

MINUTES
GARDEN GROVE CITY COUNCIL
AND
AGENCY FOR COMMUNITY DEVELOPMENT

An Adjourned Regular Meeting of the City Council of the City of Garden Grove and the Agency for Community Development was called to order in the Founders Room of the Community Meeting Center, 11300 Stanford Avenue, on Tuesday, January 31, 2006, at 6:36 p.m.

CITY COUNCIL

ROLL CALL: PRESENT: (4) MAYOR DALTON, COUNCIL MEMBERS KREBS, LEYES, ROSEN

ABSENT: (1) COUNCIL MEMBER NGUYEN (joined the meeting at 6:45 p.m.)

AGENCY

ROLL CALL: PRESENT: (4) MEMBERS DALTON, KREBS, LEYES, ROSEN

ABSENT: (1) CHAIR NGUYEN (joined the meeting at 6:45 p.m.)

ORAL COMMUNICATIONS – PUBLIC

Tony Rector commented regarding term limits, Pool Plans, alleged omissions in agenda follow-ups, and speaking priority.
(F: 53.3) (XR: 127.11)

Ray Littrell commented regarding term limits and the accuracy of the Redevelopment report. (F: 53.3) (XR: 127.11) (XR: A-128.3)

Bob Owens commented regarding the Mexican border and casinos.
(F: 53.3) (XR: A-116.14)

MID-YEAR BUDGET REVIEW (F: 34.1)

The Finance Director provided a power point presentation outlining the Fiscal Year 2004-05 results, an update on the current Fiscal Year 2005-06 budget, and the future outlook. He noted that the revenues were up sharply in Fiscal Year 04-05 with expenditures

down modestly, which resulted in a major increase in the year-end reserve. The mid-year projection is an increase in expenditure savings, which will provide approximately \$10 million in the fund balance to start Fiscal Year 2006-07.

In conclusion, he noted that the City's fiscal condition continues to improve as a result of the economic and fiscal upturn at the State and local levels. The outlook for the City's revenues looks more promising with steady growth projected for sales tax, property tax, vehicle tax, and hotel tax.

In response to Council Member/Member Leyes, the Finance Director commented that the State paid the \$2,881,000 Vehicle License Fee earlier than 2006-07 and that is why it is not reflected in the Fiscal Year 2006-07 update.

The City Manager/Director commented that they did not anticipate the economy to be as strong as it is. Garden Grove has been operating lean and a lot of items have not been addressed because of lack of resources. Items in the Strategic Plan need to be addressed.

Council Member/Member Rosen requested different scenarios.

Mayor/Member Dalton commented that there are different programs that staff is working on, including increasing revenue. He questioned whether a lobbyist is really needed. He requested that staff continue working on grant applications so none of the reserve money used.

RECESS

At 8:00 p.m., the Mayor/Member Dalton and Council Member/Chair Nguyen declared a recess.

RECONVENE

At 8:15 p.m., the meeting was reconvened with Mayor Dalton and Chair Nguyen and all Council/Agency Members in attendance.

ECONOMIC DEVELOPMENT OPPORTUNITIES – 2006 (F: 43.4)

The Economic Development Director provided a power point presentation identifying current projects some of which include: Sheraton Hotel, Green's Discount Glass & Screen, and Los Sanchez Mexican Restaurant relocations; Embassy Suites expansion; and the

Brookhurst Triangle to name a few. He noted that the Agency has a responsible redevelopment program.

In response to Council Member/Member Rosen, the Economic Development Director commented that the Agency has made an offer to the Dog and Cat Veterinarian Hospital located in the Century Triangle to include them as part of the project

Council Member/Member Rosen questioned whether the drawing of the Wal-Mart Store is conceptual and whether it is still dependent on the sale of the Pacific Electric Right-of-Way. The Economic Development Director noted that the drawing is the latest rendition of the project, which includes either purchasing or leasing the Right-of-Way.

Council Member/Member Krebs commented that with all the high density, he questioned whether it was feasible to have the developer pay for the sewage system and anything that the City has paid for in the past. The Economic Development Director commented that with the Chapman Commons project on Chapman Avenue, the developer is being assessed higher impact fees and paying an additional \$1.2 million.

LONG-TERM VISION FOR CIVIC CENTER PROPERTIES (F: A-116.9)

The Senior Economic Development Specialist provided three options for the development of the Civic Center Area. The Agency currently owns twelve of the properties and is renting eight. The first option includes half the properties from Acacia Parkway to Garden Grove Boulevard bordered by Civic Center Drive and 9th Street. Option two includes the majority of the properties from Acacia Parkway to Garden Grove Boulevard bordered by Civic Center Drive and 9th Street and excludes the new construction on the southeast corner of Acacia Parkway and 9th Street. Option three includes properties from Garden Grove Boulevard to Acacia and from Civic Center Drive halfway from 7th Street to 8th Street. More properties will have to be acquired in order to have a feasible development.

Council Member/Member Leyes commented that another option would be to take the block between 7th Street and 8th Street.

The City Manager/Director requested direction on whether the Agency should continue to acquire property as it becomes available. He noted that a previous option was identified as an extension of the college; however, the City has been advised that this area has been removed from the list being considered.

