

**MINUTES OF A MEETING OF
THE LEMON GROVE CITY COUNCIL, LEMON GROVE HOUSING AUTHORITY, LEMON
GROVE SANITATION DISTRICT BOARD, LEMON GROVE ROADWAY LIGHTING DISTRICT
BOARD, AND LEMON GROVE SUCCESSOR AGENCY
February 17, 2015**

Call to Order

Mayor Pro Tem Vasquez reported that Mayor Sessom is out of town attending to a family matter.

Members present: George Gastil, Jerry Jones, Jennifer Mendoza, and Racquel Vasquez.
Members absent: Mary Sessom.

City Staff present: Graham Mitchell, City Manager; Daryn Drum, Division Fire Chief; Leon Firsht, City Engineer; Susan Garcia, City Clerk; Mike James, Public Works Director; Lt. May, Sheriff's Department; and Michael Wapner, City Attorney's Office.

Public Comment

John L. Wood commented on San Diego's airport business operations and vehicles parking on City streets.

Councilmember Gastil requested the February 3, 2015, City Council meeting minutes be amended to include that Councilmember Mendoza was present at the Mexican-American business professional association meeting where she was recognized as a newly elected official.

1. Consent Calendar

- A. Approval of City Council Minutes**
February 3, 2015 Regular Meeting
- B. Ratification of Payment Demands**
- C. Waive Full Text Reading of All Ordinances and Resolutions on the Agenda**
- D. Fiscal Year 2014-2015 Revised Appropriations Limits**
- E. Recognized Obligation Payment Schedule (July 1, 2015 – December 31, 2015)**
- F. Denial of Claim**

Action: Motion by Councilmember Gastil, seconded by Councilmember Jones, to approve the Consent Calendar with amendment to the February 19, 2015, City Council meeting minutes passed, by the following vote:

Ayes: Gastil, Jones, Mendoza, Vasquez
Absent: Sessom

Resolution No. 2015-3306: Resolution of the City Council of the City of Lemon Grove City Council Revised Appropriations Limit for Fiscal Years 2014-15

2. Parking Restrictions on School Lane

Graham Mitchell reported that the City has received complaints from library patrons about the lack of available parking on School Lane.

Staff has observed school staff using the street parking in lieu of designated staff parking. Staff determined that creating a 2-hour parking restriction on School Lane between Central Avenue and Lincoln Street would ensure quicker turnover of parking spaces.

This concept was discussed at the February 10, 2015 City/School District collaboration meeting. School District staff recommended that parking restrictions be lifted in the evening to accommodate school meetings and events. Based on the discussion at the meeting, staff recommends establishing 2-hour parking restriction between 8:00 AM and 4:00 PM, Monday through Friday, excluding holidays.

Public Speaker(s)

There were no requests from the public to speak.

Action: Motion by Councilmember Jones, seconded by Councilmember Gastil, to adopt the resolution passed, by the following vote:

Ayes: Gastil, Jones, Mendoza, Vasquez

Absent: Sessom

Resolution No. 2015-3307: Resolution of the City Council of the City of Lemon Grove, California Designating the School Lane between Central Avenue and Lincoln Street as a Two-Hour Parking Zone between the Hours of 8:00 am and 4:00 pm, Monday through Friday, Excluding Holidays

3. Real Estate Purchase and Sale Agreement – APN 480-043-38

Graham Mitchell stated that on August 26, 2013, Mike Burnett provided the City with a Letter of Intent to purchase a 2,410 square foot City-owned parcel that was remaining from the development of the Main Street Promenade. The parcel is located south of Citronica One and west of the Main Street Promenade. Mr. Burnett intends to develop a mixed-use project on the site.

On September 17, 2013, the City Council considered the offer to purchase the parcel. During its discussion, the City Council directed staff to prepare a purchase agreement based on the terms identified in the Letter of Intent. Staff and Mr. Burnett opted to wait until the discretionary permit was issued to CityMark before finalizing a purchase agreement.

The agreement indicates that the parcel will be sold for \$25,000. The price per square foot equals \$10.37. This figure is lower than the amount received for the CityMark parcel. However, the small size of the parcel reduces the property's per square foot value. The agreement indicates that escrow will close after the buyer completes due diligence on the site over a maximum of 60 days. The agreement indicates that the City will pay for half of escrow fees and for a title policy. The buyer is responsible for half of escrow fees and a standard ALTA (American Land Title Association) policy. The agreement also indicates that the buyer indemnifies, holds harmless and defends the City against claims arising out of the transaction.

Mike Burnett provided an overview of his vision for the proposed project.

Councilmember Mendoza explained her interest in developing the parcel as a park.

Public Speaker(s)

There were no requests from the public to speak.

Action: Motion by Councilmember Jones, seconded by Councilmember Gastil, to adopt the resolution passed, by the following vote:

Ayes: Gastil, Jones, Vasquez
Noes: Mendoza
Absent: Sessom

Resolution No. 2015-3308: Resolution of the City Council of the City of Lemon Grove, California Approving a Real Estate Purchase and Sale Agreement with Mike Burnett

4. Potential Redevelopment Legislation

Graham Mitchell reported that the City of Lemon Grove has litigation with the State of California regarding an issue related to the dissolution of redevelopment. There are approximately 126 other cities that have separate, yet similar, lawsuits with the State. One city with a similar lawsuit was the City of Emeryville. On January 16, 2015, the California Court of Appeals ruled in favor of Emeryville. This case paved the way for many other redevelopment cases in various stages of litigation. However, the State legislature is working to preempt the effects of the Emeryville case through potential legislation.

