

MEETING NOTES
ECONOMIC DEVELOPMENT COMMITTEE
April 13, 2016 - 2:00 PM - 4th Floor – CR #2

Mayor Jim Katapodis, Chair; Mayor Pro Tem Dave Sullivan, Councilmember Jill Hardy

Staff: Fred Wilson, Ken Domer, Kellee Fritzal, Scott Hess, Antonia Graham, Duran Villegas, Dave Dominguez, Scott Hess

1. **Public Comments** - none
2. **Minutes from March 9, 2016 meeting** – Mayor Katapodis moved, to adopt the minutes from the March 9, 2016 EDC Meeting. Passed unanimously.
3. **Economic/Business Development Report**

Proposed Sales Tax Sharing Agreement 16701 Beach Blvd: Councilmember Hardy was concerned about beach blvd car dealerships and would like to continue discussion. Mayor Katapodis said he had issue with 20-year term of agreement and thought it should be shorter. Mayor Pro Tem Sullivan agreed and said 20 year term was too long, he then inquired if other City's had 20 year deals. Kellee Fritzal indicated other City deals range from 15-20 years and that Long Beach's deal was 15 years with 50%/50% sales tax split. Mayor Katapodis indicated that he preferred a 10-year deal with the option for additional years. Mayor Pro Tem Sullivan made a motion to negotiate a 10-year deal with option for extension. Councilmember Hardy indicated to bring item back to City council. Ms. Fritzal said that staff can indicate in RCA that EDC supported a 10 year deal with option.

4. **Real Estate**

Lake Street Right of Way Easement: Mayor Katapodis and Councilmember Hardy expressed concern about the removal of fences should City receive biking grant to improve right of way in the future. Councilmember Sullivan indicated that he believes that there should be a fee charged for use of property; Jill was not supportive of allowing fencing and should preserve right of way since allowing owners to use property (with or without License) provides a sense of "entitlement/ownership." Mayor Katapodis indicated that License Agreement should have a BOLD Disclaimer indicating that "LICENSEE DOES NOT OWN PROPERTY." He indicated that City should have ability to take back property when the time comes for use. Staff indicated that only 42" fences were allowed within the right of way and that the Public Works Department had to review and approve all other fences. Mayor Pro Tem Sullivan asked what type of fence can be installed. Duran Villegas indicated that fence type is under Public Works Director's review authority and that fences most likely allowed would include chain link and wood and that block walls are considered more permanent and not

permitted. Mr. Sullivan then indicated that property owners should be responsible for removing fences or other improvements. Councilmember Hardy was concerned if fences could be increased in height with variance. Scott Hess responded that language in License can indicate that no variance for increased fence height would be permitted and that the 42" height is the maximum limit. Kellee Fritzal indicated that language will be added to License Agreement that fence height is a maximum of 42" and that no variance to increase height is permitted.

Ruby's: Duran Villegas provided an overview of Ruby's request for 10-year lease extension that would include new improvements including remodel of interior, exterior, new roof signage, exterior lighting and proposed small kiosk at start of pier. Kellee Fritzal indicated that the City is supportive of lease extension and improvements but desires to clarify current lease standards and improve/increase maintenance standards for Ruby's. She also indicated that staff can work with VHB regarding potential kiosk space at start of pier. Mayor Pro Tem Sullivan inquired if kiosk is required to go before Design Review. Scott Hess answered that if the kiosk is small enough that it may be exempt from Design Review. Dave Dominguez clarified that the kiosk being proposed would be portable and that Ruby's could wheel it to front of pier each day as needed. Mayor Katapodis expressed support of 1% increase to Percent Rent while other Council Members were also supportive of 10-year lease extension.

5. Housing Update

Delaware/Garfield City Owned Land: Kellee Fritzal gave overview of Delaware and Garfield site proposal for Habitat for Humanity's development of one single family affordable housing unit. She stated that the City's commitment toward the project would be through use of approximately \$270,000 in HOME funds and would include HB veteran's preference. Mayor Pro Tem Sullivan asked what the land value of the site is. Ms. Fritzal indicated that the land is valued at \$275,000 and that the project eligibility would be designated for Low Income households. Mr. Sullivan indicated that he doesn't support affordable housing project for just one home and that he prefers more homes or units to assist a greater number of individuals. Councilmember Hardy inquired if the property could be sold. Fred Wilson indicated that staff could pursue selling property on the open market at market rate. Mayor Katapodis and Mayor Pro Tem Sullivan supported selling the property instead of using it for the project. Councilmember Hardy indicated that a letter should be sent to adjacent property owners notifying them that the City will be placing property on the market for sale. Scott Hess mentioned that the zoning code allows the property to be developed with 2 units for possible rental or ownership.

Adjournment to May 11, 2016, 2:00 p.m. Civic Center, 4th Floor CR #2