

**CITY COUNCIL
TEMPLE CITY, CALIFORNIA**

**REGULAR MEETING MINUTES
JANUARY 17, 2012**

1. CALL TO ORDER

Mayor Chavez called the City Council Regular Meeting to order at 7:30 p.m. in the Council Chambers located at 5938 Kauffman Avenue, Temple City.

2. ROLL CALL

PRESENT: Councilmember-Blum, Sternquist, Vizcarra, Yu, Chavez

ABSENT: Councilmember-None

ALSO PRESENT: City Manager Pulido, City Attorney Vail, Parks & Recreation Director Burroughs, City Clerk Flandrick, Community Development Director Masura

3. INVOCATION

Pastor John Aitken, Temple City Seventh Day Adventist Church, provided the Invocation.

4. PLEDGE OF ALLEGIANCE

Temple City businessman Jerry Jambazian led those present in the Pledge of Allegiance to the Flag.

5. CEREMONIAL MATTERS – PRESENTATIONS

A. OATH OF OFFICE AND CERTIFICATE OF APPOINTMENT TO NEW PARKS AND RECREATION COMMISSIONER

City Clerk Flandrick administered the Oath of Office to Matthew Wong, newly appointed Parks and Recreation Commissioner.

On behalf of the City Council, Mayor Chavez presented Mr. Wong with a Certificate of Appointment.

B. PRESENTATION OF CERTIFICATE OF APPRECIATION FROM DR. KENNETH MARTIN

Dr. Kenneth Martin presented a Certificate of Recognition to the City Council on behalf of residents and business owners in appreciation of the City's prompt response in assisting residents and businesses during the windstorm recovery process.

6. PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Wesley Hester, representing the Public Art Advisory Group, informed the public of meetings to be held on February 8 and 15, from 6:30 – 8:30 p.m. in the Community Room, to solicit public input regarding the art component of the Rosemead Boulevard Enhancement Project.

Mary Kokayko, Temple City resident, said she was disappointed about the proposal of sending Mayor Chavez to China and wished to pull Item 7-F from the Consent Calendar.

Peter Choi, Chamber of Commerce President/CEO, provided activities and event information from the Chamber's monthly report.

7. **CONSENT CALENDAR**

Mayor Chavez pulled Item F from the Consent Calendar for public input.

Councilmember Blum moved to approve the remainder of the Consent Calendar, seconded by Mayor Pro Tem Yu and unanimously carried by the following roll call vote:

AYES: Councilmember-Blum, Sternquist, Vizcarra, Yu, Chavez
NOES: Councilmember-None
ABSENT: Councilmember-None
ABSTAIN: Councilmember-None

A. APPROVAL OF MINUTES

Approved Minutes of the City Council Regular Meeting of January 3, 2012, as presented.

B. REQUEST FROM THE TEMPLE CITY CAMELLIA FESTIVAL FOR SUPPORT AND AUTHORIZATION FOR USE OF STREETS AND FACILITIES FOR THE 2012 CAMELLIA FESTIVAL

Approved various requests from the Temple City Camellia Festival for authorization to use and control certain public rights-of-way and City park facilities in connection with the 2012 Camellia Festival, subject to the provision that the carnival company and all organizations selling food along the parade route, or at the carnival, file insurance endorsements naming the City as additional insured.

C. APPROVAL OF IN-KIND SERVICES AGREEMENT AND MEMORANDUM OF UNDERSTANDING/COLLABORATION AGREEMENT WITH YWCA SAN GABRIEL VALLEY – INTERVALE SENIOR SERVICES TO PROVIDE A SENIOR LUNCH PROGRAM AND OTHER RELATED SERVICES AT LIVE OAK PARK FOR FISCAL YEAR 2012-13

Approved the Memorandum of Understanding and In-Kind Services Agreement with the YWCA San Gabriel Valley – Intervale Senior Services for the senior lunch program and other related services at Live Oak Park for Fiscal Year (FY) 2012-13.

D. APPROVE PROGRESS PAYMENT NO. 3 TO CHRISTOPHER R. MORALES, INC. FOR THE TRAFFIC SIGNAL UPGRADES ON TEMPLE CITY BOULEVARD AT LAS TUNAS DRIVE AND BALDWIN AVENUE AT OLIVE STREET, CIP P09-01 AND P09-02

Approved Progress Payment No. 3, in the amount of \$127,164.73, to Christopher R. Morales, Inc. for the Traffic Signal Upgrades on Temple City Boulevard at Las Tunas Drive and Baldwin Avenue at Olive Street, Capital Improvement Projects P09-01 and P09-02.

