

**MINUTES OF THE REGULAR MEETING
OF THE CITY COUNCIL OF THE CITY OF
SANTA ANA, CALIFORNIA**

FEBRUARY 2, 2016

CLOSED SESSION MEETING

CALLED TO ORDER

COUNCIL CHAMBER
22 CIVIC CENTER PLAZA
5:17 P.M.

ATTENDANCE

COUNCILMEMBERS Present:
MIGUEL A. PULIDO, Mayor
VINCENT F. SARMIENTO, Mayor Pro Tem
ANGELICA AMEZCUA
P. DAVID BENAVIDES
MICHELE MARTINEZ
ROMAN A. REYNA

COUNCILMEMBERS Absent:
SAL TINAJERO

STAFF Present:
DAVID CAVAZOS, City Manager
SONIA R. CARVALHO, City Attorney
MARIA D. HUIZAR, Clerk of the Council

PUBLIC COMMENTS – None

COUNCIL RECESSED to Room 147 for Closed Session discussion at 5:18 p.m.

CLOSED SESSION ITEMS - The Brown Act permits legislative bodies to discuss certain matters without members of the public present. The City Council finds, based on advice from the City Attorney, that discussion in open session of the following matters will prejudice the position of the City in existing and anticipated litigation:

1. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION pursuant to Paragraph (1) of subdivision (d) of Section 54956.9 of the Government Code:

Joseph Straka vs. City of Santa Ana; Claim No. 2015-097

2. CONFERENCE WITH LEGAL COUNSEL -- POTENTIAL LITIGATION
Significant exposure to litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 of the Government Code: One case

Continued from the January 19, 2016 Closed Session meeting.

3. CONFERENCE WITH LABOR NEGOTIATOR pursuant to Government Code Section 54957.6(a):

Continued from the January 19, 2016 Closed Session meeting.

Agency Negotiators: Personnel Services Executive Director, Ed Raya

Employee Organizations: Service Employees' International Union, Part Time

CLOSED SESSION REPORT - See Item 19A for any reportable actions.

ADJOURNED THE CLOSED SESSION MEETING AT 6:09 P.M. AND CONVENED TO THE REGULAR OPEN MEETING.

REGULAR OPEN MEETING

CALLED TO ORDER

COUNCIL CHAMBER
22 CIVIC CENTER PLAZA
SANTA ANA, CA
6:11 P.M.

ATTENDANCE

COUNCILMEMBERS Present:
MIGUEL A. PULIDO, Mayor
VINCENT F. SARMIENTO, Mayor Pro Tem
ANGELICA AMEZCUA
P. DAVID BENAVIDES
MICHELE MARTINEZ
ROMAN A. REYNA
SAL TINAJERO (6:22 p.m.)

COUNCILMEMBERS Absent:
None

STAFF Present:
DAVID CAVAZOS, City Manager
SONIA R. CARVALHO, City Attorney
MARIA D. HUIZAR, Clerk of the Council

PLEDGE OF ALLEGIANCE

MANUEL HERRERA, CARR INTERMEDIATE
SCHOOL

INVOCATION

RUPERT VEGA, POLICE CHAPLAIN

PRESENTATIONS

CERTIFICATE OF RECOGNITION presented by **MAYOR PULIDO** to Cecilia Aguinaga for her invaluable service on the Orange County Vector Control

PROCLAMATION presented posthumously by **MAYOR PRO TEM SARMIENTO** to the family of Catalina Muñoz in recognition of her outstanding contributions in the Delhi Community.

AGENDA ITEM TAKEN OUT OF ORDER – CONSENT CALENDAR ITEM

25D. AMENDMENT WITH U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT (ICE) TO PROVIDE HOUSING FOR FEDERAL INMATES (STRATEGIC PLAN NO. 1, 4A) - Police Department

City Manager David Cavazos summarized proposed recommendation.

The following speakers addressed the City Council on the matter:

- Hario Cortez, program director for Orange County Immigrant Youth United, opposed to expansion of contract; welcome opportunity to meet with City Manager to discuss options.
- Jessica Letona, detailed personal experience at detention center.
- Christina Fialho, Co-Founder/Executive Director of Community Initiatives for Visiting Immigrants in Confinement (CIVIC) is representing 31 women who were illegally detained; concerned with City's strip search policy.
- Laura Kanter, concerned with treatment of LGBT detainees, lack of post detention services and suggested policy improvements.
- Jorge Gutierrez, addressed Christina Lopez' 2 year detention at City jail.
- Carlos Perea, representing RAIZ, opposed to extending contract and noted that officials were asked to cancel contract with ICE some years past and not expand services as being proposed.
- Isa Noyola, representing Transgender Law Center, concerned that ICE has not addressed transgender prisoners; City exposed to liability.
- Richard Wheeler, reflected on wife's arrest by ICE officials and jailed in Santa Ana for over 13 months.
- Destiny Cano, student at CSUF and employee at LGBT Center, opposed to contract expansion.
- Benjamin Vazquez, volunteer at Centro Cultural of Mexico and teacher at Valley High School, recommend City wind down contract with ICE - not expand services.
- Ashley Rojo, student at CSUF, advocate for victim rights, urged a no vote on contract amendment.
- Roberto Herrera, member of De Colores Queer, concerned with lack of medical care at detention facility.
- Amanda Wallner, policy manager at Los Angeles LGBT Center, expressed concern with proposed amendment to contract; opined that basic needs not met.
- Reverend Kent Doss, concerned with handling of transgender detainees, and strip searches; noted that ICE revised policy for transgender in June of 2015 and asked City to follow policy.
- Peggy Thompson, member of Friends of Orange County Detainees, noted that service group offers counseling and services; opined that strip searches are unnecessary and possibly illegal.
- Luis Sarmiento, representing Centro Cultural de Mexico, opposed to contract amendment.
- David Mangikyan, representing UCI Law Center, concerned with ICE inability to treat medical conditions; medical negligence, need to provide basic needs.

