedings for the annexation of an "island" of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Services Director recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:

RESOLUTION NO. 35 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - EAST AVENUES ANNEXATION DISTRICT NO. 1
The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna

3.4. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR EAST AVENUE ANNEXATION DISTRICT NO. 21

By agenda report dated 8/24/05, the Assistant Community Services Director forwarded a report on initiation of the annexation of 83 parcels which comprise the entirety of two adjacent “islands of unincorporated territory,” with a total area of 17.602 acres, south of East Avenue, west of the airport bike path and northeast of the freeway. The area is developed with residential, commercial, office, utility, service, and public uses, consistent with the General Plan and zoning. Property owners were identified in the staff report. The annexation was initiated by the owner of an existing developed property to facilitate expansion of the existing professional use.

State law provides that a resolution initiating proceedings for the annexation of an “island” of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Services Director recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:

RESOLUTION NO. 36 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - EAST AVENUE ANNEXATION DISTRICT NO. 21

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.5. HEARING ON INITIATION OF “ISLAND” ANNEXATION PROCEEDINGS FOR LASSEN AVENUE ANNEXATION DISTRICT NO. 5

By agenda report dated 8/24/05, the Assistant Community Services Director forwarded a report on initiation of the annexation of 26 parcels which comprise the entirety of an "island of unincorporated territory," with a total area of 12.75 acres, south of East Lassen Avenue, between Burnap Avenue and White Avenue, and along White Avenue for 1300 feet south of East Lassen Avenue. The area is developed with residential uses, consistent with the General Plan and residential zoning. Property owners were identified in the staff report. The annexation was initiated by the owner of a vacant 1.71 acre property to facilitate multiple family residential development.

State law provides that a resolution initiating proceedings for the annexation of an "island" of unincorporated territory can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Services Director recommended adoption of the resolution. Councilmember Herbert was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:
The motion carried by the following vote:

AYES: Bertagna, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Herbert

3.6. HEARING ON CITIZENS OPTION FOR PUBLIC SAFETY (COPS) PROGRAM FUNDING FOR FISCAL YEAR 2005-06

By agenda report dated 8/25/05, the Chief of Police reported that for the tenth consecutive year the State of California has appropriated funds for the Citizens Option for Public Safety (COPS) program. The COPS program provides funding for local law enforcement and public safety purposes to be distributed to counties throughout the State based on population. The State Legislature approved continued funding for this program for the 2005-06 fiscal year and this hearing is required by State law prior to receiving COPS funds. Funds to cover the cost for one police officer position were included in the 2005-06 Final Budget, subject to this public hearing. The Chief of Police recommended approval by motion of the proposed use of the COPS program grant funds for the 2005-06 fiscal year. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the proposed use for the COPS funding by confirming the funding request for the one police officer as budgeted.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.7. HEARING ON A GENERAL PLAN AMENDMENT AND REZONE OF A 10.7 ACRE CITY-OWNED PROPERTY LOCATED GENERALLY AT THE SOUTHEAST CORNER OF THE INTERSECTION OF EAST 20TH STREET AND NOTRE DAME BOULEVARD IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 002-220-005 (GPA/RZ 04-06; CITY OF CHICO)

By memorandum dated 9/07/05, Senior Planner Murphy reported that at the Planning Commission meeting of 8/18/05, the Commission voted (5 in favor, 1 in opposition, 1 absent) to recommend approval of a General Plan amendment that would change the land use designation for the westernmost three acres of a 10.7-acre City-owned parcel from Parks to Medium High Density Residential and change the corresponding zoning classification from OS2 Secondary Open Space to R3 Medium High Density Residential. In addition, the General Plan amendment would change the land use designation for the easternmost 7.5 acres of the site from Open Space for Environmental Conservation/Safety to Parks, while the rezone would change the zoning classification for the easternmost 7.5 acres from OS-1 Primary Open Space to OS-1/-RM Primary Open Space with a Resource Management overlay zone. The Planning Commission also recommended the adoption of a mitigated negative declaration proposed for this project pursuant to the California Environmental Quality Act (CEQA). The property is located at the southeast corner of the intersection of East 20th Street and Notre Dame Boulevard (APN 002-220-005). Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed to the public.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to: (1) adopt a motion of intent to (a) adopt a mitigated negative declaration and mitigation monitoring program and (b) approve the General Plan amendment; and (2) introduce the rezone ordinance by reading of the title only.

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTY LOCATED GENERALLY AT THE SOUTHEAST CORNER OF THE INTERSECTION OF EAST 20TH STREET AND NOTRE DAME BOULEVARD IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 002-220-005 (GPA/RZ 04-06; CITY OF CHICO)
STREET AND NOTRE DAME BOULEVARD (GPA/RZ 04-06; CITY OF CHICO) - Introductory Reading

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3.8. HEARING ON A PROPOSED GENERAL PLAN AMENDMENT AND REZONE WHICH WOULD CHANGE THE GENERAL PLAN LAND USE DESIGNATION FOR 43 PROPERTIES WITHIN AN 80-ACRE AREA ALONG CACTUS AVENUE FROM VERY LOW DENSITY RESIDENTIAL TO LOW DENSITY RESIDENTIAL AND CHANGE THE CURRENT ZONING OF THE 43 PARCELS WITHIN THE PROJECT AREA FROM RS-1 TO R1/SD-7

By memorandum dated 9/06/05, Senior Planner Murphy reported that at the Planning Commission meeting of 5/19/05, the Commission voted (5 in favor, 2 in opposition) to recommend approval of: (1) a General Plan amendment to change the General Plan land use designation for 43 properties within an 80-acre area (Project Area) along Cactus Avenue from Very Low Density Residential (0.2-2.0 units per acre) to Low Density Residential (2.01-6.0 units per acre); and (2) a rezone to change the current zoning of the 43 parcels within the Project Area from RS-1 (Suburban Residential - 1 acre minimum) to R1/SD-7 (Low Density Residential with a Special Design Considerations Overlay Zone). The proposed SD-7 overlay zone would establish design guidelines for future subdivisions within the Project Area to help preserve the rural feel of the neighborhood and to ensure that developments implement key General Plan policies pertaining to providing connectivity between developments, forming new neighborhoods, and protecting existing neighborhoods. The Planning Commission also recommended the adoption of a negative declaration proposed for this project pursuant to the California Environmental Quality Act (CEQA). The Project Area is located on the east and west sides of Cactus Avenue, between East Avenue to the south and the planned Eaton Road extension to the north. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. Addressing the Council were Cecilia Davenport, Tony Wortham, Linda Myers, Liz Mosher, Jerry Olio, Marjorie Fredenburg, and Ken Chase. The hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to (1) adopt a motion of intent to adopt the negative declaration and approve the General Plan amendment; and (2) introduce the rezone ordinances by reading of the titles only.

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTIES LOCATED GENERALLY ON THE WEST AND EAST SIDES OF CACTUS AVENUE, BETWEEN EAST AVENUE TO THE SOUTH AND THE PLANNED EATON ROAD EXTENSION TO THE NORTH (GPA/RZ 04-01; CACTUS AVENUE PARTNERS & CITY OF CHICO) - Introductory Reading

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 19.52.070, ENTITLED “SPECIAL DESIGN CONSIDERATIONS (-SD) OVERLAY ZONE,” OF THE CHICO MUNICIPAL CODE TO ADD THE SD-7 OVERLAY ZONE FOR CACTUS AVENUE (GPA/RZ 04-01; CITY OF CHICO) - Introductory Reading

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl,
NOES: Gruendl
DISQ: Bertagna

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None
4.2. CONSIDERATION OF REQUESTS FROM CELEBRATION OF PEOPLE FOR EVENTS TO BE HELD AT THE BIDWELL BOWL AMPHITHEATER

At its 7/25/05 and 8/29/05 meetings, the Bidwell Park and Playground Commission (BPPC) considered and approved the Application and Permit for Park Use from Celebration of People to hold a series of events in Children’s Playground and the Bidwell Bowl Amphitheater on Friday nights during the period 10/14/05 through 11/11/05 in conjunction with the Celebration of Youth and Art Music Fair.

As requested in the 8/24/05 letter from Celebration of People, the BPPC also made recommendations to the City Council on the organization’s requests to: (1) amend Chico Municipal Code Section 12R.08.263.B.1 to exempt films, plays and events below certain decibel levels from the restriction that limits amplified music during an event in Bidwell Bowl to a cumulative period not exceeding 20 minutes; and (2) authorize a short-term exemption to the Code regulations on amplified sound to allow two 40-minute amplified music events on 10/28/05 and one 40-minute amplified music event on 11/4/05 or 11/11/05 to test sound measurements and impacts on the adjacent neighborhood. By agenda report dated 9/06/05, Management Analyst Herman reported on the BPPC recommendations and conditions attached to the recommendations. Neighboring residents were notified of this meeting. The Bidwell Park and Playground Commission did not recommend approval of Item No. 1, the request to amend the Municipal Code, but did recommend approval of Item No. 2, the request for exemption on the amplified music restrictions, subject to the conditions set forth in the agenda report. Councilmember Wahl was disqualified on this item. Addressing the Council on this item were Richard Elsom, Bob Arangaren, Jjon Mohr, Jann Reed, and Christina Arangaren.

4.3. FUTURE MEETINGS

Council rescheduled the joint meeting of the City Council and Planning Commission to discuss the Northwest Specific Plan for October 25, 2005 from 6:00 - 9:00 p.m.

At its meeting of 10/4/05, the Council will consider scheduling a joint meeting of the Planning Commission and Council regarding development infill issues which will also include a discussion regarding a flag lot overlay zone.

4.4. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. BUSINESS FROM THE FLOOR
Dan Katz asked the Council to send Item 6.3., regarding the consideration of a possible flag lot overlay zone to committee for discussion. Council indicated that this item would be considered as part of the discussion on development infill issues.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Agenda report dated 09/01/05 from the Finance Director reported that the list of claims paid during the month of August 2005 had been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.2. Letter dated 9/07/05 from Nancy Brower, Director, Butte County Libraries, requesting a supplement of $25,000 to maintain the current 60 hour per week library schedule or an amendment to the contract allowing for a reduction in the schedule to 49 hours per week. The Council was also provided with a copy of a letter dated 9/13/05 from Macy Kelly, President, Chico Friends of the Library, expressing concern that the Butte County Library open hours may be decreased by 11 hours. The City Manager recommended this item be referred to the Finance Committee.

A motion was made by Councilmember Wahl and seconded by Vice Mayor Kirk to refer this request to the Finance Committee for consideration at its 9/28/05 meeting and then brought back to Council for consideration at its meeting on 10/04/05. The motion carried 5-0-2, with Councilmembers Bertagna and Herbert absent.

6.3. Letter dated 9/06/05 from Tom Blodget, on behalf of the Mountain View Avenue neighborhood, requesting the City Council initiate proceedings to form a Special Design Considerations Overlay Zone to prohibit flag lot subdivisions with private roads in their neighborhood.

**This item will be included in the discussion of development infill issues between the Council and Planning Commission which Council will schedule at its next meeting.**

6.4. Letter dated 9/12/05 from Guy Hall, Chairman, Cal Oak Products, Inc., offering the City of Chico Cal Oak's remaining share of material that was derived from the Hooker Oak tree. The City Manager recommended this item be referred to the Arts Commission.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to refer this request to the Arts Commission. The motion carried 5-0-2, with Councilmembers Bertagna and Herbert absent. The Mayor will also write a letter of appreciation to Mr. Hall.

7. **ADJOURNMENT**

Adjourned at 10:45 p.m. to September 27, 2005, at 6:00 p.m. for a Closed Session in Conference Room No. 2.

Date Approved: December 6, 2005

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the October 4, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

   **Roll Call**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando, City Attorney Frank

2. **CLOSED SESSION**

   2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Human Resources Director Koch for all employee organizations except the Management Employees, for which City Manager Lando is the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees, Public Safety Management Employees, and Management Employees. (Gov. Code Sec. 54957.6.)

   2.2. **CONSIDERATION OF APPOINTMENT OF CITY MANAGER:** The Council considered the appointment of a City Manager. (Gov. Code Section 54957(b)(1).) – Corrected annotation from the Posted Addendum.

3. **ADJOURNMENT**

   Adjourned at 6:30 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Gruendl called the October 4, 2005 – Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation — Jackie Leser, Baha’i Faith

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – None

1.5. Proclamation - Celebrating the 125th anniversary of the First Baptist Church in Chico

1.6. Proclamation - Honoring the retirement of Volunteer Fire Lieutenant Jock Leeseman

1.7. Proclamation - Proclaiming October as National Arts and Humanities Month

2. **CONSENT AGENDA** – None

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **REPORTS AND COMMUNICATIONS**

The following report was provided for the Council’s information.

5.1. By memorandum dated 9/28/05, the Planning Director reported on the status of neighborhood plans for the Avenues and Southwest Chico.

6. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. CALL TO ORDER – Mayor Gruendl called the October 4, 2005 – Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. CONSENT AGENDA – A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to approve the following Consent Agenda:

2.1. MINUTE ORDER NO. 29-05 — AUTHORIZATION FOR CITY MANAGER TO EXECUTE AN AGREEMENT TO ACQUIRE PROPERTY RIGHTS LOCATED AT 881 FOREST AVENUE (APN 002-050-005) - MURPHY

The City Council previously authorized the negotiated purchase of a portion of 881 Forest Avenue (APN 002-050-005) from Timothy and Terryl Murphy for right-of-way needed in connection with the City’s reconstruction of Forest Avenue from East 8th Street to State Highway Route 32. This minute order authorizes the City Manager to execute a sales agreement and other documents necessary to acquire the right-of-way for $6,216. The Senior Assistant City Manager recommended approval of the minute order.

2.2. APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 7/19/05 AND 8/2/05

The City Council was provided with the minutes of its meetings held on 7/19/05 and 8/2/05.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 560-MARIPOSA VISTA SUBDIVISION, UNIT 2

By agenda report dated 9/14/05, the Director of Engineering reported that this resolution orders the formation of Chico Maintenance Assessment District No. 560. As a condition of approval of a subdivision map for this development, located between Mariposa and Ceanothus Avenues, the developer, Tony Symmes, has consented to the formation of this district to fund the annual maintenance and future replacement costs of the landscaping and irrigation of a surface storm drainage detention facility.

This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Engineering recommended adoption of the resolution. Councilmembers Bertagna and Wahl were disqualified from participating on this item. Mayor Gruendl opened the hearing to the public and no one spoke. The hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:

RESOLUTION NO. 38 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 560 – MARIPOSA VISTA SUBDIVISION, UNIT 2
3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 561-JENSEN PARK SUBDIVISION

By agenda report dated 9/14/05, the Director of Engineering reported that this resolution orders the formation of Chico Maintenance Assessment District No. 561. As a condition of approval of a subdivision map for this development, located on the east side of Ceanothus Avenue, the developer, Tony Symmes, has consented to the formation of this district to fund the annual maintenance and future replacement costs of a pre-manufactured storm water quality treatment facility within the Viceroy Drive right-of-way. This maintenance assessment district provides that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Engineering recommended adoption of the resolution. Councilmember Bertagna was disqualified from participating on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Schwab and seconded by Vice Mayor Kirk to adopt the following resolution:

RESOLUTION NO. 3905-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 561 — JENSEN PARK SUBDIVISION

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna

3.3. HEARING ON AN APPEAL OF THE PLANNING COMMISSION'S APPROVAL OF USE PERMIT 05-19 (WHITLOCK) TO ALLOW A NON-OWNER OCCUPIED SECOND DWELLING UNIT ON PROPERTY LOCATED AT 310 WEST 4TH AVENUE, ASSESSOR'S PARCEL NO. 003-013-020

By agenda report dated 9/14/05, Associate Planner Summerville reported that at its 9/06/05 meeting, the City Council determined: (1) that there was good cause to extend the filing deadline of the subject appeal due to a procedural error (7 in favor, 0 opposed); and (2) to schedule the appeal for a public hearing (7 in favor, 0 opposed). The Planning Director recommended that the City Council deny the appeal, find that the project is categorically exempt from environmental review, and uphold the Planning Commission’s approval of Use Permit 05-19 (Whitlock). Mayor Gruendl opened the hearing to the public. Addressing the Council on this item were Marvin Davidson, Ken Lamon, Kasey Merrill, Rick Turner, Darhl Whitlock, Ken Fleming, and Jay Hansen. The hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to uphold the appeal and deny approval of the project due to it being detrimental to the health and welfare of the neighborhood.

The motion failed due to the following vote:

AYES: Kirk, Schwab
NOES: Bertagna, Herbert, Holcombe, Wahl, Gruendl

A motion was made by Councilmember Wahl and seconded by Councilmember Herbert to: (1) deny the appeal; (2) find that the project is categorically exempt from environmental review; and (3) uphold the Planning Commission’s approval of Use Permit 05-19 (Whitlock).

The motion carried by the following vote:
3.4. **HEARING ON APPEAL OF THE PLANNING COMMISSION'S DECISION TO APPROVE THE HUTCHINSON GREEN VESTING TENTATIVE SUBDIVISION MAP AND PLANNED DEVELOPMENT PERMIT (S/PDP 05-10)**

By memorandum dated 9/15/05, Associate Planner Betts reported that at its 8/18/05 meeting, the Planning Commission voted (5 in favor, 1 opposed, 1 absent) to use a previously-certified Environmental Impact Report and approve, with conditions, the Hutchinson Green Vesting Tentative Subdivision Map and Planned Development Permit (S/PDP 05-10) located on the west and east sides of Hutchinson Street at East 20th Street.

The project would divide seven parcels totaling 1.42 acres into 38 rowhouse lots ranging in size from 880 square feet to 2,722 square feet for single-family residential development, with a resulting gross density of 16 units per acre.

A timely appeal was filed by Tracy McDonald stating that the density of the project is too high, resulting in additional noise, traffic, loss of privacy, and parking problems, and that the three-story height and the mission revival architecture of the proposed rowhouse structures are not compatible with the existing development in the Doe Mill Neighborhood. Council was provided with an e-mail dated 9/27/05 from Tracy McDonald regarding this appeal. The Planning Director recommended that the City Council adopt a motion of intent to deny the appeal and affirm the Planning Commission's decision to approve the project. Mayor Gruendl was disqualified from participating on this item.

Vice Mayor Kirk opened the hearing to the public. Addressing the Council in support of upholding the appeal were John Alexander, Mike Genga, Harminder Bhogal, John Giordanengo, Duane Wendorf, Keith Sorres, Mary Ahmadi, Jeff Wolfe, Andrea Schuegraf, Silvia Thompson, Tracy McDonald, and Karen Laslo. Addressing the Council in opposition to the appeal were John Anderson, Lynn Elliott, Chris Cannery, Carolyn Cameron, Chuck Hazard, Felix Deluna, Julie Horn, Jim Horn, Rebecca Cannery, Maria Elean Anguiano, Jeannie Sanchez, Jim Faulbaum, and Tom De Giovanni. The hearing was closed to the public.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to adopt a motion of intent to deny the appeal and affirm the Planning Commission's decision to approve the project.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl

**NOES:** None

**DISQ:** Gruendl

3.5. **HEARING ON A GENERAL PLAN AMENDMENT FOR 0.66 ACRES LOCATED SOUTHWEST OF FRANKLIN STREET, SOUTH OF EAST 20TH STREET (ASSESSOR'S PARCELS NUMBERS 005-450-020 and 005-450-031) FROM MEDIUM-HIGH DENSITY RESIDENTIAL TO MANUFACTURING AND WAREHOUSING, AND A REZONING OF THE SUBJECT PARCELS FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02 )**

By agenda report dated 9/19/05, Senior Planner Stuart reported that at the Planning Commission meeting of 9/15/05, the Commission voted (7 in favor, 0 opposed) to recommend approval of a request to amend the General Plan land use designation and zoning for 0.66 acres located southwest of Franklin Street, south of East 20th Street. A mitigated negative declaration is proposed for this project pursuant to the California Environmental Quality Act (CEQA). Mayor Gruendl opened the hearing to the public. Addressing the Council on this item were Deborah Harris and Angela Orlandella. The hearing was closed.