In response to Council Member/Member Rosen regarding the Vietnamese Cultural Center, the City Manager/Director advised that the City Council directed staff to terminate negotiations. He also noted that there has been nothing in the last three years to suggest that there is any interest in developing any type of government use in that area. He indicated that it was staff's suggestion that the Agency retain the property it owns and continue collecting rent while the property values continue to increase.

Council Member/Member Leyes noted that this area should be looked at during the General Plan update process.

Mayor/Member Dalton commented that there is no rush to do anything with the property. He noted that it would be nice to have it available if something should come up in the future. He was in favor of purchasing properties from willing sellers.

Council Member/Member Leyes commented that the Black Angus is still vacant and looking shoddy. The Project Manager commented that the Black Angus is in bankruptcy but is still paying on a lease with the property owner. The property owner would like to lease to another restaurant and is not interested in selling at this time.

Council Member/Member Leyes questioned whether they would consider a trade so that the property could be part of the City Hall campus or possibly used for Senior Meals and Services, since they have been looking for a home for 20 years.

Council Member/Member Krebs commented that a good restaurant would do well at that location.

Council Member/Member Rosen commented that Civic Center Drive could be a gateway into the Civic Center area. He noted that he was not comfortable eliminating a neighborhood.

PROPOSED AMENDMENT TO THE GENERAL PLAN (F: 20.1)

The Community Development Director provided a power point presentation on the General Plan update process. She noted that it has been 10 years since the last update. The process will take one to two years before final adoption by the City Council. As a requirement of the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) will be prepared. She indicated that they are preparing a staff report for approval of a consultant to assist with the process.

In response to Council Member/Member Leyes, the Community Development Director commented that they have budgeted \$800,000 to hire a consultant and complete the process.

RECESS

At 9:25 p.m., the Mayor/Chair declared a recess.

RECONVENE

At 9:27 p.m., the meeting was reconvened with Mayor/Member Dalton and Council Member/Chair Nguyen and all Council Members/Members attendance.

CITY ATTORNEY REPORT ON RECENT LEGISLATION (AB 1234 AND AB11)
(F: 44.2)

The Deputy City Attorney commented that the City is already complying with the requirements of AB 1234. AB 1234 would require a local agency that provides reimbursement for expenses to members of its legislative body to adopt a written policy on the duties for which legislative body members may receive compensation, other than meetings of the legislative body or an advisory body or attendance at a conference or organized educational activity. The City of Garden Grove has already adopted specific regulations on how those reimbursements would take place. In order to receive reimbursement for travel expenses, an expense report must be completed. An additional item that is not in the City policy is that the traveler, at the next City Council meeting following the trip must give a verbal report.

In response to Council Member/Member Rosen, the Deputy City Attorney advised that if three Council/Agency Members travel and attend the same conference, all three Members must provide verbal reports.

The Deputy City Attorney also advised that as part of the law, each legislative official must go through legislative training. Officials not in office in January 2007, do not have to attend the training. New members are also required to receive ethics training. One segment of the training also includes the Brown Act.

In response to Council Member/Member Leyes, the law not only covers cities, it also covers the County, Water District, Sanitation District, and Special Districts.

The Deputy City Attorney discussed AB 11, noting that it affects the compensation of the City Council, and only applies to General Law Cities. It allows the City Council to increase its salary by 5% per year.

DISCUSSION CONCERNING PLACING A MEASURE ON THE JUNE 6, 2006, BALLOT, AS REQUESTED BY MAYOR PRO TEM ROSEN (F: 127.11)

Mayor Pro Tem Rosen commented that the voters adopted a ballot measure in 1996 that limited the number of terms that someone can serve as Mayor or Council Member. He noted that at that time he wrote a brief on why the city should not have term limits, and it is still true today. He indicated that the premise of term limits is that incumbents will have an advantage raising funds over a new candidate. He noted that he is not a supporter of term limits. The voters have said four times that they want Council Member Mark Leyes to be on the City Council, and they should have the opportunity to elect him again. He commented that the ballot measure should be on the June primary to allow Council Member Leyes to run again in November.

Council Member Krebs commented that he used to agree with some of the points made by Mayor Pro Tem Rosen. He noted that it is interesting on reviewing the history of term limits that it was Council Member Leyes who was the driving force behind its adoption. He requested more time to consider the item. He noted that the City Council voted against spending \$16,000 for bathrooms in the park, and is now considering spending \$16,000 for a ballot measure that has already been voted on. He indicated that it could wait until the November ballot, along with a ban on fireworks.

Mayor Dalton commented that he was in favor of term limits at the local level.

Council Member Leyes commented that in a perfect world, most people would be more attuned to what was going on with their elected officials. He noted that term limits deals with abuse of power. He felt awkward supporting a change when he was in favor of the original ballot measure.

Mayor Pro Tem Rosen moved, seconded by Council Member Leyes, to place a measure on the June 2006 ballot to eliminate term limits.

Council Member Nguyen commented that everyone has a reasonable argument; however, she requested more information and also that

this be continued to the meeting on February 14, 2006, so it can be televised.

Mayor Pro Tem Rosen withdrew his motion and seconded the motion made by Council Member Nguyen. Said motion carried by unanimous vote.

ADJOURNMENT

At 10:20 p.m., the meeting was declared adjourned.

PRISCILLA STIERSTORFER
DEPUTY CITY CLERK/
DEPUTY SECRETARY