E. VISA CARD REPORT

Received and filed the Visa Card Report.

G. ADOPTION OF RESOLUTION NO. 12-4790 – APPROVAL OF PAYMENT OF BILLS

Adopted Resolution No. 12-4790, a RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE CITY ALLOWING CLAIMS AND DEMANDS IN THE SUM OF \$451,498.12 DEMAND NOS. 33574 THROUGH 33646.

H. RESOLUTION NO. 12-4789 OF THE CITY OF TEMPLE CITY ADDING PART-TIME POSITIONS TO THE CITY'S EMPLOYEE CLASS AND PAY RANGE SCHEDULE

Adopted Resolution No. 12-4789, a RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE CITY APPROVING THE CLASS SPECIFICATION AND SALARY RANGE FOR THE NEWLY CREATED PART-TIME POSITIONS OF COMMUNICATIONS INTERN, FINANCE INTERN, COMMUNITY DEVELOPMENT PROJECT MANAGER AND COMMUNITY PRESERVATION OFFICER.

F. TEMPLE CITY TRADE MISSION TO CHINA

The City Council was requested to approve out of state travel for Mayor Tom Chavez (i.e., February 10-13, 2012) to visit Shanghai and Nanjing, China and meet with potential capital investors for The Gateway at Temple City project.

City Manager Pulido provided a report on this item, stating a couple of years ago Randy Wang, owner of the Gateway Project property, reached a settlement with the City that the Council approved, including that the City would cooperatively work with him in securing tenants for the project. The City did work with the owner in supporting his application to create a Regional Center under the EB-5 Immigrant Investor Program. Under this program, alien investors make a capital investment of either \$500,000 or \$1,000,000 in a new commercial enterprise located in the United States. The enterprise must directly create or preserve at least 10 full-time jobs for qualified U.S. workers. Forty investors were needed to reach the \$20M total project investment. At a meeting last week, Mr. Wang indicated he had secured 23 investors, and had another 10 investors who were interested. The Mayor has met on several occasions with potential investors and has also participated in a welcome video for the project.

The City is desirous of initiating both the Rosemead Boulevard Enhancement Project and the Gateway Project as the same time, and there is now an opportunity for the Mayor to visit China for the cost of a conference here in the States. Funding is in place in the existing budget, so approval is a policy decision for the Council.

Mary Kokayko, Temple City resident, said she thought it was wrong for Mr. Wang to ask the City to send our Mayor to China. His investors have been to visit here twice and it does not look good for our Mayor to solicit for Mr. Wang's project. It he can't raise money for his project, it is his problem, not ours.

Joan Vizcarra, Temple City resident, stated what Mr. Pulido said is accurate, but there is an emotional mind feel here and one of the big problems is that this item is on the Consent Calendar, which means it is not up for discussion unless pulled. She did not want to see the confidence in this Council lost, and wished for the City to move forward, not back where we were.

Angie Dorantes, Temple City resident, said she shared the same concerns and questioned why we are trusting Mr. Wang. She did not want our City to be in the papers again and asked the Council to look at this issue carefully.

Jerry Jambazian, Temple City businessman, felt this was a good idea. He understood there could be a problem if Mr. Wang was paying for this trip, but he is not. The City is paying for it and this is for a \$20 million project which we all want to get going. He was in favor of anything the City can do to get this project moving.

Councilmember Blum stated he was not on the Council when the settlement agreement was approved, but understood that the Council did agree to work together with the developer to move this project forward. One of the highest priorities of the City is the need to bring in more restaurants and businesses to turn around the economic climate of our City. The City is working very hard at this point on two projects: the Rosemead Boulevard Project to start the economic turnaround and the development on that corner. Council is continually asked when the project is going to get started. The owner of the property is trying to move forward with the desires of the City through plan check, etc. The City is trying to coordinate efforts for the Rosemead Boulevard Project and the Gateway Project to occur at the same time. The amount of sales tax we will get far exceeds the small amount of money we will expend to send someone to try to move this project forward. If it does not move forward, we will struggle, so we need to do what we can.

Councilmember Sternquist said when she first read the proposal her first thought was that there needed to be more education about the program. We all heard good things and how it would help move the project forward, but in taking time to read up on the program, she found out some information that she found troubling. The pilot program started in 1992 and the amount of investment is the same. The program is due to sunset in 2012 so there is an urgency for the EB-5 promoters to see the program extended, and there is also uncertainty about a change in the amount of investment being increased. Another thing of concern is that the Cities of Victorville and El Monte supported the program but turned down the project in place, so when the project failed, the investors' stake was also at risk. Her main concern was, by sending a representative from the City, it would give the investors a feeling that this project was supported by local government. There is no regulation of the promoters and a lot could get lost in translation. Also, a few weeks after this proposed visit, Council reorganization takes place and we may have a new Mayor. So what happens to those investors with a new Mayor? She felt it opened up a can of worms and would not like any of the Council to be put in that position.