A motion was made by Councilmember Holcombe to deny the request. The motion died due to a lack of a second.
A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to: (1) adopt a motion of intent to (a) adopt the revised Mitigated Negative Declaration and Mitigation Monitoring Program, and (b) approve the General Plan amendment; and (2) introduce the rezone ordinance by the reading of the title only.

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY SOUTHWEST OF FRANKLIN STREET (ASSESSOR'S PARCELS NOs. 005-450-020 and 005-450-031) FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02) - Introductory Reading**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Kirk, Schwab, Wahl, Gruendl

**NOES:** Holcombe

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **CONSIDERATION OF RECOMMENDATION FROM FINANCE COMMITTEE REGARDING THE REQUEST FOR ADDITIONAL FUNDING FOR THE CHICO BRANCH OF THE BUTTE COUNTY LIBRARY (FY 05-06)**

At its 09/20/05 meeting, the City Council accepted the City Manager’s recommendation to refer a request for additional library funding to the Finance Committee to be reconsidered by the Council at this meeting. By letter dated 09/07/05, Nancy Brower, Director of the Butte County Libraries, had requested a supplement of $25,000, in addition to the $120,000 currently budgeted, to maintain the current 60 hour per week library schedule or an amendment to the contract allowing for a reduction in the schedule to 49 hours per week. This item was forwarded to Council in advance of the full Finance Committee report at the direction of Council. The Council was provided with a copy of the City Manager’s memorandum to the Committee dated 09/21/05. The Committee provided a verbal report at this meeting.

The Council was provided with a letter dated 9/28/05 from Councilmember Wahl providing information detailing his meeting with Butte County Chief Administrative Officer Paul McIntosh and Supervisor Curt Josiassen and e-mail dated 9/26/05, and letter dated 9/28/05 from Nancy Brower, Butte County Director of Libraries, itemizing staff costs and providing background information on the funding agreement.

A motion was made by Councilmember Wahl and seconded by Vice Mayor Kirk to approve $108,750 for the balance of the fiscal year (increase of approximately $19,000), which will allow time for the accounting/audit of the Chico Branch Library to be completed and provided to the City.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

4.3. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE SOLID WASTE COMMITTEE ON ITS MEETING HELD ON AUGUST 24, 2005**

By agenda report dated 9/16/05, the Solid Waste Committee provided a report on its meeting held on 8/24/05. Committee members present were Councilmembers Gruendl, Holcombe, and Wahl, Chair.

**COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:**

A. **Consideration of Staff Recommendation to Amend the Chico Municipal Code to Comply with a New Law Regarding Recycling Storage and Collection.** The Committee directed (3-0) staff to proceed with drafting an amendment to the Chico Municipal Code to add requirements that new development provide adequate space for trash and recycling containers in new developments as required by AB2176.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to direct staff to proceed with drafting an ordinance to incorporate the new regulations into the Chico Municipal Code. The ordinance, when drafted, will be reviewed by the Solid Waste Committee prior to consideration by the Council.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

COMMITTEE ITEMS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.

B. Review of Regulations Regarding Placing Recyclables Outside of Recycling Containers. This item was provided to the Committee for information only and no action was required.

C. Review of the Issues Concerning the City Joining the Butte Regional Waste Management Authority. This item was provided to the Committee for information only and no action was required.

4.4. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON SEPTEMBER 14, 2005 – The City Council continued the report to the 10/18/05 meeting, with Item “A” referred back to the Internal Affairs Committee for further discussion.

By agenda report dated 9/16/05, the Internal Affairs Committee provided a report on its meeting held on 9/14/05. Committee members present were Councilmembers Holcombe, Schwab and Herbert, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Draft Ordinance Entitled, “Graffiti Prohibition and Removal.” The Committee recommended (3-0) that the graffiti ordinance be forwarded to City Council for introductory reading and scheduled for final reading and adoption at a future meeting. This item was referred back to the Internal Affairs Committee for additional review.

B. Discussion of Pending State Legislation Proposed in Response to U.S. Supreme Court Decision in Kelo v. City of New London. The Committee made no recommendation on this item.

C. Consideration of Requirement for Indemnification Agreements for New Development Entitlements Approved by the City. The Committee made no recommendation on this item.

4.5. APPOINTMENT OF A CITY OF CHICO RESIDENT TO THE BUTTE COUNTY ASSOCIATION OF GOVERNMENTS SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

By agenda report dated 9/23/05, the City Clerk forwarded the applications received during the recent recruitment for a citizen of Chico willing to serve on the Butte County Association of Governments Social Services Transportation Advisory Council (SSTAC). The recently amended and approved Butte County Association of Governments Joint Powers Agreement (JPA) provides for each member jurisdiction to appoint a citizen member to the SSTAC for the new consolidated transit system. At its meeting of 8/16/05, the City Council directed the City Clerk’s office to begin the recruitment process for potential City appointees to SSTAC. Applications were received from Michael Worley, Beth Liebenow, and Donna Cook. Michael Worley was appointed as the City of Chico’s representative to serve on SSTAC.

4.6. CONSIDERATION OF MAYOR GRUENDL’S REQUEST TO AGENDIZE COUNCIL DISCUSSION REGARDING ADOPTION OF THE CITY OF PASCAGOULA, MISSISSIPPI DUE TO THE DEVASTATION CAUSED BY HURRICANE KATRINA

By e-mail dated 9/28/05, Mayor Gruendl provided the Council with information regarding the city of Pascagoula, Mississippi which suffered damage during Hurricane Katrina. The Mayor provided a verbal report at the meeting. Pursuant to City Council Rules of Procedure, a motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to consider this item at its 10/18/05 meeting. The motion carried unanimously.
4.7. **FUTURE MEETINGS**

Council directed staff to agendize in January 2006 the scheduling of a joint meeting with the Planning Commission to discuss infill issues.

4.8. **ITEMS ADDED AFTER POSTING OF THE AGENDA**

2.2. **CONSIDERATION OF APPOINTMENT OF CITY MANAGER:** The Council considered the appointment of a City Manager. (Gov. Code Section 54957(b)(1).) — *This item replaces Item 2.2. on the agenda.*

5. **BUSINESS FROM THE FLOOR**

Richard Elsom apologized to Councilmember Bertagna for his comments at the meeting of 10/4/05 and thanked the Council for all its hard work.

John Gillander addressed the Council regarding potential legislation that, if passed, may require the projections contained in the City's Housing Element to be met the first year.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council's information. No action was taken unless otherwise noted.

6.1. Letter dated 9/21/05 from Steve Visconti, Interim General Manager, Chico Area Recreation and Park District, requesting the City pursue funding options to close the gap between the currently allocated funds for DeGarmo Park Phase I of $2,200,000, and the actual cost of $4,519,686. This item was referred for discussion at the Council's November work session.

6.2. Letter dated 9/26/05 from Deedee Vest and John Lesko regarding the parking situation at Maisie Jane’s at 1324 Dayton Road, and requesting the City make the area in front of the business a no-parking zone, and examine the issue of safety with respect to parking at the side of the business. Councilmember Bertagna indicated that he would disqualify himself on this item as the business owner is a family member. This item was referred to the Internal Affairs Committee.

7. **ADJOURNMENT**

The City Council recessed to Closed Session at 10:00 p.m. in Conference Room 2 which was then adjourned at 11:00 p.m. to October 18, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: December 6, 2005

____________________________
Deborah R. Presson, City Clerk
ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO A CLOSED SESSION ITEM, CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The Chico Redevelopment Agency adjourned to closed session to discuss negotiations with the Agency’s real property negotiator regarding the proposed acquisition affecting the following:

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<th>Property Owners</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
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<tbody>
<tr>
<td>Robert F. Thomasson, Trustee of</td>
<td>11301 Midway</td>
<td>039-420-001</td>
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<td>the Thomasson 1990 Trust</td>
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The Agency’s negotiator was Executive Director Tom Lando and the parties with whom negotiations were proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. CALL TO ORDER – Mayor Gruendl called the October 18, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street, at 6:00 p.m.

   Roll Call

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present for Item 2.1 were City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, and City Clerk Presson.

2. CLOSED SESSION

2.1. CONFERENCE WITH REAL PROPERTY NEGOTIATOR FOR PROPOSED ACQUISITION OF REAL PROPERTY. Pursuant to Government Code Section 54954.8, the item of business discussed was a conference with the real property negotiator. The items under discussion were instruction to the Agency’s negotiator on price and terms of payment for proposed acquisition. The Agency’s negotiator was Executive Director Tom Lando and the parties with whom negotiations were proposed to be conducted are the owners (or such persons designated as their agent for the purpose of negotiations) as listed below:

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</table>

3. ADJOURNMENT

Adjourned to a City Council Closed Session.
1. **CALL TO ORDER** – Mayor Gruendl called the October 18, 2005 – Adjourned Regular City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:15 p.m.

   **Roll Call**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando

2. **CLOSED SESSION**

2.1. **CONSIDERATION OF APPOINTMENT OF CITY MANAGER:** The Council considered the appointment of a City Manager. (Gov. Code Section 54957(b)(1).)

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** – Mayor Gruendl called the October 18, 2005 – Adjourned Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m

1.1. Flag Salute

1.2. Invocation – Dr. Tom Shifflet, Pastor, First Christian Church

1.3. **Roll Call**

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absents: None

1.4. Proclamation – Proclaiming October 2005 as Domestic Violence Awareness Month

1.5. Proclamation – Honoring Tami Ritter, Former Executive Director, Chico Community Shelter Partnership

1.6. Closed Session Announcement – Mayor Gruendl announced that the Council had voted (7-0) to appoint Greg Jones to the position of City Manager effective 01/01/06. Confirmation of this decision will occur at a future meeting.

2. **CONSENT AGENDA** – None

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON SEPTEMBER 28, 2005** – The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item.

By memorandum dated 10/03/05, the Finance Committee provided a report on its meeting held on 9/28/05. Committee members present were Councilmembers Kirk, Wahl, and Holcombe, Chair.

**COMMITTEE MATTERS REQUIRING COUNCIL/AGENCY ACTION AT THIS MEETING:**

A. **Request for an Allocation of $50,000 from the Private Activity Bond Fund for the City's Accessibility Improvement Program for Rental Units.** The Committee recommended (3-0) approval of the request for the allocation of $50,000 from the Private Activity Bond Fund (214) for the City’s Accessibility Improvement Program for rental units.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the Committee’s recommendation with staff to prepare an administrative supplemental appropriation confirming the Council’s action.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. **Review and Consideration of the Development User Fee Study Update.** The Committee recommended (2-1, Wahl opposed) approving the fees in general as recommended with the following changes: (1) Annexation Fees to be considered by the Finance Committee at a future meeting; (2) Appeals Fees to remain the same; (3) staff to make a recommendation on reasonable Development Review Fees; and (4) Outdoor Café Permits to remain subsidized. Specific objections to the Development User Fee Study Update by the public were to be provided in writing to the City Council. The fee schedule resolution below included only the fee changes
recommended by the Finance Committee. Councilmembers Bertagna and Herbert were disqualified on this item. Addressing the Council in opposition to the fee increases was Jason Bougie, representing the Building Industry Association.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to adopt the following resolution:

RESOLUTION NO. 40 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 296 -PLANNING DIVISION FEES; BUILDING DIVISION FEES; PUBLIC WORKS FEES; GRANT OF LICENSE FEES; MAINTENANCE ASSESSMENT DISTRICT FEES; VACATION AND/OR ABANDONMENT FEES; PARADES, ATHLETIC EVENTS AND PUBLIC ASSEMBLIES FEES; ASSESSMENT INSTALLMENTS IN LIEU OF PAYMENT OF SEWER CONNECTION FEES, SALES ON CITY STREETS, SIDEWALKS, AND OTHER CITY PROPERTY)

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl
DISQ: Bertagna, Herbert

C. Overview of Basic Redevelopment Concepts. In response to citizen questions about redevelopment at the 08/24/05 Finance Committee meeting, Agency staff presented an overview of basic redevelopment concepts and responded to various questions from the Committee and public. The Committee directed (3-0) staff to prepare a report which charts the progression of bond funds secured by tax increment. By staff report dated 10/07/05, the Executive Director provided the requested information and transmitted copies of the slide show that was presented to the Committee. Addressing the Council on this item were Douglas Hammett and Bob Best.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the reinstatement of “Town Hall” meetings held on the 5th Tuesday of a month, with one of the first meetings to provide an open forum on Redevelopment.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

Staff was also directed to look at providing additional information regarding the Redevelopment Agency on the City’s webpage.

D. Consideration of City Council Fiscal Control Policies. The Committee recommended (3-0) that the City continue to follow the current Fiscal Control Policies.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to accept the Committee’s recommendation to continue to follow current Fiscal Control Policies.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

COMMITTEE MATTERS REQUIRING NO COUNCIL/AGENCY ACTION AT THIS MEETING.

E. Consideration of Request for Additional Funding for the Chico Branch of the Butte County Library (FY 05-06). This item was considered and acted upon by the City Council at its meeting of 10/04/05.

F. Conceptual Review of Request from Catalyst for Financial Assistance to Develop a New Facility Serving Victims of Domestic Violence. The Committee directed (3-0) that this item be scheduled for the Finance Committee meeting on 10/26/05 for further consideration of Catalyst’s request for financial assistance.
G. Consideration of 2005-06 Update of Development Impact Fees Analysis and Recommendations (Nexus Study). This item will be considered on this agenda under Hearings.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to accept the September 28, 2005 – Finance Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
1. **CALL TO ORDER** – Mayor Gruendl called the October 18, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call**

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

Absent: None

2. **CONSENT AGENDA** – Item 2.3. was removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the remaining Consent Agenda:


By memorandum dated 9/29/05, the Director of Human Resources and Risk Management reported that the State Political Reform Act requires the City to annually amend its Conflict of Interest Code reporting categories to reflect changes in positions and job duties. This resolution amended that portion of the City of Chico's Conflict of Interest Code which lists the required disclosure categories of designated City officials pursuant to the requirements of the Political Reform Act. This year, the revisions reflect the reorganization of the designated officials list as a result of the recent reorganization of City departments, and the addition of several new job titles. The Director of Human Resources and Risk Management recommended adoption of the resolution.

2.2. **MINUTE ORDER NO. 30-05 — AUTHORIZATION FOR CITY MANAGER TO RELEASE TITLE OF TRANSIT VEHICLES TO BUTTE COUNTY ASSOCIATION OF GOVERNMENTS**

As a result of the recent transit consolidation, it is necessary to transfer certain transit assets to Butte County Association of Governments (BCAG). This minute order authorizes the City Manager to release titles of transit vehicles and related equipment to BCAG. The Senior Assistant City Manager recommended approval of the minute order.

2.3. **ACCEPTANCE OF INTERNAL AFFAIRS COMMITTEE REPORT ON ITS MEETING HELD ON SEPTEMBER 14, 2005** – This item was removed from the Consent Agenda at the request of Councilmember Wahl and heard under Item 4.1.

2.4. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 8/16/05 AND 9/6/05**

The City Council was provided with the minutes of its meetings held on 8/16/05 and 9/6/05.

The motion to approve the Consent Agenda, as read, carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON THE 2005-06 UPDATE OF DEVELOPMENT IMPACT FEES ANALYSIS AND RECOMMENDATIONS (NEXUS STUDY) AND REVISIONS TO DEVELOPMENT IMPACT FEES**

By agenda report dated 9/29/05, the Director of Engineering reported on the 2005-06 Update of Development Impact Fees Analysis and Recommendations (Nexus Study), including the assumptions, methodology, project list and recommended fees, and provided the Finance Committee’s recommendations to approve the Nexus Study and to adopt the recommended fees. At its meeting held 9/28/05, the Finance Committee made the following recommendations:
A. The Committee recommended (2-1, Wahl opposed) the Street Facility Fees as shown in the Nexus Study, with the assumption that a $10 million Redevelopment Agency credit would be applied solely to commercial land uses, with the resulting fees being as close as possible to $3,142 per unit for single family residential, $2,173 per unit for multi-family residential, and $13.04 per square foot for commercial, with fees for office/medical and industrial as shown in the Nexus Study.

B. The Committee recommended (3-0) approval of the recommended fees for Street Maintenance Equipment, Bikeway Improvement, Linear Parks/Green ways, Neighborhood Parks, Bidwell Park Land Acquisition, Administrative Building, Fire Protection Building and Equipment, Police Protection Building and Equipment, Water Pollution Control Plant Capacity, and Sewer Trunkline Capacity fees as shown in the Nexus Study.

The Finance Committee and the Director of Engineering recommended approval by motion of the 2005-06 Update of Development Impact Fees Analysis and Recommendations (Nexus Study), adoption of the resolution, and introduction of the ordinance below. Councilmembers Bertagna and Herbert were disqualified on this item. Mayor Gruendl opened the hearing to the public. Addressing the Council on this item were Jason Bougie, Dave Purvis, Karen Laslo, Wayne Lewis, and Kelly Meagher. The hearing was closed to the public.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to: (1) approve the 2005-06 Update of Development Impact Fees analysis and recommendations; (2) adopt the following resolution amending the fee schedule; and (3) introduce the following ordinance adjusting the Water Pollution Control Plant capacity rates and sewer trunk line capacity rates, by reading of title only:

**RESOLUTION NO. 42 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE CITY’S FEE SCHEDULE (AMENDMENT NO. 295 - TRANSPORTATION FACILITY FEES, STORM DRAINAGE FACILITY FEES, PARK FACILITY FEES, BUILDING AND EQUIPMENT FEES, AND SEWER FEES)**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO ADJUSTING WATER POLLUTION CONTROL PLANT CAPACITY RATES AND SEWER TRUNKLINE CAPACITY RATES AS ADOPTED IN CHAPTER 15.36 OF THE CHICO MUNICIPAL CODE ENTITLED “SEWER SERVICES AND FEES” - Introductory Reading**

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl
DISQ: Bertagna, Herbert

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.3. **ACCEPTANCE OF INTERNAL AFFAIRS COMMITTEE REPORT ON ITS MEETING HELD ON SEPTEMBER 14, 2005** – This item was removed from the Consent Agenda at the request of Councilmember Wahl.

At its meeting of 10/04/05, the Council continued the Internal Affairs Report and referred the consideration of a draft ordinance regarding the prohibition and removal of graffiti back to Internal Affairs Committee for additional discussion. At this time, the Council was asked to accept the 9/14/05 report that, in addition to the graffiti ordinance, included the discussion of pending state legislation regarding eminent domain and the consideration of requiring indemnification agreements for new development entitlements approved by the City. The Committee made no recommendations on these two items. The City Clerk recommended that the City Council accept the Internal Affairs Committee Report at its meeting held on 9/14/05.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to accept the September 14, 2005 – Internal Affairs Committee Report.