- Maria Duque, represents US WWW, represents over 7,000 members and requested no vote on contract amendment with ICE.
- Marilyn Montaño, opposed to contract amendment.
- Alexis Nava Teodora, RAIZ member and deportation representative, endorse the letter as submitted for the record by Hairo Cortez, opposed to criminalization of illegal residents and urged cancellation of contract with ICE.
- Rev. Sian Wittshire, representing Orange Coast UU Congregation, opined that contract condones past practices; urge discussion with community.
- Edna Monroy, member of California Immigrant Youth Justice Alliance, concerned community member; opposed to contract.
- David Carbajal, work with community based groups, demand no vote on expansion of contract.
- Joese Hernandez, volunteer at Centro Cultural de Mexico and May Day Coalition, questioned need to wand residents attending City Council meeting - unwelcome feel.
- Ana Siria Urzua, member of Santa Ana Building Healthy Communities, noted that expansion of contract would further criminalize deportation of members of our community.
- Karina Paredez-Aroza, member of CLUE, asked City Council to welcome immigrants and end contract with ICE.
- Stacey Araujo, expressed objection to expansion of contract and treatment of detainees.
- Angie Cano, asked that treatment of current members improved before expanding number of beds.
- Cecilia Iglesias, opposed to contract amendment that only considers profitability of City jail and not the values that this community needs.
- Marcela Hernandez, opposed to ICE contract and requested consideration for ending contract.
- Sarai Mojica, member of immigrant youth coalition, voiced opposition to expansion of contract.
- Lizette Diaz, recounted personal story and requested no vote on contract amendment.
- Ilya Tseglin, spoke of discrimination and corruption in existing system.
- Robert Tseglin, opined that contract amendment may give rise to constitutional violations.
- Gema Suarez, spoke in support of LGBTQ community; asked for improved conditions at the jail; opposed to contract expansion; jail poses human rights violations.
- Alfredo Amezcua, noted that City of Santa Ana is an immigrant community; echoed stories and issues raised by many tonight; opined that contract would hinder community policing efforts; suggest staff develop a phase-out plan.
- Mariella Saba, suggested social programs rather than expansion of contract; opposed to contract with ICE.

Council discussion ensued.

Councilmember Martinez, thanked speakers and indicated that she would not support expansion of contract. Proposed substitute motion to deny contract amendment, engage community in developing solutions and request City Manager work with Police Chief in strategizing sustainability of jail without the use of federal dollars, if not feasible, propose options to terminate jail services. Motion seconded by Councilmember Tinajero.

Councilmember Tinajero, would not support matter; need to have discussion with transgender community; and develop better solution that builds trust with the community.

Mayor Pro Tem Sarmiento, opposed to staff recommendation; concerned with strip searches and troubled by accounts voiced by speakers, release of inmates late in the evening and lack of dignity and respect and compelled to ask Police Chief to make sure that issue by OC Sheriff are avoided in Santa Ana. Need to slowly disengage contract with ICE.

Councilmember Amezcua, thanked speakers and indicated that she would not support contract amendment; goal is to end the contract with ICE responsibly.

Councilmember Reyna, opposed to contract expansion.

Councilmember Benavides, indicated that he attended meeting with ICE officials in Washington DC a few months ago, noted that transgender detainees are vulnerable population; asked if City could provide dignified treatment since detainment will need to be provided somewhere; asked that issues raised be brought to the Public Safety Council Committee for review and take corrective action, if necessary.

Mayor Pulido, as a follow up asked that City Manager develop options to address remaining jail debt; need to provide fair and humane services; dialogue important.

City Manager Cavazos, indicated that staff recommendation provided a means to repay remaining \$27 million jail debt; will provide options for consideration and will meet with community to address miscommunication and develop options; need time to develop options.

Mayor Pulido, noted that initial debt was \$128 million and able to pay down.

SUBSTITUTE MOTION: Deny contract amendment, engage community in developing solutions and request City Manager work with Police Chief in strategizing sustainability of jail without the use of federal dollars, if not feasible, propose options to terminate jail services.

MOTION: Martinez

SECOND: Tinajero

VOTE: AYES:

Amezcua, Benavides, Martinez, Pulido, Reyna,

Sarmiento, Tinajero (7)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: None (0)

CLOSED SESSION REPORT – No reportable action.

PUBLIC COMMENTS

- Trevor Icke, concerned with proposed 200 bed drug rehabilitation project being considered by the Planning Commission in his neighborhood.
- Jeff Heilesen, resident of Mayberry Neighborhood; opposed to proposed drug rehabilitation center.
- Marylou Ontiveros, also concerned with reduced property values and safety of children in the area proposed for drug rehabilitation center.
- Hortencia De La Torres, opposed to drug rehabilitation project site.
- Ilya Tseglin, spoke of corruption at Orange County Regional Center; desire to save his son from mistreatment by the system.
- Robert Tseglin, reported that his brother had been illegally detained by the Irvine Police Department.

CONSENT CALENDAR ITEMS

MOTION: Approve staff recommendations on Consent Calendar Items 10A through 32A, with the following modifications:

- Councilmember Martinez, pulled Agenda item 19D for comment and agenda Items 22A, 22B, and 25A for separate discussion.
- Mayor Pro Tem Sarmiento, pulled Agenda Item 25B for separate discussion.

MOTION: Sarmiento

SECOND: Reyna

VOTE: AYES: Amezcua, Benavides, Pulido, Martínez, Reyna, Sarmiento (6)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Tinajero (1)

Items removed for separate action or modified are highlighted. Separate actions show the actual vote. Items without votes are adopted as part of the consent motion.