Mayor Pro Tem Yu said he had a different take on this. Several other citizens contacted him because they were concerned with the perception of a City representative going all the way to China to promote this project. He was more concerned with what the Chinese people might think. This project came with a lot of history and is an emotional project for a lot of people who did not like the project that much. But from a point of view of Chinese people who, in mainland China, are used to a very heavy handed government controlled system, having a governmental association is very influential. The goal with the EB-5 Program is to provide background and cooperation, i.e., working with them toward their Conditional Use Permit (CUP) approval, and meeting with the investors who come over here. He felt we might send the wrong message by going over there and we want investors to know they are taking certain risks. Our City will provide the infrastructure for this project to happen, but going over there might be sending too strong a message that we are part of the project.

Councilmember Vizcarra brought up two perception issues. As politicians, perception is a reality. First perception is that if this goes forward, it will be viewed locally as the City taking a step back to things that happened in the past and a potential for wrongdoing. It just looks bad that we are entering into this much cooperation with Mr. Wang. He is a developer and needs to develop and build on his own. We have agreed to help and have helped, but sending the Mayor over there is above and beyond. Secondly, if the Mayor does go over there, he is soliciting investors to come here and he is speaking for the City.

The only thing we can do is say this is a great City with great schools, etc. but cannot be in a position to say come over and invest in our City. The liability is too severe and a lot can be lost in translation. Another concern is that Mr. Wang received authorization from the government in October 2010 to proceed with the EB5 Program, and as of today he has 23 investors, but he wondered if that money is really committed. Mr. Wang wants us to do some of his legwork for him. His job is to go there and solicit investors but it should not appear that we are in any way a part of that. We run the City, provide an excellent atmosphere for investment, but do not help developers to that degree.

Mayor Pro Tem Yu said he failed to say that we do appreciate that our Mayor is willing to take the time and agree to go on behalf of the City.

Mayor Chavez said he agreed with a lot of what has been said and disagreed with some as well. He has met with some of the investors and assured everyone that the City is not in any way guaranteeing this project. He understood that anytime someone hears the name of Randy Wang, it raises a lot of emotion and that is not going to go away. The EB5 Program is part of this development and funding is there through this program. This lot is in our City and people don't like to look at that empty lot – we take the heat for that. He did take exception to a couple of things he heard and stated at no time would he be involved in any bribery or extortion. The City is well aware of the issues involved and sometimes perception becomes reality but we as elected officials should be able to control those perceptions by doing the right thing. He was not going to apologize for thinking this is a good idea as his traveling to China would be purely as an ambassador for the City – not to lure or convince investors to invest in a particular project, but to tell them what a great city this is. All of us are committed to doing the best for our City including this project and he would not want anyone to think this is a back door deal. Because it was on the Consent Calendar doesn't mean we were trying to get it through without transparency as anyone has the right to pull an item for discussion. Everyone expressed great opinions and one way or another we will do what it takes and do it the right way.

Councilmember Blum moved to approve out of state travel for the Mayor to visit China on February 10-13, 2012 to meet with potential capital investors for The Gateway at Temple City Project. The motion failed for lack of a second. Approval was denied.

8. UNFINISHED BUSINESS – None

9. NEW BUSINESS

A. PUBLIC HEARING: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR Fiscal Year (FY) 2012-2013

Associate Planner Gulick reviewed his staff report, stating the City Council is requested to hold a public hearing to consider the allocation of Community Development Block Grant (CDBG) funds for fiscal year 2012-2013 for the following programs:

Housing Rehabilitation Loan Program:	\$150,000
Asbestos Testing and Removal Program:	\$ 75,000
Youth Scholarship Program:	\$ 31,085
ADA Barrier Removal Program:	\$100,000

CDBG funds are used primarily to address slum and blight conditions, to assist low and moderate-income households, for emergency purposes, or to meet the needs of special-population groups, such as the disabled or senior citizens.

In the past, the City has used CDBG funds for the Housing Rehabilitation Loan Program, the Handyworker Assistance Program, the Youth Scholarship Program, the installation of ADA-approved playground equipment in its parks, and the construction of wheelchair ramps at various intersections throughout the City. Over the past two years, the City's CDBG Program has received significant cuts, nearly \$50,000 each year. The allocation for FY 2012-2013 is estimated to be \$207,236, but that figure may be adjusted by the Community Development Commission (CDC) based upon the eventual U.S. Department of Housing and Urban Development (HUD) allocation. It should be noted that the combined amounts of the programs may be more than the estimated allocation for FY 2012-2013. This is due to funds being carried over from previous years or "program income" or interest received from loans paid back from the Housing Rehabilitation Loan Program.