The motion carried by the following vote:
4.2. CONSIDERATION OF THE WATER POLLUTION CONTROL PLANT EXPANSION PROJECT TO EXPAND THE CAPACITY OF THE PLANT TO 12 MILLION GALLONS PER DAY

The City Council previously approved funding for environmental review and design to expand the treatment capacity of the Water Pollution Control Plant from 9 million gallons per day to 12 million gallons per day to accommodate anticipated growth in the community. By agenda report dated 10/05/05, the Director of Engineering provided details on the proposed expansion of the City's Water Pollution Control Plant, and discussed the process and conclusions of the final Environmental Impact Report (EIR). In order to proceed with the expansion, the following actions are required of the City Council: (1) certification of the Final EIR; (2) approval of the expansion project; and (3) authorization for the City Manager to submit an application for $31 million to the State Water Resources Control Board for a State Revolving Fund loan to fund the proposed expansion. The Director of Engineering recommended adoption of the resolutions.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to: (1) adopt the following resolutions; (2) direct staff to revisit the outfall and work with Les Heringer of M & T Ranch; and (3) provide Council with written updates on the status of the project.

RESOLUTION NO. 43 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS AND ADOPTING A MITIGATION AND MONITORING PLAN FOR THE CITY OF CHICO WATER POLLUTION CONTROL PLANT EXPANSION PROJECT

RESOLUTION NO. 44 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING THE CITY OF CHICO WATER POLLUTION CONTROL PLANT EXPANSION PROJECT, INCLUDING A FLOW-THROUGH WETLANDS DESIGN AT THE SITE OF THE SOUTHWEST OXIDATION POND

RESOLUTION NO. 45 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO SUBMIT AN APPLICATION TO THE STATE REVOLVING FUND LOAN PROGRAM FOR THE CITY OF CHICO WATER POLLUTION CONTROL PLANT EXPANSION PROJECT

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. CONSIDERATION OF AMENDMENTS TO PARK RULES TO: (1) PROHIBIT THE USE OF LEAD SINKERS IN ANY CITY WATERWAY; AND (2) TO PROHIBIT CHILDREN AGES SIX AND UNDER WITHIN THE SYCAMORE POOL AREA UNLESS ACCOMPANIED BY A PERSON FOURTEEN YEARS OF AGE OR OLDER

Concerns were raised regarding the environmental and health issues related to the use of lead fishing sinkers in Horseshoe Lake and other waterways. In addition, the City’s lifeguards had expressed concerns regarding the safety of very young children swimming in Sycamore Pool without supervision. At its 5/31/05 meeting, the Bidwell Park and Playground Commission (BPPC) recommended that the City Council amend Title 12R of the Chico Municipal Code to:

A. Prohibit the use of lead sinkers in any waterway flowing through any park, greenway, or property owned by the City (BPPC approved 7-0).

B. Prohibit children six and under from using Sycamore Pool unless accompanied by a person fourteen years or older (BPPC approved 6 in favor,1 opposed).

By agenda report dated 9/29/05, Management Analyst Herman provided information regarding the
BPPC recommendations. This project has been determined to be categorically exempt from environmental review pursuant to Sections 15307 and 15308 of the CEQA Guidelines, which exempt actions taken by regulatory agencies to protect natural resources and the environment. The BPPC and the General Services Director recommended adoption of the following resolution. Councilmember Schwab was disqualified on this item.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt the following resolution:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING TITLE 12R OF THE CHICO MUNICIPAL CODE ENTITLED “RULES AND REGULATIONS OF BIDWELL PARK AND OTHER PARKS AND PLAYGROUNDS” TO PROHIBIT THE USE OF LEAD SINKERS IN WATERWAYS, AND TO PROHIBIT CHILDREN AGES SIX AND UNDER WITHIN THE SYCAMORE POOL AREA UNLESS ACCOMPANYED BY A PERSON FOURTEEN YEARS OF AGE OR OLDER
– not adopted

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Gruendl
DISQ: Schwab

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to not accept the Bidwell Park and Playground Commission’s recommendations.

The motion failed due to the following vote:

AYES: Bertagna, Herbert, Wahl
NOES: Holcombe, Kirk, Gruendl
DISQ: Schwab

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to refer the discussion of prohibiting children six and under from using Sycamore Pool unless accompanied by a person fourteen years or older to Internal Affairs Committee for review and discussion on enforcement.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Gruendl
NOES: Wahl
DISQ: Schwab

4.4. DISCUSSION REGARDING ADOPTION OF THE CITY OF PASCAGOULA, MISSISSIPPI DUE TO THE DEVASTATION CAUSED BY HURRICANE KATRINA

At its meeting of 10/04/05, the Council directed staff to reagendaize the discussion of the adoption of the City of Pascagoula, Mississippi due to the devastation caused by Hurricane Katrina. Mayor Gruendl provided an update on his discussions with the Mayor of Pascagoula regarding the immediate needs of this city.

Mayor Gruendl indicated that he would continue to talk to the City Manager of Pascagoula to determine their needs and bring back specifics at a future meeting. It was suggested that the Information Systems Department place the information regarding Pascagoula on the City’s website.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to adopt the City of Pascagoula, Mississippi as a sister city.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
4.5. COUNCIL CONSIDERATION OF REFERRING ALLEY INFRASTRUCTURE NEEDS AND THE FUNDING OF IMPROVEMENTS TO THE INTERNAL AFFAIRS COMMITTEE

By letter dated 10/06/05, Councilmember Holcombe requested consideration, and possible referral to the Internal Affairs Committee, of a discussion regarding alley infrastructure needs and possible funding of necessary improvements.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to refer this item to the Finance Committee for consideration.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.6. ITEMS ADDED AFTER POSTING OF THE AGENDA

The Council moved the November 15, 2005 – Adjourned Regular City Council meeting to Thursday, November 10, 2005, beginning at 8:30 a.m.

The Council asked that a Closed Session be added to the meeting of October 25, 2005.

5. BUSINESS FROM THE FLOOR – None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Memorandum dated 10/10/05 from the Finance Director reporting that the list of claims paid during the month of September 2005 has been produced and is available for review in the offices of the Finance Director, the City Clerk and the City Council.

7. ADJOURNMENT

Adjourned at 9:08 p.m. to October 25, 2005, at 6:00 p.m., in Conference Room No. 1 for a joint meeting with the Planning Commission.

Date Approved: December 6, 2005

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the October 25, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:00 p.m.

1.1. Flag Salute

1.2. Roll Call

**City Council**

Present: Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: Bertagna, Herbert

**Planning Commission**

Present: Kelly, Schiffman, Monfort, Luvaas, O'Bryan, Brownell
Absent: Alvistur

2. **PUBLIC HEARING**

2.1. **PUBLIC HEARING ON CERTIFICATION OF FINAL ENVIRONMENTAL IMPACT REPORT AND ADOPTION OF NORTHWEST CHICO SPECIFIC PLAN**

By memorandum dated 10/19/05, the Planning Director and Senior Planner Vieg reported on the preparation of the Northwest Chico Specific Plan (NWCSP), which will regulate growth and development in a roughly 700-acre area in the northwest part of Chico. The Plan Area includes lands both inside and outside of the City limits and the City’s sphere of influence, and is bounded along the north and northwest by Mud and Sycamore Creeks, on the east by Hicks Lane, and on the south by the existing developed areas of Chico south of Eaton Road. The Plan Area lies entirely on the urban side of the Chico Area Greenline.

The NWCSP provides parameters for future development in the Plan Area, including approximately 2,445 new housing units and up to 442,994 square feet of community-serving retail, a network of open space including parks and trails, and necessary infrastructure, and includes a General Plan amendment/rezone of various properties consistent with the NWCSP. It also provides for a future amendment to the City of Chico sphere of influence (SOI) and annexation of land within the Plan Area into the City. The NWCSP provides specific land use development standards and patterns, guides master planning of infrastructure facilities, and establishes a financing strategy for infrastructure needs in the Plan Area. An environmental impact report has been prepared to address the full range of potential environmental impacts that are anticipated through implementation of the NWCSP, amendment of the SOI boundary, and annexation of the Plan Area to the City.

The Planning Director provided the following recommendations:

The Planning Director recommended that the Planning Commission adopt Resolution No. 05-49 recommending that the City Council: 1) certify the Final EIR and its associated Mitigation Monitoring Program prepared for the NWCSP; 2) adopt the NWCSP; and 3) approve GPA/Rezone 04-07, which includes amendments of the land use designations and rezonings of various properties within the Plan Area consistent with the NWCSP.

The Planning Director recommended that the City Council:
1. Adopt the resolution certifying the Final EIR, making findings of fact related to the feasibility of mitigation measures, adopting the associated Mitigation Monitoring Program prepared for the NWCSP, and including a statement of overriding considerations.

2. Adopt a motion of intent to:
   a. Adopt the resolution approving the amendment of General Plan land use designations for various properties in the Plan Area;
   b. Adopt the resolution adopting the NWCSP;

3. Introduce the ordinance rezoning various properties within the Plan Area consistent with the NWCSP, by the reading of the title only.

4. Direct staff to proceed with the necessary annexation and Sphere of Influence amendment applications with the Butte LAFCO in order to implement the NWCSP.

The City Council and Planning Commission were provided with the following documents:

Letter received 10/6/05 from Greg Webb, Webb Homes, providing input on the proposed Northwest Chico Specific Plan.

Letter dated 10/16/05 from Shari Dixon explaining issues on Hicks Lane that she feels need to be addressed.

Memorandum dated 10/21/05 from the Planning Director regarding Butte County’s request that the City postpone any action on the Northwest Chico Specific Plan and EIR until the project has been presented to the Ad Hoc City/County Cooperative Planning Committee for consideration.

Letter dated 10/24/05 from Richard Price, Butte County Agricultural Commissioner, expressing concern with the 100 foot buffer between proposed residential development and active almond orchard operations within the Northwest Chico Specific Plan area.

Information received 10/25/05 from Rakesh Joshi requesting the City Council not change the zoning on two parcels of property that Mr. Joshi owns on the northwest corner of Eaton Road and The Esplanade.

Mayor Gruendl opened the hearing to the public. Addressing the Council and Commission on this item were Barbara Vlamis, Mary Anne Houx, Jane Dolan, David Palmerlee, Nicole Ledford, Rakesh Joshi, Greg Webb, Pete Giampaoli, Jason Bougie, Jim Adams, Walter Humphrey, Ken Fleming, Jim Mann, Toona Wolk, Elvareen Dennis, Michael Ashy, Greg Melton, and Mark Ping. The hearing was closed.

The City Council recessed at 7:45 for a 15 minute break. The meeting was reconvened and all members of both the City Council and Planning Commission were present.

It was requested that action be delayed until the Council’s December 6, 2005 meeting in order to allow additional discussion of the proposed plan at the Planning Commission level prior to making a final recommendation to the City Council. In addition, staff was directed to arrange a meeting of the Ad Hoc Cooperative Planning Committee to discuss issues raised by the County related to the NWCSP.
The Commission was asked to also address the following Council concerns during that discussion:

**Councilmember Wahl**
- street width items as listed in Greg Webb’s letter
- removing requirements for raised foundations (visibility should not be a requirement)
- 100 foot set back requirements mitigated with evergreens or some other type of trees
- detention pond issue resolved, if possible
- concerned about the two-story apartments up against single-family homes, should be addressed with design standards
- should allow the two requests regarding the commercial properties, i.e., 600 foot setback and the other property to retain its current zoning.

**Mayor Gruendl**
- a design standard in the specific plan that would provide mitigation when higher density abuts lower density
- existing commercial properties
- change the word “encourages” to “shall”
- would like additional input on the ag setbacks as discussed by the County
- reactivate the ad hoc committee in order to discuss the specific plan

**Councilmember Holcombe**
- agrees that the word “encourages” should become “shall”
- believes that the plan should accommodate more affordable housing
- visitability should be incorporated in the design standards
- five foot sidewalks on the Esplanade
- more information needed on the recreational use on the levees
- more information needed on the ag zone considerations
- additional review of how bikes travel down the Esplanade, with intersections looked at specifically
- financing terms would be addressed later
- impact fees must cover these improvements

**Vice Mayor Kirk**
- look at the safety of the bike path in the middle of Center Street
- no drive-throughs on the Esplanade
- garages should be at least a minimum of 22 feet wide

**Councilmember Schwab**
- agrees with all the concerns listed by the others
- believes that the Council/Commission should determine what the ag buffer should be, or a mitigation to offset
- examine recreational use of on levee
- bike paths on the Esplanade, with some type of connection needed one road east of Bay.
- sidewalks need to be wider than five feet

In addition, the City Council directed that the Area of Concern Committee be reconvened, at least once, in order to meet and discuss the NW Specific Plan with the County representatives.

3. **BUSINESS FROM THE FLOOR** – None

4. **ADJOURNMENT**

Closed Session was cancelled and rescheduled for a future meeting. The meeting was adjourned at 9:25 p.m. to November 1, 2005, at 6:00 p.m., in the City Council Chamber if a Closed Session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: 1/17/06

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the November 1, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

2. **CLOSED SESSION** – The Council convened to Closed Session in Conference Room 2.

   **Roll Call:**
   
   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Members Present: City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, City Clerk Presson, and Director of Human Resources Koch.

2.1. **CONSIDERATION OF APPOINTMENT OF CITY MANAGER:** The Council considered the appointment of a City Manager. (Gov. Code Section 54957(b)(1).)

2.2. **CONFERENCE WITH LEGAL COUNSEL — EXISTING LITIGATION:** The City Attorney reviewed the following: City of Chico v. Gregory R. Jenkins, et al., Butte County Superior Court Case No. 133930. (Gov. Code Sec. 54956.9(a).)

2.3. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, Confidential Employees, and Public Safety Management Employees, for which City Manager Lando was the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers’ Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees, Management Employees and Public Safety Management Employees. (Gov. Code Sec. 54957.6.)

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. **CALL TO ORDER** — Mayor Gruendl called the November 1, 2005 – Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Invocation — Pastor Peg Schultz-Ackerson, Faith Lutheran Church

1.3. **Roll Call**

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – None

2. **CONSENT AGENDA** – The Chico Redevelopment Agency convened as the Chico City Council for consideration of Item 2.1. A motion was made by Councilmember Bertagna and seconded by Councilmember Schwab to approve the Consent Agenda, as read.

2.1. **RESOLUTION NO. 46 05-06** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PROGRAM AND APPROVING GENERAL PLAN AMENDMENT 04-06 AFFECTING CERTAIN PROPERTY TOTALING APPROXIMATELY 10.78 ACRES, LOCATED GENERALLY AT THE SOUTHEAST CORNER OF THE INTERSECTION OF EAST 20TH STREET AND NOTRE DAME BOULEVARD (CITY OF CHICO) (City Council Action)

**ORDINANCE NO. 2326** – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTY LOCATED GENERALLY AT THE SOUTHEAST CORNER OF THE INTERSECTION OF EAST 20TH STREET AND NOTRE DAME BOULEVARD (GPA/RZ 04-06; CITY OF CHICO) - Final Reading and Adoption (City Council Action)

By agenda report dated 10/26/05, Senior Planner Murphy reported that at its 9/20/05 meeting, the City Council conducted a public hearing, adopted a motion of intent to adopt a General Plan amendment (GPA), and introduced a rezone ordinance that would change the land use designation for the westernmost 3.02 acres of a 10.78-acre City-owned parcel from Parks to Medium High Density Residential and change the corresponding zoning classification from OS2 Secondary Open Space to R3 Medium High Density Residential. In addition, the GPA would change the land use designation for the easternmost 7.76 acres of the site from Open Space for Environmental Conservation/Safety to Parks, while the rezone would change the zoning classification for the easternmost 7.76 acres from OS-1 Primary Open Space to OS-1/-RM Primary Open Space with a Resource Management overlay zone. The property is located at the southeast corner of the intersection of East 20th Street and Notre Dame Boulevard (APN 002-220-005). The Planning Commission and Planning Director recommended that the City Council: (1) adopt the resolution adopting the mitigated negative declaration and mitigation monitoring program and approving GPA 04-06; and (2) adopt the rezone ordinance approving Rezone 04-06 through the reading of the title only.

The motion to approve the Consent Agenda, as read, carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

3. **NOTICED PUBLIC HEARINGS** – None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None
4.2. CONSIDERATION OF THE FINANCE COMMITTEE’S RECOMMENDATION TO APPROVE THE JARVIS GARDENS SENIOR HOUSING PROJECT – The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item.

At its meeting of 8/24/05, the Finance Committee forwarded a recommendation to the Redevelopment Agency to approve an allocation of $2,205,000 from the Low and Moderate Income Housing Fund to Jarvis Gardens Inc., and approve the design of a senior housing project to be located east of Notre Dame Boulevard on the south side of East 20th Street. No action was recommended pending Council consideration of the General Plan Amendment and rezone. By agenda report dated 10/21/05, the Housing Officer outlined the recommended City Council and Redevelopment Agency actions and provided follow-up information requested at the 8/24/05 Finance Committee meeting regarding the ability to consider a major project redesign with the limited development time frame for the project. The memorandum also provided a project summary.

Due to the Council adopting the General Plan Amendment and Rezone Ordinance under item 2.1. above, the following actions were required to proceed with the Jarvis Gardens Senior Housing Project:

A. The following two resolutions authorized the City’s sale of the housing site to the Agency by providing the City Manager authority to convey the site and the Agency’s Executive Director authority to accept the conveyance.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolutions:

RESOLUTION NO. 47 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING CONVEYANCE OF A 3.02 ACRE PORTION OF THE VACANT PARCEL LOCATED AT THE SOUTHEAST CORNER OF NOTRE DAME BOULEVARD AND EAST 20TH STREET TO THE CHICO REDEVELOPMENT AGENCY - ASSESSOR’S PARCEL NO. 002-220-005 (Jarvis Gardens) (City Council Action)


The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. The resolution below provided the required Article 34 Authority for the Jarvis Gardens Senior Housing Project.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution:

RESOLUTION NO. 48 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ALLOCATING FIFTY UNITS OF EXISTING ARTICLE XXXIV AUTHORITY TO THE JARVIS GARDENS RENTAL HOUSING PROJECT AT THE SOUTHEAST CORNER OF NOTRE DAME BOULEVARD AND EAST 20TH STREET (APN 002-220-005) (City Council Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. The Resolution and Supplemental Appropriation below approved a loan for project financing in the amount of $2,205,000 to Jarvis Gardens Inc., the project owner, and allocated the funds from the Low and Moderate Income Housing Fund.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to adopt the following resolution and approve the supplemental appropriation:

RESOLUTION NO. 15-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY, APPROVING A LOAN OF FUNDS FROM THE AGENCY’S LOW AND MODERATE INCOME HOUSING FUND TO JARVIS GARDENS SENIOR APARTMENT, INC. FOR DEVELOPMENT OF A SENIOR CITIZEN APARTMENT COMPLEX AS A LOW INCOME HOUSING PROJECT (Agency Action)

SUPPLEMENTAL APPROPRIATION RDA NO. 05-06 04 ALLOCATING $2,205,000 FOR THE JARVIS GARDENS HOUSING PROJECT (Agency Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. ITEMS ADDED AFTER POSTING OF THE AGENDA – None
5. ADJOURNMENT
   Adjourned to a City Council meeting.
1. CALL TO ORDER – Mayor Gruendl called the November 1, 2005 – Regular Chico City Council Meeting in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

2. CONSENT AGENDA – Items 2.4. and 2.5. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the remaining Consent Agenda items:

2.1. ORDINANCE NO. 2327 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO ADJUSTING WATER POLLUTION CONTROL PLANT CAPACITY RATES AND SEWER TRUNKLINE CAPACITY RATES AS ADOPTED IN CHAPTER 15.36 OF THE CHICO MUNICIPAL CODE ENTITLED “SEWER SERVICES AND FEES” - Final Reading and Adoption

At its 10/18/05 meeting, the City Council held a public hearing to introduce the ordinance adjusting Water Pollution Control Plant Capacity Rates and Sewer Trunkline Capacity Rates, in accordance with the recommendations of the 2005/06 Update of Development Impact Fees Analysis and Recommendations (Nexus Study). The City Council approved by motion at the 10/18/05 meeting the 2005/06 Update of Development Impact Fees Analysis and Recommendations (Nexus Study). The Director of Engineering recommended adoption of the ordinance.