ADMINISTRATIVE MATTERS

MINUTES

- 10A. MINUTES FROM THE REGULAR MEETING OF JANUARY 19, 2016
{STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Approve Minutes.

ORDINANCES/SECOND READING

In the event a Councilmember recorded an "abstention" before consideration of the following ordinance(s) on first reading, such abstention will also be reflected in the minutes for second reading.

- 11A. SECOND READING ORDINANCE: AMENDMENT APPLICATION NO. 2015-02 TO REZONE THREE PROPERTIES FROM URBAN NEIGHBORHOOD-2 (UN-2) TO OPEN SPACE (OS) AT 710-720 EAST SIXTH STREET - SANTA ANA HOUSING AUTHORITY, APPLICANT {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

Placed on first reading at the January 19, 2016 City Council meeting and approved by a vote of 6-0 (Amezcuca absent).

Published in the Orange County Reporter on January 22, 2016.

MOTION: Place ordinance on second reading and adopt.

ORDINANCE NO. NS-2890 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA REZONING PROPERTIES LOCATED AT 710, 714 AND 720 EAST SIXTH STREET FROM SPECIFIC DEVELOPMENT NO. 84/URBAN NEIGHBORHOOD-2 TO SPECIFIC DEVELOPMENT NO. 84/OPEN SPACE (AA NO. 2015-02)

- 11B. SECOND READING ORDINANCE: ZONING ORDINANCE AMENDMENT NO. 2015-04 TO UPDATE THE WATER EFFICIENT LANDSCAPE ORDINANCE {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

Placed on first reading at the January 19, 2016 City Council meeting and approved by a vote of 6-0 (Amezcuca absent).

Published in the Orange County Reporter on January 22, 2016.

MOTION: Place ordinance on second reading and adopt.

ORDINANCE NO. NS-2891 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA AMENDING CHAPTER 41 OF THE SANTA ANA MUNICIPAL CODE TO UPDATE THE WATER EFFICIENT LANDSCAPE ORDINANCE

BOARDS / COMMISSIONS / COMMITTEES

- 13A. COUNCIL COMMITTEES – AGENDA AND MINUTES {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Receive and File

<u>NAME</u>	<u>MEETING DATE</u>
Parks, Recreation, Education and Youth Committee	1/25/2016
Public Safety and Neighborhood Improvement Committee	1/26/2016

- 13B. NOMINATED BY COUNCILMEMBER TINAJERO AS THE WARD 6 REPRESENTATIVE TO COMMUNITY REDEVELOPMENT AND HOUSING COMMISSION FOR A PARTIAL TERM EXPIRING DECEMBER 11, 2018 {STRATEGIC PLAN NO. 5, 1} - Clerk of the Council Office

MOTION: Appoint.

<u>NAME</u>	<u>BOARD/COMMISSION</u>	<u>REPLACES</u>	<u>WARD RES.</u>
Matthew Schauer	Community Redevelopment / Housing Commission	S. Tuchler	Ward 1

MISCELLANEOUS ADMINISTRATION

- 19A. CONFIRMATION OF CLOSED SESSION ACTION(S) – None

- 19B. EXCUSED ABSENCES – None

- 19C. QUARTERLY REPORT OF INVESTMENTS AS OF DECEMBER 31, 2015 {STRATEGIC PLAN NO. 4, 1D} - Finance & Management Services

MOTION: Receive and file.

- 19D. PUBLIC WORKS AGENCY STATUS OF PROJECTS - MONTHLY CAPITAL IMPROVEMENT PROGRAM EXECUTIVE REPORT FOR JANUARY 2016 {STRATEGIC PLAN NO. 5, 1} - Public Works Agency

Councilmember Martinez, asked about Capital Improvement Project budget; expressed concern with State policy, reductions and impact to City.

Public Works Agency, Executive Director, Fred Mousavipour, noted that additional road repair funding needed; adopted Pavement Repair Program to address schedule and funding.

MOTION: Receive and file.

- 19E. REQUEST FOR PROPOSALS FOR AFFORDABLE RENTAL HOUSING ACQUISITION AND REHABILITATION {STRATEGIC PLAN NO 5, 3} - Community Development Agency

MOTION: Receive and file.

- 19F. SANTA ANA ARTS FUTURE COMMUNITY ENGAGEMENT WEEK {STRATEGIC PLAN NO. 5, 5B} - Community Development Agency

MOTION: Receive and file.

BUDGETARY MATTERS

GRANTS/APPLICATIONS

- 21A. RELEASE THE ARTIST GRANT OPPORTUNITY APPLICATION {STRATEGIC PLAN NO. 5, 5C} - Community Development Agency

MOTION: Authorize the Community Development Agency staff to release the Fiscal Year 2016-2017 Investing in the Artist Grant Opportunity application.

SPECIFICATIONS – PURCHASE OF EQUIPMENT AND SERVICES

- 22A. SPEC. NO. 16-010 - SUNDRY FOOD AND PAPER GOODS TO PROVIDE PARTICIPANTS DURING FOR VARIOUS CITY-SPONSORED EVENTS (SPEC. NO. 16-010) {STRATEGIC PLAN NO. 2, 2; 5, 4} (Parks, Recreation and Community Services Agency) - Finance & Management Services

Councilmember Martinez, asked if Request for Proposal process followed; urged City to buy local and provide for healthy options, when available.

Finance and Management Services, Executive Director, Francisco Gutierrez, indicated that survey of local providers prepared.

MOTION: Award a contract to Smart & Final Stores LLC for a three-year period expiring January 31, 2019, in an annual amount of \$45,000, for a total amount not to exceed \$135,000, subject to non-substantive changes approved by the City Manager and City Attorney.