Associate Planner Gulick provided a brief description of each of the programs and responded to questions from Council. In the past, the CDC would allow up to 10% of the City's overall annual allocation for a General Administration Program to oversee all of the City's CDBG Programs. The CDC reduced this program for FY 2012-2013 from 10% (\$27,000) to 5% (\$13,500) after receiving the CDC's final allocation from HUD. Due to anticipated deeper budget cuts, the CDC has decided to eliminate the funding of all General Administration Programs at this time.

Mayor Chavez opened the Public Hearing.

Hearing no requests to speak, either for or against this item, the public hearing was closed.

In response to Mayor Pro Tem Yu, City Manager Pulido confirmed that all of the amounts could be readjusted at budget time.

Councilmember Blum moved to approve the following CDBG-funded programs for FY 2012-2013:

Housing Rehabilitation Loan Program:	\$150,000
Asbestos Testing and Removal Program:	\$ 75,000
Youth Scholarship Program:	\$ 31,085
ADA Barrier Removal Program:	\$100,000

seconded by Mayor Pro Tem Yu and unanimously carried by the following roll call vote:

AYES: Councilmember-Blum, Sternquist, Vizcarra, Yu, Chavez
NOES: Councilmember-None
ABSENT: Councilmember-None
ABSTAIN: Councilmember-None

- B. INTRODUCTION OF ORDINANCE NO 12-952, AN ORDINANCE REPEALING SECTION 5308 FROM THE TEMPLE CITY MUNICIPAL CODE RELATING TO THE UNIFORM LOCAL SALES AND USE TAX ORDINANCE TO TERMINATE THE EXISTING CREDIT FOR PAYMENT OF SALES AND USE TAXES PAID TO THE TEMPLE CITY COMMUNITY REDEVELOPMENT AGENCY

City Attorney Vail noted that there are three items on the City Council and Community Redevelopment Agency agendas that are interrelated to the dissolution of the Agency. The City Council is first requested to consider first reading of an ordinance to repeal in full Section 5308 of the City's Municipal Code. This section currently grants a credit against the sales and use tax due the City for payment of a sales and use tax established by and

paid to the Agency. With the Agency due to dissolve on February 1, 2012, it will no longer collect any sales tax and so the credit is no longer necessary.

The Agency currently collects and forwards to the City approximately \$500,000 per year in sales and use tax. The City's credit, as established in Section 5308 of the Municipal Code, allows for this collection and a longstanding agreement between the Agency and City allows for the reimbursement to the City of all amounts of sales and use tax not needed by the Agency. Adoption of this ordinance repealing Section 5308 would not result in any gain or loss to the City but would ensure that the City continues to receive the full amount of sales and use tax that it is allowed to collect under the Code.

At the request of Council, City Clerk Flandrick read the title of Ordinance No. 12-952.

Councilmember Blum moved to waive further reading and introduce on first reading Ordinance No. 12-952, an ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPLE CITY REPEALING SECTION 5308 FROM THE TEMPLE CITY MUNICIPAL CODE RELATING TO THE UNIFORM LOCAL SALES AND USE TAX ORDINANCE TO TERMINATE THE EXISTING CREDIT FOR PAYMENT OF SALES AND USE TAXES PAID TO THE TEMPLE CITY COMMUNITY REDEVELOPMENT AGENCY, seconded by Mayor Pro Tem Yu and unanimously carried by the following roll call vote:

AYES: Councilmember-Blum, Sternquist, Vizcarra, Yu, Chavez
NOES: Councilmember-None
ABSENT: Councilmember-None
ABSTAIN: Councilmember-None

C. INTRODUCTION OF RESOLUTION NO. 12-4791, A RESOLUTION DESIGNATING THE CITY OF TEMPLE CITY COMMUNITY DEVELOPMENT AND HOUSING AUTHORITY AS THE SUCCESSOR HOUSING AGENCY OF THE TEMPLE CITY COMMUNITY REDEVELOPMENT AGENCY

As a related item to the ordinance, City Attorney Vail recommended the City Council consider for adoption a Resolution selecting the City of Temple City Community Development and Housing Authority as the successor entity for the housing functions of the Temple City Community Redevelopment Agency. In general, the primary obligations incurred by the Housing Authority would be the obligation to use any remaining Agency housing assets to create affordable housing within the city and to monitor and enforce any covenants and agreements that were put in place by the Agency during its lifespan. The Authority would be able to use any funds held by the Agency to perform these obligations.