2.2. ADOPTION OF RESOLUTIONS LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM

By reports dated 10/10/05, the Director of Engineering reported that in accordance with petitions from the below property owners, adoption of the following resolutions authorized sewer assessments to be collected on the tax roll as set forth in the Director of Engineering’s report attached to each resolution. These assessments are in lieu of payment of the sewer system connection fees which would ordinarily be due and payable at the time of connecting the premises to the City’s sewer system. The Director of Engineering recommended adoption of these resolutions.

A. RESOLUTION NO. 49 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 1016 POPPY STREET, A.P. NO. 004-530-039 (petition from property owners John D. and Gail S. Costello)

B. RESOLUTION NO. 50 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 2940 SAN VERBENA WAY, A.P. NO. 015-120-011 (petition from property owners Michael E. and Leslie A. Moller)

C. RESOLUTION NO. 51 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 630 OAK LAWN AVENUE, A.P. NO. 043-252-013 (petition from property owners Tim and Jill Cooke)

D. RESOLUTION NO. 52 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE CITY SEWER SYSTEM - 2836 MARIGOLD AVENUE, A.P. NO. 016-120-009 (petition from property owners Julie and Eric Castellano)
E. RESOLUTION NO. 53 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER
SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE
CITY SEWER SYSTEM - 626 WEST 4TH AVENUE, A.P. NO. 043-132-030 (petition from
property owner Damon Minch)

F. RESOLUTION NO. 54 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHICO LEVYING ASSESSMENT INSTALLMENTS IN LIEU OF THE PAYMENT OF SEWER
SYSTEM CONNECTION FEES INCIDENT TO THE CONNECTION OF PREMISES TO THE
CITY SEWER SYSTEM - 497 E. 21ST STREET, A.P. NO. 005-465-002 (petition from property
owners Celso and Angela Rios)

2.3. RESOLUTION NO. 55 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
DENYING AN APPEAL AND APPROVING HUTCHINSON GREEN VESTING TENTATIVE
SUBDIVISION MAP AND PLANNED DEVELOPMENT PERMIT (S/PDP 05-10)

By agenda report dated 10/07/05, Associate Planner Betts reported that at its meeting of 10/04/05, the
City Council voted (6 in favor, 1 disqualified) to direct staff to prepare a resolution to approve the
Hutchinson Green Vesting Tentative Subdivision Map and Planned Development Permit (S/PDP 05-10)
located on the west and east sides of Hutchinson Street, north of East 20th Street. The Planning
Director recommended adoption of the resolution. Councilmember Bertagna and Mayor Gruendl were
disqualified on this item.

2.4. RESOLUTION NO. 56 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO
DENYING AN APPEAL AND APPROVING USE PERMIT 05-19 (WHITLOCK) TO ALLOW A NON-
OWNER OCCUPIED SECOND DWELLING UNIT ON PROPERTY LOCATED AT 310 WEST 4TH
AVENUE – This item was removed from the Consent Agenda and heard under Item 4.1.

2.5. MINUTE ORDER NO. 31-05 – AUTHORIZATION FOR DONATION OF SURPLUS 1988 3/4 TON
RIGHT OF WAY TRUCK TO THE CITY OF PASCAUGA, MISSISSIPPI, TO ASSIST WITH
HURRICANE RELIEF EFFORTS – This item was removed from the Consent Agenda and heard under
Item 4.1.

2.6. APPROVAL OF REQUEST FOR EXTENSION OF RESCISSION DEADLINE FOR COMMUNITY
ORGANIZATION FUNDING (FAR WEST HERITAGE ASSOCIATION, FORMERLY KNOWN AS
CHICO MUSEUM ASSOCIATION)

By agenda report dated 10/19/05, the Senior Assistant City Manager transmitted the 10/13/05 request
from Natalie Birk, Executive Director of the Chico Museum Association, for an extension of the City
Council’s rescission deadline of 11/01/05 due to an organizational name change to Far West Heritage
Association. The requested extension would allow Far West Heritage Association time to provide the
documentation needed by the City to effect this change in the funding process and contract documents.
The Council previously allocated $7,000 (HVAC repairs) and $20,376 (operational costs) in FY 05-06
Transient Occupancy Tax (TOT) funding to the Museum. The Senior Assistant City Manager
recommended approval of an extension to 12/30/05.

The motion to approve the Consent Agenda, with Items 2.4. and 2.5. removed and heard under Item
4.1., carried, as read, by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna and Gruendl on Item 2.3.

3. NOTICED PUBLIC HEARINGS
3.1. HEARING ON APPEAL OF THE PLANNING COMMISSION’S DECISION TO APPROVE MODIFICATIONS TO THE MARIPOSA VISTA UNIT 2 VESTING TENTATIVE SUBDIVISION MAP (S 02-17) AND APPROVING PLANNED DEVELOPMENT PERMIT 05-04

By report dated 10/17/05, Senior Planner Sigona reported that at its 10/06/05 meeting, the Planning Commission voted (6-0-1) to approve, with conditions, Planned Development Permit 05-04 and modifications to the Mariposa Vista Unit 2 Vesting Tentative Subdivision Map, located between Mariposa and Ceanothus Avenues, north of East Avenue. The modified project would divide the 32.93 acre site into 209 lots, 194 for single-family homes and 15 for duplexes, at a density of 6.8 units per acre. The planned development permit would authorize a 2-foot reduction in the minimum lot width for 13 lots. The original approval included creation of 218 lots with 226 units for single-family residential and duplex development, under the City’s small-lot subdivision standards, with an overall density of 6.92 units per acre. A timely appeal was filed by William W. Limpach alleging, among other things, that the high density nature of the project would destroy the scale and character of the neighborhood. Following the close of the public hearing, the Planning Director recommended that the City Council adopt the resolution denying the appeal and affirming the Planning Commission’s decision to approve the project. Councilmember Bertagna was disqualified on this item.

Mayor Gruendl opened the hearing. Letters were received dated 10/25/05 and 10/30/05 from William W. Limpach in support of his appeal. The hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to deny the appeal and affirm the Planning Commission’s decision to approve the project by adopting the following resolution:

RESOLUTION NO. 57 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING AN APPEAL AND APPROVING MODIFICATIONS TO THE MARIPOSA VISTA UNIT 2 VESTING TENTATIVE SUBDIVISION MAP (S 02-17) AND APPROVING PLANNED DEVELOPMENT PERMIT 05-04

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.4. RESOLUTION NO. 56 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO DENYING AN APPEAL AND APPROVING USE PERMIT 05-19 (WHITLOCK) TO ALLOW A NON-OWNER OCCUPIED SECOND DWELLING UNIT ON PROPERTY LOCATED AT 310 WEST 4TH AVENUE – This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Holcombe for further discussion.

By agenda report dated 10/14/05, Associate Planner Summerville reported that at its meeting of 10/04/05, the City Council voted (4 in favor, 3 opposed) to direct staff to prepare a resolution to approve Use Permit 05-19 (Whitlock) to allow a non-owner occupied second dwelling unit on property located at 310 West 4th Avenue. The Planning Director recommended adoption of the resolution.

A motion was made by Councilmember Holcombe and seconded by Councilmember Herbert to adopt Resolution No. 56 05-06.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab, Wahl, Gruendl
NOES: Kirk

2.5. MINUTE ORDER NO. 31-05 – AUTHORIZATION FOR DONATION OF SURPLUS 1988 3/4 TON
RIGHT OF WAY TRUCK TO THE CITY OF PASCAGOULA, MISSISSIPPI, TO ASSIST WITH HURRICANE RELIEF EFFORTS – This item was removed from the Consent Agenda and heard under Item 4.1. at the request of Councilmember Wahl for further discussion.

At its 10/18/05 meeting, the City Council discussed adoption of the City of Pascagoula, Mississippi, and that City’s needs for assistance due to the devastation from Hurricane Katrina. A 1988 Chevy 3/4 ton truck with a lift and hoist used for right-of-way work will be out of service when the budgeted replacement vehicle is delivered this month. This minute order declared this vehicle surplus and authorized donation of the vehicle to the City of Pascagoula, Mississippi. The City Manager recommended approval of the minute order.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to approve Minute Order No. 31-05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON OCTOBER 12, 2005

By agenda report dated 10/14/05, the Internal Affairs Committee provided a report on its meeting held on 10/12/05. Committee members present were Councilmembers Holcombe, Schwab and Herbert, Chair.

COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:

A. Consideration of Request from Celebration of People, Inc. to Hold Events in Children’s Playground and for an Exemption of the Amplified Sound Restrictions for the Bidwell Bowl Amphitheater. The Committee did not recommend (2-1) an exemption to the CMC for sound testing at Bidwell Bowl. Councilmember Wahl was disqualified on this item. Councilmember Holcombe stated that he was in favor of allowing sound testing at Bidwell Bowl because with the new technology available, amplified music may not negatively impact the neighborhood during those events. Addressing the Council on this item were Richard Elsom, Bob Henninger, and Develyn Donnelly.

A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to continue the policy as is and not move forward with sound testing for amplified sound at the Bidwell Bowl Amphitheater.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Kirk, Schwab
NOES: Holcombe, Gruendl
DISQ: Wahl

B. Consideration of Revised Second Response Ordinance/Noise Ordinance and Update on the Proposed Safety Plan Ordinance. The Committee recommended approval (3-0) of a change in the qualifying time for a “second response” in both CMC Section 9.38.054 (General Noise Regulations) and CMC Section 9.70.050 (Civil Liability to a Second Response) to 72 hours. The Committee also recommended conceptual approval (3-0) of a safety plan ordinance and directed that the draft ordinance be forwarded to the City Attorney’s Office for legal review. Addressing the Council on this item were Nan Jones, Charlie Pruesser, and Thomas Archer. Mayor Gruendl stated for the record that he was in total support of the enforcement of the second response ordinance and the creation of a safety plan, however he felt that 48 hours would be better than the 72 hours currently proposed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to accept the Internal Affairs Committee recommendation with the ordinance amending both CMC Section 9.38.054 and CMC Section 9.70.050 to be introduced at a future Council meeting.
The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab, Wahl  
NOES: Kirk, Gruendl

C. **Consideration of Ordinance Entitled, “Graffiti Prohibition and Removal.”** The Committee recommended (3-0) the graffiti ordinance be rewritten to focus on eradication efforts only.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to accept the Committee recommendation and that this ordinance will be introduced at a future Council meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
NOES: None

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **BUSINESS FROM THE FLOOR** – None

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. Letter dated 10/7/05 from Maureen Pierce, Executive Director of the Boys and Girls Club, forwarding the annual report required under Section 10 of the “Lease of Real Property and Improvements, 601 Wall Street (City of Chico/Boys and Girls Club of Chico).”

6.2. Memorandum dated 10/10/05 from the Director of Human Resources and Risk Management reporting on claims denied during the quarter ending 9/30/05.

6.3. Letter dated 10/18/05 from Tom Haithcock, Director, Chico Creek Nature Center, requesting $185,000 of Redevelopment Agency funds to cover construction expenses for a new exhibit and classroom facility. **A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to consider this item at the Council meeting scheduled for 11/10/05. The motion carried unanimously.**

7. **ADJOURNMENT**

Adjourned 8:05 p.m. to November 10, 2005, at 8:30 a.m., in the City Council Chamber for an adjourned regular work session.

Date Approved: December 20, 2005

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Deborah R. Presson, City Clerk
CALL TO ORDER – Mayor Gruendl called the November 10, 2005 – Adjourned Regular Chico Redevelopment Agency Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 8:30 a.m.

1.1. Flag Salute

1.2. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.3. The Redevelopment Agency/City Council will recess to closed session during the lunch break.

1.4. Proclamation — Honoring Barbara Kopicki, CSU, Chico Associate Student Recycling Coordinator for her dedication to recycling and waste reduction

1.5. Proclamation — Honoring Senior Assistant City Manager Trish Dunlap on her retirement

2. CONSENT AGENDA

2.1. AUTHORIZATION FOR STAFF TO SOLICIT PROPOSALS TO ACQUIRE SURPLUS PROPERTY OWNED BY THE REDEVELOPMENT AGENCY AT THE NORTHWEST CORNER OF BRUCE AND HUMBOLDT ROAD – This item was removed from the Consent Agenda.

3. NOTICED PUBLIC HEARINGS – None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA – None

2.1. AUTHORIZATION FOR STAFF TO SOLICIT PROPOSALS TO ACQUIRE SURPLUS PROPERTY OWNED BY THE REDEVELOPMENT AGENCY AT THE NORTHWEST CORNER OF BRUCE AND HUMBOLDT ROAD – This item was removed from the Consent Agenda for additional discussion.

The Redevelopment Agency owns 5.6 acres at the northwest corner of Bruce and Humboldt Road. As was discussed as part of the Humboldt Road Burn Dump cleanup, once this project was certified as clean, the Redevelopment Agency directed staff to solicit proposals to acquire the property. This action initiates this process. The Executive Director recommended soliciting proposals.

A motion was made by Councilmember Herbert and seconded by Councilmember Holcombe authorizing staff to solicit proposals to acquire surplus property at the northwest corner of Bruce and Humboldt Road.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2 BUDGET REVIEW

A. General Budget Review. Agency staff reviewed the financial status of the Chico Amended and Merged Redevelopment Project and related funds. The Agency was provided with the following documents:
1. Chico Amended and Merged Redevelopment Project Area Trends and Projections

2. Chico Amended and Merged Redevelopment Project Area Low and Moderate Income Housing Fund – A revised summary was provided to reflect the final numbers received from the Finance Office which indicates a projected deficit of approximately $100,000 more than previously provided in the agenda packet.

4.3 CONSIDERATION OF ALLOCATION OF TAX INCREMENT REVENUE FROM THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT FOR THE RENOVATION OF RINGEL PARK – The Chico Redevelopment Agency acted in its capacity as both the Agency and the Chico City Council for consideration of this item.

By agenda report dated 10/31/05, the General Services Director recommended the allocation of tax increment revenue to fund the renovation of Ringel Park. The project would include landscaping and the installation of a new sign to further enhance Ringel Park as an aesthetic gateway into the downtown business district. The Agency resolution allocates $199,136 from the Chico Amended and Merged Redevelopment Fund (352) for design, construction, and capital project overhead. The General Services Director recommended adoption of the resolutions. The Agency was provided with a letter dated 11/7/05 from Katrina Davis, Executive Director, Downtown Chico Business Association supporting an allocation of $199,136 for the renovation of Ringel Park.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to adopt the following resolutions:

RESOLUTION NO. 58 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CONSENTING TO THE PAYMENT BY THE CHICO REDEVELOPMENT AGENCY OF COSTS RELATED TO THE RINGEL PARK RENOVATION PROJECT AND MAKING CERTAIN FINDINGS RELATED THERETO (City Council Action)

RESOLUTION NO. 16-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY ALLOCATING TAX INCREMENT REVENUE FROM THE CHICO AMENDED AND MERGED REDEVELOPMENT PROJECT FOR COSTS RELATING TO THE RINGEL PARK RENOVATION PROJECT (Agency Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Wahl, Gruendl
NOES: Kirk, Schwab

4.4 CONSIDERATION OF REQUEST FROM BUTTE COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE FINANCIAL ASSISTANCE FOR THE VISION 2008 PLAN AND APPROVAL OF A SUPPLEMENTAL APPROPRIATION TO PROVIDE FUNDING FOR THE FIRST YEAR

At its meeting of 08/16/05, the Chico Redevelopment Agency considered the recommendation of the Economic Development Committee (2-0, Bertagna absent) that the Agency authorize the Executive Director to execute an agreement with Butte County Economic Development Corporation (Butte EDC) to provide $60,000 of Redevelopment Agency funds over a three-year period ($20,000 per year) for support of the Vision 2008 plan. The Agency continued consideration of the request to this meeting.

The Agency was provided with the staff report dated 06/05/05 to the Economic Development Committee which provided background on the request and the full proposal submitted by Butte EDC. The Agency was provided with copies of the Butte County EDC 2004-2005 Annual Report, entitled “Bridging the Job Gap,” which the Committee had requested.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to approve the following minute order with an administrative supplemental appropriation allocating funds in the amount of $20,000 for 2005-06 to be processed following this meeting. Future allocations will be included in the Redevelopment Agency operating budget.
MINUTE ORDER NO. 05-05 – AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT WITH THE BUTTE COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE FINANCIAL ASSISTANCE FOR THE VISION 2008 PLAN AND APPROVAL OF A SUPPLEMENTAL APPROPRIATION TO PROVIDE FUNDING FOR THE FIRST YEAR

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.5. CONSIDERATION OF SUPPLEMENTAL APPROPRIATION ALLOCATING FUNDS FOR THE SHR 32 CORRIDOR STUDY (BIG CHICO CREEK TO EAST AVENUE)

By agenda report dated 10/27/05, the Director of Engineering outlined a request from the Butte County Association of Governments (BCAG) requesting the Agency to share the cost of a corridor study with BCAG. The study would provide an overall review of existing and future Highway 32 conditions and recommend future improvements. This supplemental appropriation allocates $62,500 for professional consulting services from the Merged Redevelopment Fund (352). The Director of Engineering recommended approval of the supplemental appropriation.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the supplemental appropriation allocating $62,500 for professional consulting services from the Merged Redevelopment Fund (352).

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.6. CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE FINANCE COMMITTEE ON ITS MEETING HELD ON OCTOBER 26, 2005

By agenda report dated 10/31/05, the Finance Committee provided a report on its meeting held on 10/26/05. Committee members present were Councilmembers Gruendl, Wahl, and Holcombe, Chair. The matters considered by the Committee are listed below.

COMMITTEE MATTERS REQUIRING COUNCIL/AGENCY ACTION AT THIS MEETING:

A. Consideration of Request from Catalyst for Financial Assistance to Develop a New Facility Serving Victims of Domestic Violence. The Committee recommended (3-0) approval of: (1) a loan of up to $1,150,000 from the Low and Moderate Income Housing Fund (LMIHF) of the Chico Redevelopment Agency; (2) a loan of up to $450,000 from the City’s Community Development Block Grant Program; (3) a 55 year lease of the City owned property at the end of Ivy Street adjacent to Barber Yard; and (4) approval of pre-development funding of $15,000 from the LMIHF loan, subject to the conditions set forth in the Housing Director’s memorandum dated 9/21/05.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to approve the funding request and once the conditions are met, to schedule the authorizing documents for Agency and Council action.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. Consideration of Request from Well Ministry of Rescue for Funding for Sewer Connection Fees. The Committee recommended (3-0) approval of funding up to $100,000 from the City’s Home Investment Partnership (HOME) funds for the purpose of paying City fees and charges to connect the facility at 2612 The Esplanade to the City sewer system.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to refer this request back to the Finance Committee for additional discussion at its November meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

C. **Consideration of City of Chico Capital Improvement Program, 2006/07 Through 2010/11.**

The Committee recommended (2-1, Wahl opposed) approval of the Capital Improvement Program (CIP) for the years 2006/07 through 2010/11 with design and construction costs for Fire Station 7 to be included in the CIP, and the Aquatic Facility and the Community Gymnasium to be removed from consideration at this time. The Council was provided with the revised version of the Capital Improvement Program.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the 2006/07 through 2010/11 Capital Improvement Program excluding the State Highway improvements, with the Committee recommended changes to be incorporated into the 2005-06 Annual Budget.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to approve the inclusion of the State Highway improvements, as recommended by the Finance Committee, into the 2006/07 - 2010/11 Capital Improvement Program.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Bertagna, Herbert, Wahl

D. **Consideration of Revision to Administrative Procedure and Policy (AP&P) No. 15-14 - Accounts Receivable.** The Committee recommended (3-0) approval of the items outlined in the Finance Director’s report dated September 23, 2005, with a written report to be provided to Council at least two weeks before any receivables between $1,000 to $10,000 are written off. The Council was provided with a revised version of AP&P No. 15-14.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to approve the changes as recommended to AP&P NO. 15-14.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

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The Council recessed for a 10 minute break at 9:35 a.m. The meeting was reconvened and all members were present.