MOTION: Martinez **SECOND:** Sarmiento

VOTE: **AYES:** Amezcua, Benavides, Martinez, Pulido, Reyna, Sarmiento, Tinajero (7)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: None (0)

22B **SPEC. NO. 15-087 - SANITARY SEWER LATERAL LINING SERVICES {STRATEGIC PLAN NO. 6, 1C, 1F} (Public Works Agency) - Finance & Management Services**

Councilmember Martinez, requested equitable consideration for all projects throughout the City.

MOTION: Authorize the City Manager and Clerk of the Council to award a contract to Select Trenchless Pipelines, Inc., for a three-year period expiring January 31, 2019 in the amount of \$150,000, with provisions for one two-year renewal option exercisable by the City Manager and City Attorney, in an annual amount not to exceed \$50,000; subject to nonsubstantive changes approved by the City Manager and City Attorney.

MOTION: Martinez **SECOND:** Amezcua

VOTE: **AYES:** Amezcua, Benavides, Martinez, Pulido, Reyna, Sarmiento, Tinajero (7)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: None (0)

PROJECTS/CHANGE ORDERS

- 23A. AWARD CONTRACT FOR CONSTRUCTION OF WASHINGTON SQUARE RESIDENTIAL STREET REPAIR FY 2015-16 (PROJECT NO. 16-7523) {STRATEGIC PLAN NO. 6, 1B, 1G} - Public Works Agency and Community Development Agency

MOTION:

1. **Reject all bids received on December 1, 2015, for construction of the Washington Square Residential Street Repair Project, due to required federal funding documents that were not included.**
2. **Award a contract to EBS General Engineering Inc., the lowest responsible bidder, in accordance with the base bid of \$984,925 for construction of the Washington Square Residential Street Repair Project, and authorize the City Manager and Clerk of the Council to execute the contract, subject to non-substantive changes approved by the City Manager and City Attorney.**
3. **Approve the Project Cost Analysis for a total estimated project delivery cost of \$1,231,157, which includes the contract base amount, administration, inspection, testing, and an authorized contingency of \$98,493.**

AGREEMENTS

- 25A. INFORMATION TECHNOLOGY SERVICES {STRATEGIC PLAN NO. 7, 2} - Finance & Management Services

Councilmember Martinez, noted for the record concern with six month contract extension.

MOTION:

1. **AGMT NO. 2016-015 - Authorize the City Manager and Clerk of the Council to approve and execute agreement with The Comdyn Group, Inc. for a six-month period, beginning March 1, 2016 through August 31 2016; along with a six-month extension exercisable on a month to month basis for the period September 1, 2016 through February 28, 2017 upon approval by both the City Manager and City Attorney for a total amount of \$1,560,000; subject to non-substantive changes approved by the City Manager and City Attorney.**
2. **AGMT NO. 2016-016 - Authorize the City Manager and Clerk of the Council to approve and execute agreement with Softmaster, Inc. for a six-month period, beginning March 1, 2016 through August 31 2016;**

along with a six-month extension exercisable on a month to month basis for the period September 1, 2016 through February 28, 2017 upon approval by both the City Manager and City Attorney for a total amount of \$2,040,000; subject to non-substantive changes approved by the City Manager and City Attorney.

MOTION: Benavides

SECOND: Tinajero

VOTE: AYES: Amezcua, Benavides, Pulido, Reyna, Sarmiento, Tinajero (6)

NOES: Martinez (1)

ABSTAIN: None (0)

ABSENT: None (0)

25B. AGMT NO. 2016-017 - COMMUNITY DEVELOPMENT BLOCK GRANT AND INCLUSIONARY HOUSING FUNDS LOAN AGREEMENT TO CREATE 57 UNITS OF AFFORDABLE HOUSING AT 1666 N. MAIN STREET - SANTA ANA ARTS COLLECTIVE, LP {STRATEGIC PLAN NO. 5, 3A, 3C} - Community Development Agency

Mayor Pro Tem Sarmiento, asked if Council had considered matter earlier.

Community Development Agency Executive Director Kelly Reenders noted that City Council had approved a pre-commitment and now funds under Community Development Block Grant considered; will consider HOME funds in near future; total of 57 units at site on corner of 17th and Main Street.

MOTION: Authorize the City Manager and the Clerk of the Council to execute a single loan agreement with Santa Ana Arts Collective, LP for \$500,000 in Community Development Block Grant funds and \$1,875,000 in Inclusionary Housing Funds for a total combined amount not to exceed \$2,375,000; subject to non-substantive changes approved by the City Manager and City Attorney.

MOTION: Sarmiento

SECOND: Martinez

VOTE: AYES: Amezcua, Benavides, Martinez, Pulido, Reyna, Sarmiento, Tinajero (7)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: None (0)

25C. ON-CALL ENGINEERING SERVICES (NON-GENERAL FUND) {STRATEGIC PLAN NO. 6, 1G} - Public Works Agency

MOTION:

1. Authorize the Executive Director of Public Works to terminate the agreement with VA Consulting, Inc., for on-call engineering services in an amount not to exceed \$250,000.
2. AGMT NO. 2016-018 - Authorize the City Manager and Clerk of the Council to execute an agreement with Rick Engineering for a two-year term beginning February 3, 2016, and expiring February 2, 2018, with provisions for up to two one-year renewal options exercisable by the City Manager and City Attorney, for a total not to exceed \$250,000 over the life of the agreement, including any renewal periods, subject to non-substantive changes approved by the City Manager and City Attorney.