Prior to 2012, the former Lemon Grove Community Development Agency (Agency) made annual loan payments to the City. The loan payments were for a loan from the City to the Agency upon the Agency's inception. The Agency made loan payments on June 20, 2011 and December 31, 2011 in the amounts of \$558,726 and \$588,000—a total of \$1,146,726.

Interpreting State legislation that became effective on June 27, 2012 (AB 1484), the State Department of Finance determined that the Agency's loan payments were unauthorized. This attempt to "claw back" former redevelopment obligations by the State has been the subject of many lawsuits by cities, including Lemon Grove. Ultimately, the City's lawsuit attempts to thwart a reimbursement of the \$1,146,726 payment from the City's General Fund reserves. The Emeryville case gave hope to Lemon Grove and other cities in similar conflict with the State.

In an effort to negate the apparent local government victory via the Emeryville case, there is legislation being drafted by members of the State legislature that would retroactively invalidate payments made by former redevelopment agencies between June 28, 2011 and January 31, 2012. For Lemon Grove, this potential legislation would require the City to return \$588,000 to the State from its General Fund reserves. The League of California Cities is preparing additional information about the potential legislation.

Public Speaker(s)

There were no requests from the public to speak.

After the discussion, the City Council authorized staff to communicate with State legislators in opposition to the potential legislation and to update the City Council with additional information about the potential legislation.

5. Crime Free Multi-Housing Program

Graham Mitchell explained that during its January 20, 2015 meeting, the City Council received a report regarding the Public Safety Focus Group's prioritization of strategies. During the meeting, the City Council gave staff direction regarding the Crime Free Multi-Housing program.

A Crime Free Multi-Housing Program is a crime prevention program with an aim to reduce crime, drugs, and gang activity at apartment properties. The program was developed in Mesa, Arizona in 1992 and after implementing the program, the City of Mesa experienced a 90 percent reduction in calls for police service at the highest crime complexes.

The County of San Diego operates a Crime Free Multi-Housing program through the Sheriff's Department. As the City's contractor for law enforcement services, the City is eligible to access the Sheriff Department's program. The program is intended for complexes that have four or more units—condo properties are not eligible to participate in this program. The program allows the Sheriff's Department and property managers to work together to solve problems. The Crime Free Multi-Housing Program allows the Sheriff Department to inspect the property and to suggest changes. The program in Lemon Grove would be managed through the Crime Prevention Specialist assigned to the City and is free of charge.

William Perno, Institute for Public Strategies, and Lt. May, Sheriff's Department, provided information and insight into the benefits of the Crime Free Multi-Housing program.

After the discussion, the City Council directed staff to implement a six month Crime Free Multi-Housing program.

Public Speaker(s)

There were no requests from the public to speak.

6. San Diego Pooled Insurance Program Authority (SANDPIPA)

Mike James stated that Lemon Grove is one of twelve cities in the County that is a member of the San Diego Pooled Insurance Program Authority (SANDPIPA). The other eleven cities include Chula Vista, Coronado, Del Mar, Encinitas, Escondido, Imperial Beach, National City, Oceanside, Santee, Solana Beach and Vista.

SANDPIPA is a joint power authority (JPA) that was created to provide a funding mechanism to cover catastrophic losses of each member with a stable and equitable allocation/distribution of member contributions. The mission of SANDPIPA is to provide cost effective risk financing and insurance programs, comprehensive risk management support services, and a forum for sharing expertise and experience.

Last year, Ms. Laura Seiler, the General Manager of the SANDPIPA, announced that she plans to retire in June 2016 after 23 years of service as SANDPIPA's General Manager. With Ms. Seiler's retirement, other member cities have expressed an interest in exploring other risk financing options that may better suit their needs, which may include the dissolution of SANDPIPA.

In order for the City to open a dialogue with other providers for risk financing options, a Notice of Intent to Withdraw is required to be filed at least six months before the next fiscal year. On December 23, 2014, staff issued a letter to SANDPIPA's General Manager notifying that the City is considering other risk financing options that may better suit the needs of the City.

Action: Motion by Councilmember Mendoza, seconded by Councilmember Jones, to ratify the Notice of Intent to Withdraw passed, by the following vote:

Ayes: Gastil, Jones, Mendoza, Vasquez
Absent: Sessom

City Council Oral Comments and Reports on Meetings Attended at the Expense of the City. (GC 53232.3 (d))

Councilmember Jones attended Metro Wastewater and SANDAG meetings, along with the Lemon Grove Farmers Market, and the Buena Vista Mural Project community painting event.

Councilmember Mendoza attended a League of California Cities, Lemon Grove Association, Clergy, HealZone Steering Committee, San Diego Taxpayers Association meeting for newly elected officials, along with the Lemon Grove Farmers Market, and SANDAG luncheon for newly elected officials.

Councilmember Gastil attended the Lemon Grove Farmers Market, MTS and Facilitating Access to Coordinated Transportation meetings.

Mayor Pro Tem Vasquez attended a City/School Collaboration and Partners in Industry meetings, a business mixer the Island Soul Restaurant, the Lemon Grove Farmers Market, and the Buena Vista Mural Project community painting event.

Closed Session

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
City of Lemon Grove v. Sempra Energy, et al - San Diego Superior Court,
Case No. 37-2014-00010490-CU-BC-CTL.

Closed Session Report: No reportable action was taken.

Adjournment

There being no further business to come before the City Council, Housing Authority, Sanitation District Board, Lemon Grove Roadway Lighting District Board, and the Lemon Grove Successor Agency the meeting was adjourned at 7:45 p.m.

Susan Garcia

Susan Garcia, City Clerk