4.7. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
CALL TO ORDER – Mayor Gruendl called the November 10, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 9:45 a.m.

1.1. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

CONSENT AGENDA – Items 2.1., 2.2., 2.6., and 2.7. were removed from the Consent Agenda and heard under Item 4.1. A motion was made by Councilmember Herbert and seconded by Councilmember Schwab to approved the remaining items on the Consent Agenda:

RESOLUTION NO. 59 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A NEGATIVE DECLARATION FOR GPA 04-01, A MITIGATED NEGATIVE DECLARATION AND MONITORING PROGRAM FOR GPA 05-02, AND AMENDING THE GENERAL PLAN AS FOLLOWS: 1) CHANGING THE GENERAL PLAN LAND USE DESIGNATION FOR 43 PROPERTIES WITHIN AN 80-ACRE AREA LOCATED GENERALLY ON THE WEST AND EAST SIDES OF CACTUS AVENUE, BETWEEN EAST AVENUE TO THE SOUTH AND THE PLANNED EATON ROAD EXTENSION TO THE NORTH, FROM VERY LOW DENSITY RESIDENTIAL TO LOW DENSITY RESIDENTIAL (GPA 04-01; CACTUS AVENUE PARTNERS & CITY OF CHICO); AND 2) CHANGING THE LAND USE DESIGNATION FOR PROPERTY LOCATED SOUTHWEST OF FRANKLIN STREET (ASSESSOR'S PARCEL NUMBERS 005-450-020 AND 005-450-031) FROM MEDIUM-HIGH DENSITY RESIDENTIAL TO MANUFACTURING AND WAREHOUSING (GPA 05-02; SIERRA NEVADA) – This item was removed from the Consent Agenda and heard under Item 4.1.

ORDINANCE NO. 2328 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 19.52.070, ENTITLED “SPECIAL DESIGN CONSIDERATIONS (-SD) OVERLAY ZONE,” OF THE CHICO MUNICIPAL CODE TO ADD THE SD-7 OVERLAY ZONE FOR CACTUS AVENUE (GPA/RZ 04-01; CITY OF CHICO) - Final Reading and Adoption

ORDINANCE NO. 2329 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTIES LOCATED GENERALLY ON THE WEST AND EAST SIDES OF CACTUS AVENUE, BETWEEN EAST AVENUE TO THE SOUTH AND THE PLANNED EATON ROAD EXTENSION TO THE NORTH (GPA/RZ 04-01; CACTUS AVENUE PARTNERS & CITY OF CHICO) - Final Reading and Adoption

ORDINANCE NO. 2330 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY SOUTHWEST OF FRANKLIN STREET (ASSESSOR'S PARCELS NOS. 005-450-020 AND 005-450-031) FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02) - Final Reading and Adoption

ORDINANCE NO. 2330 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY SOUTHWEST OF FRANKLIN STREET (ASSESSOR'S PARCELS NOS. 005-450-020 AND 005-450-031) FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02) - Final Reading and Adoption

ORDINANCE NO. 2330 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY SOUTHWEST OF FRANKLIN STREET (ASSESSOR'S PARCELS NOS. 005-450-020 AND 005-450-031) FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02) - Final Reading and Adoption

ORDINANCE NO. 2330 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY SOUTHWEST OF FRANKLIN STREET (ASSESSOR'S PARCELS NOS. 005-450-020 AND 005-450-031) FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02) - Final Reading and Adoption

2.2. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 9.38.054 ENTITLED “VIOLATION - RESIDENTIAL PROPERTY LIMITS, PUBLIC PROPERTY LIMITS, OR GENERAL NOISE REGULATIONS” AND CHAPTER 9.70, ENTITLED “ASSESSMENT OF SECOND RESPONSE COSTS” OF THE CHICO MUNICIPAL CODE - Introductory Reading. This item was removed from the Consent Agenda and heard under Item 4.1.

2.3. RESOLUTION NO. 60 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 114 00-01 TO MODIFY THE JOB TITLE OF PUBLIC WORKS ADMINISTRATIVE MANAGER, AND TO ADD THE POSITION OF ADMINISTRATIVE SERVICES DIRECTOR TO THE MANAGEMENT EMPLOYEE GROUP AND SET THE SALARY RATE FOR THAT POSITION (AMENDMENT NO. 12 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION)

By agenda report dated 10/31/05, the City Manager and Assistant City Manager advised that, with
the retirement of Senior Assistant City Manager Dunlap in early December, reorganization of the City Manager’s Office was necessary in order to return to functioning with one Assistant City Manager position. The creation of the new position of Administrative Services Director with oversight for budget administration, contracts, purchasing, redevelopment, and property acquisition, along with administration of the City Manager’s office operations, was recommended. It was also recommended that current Budget Officer Pierce be appointed to this new position.

In addition, as a result of the recent reorganization of the Engineering Division into the Community Services Department, it was necessary to change the job title of the Public Works Administrative Manager to Engineering Administrative Manager.

This resolution establishes the pay range for the Administrative Services Director position and make the Public Works Administrative Manager job title change. The City Manager and Assistant City Manager recommended approval of the resolution.

2.4.

RESOLUTION NO. 61 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 114 00-01 TO DESIGNATE CHRISTMAS EVE 2005 AS A FULL HOLIDAY (AMENDMENT NO. 13 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION)

RESOLUTION NO. 62 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING THE PUBLIC SAFETY MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 47 04-05 TO DESIGNATE CHRISTMAS EVE 2005 AS A FULL HOLIDAY (AMENDMENT NO. 3 - 2004 PUBLIC SAFETY MANAGEMENT PAY AND BENEFITS RESOLUTION)

RESOLUTION NO. 63 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING CONFIDENTIAL EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 124 00-01 TO DESIGNATE CHRISTMAS EVE 2005 AS A FULL HOLIDAY (AMENDMENT NO. 6 - 2001 CONFIDENTIAL EMPLOYEES PAY AND BENEFITS RESOLUTION)

This calendar year, the Christmas Eve and New Year’s Eve holidays fall on Saturday. Because of this, and in accordance with the provisions of the various memoranda of understanding (MOUs) and pay and benefit resolutions relating to employee holiday benefits, these holidays would typically be observed on the immediately preceding Friday, two days before the actual holidays. In order to provide for a full work day on what would be the observed New Year’s Eve holiday, the various employee organizations and groups have agreed, for those employees affected, to combine their observance of that half-day holiday into the Christmas Eve holiday, resulting in the observance of a full-day holiday for Christmas Eve. These amending resolutions were required to approve this holiday modification for the Management, Public Safety Management, and Confidential employee groups. The MOUs for recognized employee organizations contain provisions for approval of mutually agreed minor variations from the MOU. The Director of Human Resources and Risk Management, and the City Manager, recommended adoption of these resolutions.

2.5.

RESOLUTION NO. 64 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING MANAGEMENT EMPLOYEES PAY AND BENEFIT RESOLUTION NO. 114 00-01 TO IMPLEMENT CERTAIN PAY AND BENEFIT CHANGES APPLICABLE TO SUCH EMPLOYEES (AMENDMENT NO. 14 - 2001 MANAGEMENT EMPLOYEES PAY AND BENEFITS RESOLUTION)

By agenda report dated 11/03/05, the City Manager recommended adoption of this resolution which modifies a number of provisions in the pay and benefit resolution applicable to the non-Safety management employees of the City. These modifications resulted from recently concluded negotiations with the Management Employee group and were described in the report. The estimated cost associated with these modifications was also set forth in the report, and sufficient funding was available in the Annual Budget to cover this cost. The City Manager recommended adoption of the resolution.

2.6.  MINUTE ORDER NO. 32-05 – APPOINTMENT OF GREGORY T. JONES AS CITY MANAGER OF THE CITY OF CHICO – This item was removed from the Consent Agenda and heard under Item 4.1.
2.7. MINUTE ORDER NO. 33-05 – AUTHORIZATION TO DONATE UNCLAIMED OR ABANDONED BICYCLES TO GOVERNMENT OR NON-PROFIT ORGANIZATIONS – This item was removed from the Consent Agenda and heard under Item 4.1.

2.8. AUTHORIZATION FOR POLICE DEPARTMENT TO PURCHASE ADLERHORST CANINES AS THE STANDARD CANINE FOR THE CITY OF CHICO

Adlerhorst International is the sole provider of police service canines with the background, canine and handler training program, and ongoing maintenance training consistent with the established standard of the Police Department. By agenda report dated 10/24/05 the Chief of Police explained that this authorization allows the Police Department to obtain replacement canines without requesting sole source vendor status each time a new dog is purchased. The City Manager recommended authorization be approved by the City Council.

2.9. DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - TRADER JOE’S (801 EAST AVENUE, SUITE 110, CHICO)

By agenda report dated 10/28/05, the Community Services Director recommended that the City Council make a determination of public convenience or necessity as required by the Business and Professions Code, concerning the issuance of an alcoholic beverage license for Trader Joe’s, to be located at 801 East Avenue, Suite 110, Chico. The Community Services Director recommended a determination of public convenience or necessity. The Council was provided with emails dated 11/9/05 supporting the request for a liquor license for Trader Joe’s from Betty Smith, Gail Hildebrand, Carol Sager, Kristin Soderstrom-Lemm, Marycarol Deane, Penelope Modena and Mary Lee Barton.

2.10. DETERMINATION OF PUBLIC CONVENIENCE OR NECESSITY - THE PUBLIC PALATE (1224 MANGROVE AVENUE, SUITE 5, CHICO)

By agenda report dated 10/28/05, the Community Services Director recommended that the City Council make a determination of public convenience or necessity as required by the Business and Professions Code, concerning the issuance of an alcoholic beverage license for The Public Palate, to be located at 1224 Mangrove Avenue, Suite 5, Chico. The Community Services Director recommended a determination of public convenience or necessity.

The motion to approve the Consent Agenda, with Items 2.1., 2.2., 2.6., and 2.7. removed and heard under Item 4.1., carried, as read, by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

3. NOTICED PUBLIC HEARINGS – None

4. REGULAR AGENDA

4.1. ITEMS REMOVED FROM THE CONSENT AGENDA

2.1. RESOLUTION NO. 59 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING A NEGATIVE DECLARATION FOR GPA 04-01, A MITIGATED NEGATIVE DECLARATION AND MONITORING PROGRAM FOR GPA 05-02, AND AMENDING THE GENERAL PLAN AS FOLLOWS: 1) CHANGING THE GENERAL PLAN LAND USE DESIGNATION FOR 43 PROPERTIES WITHIN AN 80-ACRE AREA LOCATED GENERALLY ON THE WEST AND EAST SIDES OF CACTUS AVENUE, BETWEEN EAST AVENUE TO THE SOUTH AND THE PLANNED EATON ROAD EXTENSION TO THE NORTH, FROM VERY LOW DENSITY RESIDENTIAL TO LOW DENSITY RESIDENTIAL (GPA 04-01; CACTUS AVENUE PARTNERS & CITY OF CHICO); AND 2) CHANGING THE LAND USE DESIGNATION FOR PROPERTY LOCATED SOUTHWEST OF FRANKLIN STREET (ASSESSOR’S PARCEL NUMBERS 005-450-020 AND 005-450-031) FROM MEDIUM-HIGH DENSITY RESIDENTIAL TO MANUFACTURING AND WAREHOUSING (GPA 05-02; SIERRA NEVADA)
ORDINANCE NO. 2328 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 19.52.070, ENTITLED “SPECIAL DESIGN CONSIDERATIONS (-SD) OVERLAY ZONE,” OF THE CHICO MUNICIPAL CODE TO ADD THE SD-7 OVERLAY ZONE FOR CACTUS AVENUE (GPA/RZ 04-01; CITY OF CHICO) - Final Reading and Adoption

ORDINANCE NO. 2329 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTIES LOCATED GENERALLY ON THE WEST AND EAST SIDES OF CACTUS AVENUE, BETWEEN EAST AVENUE TO THE SOUTH AND THE PLANNED EATON ROAD EXTENSION TO THE NORTH (GPA/RZ 04-01; CACTUS AVENUE PARTNERS & CITY OF CHICO) - Final Reading and Adoption

ORDINANCE NO. 2330 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING PROPERTY SOUTHWEST OF FRANKLIN STREET (ASSESSOR’S PARCELS NOS. 005-450-020 AND 005-450-031) FROM R3 MEDIUM-HIGH DENSITY RESIDENTIAL TO ML LIGHT MANUFACTURING/INDUSTRIAL (SIERRA NEVADA GENERAL PLAN AMENDMENT/REZONE GPA/RZ 05-02) - Final Reading and Adoption

By agenda report dated 11/01/05 Senior Planner Murphy and Senior Planner Stuart reported that at its 9/20/05 meeting, the Council conducted a public hearing and adopted (6 in favor, 1 opposed) a motion of intent to approve General Plan Amendment/Rezone 04-01 (Cactus Avenue), and introduced the rezone ordinance and the ordinance amending the Chico Municipal Code, as recommended by staff and the Planning Commission. In addition, at its 10/04/05 meeting, the Council conducted a public hearing, adopted (6 in favor, 1 opposed) a motion of intent to approve General Plan Amendment/Rezone 05-02 (Sierra Nevada) and introduced the rezone ordinance. In anticipation of additional General Plan amendments coming forth before the end of the calendar year, GPA 04-01 was “bundled” with GPA 05-02, for adoption under a single City Council resolution. Councilmember Bertagna was disqualified on this item.

GPA/RZ 04-01 would: (1) change the General Plan land use designation for 43 properties within an 80-acre area along Cactus Avenue from Very Low Density Residential to Low Density Residential; and (2) change the current zoning of the 43 parcels from RS-1 Suburban Residential - one acre minimum to R1/SD-7 Low Density Residential with a Special Design Considerations Overlay Zone. The project site is located on the east and west sides of Cactus Avenue, between East Avenue to the south and the planned Eaton Road extension to the north. A negative declaration is proposed pursuant to the California Environmental Quality Act (CEQA).

GPA/RZ 05-02 would: (1) change the General Plan land use designation for a 0.66-acre site located southwest of Franklin Street (AP Nos. 005-450-020 & 005-450-031) from Medium-High Density Residential to Manufacturing and Warehousing; and (2) change the zoning classification from R3 Medium-High Density Residential to ML Light Manufacturing/Industrial. A mitigated negative declaration and mitigation monitoring program is proposed pursuant to CEQA.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to: (1) adopt a resolution adopting a negative declaration for GPA/RZ 04-01 and a mitigated negative declaration and mitigation monitoring program for GPA/RZ 05-02 and approving GPA 04-01 and GPA 05-02; (2) adopt the ordinance amending Chico Municipal Code (CMC) Chapter 19.52 for the Special Design Considerations Overlay Zone by the reading of the title only; (3) adopt the rezone ordinance approving Rezone 04-01 through the final reading of the title only; and (4) adopt the rezone ordinance approving Rezone 05-02 through the final reading of the title only.

The motion carried by the following vote:

AYES: Herbert, Holcombe, Kirk, Schwab, Wahl
NOES: Gruendl
DISQ: Bertagna

2.2. ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO AMENDING SECTION 9.38.054 ENTITLED “VIOLATION - RESIDENTIAL PROPERTY LIMITS, PUBLIC PROPERTY LIMITS, OR GENERAL NOISE REGULATIONS” AND CHAPTER 9.70, ENTITLED “ASSESSMENT OF SECOND RESPONSE COSTS” OF THE CHICO MUNICIPAL CODE - Introductory Reading. This item was removed from the Consent Agenda and heard under Item 4.1.
At its meeting of 11/01/05, the City Council approved the recommendation of the Internal Affairs Committee to change the qualifying time for a “second response” in both Section 9.38.054 (General Noise Regulations) and Section 9.70 (Civil Liability to a Second Response) of the Chico Municipal Code to 72 hours. This ordinance implements the Internal Affairs Committee recommendation approved by the City Council on 11/01/05.

A motion was made by Councilmember Holcombe and seconded by Councilmember Herbert to approve the introductory reading.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Schwab, Wahl
NOES: Kirk, Gruendl

2.6. MINUTE ORDER NO. 32-05 – APPOINTMENT OF GREGORY T. JONES AS CITY MANAGER OF THE CITY OF CHICO – This item was removed from the Consent Agenda and heard under Item 4.1.

The City Council appointed Greg Jones as the City Manager effective 01/01/06. Under the authority granted by the Charter and Municipal Code, he will assume the position of Executive Director of the Chico Redevelopment Agency, as well as any other titles or duties set forth in the Code.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve Minute Order No. 32-05 appointing Gregory T. Jones as City Manager of the City of Chico effective 01/01/06.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

2.7. MINUTE ORDER NO. 33-05 – AUTHORIZATION TO DONATE UNCLAIMED OR ABANDONED BICYCLES TO GOVERNMENT OR NON-PROFIT ORGANIZATIONS – This item was removed from the Consent Agenda and heard under Item 4.1.

The City Council previously authorized an agreement with Chico Unified School District (CUSD) to donate up to 50 bicycles per year for use by classes and for students needing bicycles for transportation. To handle occasional requests from other agencies, the agreement also authorizes CUSD to donate bicycles to non-profit organizations upon request. However, because the current requests would involve on-going donations, separate authorization was requested. The Chief of Police requested authority to donate up to 20 bicycles per year to each of these organizations and other non-profit or government agencies serving the homeless. The Chief of Police recommended approval of the minute order.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to approve Minute Order No. 33-05, as amended, to authorize the City Manager to release more bicycles if available. In addition, staff was instructed to provide some form of notification program to owners who have licensed their bicycles.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.2 BUDGET REVIEW

A. Approval of 2006-08 Biennial Budget Calendar

By agenda report dated 11/02/05, the Budget Officer submitted the proposed 2006-08 Biennial Budget Calendar for approval by the City Council.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the Budget Calendar, with the July 4, 2006 meeting rescheduled to July 11, 2006.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

B. General Budget Review

The City Council was provided with and considered the following documents:

1. General and Park Funds Trends and Projections
2. Summary of Estimated Fund Balances
3. Capital Project Status Report

C. Consideration of Proposed City Manager Recommended Additive Staffing Requests

By agenda report dated 11/04/05 the City Manager forwarded a copy of the additive staffing requests which were postponed from the June work session to this meeting, together with subsequent requests, and recommended approval of the following staffing requests and related equipment:

Human Resources Office - One Administrative Analyst.

Finance Office - One Account Clerk.

Information Systems Department - One Information Systems Analyst.

Police Department - Additional Police staffing and capital expenses.

Community Services Department - One Associate Planner, one GIS Analyst, one Office Assistant (CSD Administration/Planning), one Permits Software Specialist, and one Projects Manager.

General Services Department - One Maintenance Worker (Street Tree Division).