25D. AGENDA ITEM TAKEN OUT OF ORDER

25E. AGMT NO. 2016-019 - AMEND THE PARTNERSHIP FUNDING AGREEMENT WITH SOUTHERN CALIFORNIA EDISON FOR ENERGY EFFICIENCY PROGRAMS {STRATEGIC PLAN NO. 5, 2} - Public Works Agency

MOTION: Authorize the City Manager and Clerk of the Council to execute an amendment with Southern California Edison to extend the term through March 31, 2017, and to increase the funding allocation by \$17,000, subject to non-substantive changes approved by the City Manager and City Attorney.

25F. AGMT NO. 2016-020 – AMEND THE PARTNERSHIP FUNDING AGREEMENT WITH SOUTHERN CALIFORNIA GAS COMPANY FOR ENERGY EFFICIENCY PROGRAMS {STRATEGIC PLAN NO. 5, 2} - Public Works Agency

MOTION: Authorize the City Manager and Clerk of the Council to execute an amendment with the Southern California Gas Company to extend the term through March 31, 2019, and to increase the funding allocation by \$84,000, subject to non-substantive changes approved by the City Manager and City Attorney.

LAND USE MATTERS

TENTATIVE PARCEL/TRACT MAPS

- 32A. TENTATIVE PARCEL MAP NO. 2015-03 (COUNTY MAP NO. 2014-141) TO SUBDIVIDE AN EXISTING PARCEL INTO TWO LOTS AT 1615 WEST POMONA STREET – BOB BEERS, APPLICANT {STRATEGIC PLAN NOS. 3, 2, 5; 5, 3, 4} - Planning and Building Agency

MOTION: Confirm the Zoning Administrators action approving Tentative Parcel Map No. 2015-03 (County Map No. 2014-141) as conditioned.

****END OF CONSENT CALENDAR****

BUSINESS CALENDAR ITEMS

RESOLUTIONS

- 55A. RESOLUTIONS AFFIRMING PERFORMANCE BONUS FOR CITY MANAGER AND CLERK OF THE COUNCIL AND AMENDED AND RESTATED EMPLOYMENT AGREEMENT FOR CITY MANAGER {STRATEGIC PLAN NO. 7, 4, 7} - City Manager's Office

Councilmember Martinez, requested bifurcation of items and consider the Clerk of the Council matter first.

MOTION:

1. Adopt a resolution.

B. RESOLUTION NO. 2016-010 - A RESOLUTION OF THE SANTA ANA CITY COUNCIL AFFIRMING THE AWARD OF A CLERK OF THE COUNCIL PERFORMANCE BONUS

MOTION: Martinez

SECOND: Amezcua

VOTE: AYES:

Amezcua, Benavides, Martinez, Pulido, Reyna, Sarmiento, Tinajero (7)

NOES:

None (0)

ABSTAIN:

None (0)

ABSENT:

None (0)

MOTION: Approve City Manager bonus.

MOTION: Tinajero **SECOND:** Amezcua

VOTE: AYES: Amezcua, Benavides, Reyna, Sarmiento, Tinajero
(5)

NOES: Martinez, Pulido (2)

ABSTAIN: None (0)

ABSENT: None (0)

Discussion ensued on City Manager contract extension.

Councilmember Martinez, concerned with the process and extending contract because it was her understanding that contract would be negotiated with options; why approve contract when it does not expire until October, 2017.

Mayor Pro Tem Sarmiento, indicated that ad hoc committee worked with City Attorney to develop options for consideration before the full City Council; need to develop criteria to judge performance of all appointed officials.

Councilmember Amezcua, noted that ad hoc committee requested criteria and goals to better evaluate on an ongoing basis.

Councilmember Reyna, support performance bonus for City Manager; need to invest in our leadership.

Councilmember Benavides, indicated that process did exist to develop contract extension; measurable improvements and goals met.

Councilmember Amezcua, clarified that action is performance bonus, not raise.

Councilmember Tinajero, opined that 3rd term on the City Council has allowed change to take place on the dais; have made structural changes and moved the City in the right direction.

Mayor Pulido, expressed concern with process, noted that (previous) Closed Session meeting did not vote to consider contract amendment. Asked for clarifications from Clerk of the Council and City Attorney.

Clerk of the Council Huizar, indicated that the Minutes of January 19, 2016 only reported a 5-2 vote on the performance bonus with no mention of creation of an ad hoc committee to discuss contract amendment.

ABSTAIN: None (0)

ABSENT: None (0)

*Councilmember Martinez left the meeting at 9:30 p.m. and did not return.

PUBLIC HEARING

75A. PUBLIC HEARING - FINAL ENVIRONMENTAL IMPACT REPORT NO. 2015-01, AMENDMENT APPLICATION NO. 2014-04, GENERAL PLAN AMENDMENT NO. 2015-03, DEVELOPMENT AGREEMENT NO. 2015-03 AND VESTING TENTATIVE TRACT MAP NO. 2015-03 FOR THE HERITAGE MIXED-USE DEVELOPMENT PROJECT PROPOSED AT 2001 EAST DYER ROAD – DYER 18 LLC, APPLICANT {STRATEGIC PLAN NO. 3, 2} - Planning and Building Agency

At its regular meeting on October 12, 2015 by a vote of 5:0 (Nalle & Verino absent), the Planning Commission recommended that the City Council approve The Heritage project, a mixed-use development on an existing industrial site at 2001 East Dyer Road located in the Light Industrial (M-1) zoning district. The Planning Commission added a recommendation to direct the in-lieu housing fees to a project proposed by AMCAL on East First Street as permitted by Section 41-1904(c)(3) of the recently amended Housing Opportunity Ordinance. This recommendation was not included in the Development Agreement currently before the City Council. Should the City Council decide to approve this recommendation, Council may direct staff to modify the proposed Development Agreement to reflect this language. Additionally the Planning Commission recommended that the public improvements exhibit presented to the Commission at the hearing be added to the Development Agreement.