Councilmember Blum moved to adopt Resolution No. 12-4791, a RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE CITY, CALIFORNIA, DESIGNATING THE CITY OF TEMPLE CITY COMMUNITY DEVELOPMENT AND HOUSING AUTHORITY AS THE SUCCESSOR HOUSING AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF TEMPLE CITY, seconded by Mayor Pro Tem Yu and unanimously carried by the following roll call vote:

AYES: Councilmember-Blum, Sternquist, Vizcarra, Yu, Chavez
NOES: Councilmember-None
ABSENT: Councilmember-None
ABSTAIN: Councilmember-None

10. COMMUNICATIONS – None

11. RECESS TO COMMUNITY REDEVELOPMENT AGENCY MEETING

At 8:57 p.m., the City Council recessed to the Community Redevelopment Agency Meeting. Minutes of the Agency Meeting are set forth in full in the Agency's records.

RECONVENE AS CITY COUNCIL

The City Council meeting was reconvened at 9:03 p.m. with all Councilmembers present.

12. ACTION ON REQUEST BY CRA – None

13. UPDATE FROM CITY MANAGER – None

14. MATTERS FROM CITY OFFICIALS – None

15. COUNCIL REPORTS REGARDING AD HOC OR COMMISSION MEETINGS

Mayor Pro Tem Yu reported that he and Councilmember Vizcarra, as the Chamber Renovation Ad Hoc Committee, met earlier this evening and made recommendation to staff to bring back design options to the full Council in February.

Councilmember Vizcarra reported that the Public Art Ad Hoc Committee (Councilmember Vizcarra and Mayor Chavez) and the Advisory Committee met with the Rosemead Boulevard Project design team and provided direction, received samples and followed up on suggestions made regarding monuments and logo, etc., which will be presented at the Council Study Session on Thursday night (January 19, 2012).

Mayor Chavez stated he and Mayor Pro Tem Yu, as the Budget Ad Hoc Committee met with the City Manager and discussed several issues including fund balances and retiree benefits, and will report to the full Council in the near future.

16. COUNCIL ITEMS SEPARATE FROM THE CITY MANAGER'S REGULAR AGENDA

A. COUNCILMEMBER BLUM – None

B. COUNCILMEMBER STERNQUIST

Councilmember Sternquist shared information of upcoming seminars regarding the EB-5 Program.

C. COUNCILMEMBER VIZCARRA – None

D. MAYOR PRO TEM YU

Mayor Pro Tem Yu reiterated that his opposition to Item 7-F was only based on the fact that he saw this item differently or had a different opinion of it, but acknowledged that the intent was just to try to do something for the City.

E. MAYOR CHAVEZ

Mayor Chavez shared the subjects of his recent meetings with residents and business owners at City Hall.

Mayor Chavez reported on his participation on a panel of legislators to discuss the windstorm damage and response by Edison and other agencies held at the 9th Circuit Court of Appeals. There was also a California Public Utilities Commission (CPUC)

hearing held at Temple City High School on January 26. More information is on the City's website and the Council will have a re-cap meeting on this subject next month.

Councilmember Blum noted upcoming special meetings: a Neighborhood Watch Meeting at Emperor School this Friday, January 20, from 6:00 – 8:00 p.m. and a City Council Special Meeting regarding the Rosemead Boulevard Enhancement Project this Thursday in the Community Room at 7:00 p.m.

17. REIMBURSEMENTS OF EXPENSES PAID TO OFFICIALS FOR CONDUCT OF CITY BUSINESS – None

18. ADDITIONAL PUBLIC COMMENTS ON ITEMS NOT LISTED ON THE AGENDA

Mary Kokayko, Temple City resident, requested the Council close the meeting in memory of Mary Burke and thanked Mr. Jambazian for sharing her picture.

Jerry Jambazian, Temple City businessman, asked if the costs of the windstorm recovery were known at this time.

City Manager Pulido responded it was estimated to be between \$1 million to \$1.25 million. The City will continue to pursue funding opportunities, more details of which will be included in this week's Manager's Report.

Mayor Chavez added that some of those issues were discussed at the round table meeting he attended. The disaster did not reach the state level amount of \$50 million in order to obtain federal monies.

19. CLOSED SESSION – None

20. ADJOURNMENT

The City Council Regular Meeting was adjourned at 9:26 p.m. in honor and in memory of Mary Burke.

Mayor

ATTEST:

City Clerk