Fire Department - Two firefighter positions and establishment of a Fire Station No. 7 set aside.

A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve the City Manager’s recommended additive staffing requests, with the following changes noted and further directed staff to prepare confirming administrative supplemental appropriations and/or budget modifications following this meeting:

Police Department – allocate an additional $200,000 for this fiscal year with it annualized at $400,000 with additional funding to be studied during the budget review in June 2006.

Fire Department – approve three firefighter positions and the establishment of Fire Station No. 7 set aside funds with the third position to be offset by a reduction in the newly established set aside funds.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl, Gruendl
NOES: Schwab

The Council recessed for a ten minute break at 11:15 a.m.
The meeting was reconvened and all members were present.
D. Consideration of Proposed City Manager Recommended Budget Adjustments

By agenda report dated 11/02/05 the City Manager made recommendations on the following requests for budget adjustments:

**Vehicle License Fee Backfill** - adjustment to reflect the receipt of funds one year earlier than projected.

**Catholic Ladies Relief Society** - additional funding for emergency services.

**Police Facilities Front Counter Safety Improvements** - installation of a bullet resistant front counter.

**Park Department Contractual Services** - funding to treat an infestation of woolly hackberry aphids.

**Lightweight Truck** - for use by Landscape Inspector.

**Annual Street Maintenance** - budget Proposition 42 gas tax revenue and allocate expenditures to the Annual Street Maintenance project.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to approve the City Manager recommended budget adjustments as outlined above, with direction to staff to provide the Council with a copy of the City’s alternative fuel policy.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

E. Consideration of Arts Commission Recommendation to Allocate Funds for Marketing Chico Artoberfest

At its meeting held 06/07/05, the City Council allocated $10,000 for marketing of the Chico Artoberfest 2005 as recommended by the Arts Commission. The Council delayed until this meeting consideration of the Commission’s recommendation to allocate $150,000 over a three-year period for professional consulting expenses to market and coordinate the annual event. By staff report dated 10/31/05, the Art Projects Coordinator forwarded the Arts Commission recommendation. Kathy Barrett, Arts Commission Chair, was in attendance at this meeting to present a brief slide show and answer questions.

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to authorize the allocation of $50,000 for next year and then review it again in November.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

F. Downtown Sidewalk Cleaning

By agenda report dated 11/01/05, the Director of Engineering recommended an allocation of $48,000 for initial cleaning (pressure washing) of downtown sidewalks in a 28-block area, from the south side of First Street to south side of Sixth Street, and from the east side of Salem Street to west side of Wall Street. Staff would work with the Downtown Chico Business Association to develop an annual program for follow-up cleaning. Addressing the Council on this item were Katrina Davis and Susan Mason. The Council was provided with a letter dated 11/2/05 from Katrina Davis, Executive Director, Downtown Chico Business Association supporting the request for an allocation of $48,000 for an extensive initial cleaning and gum removal of downtown sidewalks.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to approve the funding, as requested, once staff has addressed how to handle the ongoing costs for maintenance.

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: Bertagna, Herbert

G. Consideration of Funding Assistance Request from Chico Creek Nature Center for the Classroom Facility

At its meeting held 11/01/05, the City Council referred a loan request from the Chico Creek Nature Center to cover construction costs for the new exhibit and classroom facility to this meeting. By letter dated 10/18/05, Tom Haithcock, Director of the Nature Center, requests funding assistance in the amount of $185,000. The City Manager recommended: (1) approval of a loan from the Park Fund (002) at an interest rate of 4.24 percent which is the rate the City earns on investments, plus one percent; and (2) authorization to execute the necessary loan documents. Tom Haithcock addressed the Council on this item.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to approve the loan as recommended by staff.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

H. Consideration of a Request from Jim Goodwin, President/CEO of the Chico Chamber of Commerce for Funding to Develop an Aviation Event at the Chico Municipal Airport (CMA)

By letter dated 11/02/05, Jim Goodwin, President/CEO of the Chico Chamber of Commerce, submitted a request for $20,000 per year, over the next three years, for development of an aviation event at the Chico Municipal Airport. The funds would be used to support project development and promotion and would cover the costs of insurance for the event. Jim Goodwin addressed the Council regarding this item and indicated that the Chamber would revise their request to $10,000 from the City, with matching funds to come from the community.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve the request for funding of $10,000 to be allocated from the General Fund for 2005-06 for one year only, with the Chamber to secure matching funds from the community.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

I. Consideration of Request from Chico Area Recreation and Park District for Additional Funds for DeGarmo Park Phase I

At its meeting held 10/04/05, the City Council deferred consideration of a funding request from the Chico Area Recreation and Park District until this meeting. By letter dated 11/01/05, Steve Visconti, Interim General Manager of CARD, submitted a request for additional funding in the amount of $1.9 million from the Community Park Fund for the construction of DeGarmo Park Phase I. The 06/30/06 estimated fund balance in the Community Park Fund (330) is $2,457,530. Mr. Visconti was in attendance at this meeting to review the project time line and construction costs.

A motion was made by Councilmember Herbert and seconded by Councilmember Bertagna to approve $1.9 million for the construction of DeGarmo Park Phase I to be funded from the Community Park Fund (330).

The motion carried by the following vote:
4.3. CONSIDERATION OF SIGN-IN PROCEDURE FOR SPEAKERS TO ADDRESS THE CITY COUNCIL

By agenda report dated 11/04/05, the City Clerk forwarded the proposed sign-in procedure for use by citizens wishing to address the Council on items of interest. The request for speaker sign-in cards was forwarded by the Council Procedures Committee and approved by the City Council at its meeting of 9/06/05. This procedure will require citizens wishing to address the Council to first complete a sign-in card to be used by the City Clerk to call speakers up one at a time, thereby eliminating the need for people to stand for long lengths of time waiting for their turn to speak. In order to allow adequate time for the printing of speaker cards and noticing of the public, it was recommended that the procedure be implemented in January. The City Clerk recommended that the City Council implement the proposed sign-in procedure as outlined in the staff report. Once the 90-day review has been completed, the procedure will be included in Administrative Procedure and Policy No. 10-10.

A motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to approve the implementation of the sign-in procedure to be reviewed 90 days following implementation.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Wahl, Gruendl
NOES: Kirk, Schwab

4.4. ITEMS ADDED AFTER POSTING OF THE AGENDA – None

5. BUSINESS FROM THE FLOOR – None

6. REPORTS AND COMMUNICATIONS

The following reports and communication items were provided for the Council's information. No action was taken on any of the items unless otherwise noted.

6.1. Letter dated 10/20/05 from Joel Trenalone, Construction Projects Manager, California State University, Chico, proposing that the City consider exchanging ownership of Orange Street and the adjoining rights of way located between 1st Street and 3rd Street for a Cedar Street parcel. The City Council referred this item to the Internal Affairs Committee for discussion.

7. ADJOURNMENT

Adjourned at 12:30 p.m. and reconvened in Closed Session.
ADJOURNED REGULAR REDEVELOPMENT AGENCY MEETING — November 10, 2005
Minutes

ANNOUNCEMENT OF IDENTIFICATION OF NEGOTIATORS, PROPERTIES AND PARTIES WITH WHOM NEGOTIATORS MAY NEGOTIATE IN REGARD TO A CLOSED SESSION ITEM, CONFERENCE WITH REAL PROPERTY NEGOTIATOR

The Chico Redevelopment Agency adjourned to closed session at 12:30 p.m. to discuss negotiations with the Agency’s real property negotiator regarding the proposed acquisition affecting the following:

<table>
<thead>
<tr>
<th>Property Owners</th>
<th>Property Address</th>
<th>Assessor’s Parcel No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Robert F. Thomasson,</td>
<td>11301 Midway</td>
<td>039-420-001</td>
</tr>
<tr>
<td>Trustee of the Thomasson 1990 Trust</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Robert F. Thomasson and Diane Gliedt</td>
<td></td>
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</tr>
<tr>
<td>Co-Trustees of the Harold V. Thomasson Exemption Trust</td>
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</tbody>
</table>

The Agency’s negotiator was Executive Director Tom Lando and the parties with whom negotiations were proposed to be conducted are the respective property owners (or such persons designated as their agent for the purpose of negotiations).

1. **CALL TO ORDER** – The Redevelopment Agency convened in Closed Session at 12:30 p.m.

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, Director of Human Resources Koch, and City Clerk Presson

2. **CLOSED SESSION**

2.1. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR**

   (Gov. Code Sec. 54954.8)

   Negotiator: Executive Director Tom Lando
   Under Negotiation: Price and terms of payment for proposed acquisition
   Negotiating Parties: As listed below:

<table>
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</tr>
</tbody>
</table>

3. **ADJOURNMENT** – Adjourned and reconvened as the City Council to consider closed session items.

   **ADJOURNED REGULAR CHICO CITY COUNCIL MEETING — November 10, 2005**
   Minutes

1. **CALL TO ORDER**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando, City Attorney Frank, Sr. Assistant City Manager Dunlap, Assistant City Manager Jones, Director of Human Resources Koch, and City Clerk Presson
2. **CLOSED SESSION**

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City's negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, Confidential Employees, and Public Safety Management Employees, for which City Manager Lando was the City's negotiator. The names of the employee organizations that represent employees are Chico Police Officers' Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees, Management Employees and Public Safety Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONSIDERATION OF APPOINTMENT OF CITY MANAGER:** The Council considered the appointment of a City Manager. (Gov. Code Section 54957(b)(1).)

3. **ADJOURNMENT**

Adjourned at 1:50 p.m. to December 6, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: 1/17/06

_____________________________
Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the December 6, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Conference Room # 2, 421 Main Street at 6:00 p.m

   **Roll Call**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando, City Attorney Frank, Assistant City Manager Jones, Human Resources Directors Koch and Fulks. Additional staff present for Item 2.2. were Planning Director Seidler, Community Services Director Baptiste, Director of Engineering McKinley, Senior Planner Murphy, Administrative Analyst Cameron

2. **CLOSED SESSION**

   2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Director of Human Resources Koch for all employee organizations except the Management Employees, Confidential Employees, and Public Safety Management Employees, for which City Manager Lando was the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers’ Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees, Management Employees and Public Safety Management Employees. (Gov. Code Sec. 54957.6.)

   2.2. **CONFERENCE WITH LEGAL COUNSEL — ANTICIPATED LITIGATION:** Significant exposure to litigation pursuant to subdivision (b) of Government Code section 54956.9: One case.

3. **ADJOURNMENT**

   Adjourned to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER – Mayor Gruendl called the December 6, 2005 – Regular Chico Redevelopment Agency meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m

1.1. Flag Salute

1.2. Invocation — Reverend Doctor Carolyn McKeown, Spiritual Enrichment Center

1.3. Roll Call

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

1.4. Closed Session Announcement – None

1.5. Presentation — Sharon Nichols, Chico Veterans’ Day Committee.

1.6. Proclamation — Proclaiming December 7, 2005, as “Pearl Harbor Remembrance Day” to honor the sacrifice of the individuals who served in the armed forces of the United States during World War II.

1.7. Proclamation — Honoring Fire Apparatus Engineer Bruce Silvara on his retirement.

2. CONSENT AGENDA – The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of Item 2.1. A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to approve the following Consent Agenda:

2.1. RESOLUTION NO. 17-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A REGULATORY AGREEMENT WITH MURPHY COMMONS LIMITED PARTNERSHIP FOR A LOW INCOME RENTAL HOUSING PROJECT AT 1290 NOTRE DAME BOULEVARD (Agency Action)

RESOLUTION NO. 65 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING (1) AN AMENDMENT TO THE LEASE OF CITY OWNED PROPERTY ON NOTRE DAME BOULEVARD TO THE COMMUNITY HOUSING IMPROVEMENT PROGRAM, INC. (CHIP) FOR DEVELOPMENT AS AN AFFORDABLE RENTAL HOUSING PROJECT; AND (2) AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN ESTOPPEL CERTIFICATE WITH UNION BANK OF CALIFORNIA, N.A.; AND (3) AUTHORITY FOR THE CITY MANAGER TO EXECUTE A LEASE RIDER AND ESTOPPEL CERTIFICATE WITH THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (City Council Action)

By report dated 11/23/05, the Housing Officer provided background on the Murphy Commons housing project and explained the purpose of the regulatory agreement. The Agency Regulatory Agreement is designed to replace provisions in the ground lease for the housing site, which is between the City and Murphy Commons Limited Partnership. The lease amendments and Estoppel Certificates are required by the private and public sector financing sources which are providing construction and permanent funds for the project. The requested lease amendments do not reduce the security of the City ownership of the housing site. The Estoppel Certificates provide the other lenders assurance that the lease terms are being complied with. The Housing Officer recommended adoption of the resolutions.

The motion to approve the Consent Agenda, as read, carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON THE SALE OF AGENCY-OWNED PROPERTY WITHIN THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA TO THOMAS AND BERNADETTE BLACK** - The Chico Redevelopment Agency acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item.

At its 10/13/05 meeting, the Economic Development Committee recommended approval of a request from Thomas and Bernadette Black to purchase a 1.26 acre parcel of Agency-owned property at the Chico Municipal Airport subject to the conditions outlined in the staff report to the Committee dated 10/06/05, a copy of which was provided to the Agency. The sale price of the property would be based on the current appraised market value of $194,000. The below resolutions implement the Committee's recommendation. By memorandum dated 10/31/05, the Executive Director submitted the Summary Report required by State law. The Economic Development Committee recommended (2-0, Kirk absent) adoption of the resolutions for the sale of Agency-owned property to Thomas and Bernadette Black. Mayor Gruendl opened the hearing to the public and no one spoke. The hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolutions:


**RESOLUTION NO. 18-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY APPROVING THAT CERTAIN AGREEMENT ENTITLED “AGREEMENT FOR SALE OF PROPERTY WITHIN THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA BENEFITED BY ECONOMIC DEVELOPMENT ADMINISTRATION GRANT (CHICO REDEVELOPMENT AGENCY/THOMAS AND BERNADETTE BLACK),” WHICH PROVIDES FOR THE SALE OF AGENCY-OWNED PROPERTY WITHIN THE BOUNDARIES OF THE CHICO MUNICIPAL AIRPORT REDEVELOPMENT PROJECT AREA TO THOMAS AND BERNADETTE BLACK** (Agency Action)

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

Adjourned to a City Council meeting.
REGULAR CHICO CITY COUNCIL MEETING — December 6, 2005
Minutes

1. CALL TO ORDER – Mayor Gruendl called the December 6, 2005 – Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street at 6:30 p.m

1.1. Roll Call

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

2. CONSENT AGENDA – A motion was made by Councilmember Herbert and seconded by Vice Mayor Kirk to approve the following Consent Agenda, with the exception of Item 2.1., which was handled separately.


   At its meeting of 11/10/05, the City Council approved (5-2) the recommendation of the Internal Affairs Committee and the introductory reading of the ordinance to change the qualifying time for a “second response” in both Section 9.38.054 (General Noise Regulations) and Section 9.70 (Civil Liability to a Second Response) of the Chico Municipal Code to 72 hours. The Internal Affairs Committee recommended adoption of this ordinance by reading of the title only. A motion was made by Councilmember Bertagna and seconded by Councilmember Herbert to approve Item 2.1.

   The motion to approve Item 2.1., carried by the following vote:

   AYES: Bertagna, Herbert, Holcombe, Schwab, Wahl, Gruendl
   NOES: Kirk

2.2. RESOLUTION NO. 67 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO EXECUT E A HISTORICAL PROPERTY PRESERVATION AGREEMENT - 344 FLUME STREET/APN 004-171-007 (CITY OF CHICO/KIM SHAFFER)

   By agenda report dated 11/8/05, Assistant Community Services Director Sellers forwarded a report on the application for a historic property preservation agreement for the property at 344 Flume Street, commonly known as the Lee-Mansfield House. The application was initiated by the owner of the property. The Assistant Community Services Director recommended the City Council adopt the resolution authorizing the City Manager to execute the agreement.

2.3. RESOLUTION NO. 68 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO AUTHORIZING THE CITY MANAGER TO EXECUTE A HISTORICAL PROPERTY PRESERVATION AGREEMENT - 253 EAST 12TH STREET/APN 005-174-001 (CITY OF CHICO/DAVID MERAZ)

   By agenda report dated 11/8/05, Assistant Community Services Director Sellers forwarded a report on the application for a historic property preservation agreement for the property at 253 East 12th Street, a church constructed in 1908 and since converted to residential use. The application was initiated by the owner of the property. The Assistant Community Services Director recommended the City Council adopt the resolution authorizing the City Manager to execute the agreement.

2.4. RESOLUTION NO. 69 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO APPROVING AMENDMENT NO. 7 TO THE "MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF CHICO AND SERVICE EMPLOYEES INTERNATIONAL UNION-CLERICAL, TECHNICAL, AND PROFESSIONAL UNIT REGARDING PAY, HOURS AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR JANUARY 1, 2001 THROUGH JULY 31, 2005 (2001 MOU-SEIU-CTP UNIT)"

   This resolution amends the contract between the City and the Service Employees International Union (SEIU) - Clerical, Technical and Professional Unit to add the job title of Volunteer Coordinator to the schedule of positions represented by SEIU and to establish a pay rate for that position. The Director of Human Resources and Risk Management recommended adoption of this resolution.
2.5. MINUTE ORDER NO. 34-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE “GRANT AGREEMENT CITY OF CHICO HOME PROGRAM LOW INCOME HOUSING PROJECT EAST 16TH STREET, CHICO, CALIFORNIA (CITY OF CHICO/HABITAT FOR HUMANITY OF CHICO)”

The minute order provides background on the housing project and the need for the amendment. The housing project has been delayed to accommodate neighborhood meetings which have recently been completed. The amendment will extend the timeframe required to complete the first home in the subdivision from the current date of December 2005 to December 2007, and the first three homes must be sold by December 2008. The Housing Officer recommended approval of the minute order.

2.6. MINUTE ORDER NO. 35-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A CONTROLLED ACCESS HIGHWAY AGREEMENT WITH THE STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION, FOR STATE HIGHWAY 32 FROM FIR STREET TO EAST OF FOREST AVENUE AND FROM EL MONTE AVENUE TO CITY LIMIT EAST OF YOSEMITE DRIVE

The State Department of Transportation (Caltrans) and the County of Butte entered into a freeway agreement covering State Highway Route (SHR) 32 from Fir Street to Humboldt Road on 3/7/72. Subsequently, the revised State plan for SHR 32 changed this portion of the road from a freeway to a controlled access highway. With annexation of properties including SHR 32 access points into the City, Caltrans has requested that the City enter into a Controlled Access Highway Agreement which would acknowledge that SHR 32 is a controlled access highway, acknowledges prior street relocations, closures or construction under the previous agreement with the County which are now within the incorporated City limits, and identifies those specified approved access points intersecting with SHR 32 as Fir Street, Forest Avenue, El Monte Avenue, Bruce Road and Yosemite Drive. The City Manager recommended approval of the minute order.

2.7. MINUTE ORDER NO. 36-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE: (1) AGREEMENT OF CONSENT TO DEED OF TRUST; AND (2) GROUND LEASE ESTOPPEL CERTIFICATE TO AMENDED LEASE AGREEMENT (MCCAIN ASSOCIATES) – CHICO MUNICIPAL AIRPORT

At its meetings of 10/25/05 and 11/29/05, the Airport Commission reviewed and recommended approval of this request from Karl W. Hall, General Partner of Fortress Independence Partnership, for the City to execute documents related to the refinance of the property located at 1103 Fortress Street at the Chico Municipal Airport. Because the Amended Lease Agreement is for a term in excess of 15 years, City Council approval was required. The Airport Commission recommended approval of the minute order.