Legal Notice published in the Orange County Reporter January 22, 2016 and notices mailed on said date.

Mayor Pulido opened the hearing.

Planning and Building Agency, Executive Director, Hassan Haghani and Senior Assistant Planner, Vincent Fregoso presented staff report:

Request of applicant

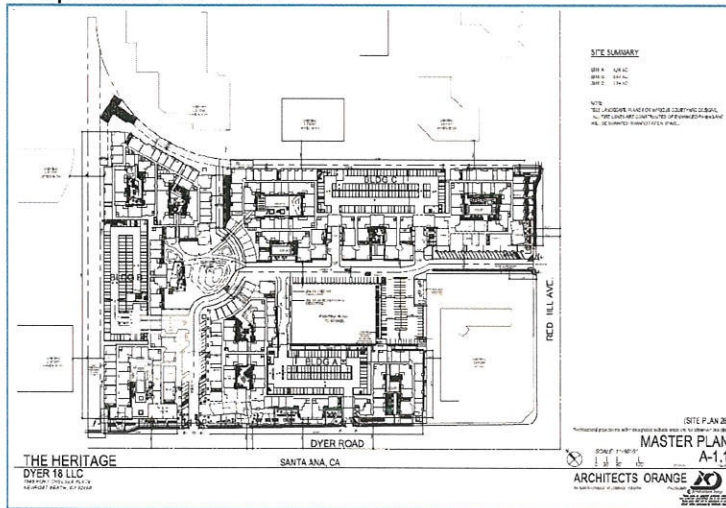
- Proposal to construct mixed-use development:
 - 1,221 apartments
 - 18,000 square feet of commercial
 - 56,000 square feet of office
- Request several entitlements:
 - Certification of final environmental impact report

- General Plan amendment
- Zone change
- Development agreement
- Vesting map

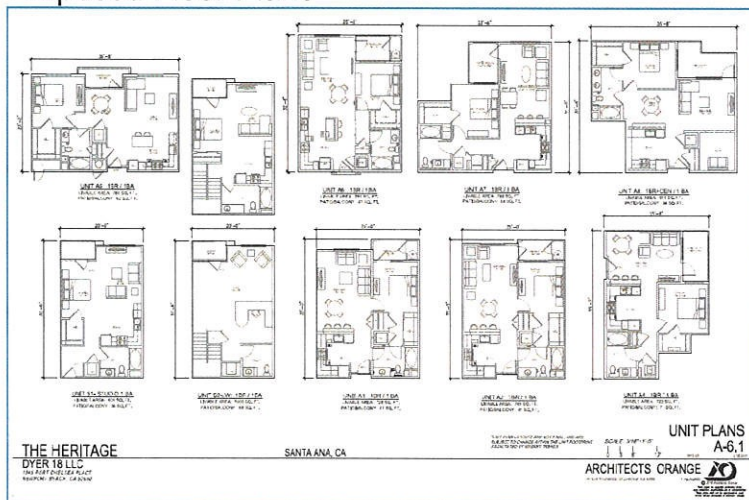
Project Benefits

- Reoccupy long-term vacant structure
- Strong urban design with LEED Silver certification
- Approximately 275 new permanent jobs to be created
- General Fund revenue of approximately \$1m per year
- Public art contribution of approximately \$1.5m
- Contribution of nearly \$10m for affordable housing

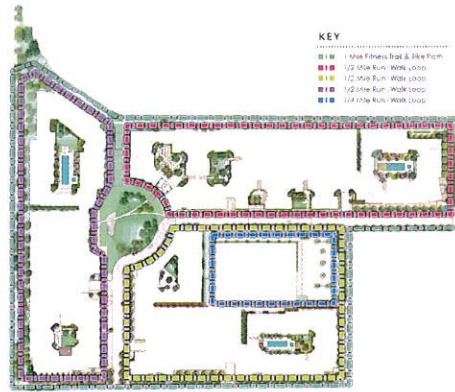
Proposed Site Plan



Proposed Floor Plans



Landscape Plan



- Extensive open space and systems of trails planned to be installed throughout the project, with most to be within first phase.

HERITAGE OPEN SPACE	
Fitness Trails & Plazas	131,868 SF
Central Park	45,302 SF
Courtyards	60,300 SF
Private Decks	64,246 SF
Common Area Amenities	20,386 SF
Roof Terraces	5,200 SF
Total Area	327,302 SF

HERITAGE VILLAGE WILL PROVIDE OVER
7.5 ACRES OF OPEN SPACE
 OVER ITS 18 ACRES

Final Environmental Impact Report

- Draft EIR released July 2015 with PC Hearing in August 2015
- Analyzed three different project alternatives
- Response to comments addresses issues raised during 45-day public review period
- All impacts mitigated to less than significant except air quality and transportation and traffic
- Statement of overriding considerations needed due to air quality and traffic impacts

Development Agreement

- Agreement to include the following provisions:
 - Six year agreement with a three year extension
 - Allow phasing of project
 - Public art contribution of approximately \$1,500,000
 - Common open space to be built in first phase
 - Comply with Housing Opportunity Ordinance

Vesting Tract Map

- Map to allow subdivision of project into six parcels:
 - Four development parcels
 - Two common area parcels
 - Does not include subdivision of units for condominium purposes
 - Requires submittal of CC&R's for common area lots

Zone Change / GP Amendment

- Proposal to modify zoning of site to specific development designation
- Proposal to amend General Plan Land Use designation to District Center
- Specific zoning standards have been prepared for the project that are unique to the project and subject site
- Staff studying area for mixed-use development as part of General Plan update

Planning Commission Action:

- Voted 5:0 to recommended that the City Council:
 - Certify the Final Environmental Impact Report;
 - Approve General Plan amendment;
 - Approve zone change;
 - Approve development agreement; and,
 - Approve vesting map

Airport Land Use Commission:

- Held meeting on October 15, 2015
- Voted 5:1 to find the project inconsistent with the AELUP
- Requires a 2/3 vote to overrule ALUC determination
- Assigns liability to City for future aircraft related events

Recommendation

- Approve certification of Final Environmental Impact Report No. 2015-01, adopt statement of overriding considerations and approve mitigation monitoring and reporting program;
- Adopt a resolution approving General Plan Amendment No. 2015-03;
- Adopt an ordinance approving Amendment Application No. 2014-04;
- Adopt a resolution approving Development Agreement No. 2015-03;
- Adopt a resolution approving Vesting Tentative Tract Map No. 2015-03; and,
- Adopt a resolution finding the project consistent with the State Aeronautics Act

The following addressed the City Council on the matter:

- Pamela Sapetto, representing SRES, thanked staff for efforts to bring project forward.

Councilmember Tinajero motioned to approve, seconded by Councilmember Amezcua.

City Attorney Carvalho, requested consideration of California Environmental Quality Act (CEQA) resolution separately.

MOTION:

1. Adopt a resolution.

A. RESOLUTION NO. 2016-012 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA ADOPTING FINDINGS AND A STATEMENT OF OVERRIDING CONSIDERATIONS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; CERTIFYING FINAL ENVIRONMENTAL IMPACT REPORT NO. 2015-01; ADOPTING THE MITIGATION MONITORING PROGRAM; APPROVING GENERAL PLAN AMENDMENT NO. 2015-03; AND, APPROVING VESTING TENTATIVE TRACT MAP NO. 2015-03 AS CONDITIONED FOR THE PROPERTY LOCATED AT 2001 EAST DYER ROAD

MOTION: Tinajero

SECOND: Amezcua

VOTE: AYES: Amezcua, Benavides, Pulido, Reyna, Sarmiento, Tinajero (6)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Martinez (1)

Councilmember Amezcua, motioned to approve resolution and (introduce) two ordinances, seconded by Councilmember Tinajero.

MOTION:

1. Adopt a resolution.

B. RESOLUTION NO. 2016-013 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ANA OVERRULING THE DETERMINATION BY THE AIRPORT LAND USE COMMISSION OF THE COUNTY OF ORANGE OF INCONSISTENCY OF THE PROPOSED HERITAGE MIXED USE DEVELOPMENT PROJECT, 2001 EAST DYER ROAD, WITH THE CURRENT ORANGE COUNTY AIRPORT LAND USE PLAN, WITH SUPPORTIVE FINDINGS

2. Place ordinances on first reading and authorize publication of titles.

A. ORDINANCE NO. NS-2892 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA REZONING THE HERITAGE PROPERTY LOCATED AT 2001 EAST DYER ROAD FROM LIGHT

INDUSTRIAL (M-1) TO SPECIFIC DEVELOPMENT NO. 88 (SD-88) (AA NO. 2014-04) AND ADOPTING SPECIFIC DEVELOPMENT NO. 88 (SD-88) FOR SAID PROPERTY

B. ORDINANCE NO. NS-2893 - AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA APPROVING A DEVELOPMENT AGREEMENT FOR THE PROPERTY LOCATED AT 2001 EAST DYER ROAD, BETWEEN THE CITY OF SANTA ANA AND HERITAGE VILLAGE OC, A DELAWARE CORPORATION

MOTION: Amezcua

SECOND: Tinajero

VOTE: AYES: Amezcua, Benavides, Pulido, Reyna, Sarmiento, Tinajero (6)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Martinez (1)

Council discussion ensued on last item for consideration.

Mayor Pro Tem Sarmiento, noted that last item on the recommendations was to amend the development agreement to include the in-lieu fees, as recommended by Planning Commission.

City Attorney Carvalho, indicated that if it was Council desire to draft the language and negotiate with the developer, she can do that.

Mayor Pro Tem Sarmiento motioned to approve, seconded by Councilmember Benavides.

Councilmember Reyna, asked for clarification that affordable units will be built as part of another development.

Planning and Building Executive Director Haghani, confirmed and noted that Planning Commission had made the recommendation, although the Planning Commission has not considered the project that funds would be earmarked; the housing opportunities ordinance provides for the developer to express preference to earmark in-lieu fees for certain project, but not obligatory. Also, if Council approves option #7 on the agenda report those provisions are not included in the drafted documents but additional action will be required.

Councilmember Reyna, clarified that option #7 would allow staff to negotiate with developer, but matter would be agendized for Council consideration in the future.

City Attorney Carvalho, summarized Planning Commission's desire to add requirement that in-lieu fees be earmarked, but not part of staff's recommendation and need City Council direction.

Councilmember Reyna, asked if other cities have managed the in-lieu fees in the same manner. City Attorney Carvalho, indicated that there are other cities, but the difference is that the money are available and not projected, as this is the case.

Planning and Building Executive Director Haghani, noted that most practiced approach is in-lieu fees directed to account and Housing Authority uses same as any other resource – sole source or not.

City Manager Cavazos, noted that developer and Planning Commission are recommending action.

Mayor Pro Tem Sarmiento, stated that he was aware of other cities that have in-lieu fees with sole source projects; city amended the housing opportunity ordinance to allow developer discretion.

Developer Ryan Olgunik, noted that AMCAL is high performance company and urge in-lieu fees to be used for project on First Street, between Grand and 5 Freeway.

Mayor Pro Tem Sarmiento, rezoning light-industrial to mixed-use residential in proposed First Street Project is good public policy; area has already been identified in the Housing Element; will support under-performing areas.