2.8. MINUTE ORDER NO. 37-05 – AUTHORIZATION FOR CITY MANAGER TO EXECUTE SEWER SERVICE AGREEMENT FOR BUTTE COLLEGE - CHICO CENTER - 2320 FOREST AVENUE (BUTTE-GLENN COMMUNITY COLLEGE DISTRICT)

As required by Title 5 of the California Government Code and as authorized by Chico Municipal Code Section 15.36.032, schools may connect premises owned or used by the schools to the City's sewer system subject to negotiated written agreement on capacity fees. This minute order authorizes execution of a sewer service agreement with Butte-Glenn Community College District for the connection of the Butte College Chico Center on Forest Avenue to the City's sewer system. The agreed-to fees for trunkline and water pollution control plant capacity are based on the sewer fees established by City Council resolution for schools, and are calculated on full-time equivalent student enrollment as set forth in the minute order. The agreement provides that if the full-time equivalent student enrollment increases, the City and Butte College will negotiate additional fees for the increased capacity. The Senior Assistant City Manager recommended approval of the minute order.

2.9. MINUTE ORDER NO. 38-05 – AUTHORIZATION FOR THE CITY MANAGER TO EXECUTE A GRANT DEED WITH PACIFIC GAS AND ELECTRIC COMPANY AND PACIFIC BELL TELEPHONE COMPANY FOR AN EASEMENT UPON CITY OWNED PROPERTY ON EAST 20TH STREET (APN 018-390-044)

In order to serve future development to the east, Pacific Gas and Electric Company and Pacific Bell Telephone Company (dba SBC) have requested that the City execute a grant deed for an easement on City owned property on East 20th Street, parallel to the Little Chico-Butte Creek Diversion Channel. This minute order authorizes the City Manager to execute the grant deed for the easement. The Director of Engineering recommended approval of the minute order. Mayor Gruendl was disqualified on this item.
2.10. **APPROVAL OF PERMIT FOR HIRE OWNER’S PERMIT - AKTAN INC. DBA CABS 4 KIDS**

By report dated 11/14/05, Management Analyst Herman recommended that the City Council approve the issuance of a Vehicle for Hire Owner’s Permit for Aktan Inc. dba Cabs 4 Kids to Kathleen Chavez, finding that the public convenience and necessity warrant the issuance of such a permit, subject to the applicant meeting all Chico Municipal Code (CMC) requirements relating to Vehicle for Hire permits. An Owner’s Permit was previously issued for Cabs 4 Kids, which only transports children, to Amy Nelson, but Ms. Nelson sold the company to Ms. Chavez. Since the CMC regulations relating to Vehicles for Hire Owner’s Permits do not contain a provision for the transfer of an Owner’s Permit, the new owners must submit a new permit application for City Council consideration. All current Vehicle for Hire Owner’s permittees have been notified of the Council’s consideration of this matter on this agenda. Management Analyst Herman recommended approval of the Vehicle for Hire Owner’s Permit.

2.11. **APPROVAL OF MINUTES OF CITY COUNCIL MEETINGS HELD ON 9/20/05, 10/4/05, AND 10/18/05, as amended**

The City Council was provided with the minutes of its meetings held on 9/20/05, 10/4/05, and 10/18/05.

The motion to approve the Consent Agenda, with Item 2.1. being handled separately, carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl

**NOES:** None

**DISQ:** Gruendl – Item 2.9.

3. **NOTICED PUBLIC HEARINGS**

3.1. **CERTIFICATION OF FINAL ENVIRONMENTAL IMPACT REPORT AND ADOPTION OF NORTHWEST CHICO SPECIFIC PLAN**

By agenda report dated 11/30/05, the Planning Director and Senior Planner Vieg transmitted the Planning Commission recommendations regarding the Northwest Chico Specific Plan (NWCSP), which will regulate growth and development in a roughly 700-acre area in the northwest part of Chico. The Plan Area includes lands both inside and outside of the City limits and the City’s sphere of influence, and is bounded along the north and northwest by Mud and Sycamore Creeks, on the east by Hicks Lane, and on the south by the existing developed areas of Chico south of Eaton Road. The Plan Area lies entirely on the urban side of the Chico Area Greenline.

The NWCSP provides parameters for future development in the Plan Area, including approximately 2,445 new housing units and up to 442,994 square feet of community-serving retail, a network of open space including parks and trails, and necessary infrastructure, and includes a General Plan amendment/rezone of various properties consistent with the NWCSP. It also provides for a future amendment to the City of Chico Sphere of Influence (SOI) and annexation of land within the Plan Area into the City. The NWCSP provides specific land use development standards and patterns, guides master planning of infrastructure facilities, and establishes a financing strategy for infrastructure needs in the Plan Area. An environmental impact report was prepared to address the full range of potential environmental impacts that are anticipated through implementation of the NWCSP, amendment of the SOI boundary, and annexation of the Plan Area to the City. All of the above matters were considered at a public hearing on 10/25/05, held before a joint meeting of the Council and the Planning Commission. Councilmembers Bertagna and Herbert were disqualified on this item.

The Planning Director recommended that the City Council:

1. Open the public hearing to receive any new testimony on the following issues referred to the Council by the Planning Commission and not previously addressed at the joint public hearing on 10/25/05. These issues include: (a) a request by Mr. Ashby for R3 zoning; (b) location of the small neighborhood park east of Highway 99; (c) solar orientation of new residential buildings; and (d) widening/lengthening of Center Street Median.

2. Adopt the resolution certifying the Final EIR, making a statement of overriding considerations, and adopting the associated Mitigation Monitoring Program prepared for the NWCSP; and
3. Adopt the resolution amending the General Plan land use designation for various properties in the Plan Area, and adopting the NWCSP; and

4. Introduce the ordinance rezoning certain properties within the Plan Area, consistent with the General Plan and NWCSP, by the reading of the title only; and

5. Direct staff to proceed with the necessary Sphere of Influence amendment and annexation applications with the Butte County LAFCO as necessary to implement the NWCSP.

The Council announced its ex parte communications. Vice Mayor Kirk had spoken with Jim Mann, Greg Webb, and Pete Giampaoli. Councilmember Holcombe had spoken with Jim Mann, Greg Webb, and received voicemail messages from Dan Nguyen-Tan, Pete Giampaoli, Roger Cole, Barbara Vlamis, John Luvaas and Jim Stevens. Councilmember Schwab had spoken with Barbara Vlamis and Kirk Monfort and received voicemail messages from Jim Mann and Jim Stevens. Councilmember Wahl had spoken with Barbara Vlamis and Kirk Monfort and received voicemail messages from Jim Mann, Pete Giampaoli, Greg Webb, and Jim Stevens. Mayor Gruendl had spoken with Jim Mann, Greg Webb, Barbara Vlamis, Dan Nguyen-Tan, and John Luvaas and received voicemail messages from Jim Stevens and Pete Giampaoli.

A straw poll was conducted on Planning Commission Recommendations regarding Northwest Chico Specific Plan – Issues 1 through 23 with results as follows:

Issue 1: Agricultural Buffers

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to accept the Planning Commission’s recommendation to provide for a 300-foot buffer along the southern boundary of the Plan Area west of Jones Avenue if the County provides the City with the right of eminent domain to employ for the purpose of acquiring the rights across the adjacent property to the south. If the power to use eminent domain is not granted (or is determined not to be legal), then a 100-foot buffer will apply.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl
DISQ: Bertagna, Herbert

Issue 2: Commercial Uses at Eaton and the Esplanade

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to accept the Planning Commission’s recommendation to retain the existing Community Commercial designation and zoning at the northwest corner of Eaton Road and the Esplanade, rather than converting it to Neighborhood Commercial.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 3: Commercial Uses at Nord Highway and the Esplanade

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to accept the Planning Commission’s recommendation to retain the existing size of the commercial area at the northwest corner of Nord Highway and the Esplanade and designate the property Neighborhood Commercial, rather than Community Commercial.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Gruendl
NOES: Wahl
DISQ: Bertagna, Herbert
Issue 4: Industrial Use in the Northern Area

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to accept staff’s recommendation to retain the existing light industrial zoning for the parcels near Valley Court and the Esplanade (surrounded by Mud Creek, SHR 99 and the Esplanade) and adjust the alignment of Leora Court to provide a buffer between the light industrial uses and commercial and residential uses to the south. Further, in consultation with the Planning Commission, staff will develop design guidance (i.e., setbacks, landscaping, and walls) which address light industrial and residential/commercial use adjacencies.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 5: One- and Two-Story Residences

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to accept the Planning Commission’s recommendation that in consultation with the Planning Commission, add design guidance to maximize privacy where new multi-family buildings of more than one story in height are proposed adjacent to existing or new single-family residences, through landscaping, setbacks, parking, and window design and location. Councilmember Holcombe requested a friendly amendment that opaque windows in two story bedroom windows be made optional rather than mandatory in the design guidelines.

The motion carried by the following vote:

AYES: Holcombe, Schwab, Wahl
NOES: Gruendl, Kirk
DISQ: Bertagna, Herbert

Issue 6: Raised Porches and Visitability

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to not require raised porches on homes on Center Street but to allow for mixed uses and flexibility.

The motion failed by the following vote:

AYES: Kirk, Wahl
NOES: Holcombe, Schwab, Gruendl
DISQ: Bertagna, Herbert

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to accept the Planning Commission’s recommendation to require front porches on homes along Center Street to be raised, or at least appear to be raised through the use of grading.

The motion carried by the following vote:

AYES: Holcombe, Schwab, Gruendl
NOES: Kirk, Wahl
DISQ: Bertagna, Herbert

Issue 7: Garage Frontages

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to not limit the size of garages to 50% or less of the size of the home and to allow for narrower garages if desired.

The motion failed by the following vote:

AYES: Kirk, Wahl
NOES: Holcombe, Schwab, Gruendl
DISQ: Bertagna, Herbert

The motion was amended by Vice Mayor Kirk and seconded by Mayor Gruendl to allow garages to be 22' or smaller with the requirement of a set back.
The motion failed by the following vote:

AYES: Kirk, Gruendl  
NOES: Holcombe, Schwab, Wahl  
DISQ: Bertagna, Herbert

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to require that garages be set back from the main facade of residences, and that any garage occupying more than 50% of the total front elevation not exceed 22 feet in width.

The motion carried by the following vote:

AYES: Holcombe, Schwab, Gruendl  
NOES: Kirk, Wahl  
DISQ: Bertagna, Herbert

**Issue 8: Mix of Housing Types**

A motion was made by Councilmember Schwab to accept the densities proposed with the exception of the area that is behind the medium high density south of Nord Highway, asking that a special overlay be added to that area, so that remain low density residential but shall be developed at its maximum density of 6 units per acre. The motion died due to a lack of a second.

A motion was made by Vice Mayor Kirk to accept the Planning Commission’s recommendation. The motion died due to a lack of a second.

A motion was made by Councilmember Holcombe and seconded by Mayor Gruendl to keep the R2 designation in the areas that were prezoned R2 that are currently slated to be rezoned to R1. The consultant expressed concern that this density would increase traffic and trigger recirculation of the EIR. He added that 50 traffic trips per day or 5 acres maximum in R2 zoning would be the maximum allowable without affecting the current EIR.

Councilmember Holcombe amended his motion to keep as much R2 acres as legally possibly without increasing traffic to the point where the traffic EIR would have to be recirculated. Mayor Gruendl withdrew his second. The motion died due to a lack of a second.

A motion was made by Councilmember Schwab and seconded by Mayor Gruendl to accept the Planning Commission’s recommendation to develop Specific Plan language that would require approximately 37-acre LDR-designated parcel south of Nord Highway adjacent to the MHDR-designated parcel along the Esplanade be developed at a density of between 5 and 6 units per acre.

The motion failed by the following vote:

AYES: Schwab, Gruendl  
NOES: Holcombe, Kirk, Wahl  
DISQ: Bertagna, Herbert

Councilmember Holcombe asked that if Councilmember Schwab’s motion was approved, would the 50 trip/5 acre maximum still be available for use elsewhere. Staff responded affirmatively. The consultant confirmed that the motion would allow a minimum of 5 to a maximum of 6 units per acre on the parcel south of Nord Highway adjacent to the MHDR-designated parcel along the Esplanade. Councilmember Schwab’s motion was reintroduced and seconded by Mayor Gruendl to accept the Planning Commission’s recommendation to develop Specific Plan language that would require approximately 37-acre LDR-designated parcel south of Nord Highway adjacent to the MHDR-designated parcel along the Esplanade be developed at a density of between 5 and 6 units per acre.

The motion carried by the following vote:

AYES: Holcombe, Schwab, Gruendl  
NOES: Kirk, Wahl  
DISQ: Bertagna, Herbert
Issue 9: “Require” vs. “Encourage”

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to change “should” to “shall” as detailed in the “red-lined” Design Guidance chapter provided by staff at the meeting in order to clarify City expectations for proposed new development, as well as an additional change as requested by the City Attorney to remove the second sentence in the first paragraph on page one of the Design Guidance chapter.

The motion carried by the following vote:

- AYES: Holcombe, Schwab, Gruendl
- NOES: Kirk, Wahl
- DISQ: Bertagna, Herbert

Issue 10: Width of Nord Highway

A motion was made by Councilmember Schwab and seconded by Vice Mayor Kirk to accept the Planning Commission’s recommendation to retain the proposed 11-foot travel lanes for Nord Highway within the Plan Area.

The motion carried by the following vote:

- AYES: Holcombe, Kirk, Schwab, Gruendl
- NOES: Wahl
- DISQ: Bertagna, Herbert

The Council recessed for a ten minute break at 8:30 p.m.
The meeting was reconvened at 8:40 p.m. and Councilmembers Holcombe, Kirk, Schwab, Gruendl, and Wahl were present

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Issue 11: Eaton Road Cross-Section

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to change the street section in the Specific Plan for Eaton Road removing the use of a soundwall, fronting homes to the street, and requiring appropriate setbacks, speed controls, and other measures to attenuate noise to levels allowed in the City’s General Plan. Further, ensure that the final design will provide for a safe crossing of Eaton Road by pedestrians and bicyclists.

The motion carried by the following vote:

- AYES: Holcombe, Schwab, Gruendl
- NOES: Kirk, Wahl
- DISQ: Bertagna, Herbert

Issue 12: Esplanade Sidewalk Width/Commercial Setback

A motion was made by Councilmember Holcombe and seconded by Councilmember Schwab to accept the Planning Commission’s recommendation to provide sidewalks of 5 feet in width along the Esplanade within the proposed 96’ ROW, to require 10-28’ front yard setbacks adjacent to residential uses, and detailing that sidewalks adjacent to commercial uses shall be 10 to 12 in width, with commercial buildings built to sidewalks and providing for this additional width through easements on private property.

The motion carried by the following vote:

- AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
- NOES: None
- DISQ: Bertagna, Herbert
Issue 13: Parking Lane Width on Residential Streets

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to accept the Planning Commission’s recommendation to retain the proposed 6-foot parking lanes.

The motion carried by the following vote:

AYES: Holcombe, Schwab, Gruendl
NOES: Kirk, Wahl
DISQ: Bertagna, Herbert

Issue 14: Bike Lanes on Center Street

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to remove the bike paths from the 30-foot median on Center Street.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 15: Bike Connections

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to accept the Planning Commission’s recommendation to revise Figure 5-13 in the NWCSP to clearly reflect bicycle route connectivity between the Plan Area and destinations to the south, including 1) delineating a continuation of the proposed Powerline Drive bicycle route across Eaton Avenue and to the SUDAD in order to create a future connection opportunity; and 2) identifying a bicycle route along the cul-de-sac that runs through the Eaton Village Condominiums (across from the Rosewood and Willoughby Glen subdivisions) to provide for a future connection to Bay Avenue/Cussick Avenue. Further, refer connectivity in this area to the Bicycle Advisory Committee for future consideration.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 16: Levee Trail

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to accept the Planning Commission’s recommendation to retain the levee trail and provide for its maintenance by the City once it is constructed.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 17: 100-year Flooding

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to accept the Planning Commission’s recommendation that no changes are necessary to the NWCSP or the EIR.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert
Issue 18: Off-site Detention

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to select, if possible, the parcel with the wetland to the west of the Plan as the primary choice for the off-site detention/wetland facility.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 19: Detention Basin Design

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to require 5:1 slopes for all surface detention facilities throughout Plan Area, but alternatively allow suitable subsurface designs with appropriate surface landscaping.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 20: Additional Ashby Request

A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to rezone the R2-zoned Ashby property located directly north of Nord Highway to both R3 and R2, and identify a cul-de-sac stub to the adjacent trailer park to the north for future connectivity.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 21: Small Neighborhood Park East of Highway 99

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to accept the Planning Commission’s recommendation to add language to the NWCSP requiring that the location of the small neighborhood park east of SHR 99 be determined in connection with the first phase of development of the large Webb Homes parcel on the east side of SHR 99.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Issue 22: Solar Orientation

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to accept staff’s amendment to the Planning Commission’s recommendation for the addition of language regarding solar orientation. The final language for insertion into the design guidance chapter of the Specific Plan is as follows:

“Where feasible, buildings and landscaping should be oriented and designed to maximize the potential for natural cooling and passive solar principles. Residential buildings should provide adequate southerly roof orientation to accommodate active solar energy systems, where feasible.”

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert
Issue 23: Widening/Lengthening of Center Street Median

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to retain the width and alignment of Center Street as currently portrayed in the Draft Specific Plan.

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

Mayor Gruendl opened the hearing to the public. Addressing the Council on this item in favor of the NWCSSP were Jeff Carter, Pete Giampaoli, Jim Adams, Jim Mann, Greg Webb, and David Garner. The hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to introduce the following ordinance, as amended, and adopt the following resolutions, as amended.

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTIES GENERALLY BOUNDED ALONG THE NORTH AND NORTHWEST BY MUD AND SYCAMORE CREEKS, ON THE EAST BY HICKS LANE, AND ON THE SOUTH BY THE EXISTING DEVELOPED AREAS OF CHICO TO THE SOUTH OF EATON ROAD; AP Nos. Various (GPA/RZ 04-07; CITY OF CHICO) - Introductory Reading – as amended

RESOLUTION NO. 70 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO CERTIFYING THE ADEQUACY OF THE FINAL ENVIRONMENTAL IMPACT REPORT, MAKING FINDINGS REGARDING ENVIRONMENTAL EFFECTS, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING A MITIGATION AND MONITORING PLAN FOR THE NORTHWEST CHICO SPECIFIC PLAN PROJECT (State Clearinghouse Number 2004082087) – as amended

RESOLUTION NO. 74 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING THE NORTHWEST CHICO SPECIFIC PLAN AND APPROVING GENERAL PLAN AMENDMENT 04-07 AFFECTING VARIOUS PROPERTIES GENERALLY BOUNDED ALONG THE NORTH AND NORTHWEST BY MUD AND SYCAMORE CREEKS, ON THE EAST BY HICKS LANE, AND ON THE SOUTH BY THE EXISTING DEVELOPED AREAS OF CHICO TO THE SOUTH OF EATON ROAD; AP NOS. VARIOUS (CITY OF CHICO) – as amended

The motion carried by the following vote:

AYES: Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None
DISQ: Bertagna, Herbert

3.2. HEARING ON FORMATION OF MAINTENANCE DISTRICT NO. 556 - VALHALLA PLACE SUBDIVISION

By agenda report dated 11/7/05, the Director of Engineering reported that this resolution will order the formation of Chico Maintenance Assessment District No. 556. As a condition of approval of a subdivision map for this development, located at 1442 East Avenue, the developers, Marcon, Inc., have consented to the formation of this district to fund the annual maintenance and future replacement costs of a storm drain interceptor and oversized storm drain pipes. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Engineering recommended adoption of the resolution. Councilmember Bertagna was disqualified on this item. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the following resolution:

RESOLUTION NO. 71 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 556 — VALHALLA PLACE SUBDIVISION
3.3. **HEARING ON INITIATION OF ISLAND ANNEXATION PROCEEDINGS FOR PARK AVENUE ANNEXATION DISTRICT NO. 15**

By agenda report dated 11/8/05, the Assistant Community Services Director forwarded a report on initiation of the annexation of seven parcels which comprise the entirety of two adjacent "islands of unincorporated territory," with a total area of 23.843 acres, located between Park Avenue and Fair Street (just north of East Park Avenue), and on the west side of Park Avenue at the East Park Avenue intersection. The parcels proposed for annexation include the Thomasson parcel along Comanche Creek, which was being considered for City acquisition. The area is developed with commercial, office, and light industrial uses, consistent with the General Plan and zoning. Property owners were identified in the agenda report. The annexation will be initiated to eliminate islands.