Ryan Olgunik, noted that their development project is first to apply inclusionary housing opportunity ordinance.

Mario Turner, representative for AMCAL, indicated that surrounding cities have inclusionary fees.

Mayor Pulido, expressed support for project; will revitalize area.

Councilmember Benavides, commended staff for their efforts in past couple of years; excited about mixed use project; pleased with other AMCAL projects in the community; asked status of First Street project status; also, asked how much HOME funding available per year.

Planning and Building Agency Executive Director Haghani, noted that project received and being reviewed by case planner; working with developer on design details.

Community Development Agency Executive Director Reenders, noted that federal funding vary; HOME funds this year are approximately \$1.6 million and CDBG approximately \$500,000, in addition to inclusionary funds.

Mario Turner, requested approval of project in concept.

City Attorney Carvalho, noted that if matter as proposed by the Planning Commission would allow staff to work with developer in amending the development agreement.

Community Development Agency Director Reenders, stated that when project before the City Council for consideration will include subsidy layer report and analysis.

City Attorney Carvalho, summarized option in the agenda report for consideration.

Mayor Pro Tem Sarmiento, indicated that it was important to work out the timing, funding; project is not unprecedented; asked City Manager to lead efforts.

William Devyn, Attorney for the Developer, indicated that they are opposed to amending the development agreement (with Dyer 18 LLC), instead would like to work with City to come up with proposal to direct funds and return to City Council for approval is acceptable. Suggested motion for City Council consideration.

City Manager Cavazos, noted that matter would be brought back to City Council for consideration.

SUBSTITUTE MOTION:

- 3. Direct City Manager to lead discussions with developer on proposal for City Council consideration as to the affordable housing project to receive in-lieu fees.**

MOTION: Reyna

SECOND: Benavides

VOTE: AYES:

Amezcuca, Benavides, Pulido, Reyna, Sarmiento, Tinajero (6)

NOES:

None (0)

ABSTAIN:

None (0)

ABSENT:

Martinez (1)

JOINT SESSION OF THE CITY COUNCIL AND THE HOUSING AUTHORITY

80A. APPROPRIATION ADJUSTMENT – FAMILY SELF-SUFFICIENCY PROGRAM ENABLES FAMILIES ASSISTED VIA THE HOUSING CHOICE VOUCHER PROGRAM INCREASE INCOME AND REDUCE DEPENDENCY ON RENTAL ASSISTANCE {STRATEGIC PLAN NO. 5, 3}

MOTION: Approve an appropriation adjustment. *(Requires five affirmative votes)*

APPROPRIATION ADJUSTMENT NO. 2016-076 - Recognizing an additional \$103,787 of U.S. Department of Housing and Urban Development's Family Self-Sufficiency Program funds awarded to the Housing Authority of the City of Santa Ana in the revenue account and appropriating the same in the expenditure accounts.

MOTION: Amezcua

SECOND: Tinajero

VOTE: AYES: Amezcua, Benavides, Pulido, Reyna, Sarmiento, Tinajero (6)

NOES: None (0)

ABSTAIN: None (0)

ABSENT: Martinez (1)

CITY COUNCIL RECESSED AT 10:15 P.M. TO THE HOUSING AUTHORITY MEETING; FOLLOWED BY SUCCESSOR AGENCY MEETING AT 10:16 P.M. AND RECONVENED THE CITY COUNCIL MEETING AT 10:17 P.M. WITH SAME MEMBERS PRESENT.

COMMENTS

90A. CITY MANAGER'S COMMENTS

- Noted that successful meeting held with rating agency, Standard and Poor; look forward to credit rating; thanked City Council for leadership.

90B. CITY COUNCILMEMBER COMMENTS

Councilmember Tinajero:

- Thanked City Manager for efforts and congratulated him on contract extension.

Mayor Pro Tem Sarmiento:

- Noted that Citizenship Fair, in partnership with Public Law Center and OCCORD, scheduled on April 9, 2016 at Southwest Senior Center; encouraged all to exercise right to vote;
- Thanked speakers for addressing City Council on ICE contract; and
- Asked staff for advance notice on sensitive matters, better collaboration amongst City departments and mindful of public's money.

Councilmember Amezcua:

- Thanked staff for tonight's meeting;
- Wished all a Happy Valentine's Day; and
- Concerned with lack of advance notice on Santiago Creek clean-up efforts.

Councilmember Reyna:

- Wished mother a Happy 80th Birthday!

Councilmember Benavides:

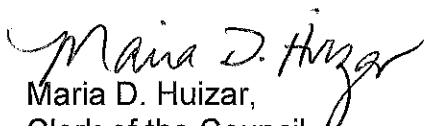
- Congratulated Mrs. Reyna on her 80th birthday;
- Thanked community for comments at tonight's meeting;
- Encourage residents to sign up to received notifications from the City through Nixle and use applications to report graffiti; and
- Urged all to support our local economy and shop Santa Ana.

Mayor Pulido:

- Noted that U.S. President Barack Obama would be approving federal budget on February 9th ; hope that OC Streetcar funding in the amount of \$125 million would be included.

ADJOURNED - 10:29 p.m. - The next meeting of the City Council is scheduled for Tuesday, February 16, 2016 at 5:00 p.m. for the Closed Session Meeting immediately followed by the Regular Open Business Meeting at 5:45 p.m. in the Council Chamber, 22 Civic Center Plaza, Santa Ana, California.

**Adjourned in Memory of
former Santa Ana Firefighter
Miguel "Mike" Diaz**


Maria D. Huizar,
Clerk of the Council

FUTURE AGENDA ITEMS

- Community Engagement Program
- General Plan Update