State law provides that a resolution initiating proceedings for the annexation of islands can be adopted only after a public hearing on the proposal, providing an opportunity for those residing and/or owning property within the area to comment on the proposal. Notice of the hearing was provided by publication and direct mailing to those parties requesting such notice. The Assistant Community Services Director recommended adoption of the resolution.

A motion was made by Councilmember Schwab and seconded by Councilmember Holcombe to adopt the following resolution:

**RESOLUTION NO. 72 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO INITIATING PROCEEDINGS TO ANNEX PROPERTY NOW LOCATED IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF BUTTE TO THE INCORPORATED TERRITORY OF THE CITY OF CHICO - PARK AVENUE ANNEXATION DISTRICT NO. 15**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None  
**DISQ:** Bertagna

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **CONSIDERATION OF REPORT AND RECOMMENDATIONS FROM THE INTERNAL AFFAIRS COMMITTEE ON ITS MEETING HELD ON NOVEMBER 9, 2005**

By agenda report dated 11/15/05, the Internal Affairs Committee provided a report on its meeting held on 11/09/05. Committee members present were Councilmembers Wahl, Schwab and Herbert, Chair. The matters considered by the Committee are listed below.

**COMMITTEE MATTERS REQUIRING CITY COUNCIL ACTION AT THIS MEETING:**

A. **Consideration of a Request to Install Loading Zones on West Eleventh Street and Broadway for Chico Country Day School, and Consideration of a Request to Install Speed Humps on West Eleventh Street.** The Committee recommended (3-0) the installation of two loading zones adjacent to Chico Country Day School, but did not recommend (3-0) installation of speed humps on West Eleventh Street.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Bertagna to adopt the following resolution:

**RESOLUTION NO. 73 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ADOPTING TRAFFIC REGULATION (AMENDMENT NO. 797)**

The motion carried by the following vote:
AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to accept the Committee’s recommendation on the following item:

B. **Discussion Concerning the Regulation of Parking Trailers, Boats, and Recreational Vehicles on City Streets.** The Committee recommended (3-0) staff investigate how other cities handle on-street parking and to bring the results back to the Committee at a future date.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

A motion was made by Councilmember Bertagna and seconded by Councilmember Wahl to accept the Committee’s recommendation on the following item:

C. **Review and Consideration of Request from Silver Dollar BMX for Assistance to Construct a BMX and Freestyle Bicycle Facility on a 3.56 Acre City Parcel Adjacent to the Silver Dollar Fairgrounds.** The Committee recommended (2-1, Schwab abstained) that this request be considered when the Council reviews its list of Redevelopment Projects in 2006.

The Council was provided with a copy of the presentation and a copy of the Silver Dollar BMX 2005 Budget which were provided to the Committee at its meeting of 11/9/05.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Wahl, Gruendl
NOES: None
DISQ: Schwab

**COMMITTEE MATTERS REQUIRING NO CITY COUNCIL ACTION AT THIS MEETING.**

D. **Consideration of Traffic Regulation Amendment (TRA) No. 801 Which Would Remove 380 Feet of Parking along East Lassen Avenue.** The Committee adopted (3-0) Traffic Regulation Amendment (TRA) No. 801 which removes 380 feet of parking along East Lassen Avenue under the SHR 99 overpass.

E. **Consideration of an Amendment to Park Rules to Prohibit Children Ages Six and Under Within the Sycamore Pool Area Unless Accompanied by a Person Fourteen Years of Age or Older.** The Committee agreed (3-0) to refer further discussion of this item to the Bidwell Park and Playground Commission.

A motion was made by Councilmember Bertagna and seconded by Councilmember Holcombe to accept the November 9, 2005 – Internal Affairs Committee Report.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **BUSINESS FROM THE FLOOR** – None

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. **E-mail from Bob Best dated 11/9/05 requesting a Redevelopment Agency committee be established.**
motion was made by Councilmember Wahl and seconded by Councilmember Bertagna to refer this item to Finance Committee. Carried 7-0.

6.2. Letter from Joel Castle dated 11/14/05 requesting that the issue of medical marijuana be addressed. Councilmember Holcombe was disqualified on this item.

7. ADJOURNMENT

Adjourned at 9:58 p.m. to December 20, 2005, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by an adjourned regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: January 17, 2006

Deborah R. Presson, City Clerk
1. **CALL TO ORDER** – Mayor Gruendl called the December 20, 2005 – Adjourned Regular Chico City Council Meeting to order in the Chico Municipal Center, Conference Room #2, 421 Main Street at 6:00 p.m.

2. **CLOSED SESSION**

   Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
   Absent: None

   Staff Present: City Manager Lando, Assistant City Manager Jones, Finance Director Hennessy, City Attorney Frank, Director of Human Resources Koch, and City Clerk Presson

2.1. **CONFERENCE WITH LABOR NEGOTIATOR:** The City’s negotiator was Director of Human Resources Fulks for all employee organizations except the Management Employees, Confidential Employees, and Public Safety Management Employees, for which City Manager Lando was the City’s negotiator. The names of the employee organizations that represent employees are Chico Police Officers’ Association, Chico Public Safety Association, International Association of Firefighters, and Service Employees International Union (Trades and Crafts Unit and Clerical, Technical and Professional Unit). The unrepresented employees are Confidential Employees, Management Employees and Public Safety Management Employees. (Gov. Code Sec. 54957.6.)

2.2. **CONFERENCE WITH LEGAL COUNSEL AND RISK MANAGER – EXISTING LITIGATION:** The City Attorney and Risk Manager reviewed settlement of the workers compensation claim of Troy Morse. (Gov. Code Sec. 54956.9(a).)

2.3. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:** Significant exposure to litigation pursuant to subdivision (b) of Government Code section 54956.9: One case.

2.4. **PUBLIC EMPLOYEE APPOINTMENT** – City Manager (Government Code Section 54957.)

2.5. **PUBLIC EMPLOYEES PERFORMANCE EVALUATION:** The City Council reviewed the City Manager's performance. (Gov. Code Section 54957.)

3. **ADJOURNMENT**

   Adjourned at 6:25 p.m. to a Redevelopment Agency meeting in the Council Chamber.
1. CALL TO ORDER – Mayor Gruendl called the December 20, 2005 – Adjourned Regular Chico Redevelopment Agency meeting to order in the Council Chamber, 421 Main Street at 6:30 p.m.

1.1. Flag Salute

1.2. Moment of Silence

1.3. Roll Call

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
Absent: None

1.4. Closed Session Announcement – Council may reconvene to Closed Session at the end of this meeting.

1.5. Acknowledgment of Retiring City Employees:

Barry Freeland 15 years
Linda Danielson 18 years

1.6. Proclamation — Honoring Equipment Mechanic II Harry Kavanaugh on his retirement after 27 years of service to the City.

1.7. Proclamation — Honoring Director of Human Resources and Risk Management Bob Koch on his retirement after 33 years of service to the City.

2. CONSENT AGENDA

3. NOTICED PUBLIC HEARINGS

3.1. HEARING ON SALE OF PROPERTY OWNED BY THE CHICO REDEVELOPMENT AGENCY FOR AN AFFORDABLE HOUSING PROJECT - 2001 NOTRE DAME BOULEVARD – The Chico City Council acted in its capacity as both the Chico Redevelopment Agency and the Chico City Council for consideration of this item.

At its meeting of 11/01/05, the Chico Redevelopment Agency and the City Council approved a sales agreement for the sale of a three acre portion of property owned by the City of Chico. The Agency acquired the site for development of affordable housing and selected Northern Valley Catholic Social Services (NVCSS) to sponsor the development of the property. NVCSS has secured financing from the U.S. Department of Housing and Urban Development and the Agency for the development of a senior housing project on the site. NVCSS formed a nonprofit corporation named Jarvis Gardens Senior Apartments, Inc. to be the owner of the housing project. The purpose of this hearing was to consider selling the property to Jarvis Gardens Senior Apartments, Inc. for development of a 50-unit rental housing project affordable for low income seniors. The purchase price would be $900,000 which is the amount the Agency paid for the initial acquisition from the City. By report dated 12/8/05, the Housing Officer submitted the Summary Report for the Agency's sale of the property, required pursuant to the California Community Redevelopment Law, Health and Safety Code Section 33433. Jarvis Gardens Senior Apartments, Inc. will be required to execute a loan agreement and regulatory agreement that restricts the use of the site to an affordable housing project. The below resolutions implement the actions of the City Council and Redevelopment Agency in accordance with Community Redevelopment Law. The City Manager/Executive Director recommended adoption of the resolutions. Mayor/Board Chair Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Councilmember Herbert and seconded by Councilmember Wahl to adopt the following resolutions:

RESOLUTION NO. 75 05-06 – A RESOLUTION OF THE COUNCIL OF THE CITY OF CHICO APPROVING THAT CERTAIN AGREEMENT ENTITLED, "AGREEMENT FOR THE SALE OF REAL PROPERTY AT 2001 NOTRE DAME BOULEVARD (CHICO REDEVELOPMENT AGENCY/JARVIS
RESOLUTION NO. 19-05 – A RESOLUTION OF THE CHICO REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A SALES AGREEMENT WITH JARVIS GARDENS SENIOR APARTMENTS INC. FOR DEVELOPMENT OF A SENIOR CITIZEN APARTMENT COMPLEX AS A LOW INCOME HOUSING PROJECT AT 2001 NOTRE DAME BOULEVARD (Agency Action)

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA** – None

4.2. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **ADJOURNMENT**

   Adjourned to a City Council meeting.
1. **CALL TO ORDER** – Mayor Gruendl called the December 20, 2005 – Adjourned Regular Chico City Council meeting to order in the Chico Municipal Center, Council Chamber, 421 Main Street.

1.1. **Roll Call**

Present: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
Absent: None

2. **CONSENT AGENDA** – Item 2.3. was removed from the Consent Agenda and heard under Item 4.1.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Wahl to approve the remaining Consent Agenda items:

2.1. **ORDINANCE NO. 2332 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICO REZONING CERTAIN PROPERTIES GENERALLY BOUNDED ALONG THE NORTH AND NORTHWEST BY MUD AND SYCAMORE CREEKS, ON THE EAST BY HICKS LANE, AND ON THE SOUTH BY THE EXISTING DEVELOPED AREAS OF CHICO TO THE SOUTH OF EATON ROAD; AP Nos. Various (GPA/RZ 04-07; CITY OF CHICO) - Final Reading and Adoption**

At its meeting of 12/6/05, the City Council approved (5 in favor, 2 disqualified) the recommendation of the Planning Director to rezone and prezone parcels consistent with the adoption of the Northwest Chico Specific Plan (NWChSP), which will regulate growth and development in a roughly 700-acre area in the northwest part of Chico. The Plan Area includes lands both inside and outside of the City limits and the City's sphere of influence, and is bounded along the north and northwest by Mud and Sycamore Creeks, on the east by Hicks Lane, and on the south by the existing developed areas of Chico south of Eaton Road. The Plan Area lies entirely on the urban side of the Chico Area Greenline. The Planning Director recommended adoption of this ordinance by the reading of the title only. Councilmembers Bertagna and Herbert were disqualified on this item.

2.2. **MINUTE ORDER NO. 39-05 – APPOINTMENT OF THOMAS J. LANDO AS A SPECIAL ASSIGNMENT PROFESSIONAL WORKER FOR THE CITY OF CHICO**

Greg Jones is assuming the position of City Manager on 01/01/06. The City Council has authorized the appointment of Tom Lando as a Special Assignment Professional Worker to assist for 120 days during the transitional period. The Assistant City Manager recommended approval of this minute order.

2.3. **MINUTE ORDER NO. 40-05 – CONSENT TO TERMINATE LEASE OF CITY-OWNED PROPERTY LOCATED AT 965 FIR STREET (CITY OF CHICO/BUTTE COUNTY ASSOCIATION OF GOVERNMENTS)** – This item was removed from the Consent Agenda and heard under Item 4.1.

The initial term of the agreement between the City and Butte County Association of Governments (BCAG) for lease of City-owned property located at 965 Fir Street ended 04/30/05. The term was extended by one year to 04/30/06 and under the terms of the agreement, BCAG was required to provide six months advance notice of termination. By letter dated 10/25/05, the Executive Director of BCAG provided notice that BCAG will be vacating the property as of 03/01/06 and requested that the City consent to the early termination of the lease effective 2/28/06. The Administrative Services Director recommended approval of the minute order.

2.4. **APPROVAL OF MINUTES OF CITY COUNCIL MEETING HELD ON 11/1/05**. The minutes from the meeting of 10/25/05 were removed from Consent by staff and continued to a future meeting.

The City Council was provided with the minutes of its meetings held on 10/25/05 and 11/1/05. The minutes from the meeting of 11/1/05 were approved.

The motion to approve the Consent Agenda, as read, with Item 2.3. removed and heard under Item 4.1., and with the minutes of the 10/25/05 meeting continued to a future meeting, carried by the following vote:
3. **NOTICED PUBLIC HEARINGS**

3.1. **HEARING ON FORMATION OF MAINTENANCE ASSESSMENT DISTRICT NO. 542 (MISSION VISTA HILLS)**

By report dated 11/23/05, the Director of Engineering reported that this resolution orders the formation of Chico Maintenance Assessment District No. 542. As a condition of approval of a subdivision map for this subdivision, generally located between SHR 32 and Humboldt Road adjacent to Hank Marsh Junior High School, the developer, Ronco Enterprises, has consented to the formation of this district for the annual maintenance and future replacement of the landscaping and irrigation of the parkway strip along Humboldt Road, within the Caltrans right-of-way abutting SHR 32, and the storm water quality facility located within the subdivision. This maintenance assessment district will provide that the City perform (or contract for) the operation and maintenance services which will be paid by property owners within this district. Future annual assessments will be paid at the time other property taxes are collected. The Director of Engineering recommended adoption of the resolution. Mayor Gruendl opened the hearing to the public. No one spoke and the hearing was closed.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Holcombe to adopt the following resolution:

**RESOLUTION NO. 76 05-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHICO ORDERING FORMATION OF A MAINTENANCE ASSESSMENT DISTRICT PURSUANT TO THE MAINTENANCE DISTRICT ORDINANCE OF 1997 AND APPROVING A DECLARATION OF CONDITIONS, COVENANTS, AND RESTRICTIONS RELATING THERETO - CITY OF CHICO MAINTENANCE ASSESSMENT DISTRICT NO. 542 MISSION VISTA HILLS SUBDIVISION**

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None

4. **REGULAR AGENDA**

4.1. **ITEMS REMOVED FROM THE CONSENT AGENDA**

2.3. **MINUTE ORDER NO. 40-05 – CONSENT TO TERMINATE LEASE OF CITY-OWNED PROPERTY LOCATED AT 965 FIR STREET (CITY OF CHICO/BUTTE COUNTY ASSOCIATION OF GOVERNMENTS)** – This item was removed from the Consent Agenda for additional discussion.

The initial term of the agreement between the City and Butte County Association of Governments (BCAG) for lease of City-owned property located at 965 Fir Street ended 04/30/05. The term was extended by one year to 04/30/06 and under the terms of the agreement, BCAG was required to provide six months advance notice of termination. By letter dated 10/25/05, the Executive Director of BCAG provided notice that BCAG will be vacating the property as of 03/01/06 and requested that the City consent to the early termination of the lease effective 2/28/06. The Administrative Services Director recommended approval of the minute order.

A motion was made by Councilmember Holcombe and seconded by Vice Mayor Kirk to approve Minute Order No. 40-05.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl  
**NOES:** None
4.2. **FUTURE MEETINGS**

City Council discussed dates to meet and to consider Enloe Medical Center’s Final Environmental Impact Report and proposed Master Plan and agreed to add this item to a regular meeting in March 2006, with direction to staff to keep all other items to a minimum. Councilmember Wahl indicated for the record that he would be disqualified on this item.

4.3. **ITEMS ADDED AFTER POSTING OF THE AGENDA** – None

5. **BUSINESS FROM THE FLOOR**

David Guilford expressed concern over his safety with gang activity.

6. **REPORTS AND COMMUNICATIONS**

The following reports and communication items were provided for the Council’s information. No action was taken on any of the items unless otherwise noted.

6.1. **2004-2005 CITY OF CHICO DEVELOPMENT IMPACT FEE REPORT FOR THE PERIOD ENDED 6/30/05**

As required by California Government Code §66006 (b), the City Council was provided with a copy of the 2004-2005 City of Chico Development Impact Fee Report for the fiscal year ended 6/30/05. The statute requires the City Council to review the report, but no particular findings or actions are required.

6.2. Memorandum dated 12/1/05 from the Finance Director reported that the list of claims paid during the months of October and November 2005 has been produced and will be available for review in the offices of the Finance Director, the City Clerk and the City Council.

6.3. Memorandum dated 11/22/05 from the General Services Director regarded the proposed policy relating to the viewshed surrounding Bidwell Park. The Assistant City Manager recommended this item be referred to the Internal Affairs Committee.

A motion was made by Vice Mayor Kirk and seconded by Councilmember Herbert to refer this item to the Internal Affairs Committee.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
**NOES:** None

6.4. Letter from Wayne Cook requesting modification of the current lease for parking spaces for the Hotel Diamond in the Downtown Parking Structure to provide an option to renew for an additional 25 year period. The Assistant City Manager recommended this item be referred to the Economic Development Committee. Councilmembers Schwab and Wahl were disqualified on this item.

A motion was made by Councilmember Bertagna and seconded by Vice Mayor Kirk to refer this item to the Economic Development Committee.

The motion carried by the following vote:

**AYES:** Bertagna, Herbert, Holcombe, Kirk, Gruendl
**NOES:** None
**DISQ:** Schwab and Wahl

6.5. Letter from Sharp & Brown, attorneys for Performance Excavators, Inc., requesting copies of documents regarding Humboldt Road Burn Dump and asking to be placed on the City Council’s agenda.
A motion was made by Vice Mayor Kirk and seconded by Councilmember Schwab to continue the Closed Session Item 2.5. to the 1/03/06 meeting.

The motion carried by the following vote:

AYES: Bertagna, Herbert, Holcombe, Kirk, Schwab, Wahl, Gruendl
NOES: None

7. **ADJOURNMENT**

Adjourned at 7:05 p.m. to January 3, 2006, at 6:00 p.m., in Conference Room No. 2 if a closed session is scheduled, followed by a regular meeting in the Council Chamber at 6:30 p.m.

Date Approved: January 17, 2006

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Deborah R. Presson, City Clerk