

CITY OF PERRIS

MINUTES: Special City Council Work Session
Date of Meeting: 07 January 2003
Time of Meeting: 6:00 p.m.
Place of Meeting: City Council Chambers-City Hall

1. **CALL TO ORDER:** The Honorable Mayor Busch opened the Special City Council Work Session at 6:00 p.m. and requested City Clerk Rey to call the roll.

6:00 p.m. Called to Order

2. **ROLL CALL:**

All Council Members Present

Council Member Present: Motte, Rogers, Yarbrough, Landers, Busch

Staff Members Present: City Manager Vasquez, Assistant City Manager Apodaca, City Attorney Dunn, Community Director Gutierrez, and City Clerk Rey.

3. **PUBLIC COMMENT:** None

4. **WORKSESSION:**

A. Discussion of proposed Development Agreement between the City of Perris and Barratt American for the Villages of Avalon Specific Plan generally located at: the south side of Ramona Expressway between Camlann Way and Rider Street and bounded on the south by the May Ranch Specific Plan.

City Manager Vasquez commented that the City had informal discussions with Barratt's staff in regards to the preparation of the development agreement for future phases of the project. City Manager Vasquez presented an outline, which were items reflected within the agreement:

City Manager Vasquez's Introduction

- 1) \$ 1 million for Rider Street including (Evans to Perris) bridge;
- 2) Half of Bradley east side;
- 3) Half of Morgan across from K & B Development;
- 4) Evans Road extend to Ramona Expressway;
- 5) Accelerate storm drain along Rider Street;
- 6) Provide funds (CFD) to complete portion of Rider in front of new school by June 2003;
- 7) Relocate power poles along Rider;
- 8) Relieve TUMF fee only;
- 9) Term: Barratt requests a 15-year term; and staff recommended 5-7 year term.

Staff projected about \$5 million for cost to Barratt American if they had to pay the TUMF. There may be a referendum against the TUMF. The agreement would be formed in the event the TUMF failed to be enacted; the agreement would be void.

Con't. City Manager Vasquez's Introduction

City Attorney Dunn commented that Barratt American, which required analysis, drafted an agreement. A draft agreement would be presented to Council for input on the concept and for direction.

City Attorney Dunn's Comments Re: Analyzing of Draft Agreement

City Manager Vasquez commented that the intent was to introduce the agreement to see if staff was on target as to what the Council looked for and thought. Barratt could voice their perspectives on the agreement and give direction to staff.

City Manager Vasquez's Comment Re: Input & Direction to Staff

CITY COUNCIL COMMENTS AND DISCUSSION:

Councilmember Motte asked if a problem would exist where the county said the City tried to circumvent the TUMF (fees).

Councilmember Motte's Query Re: Potential Problem with County Regarding the Development Agreement

In response, City Attorney Dunn said the TUMF Ordinance made exception for those development agreements that existed prior to adoption of TUMF. Barratt American stood apart from other developers because their project was adjacent to Rider Street, which had improvement issues.

City Attorney Dunn's Response

City Manager Vasquez said the development agreement was discussed years ago and was not a new concept with Barratt. The City never drafted a development agreement. The county could not accuse City of coming up with a new agreement in order to circumvent the existing TUMF. The outlined items presented were infrastructure items, which were consistent with the TUMF.

City Manager Vasquez's Comments Re: Barratt's Development Agreement not a New Concept

Councilmember Landers commented that the City was five years late in approving an agreement. When Barratt American introduced their agreement there wasn't a thought to TUMF; therefore, it should not be considered. Councilmember Landers voiced support of the bridge improvement and other improvements as stated by City Manager Vasquez.

Councilmember Landers' Comments Re: Negate TUMF & Support of List of Itemized Infrastructure

City Attorney Dunn stated that the project potentially had 850 to 950 units that would be subject to the TUMF when it was adopted. With exemption of TUMF, Barratt American would be relieved from \$5.5 to \$6 million in fees. Therefore, as an exchange, it was discussed to address the \$1 million for Rider Street improvements, as well as credits.

City Attorney Dunn's Comments Re: Exemption of TUMF vs. \$1 Million of Improvements to Rider Street

Councilmember Yarbrough agreed with Councilmember Landers that this matter should have been dealt with years ago; resulting in a profit to the City. Councilmember Yarbrough voiced support of the completion of an agreement in order to address the improvement issues of Rider Street. He pointed out that there were two schools under construction within the County, which would result in a tremendous impact to City streets. New issues existed that required resolution and Council required input from the developer and city staff in order to proceed.

*Councilmember Yarbrough's
Comments Re: Proceed with
Analyzing & Completion of
the Agreement*

Mayor Busch commented that city staff and the developer identified the items presented by City Manager Vasquez.

*Mayor Busch's Comment Re:
Items Identified by Staff &
Developer*

Mr. Armstrong, Barratt American, pointed out the following:

*Barratt American, Mr.
Comments Re: Items
Identified within the
Agreement Outline*

- Items 1, 2, 3, 4 and 5 of the outline were discussed;
- Item 6 might not be accurate as it was unknown, at this time, if that portion of Rider Street was within the CFD;
- There was a section of Rider Street (Ramona Expressway to Avalon Parkway) that the developer was responsible for;
- There were several areas of Rider Street that improvement responsibility lied with Kaufman & Broad; and the school district;
- The \$1 million was discussed for full improvement to Rider Street;
- The relocation of the power poles was for the City to deem as a city project as there would be no cost to the City. If a developer performed the relocation the cost would be their responsibility; The developer would also need to re-analyze the agreement;
- The first eight items were discussed; and
- Item 9, the fifteen-(15) year term might had been from an agreement, which was modified for Villages of Avalon's agreement.

Mayor Busch commented on the failure of the enactment of TUMF and indicated that the term should be excluded from the agreement.

*Mayor Busch's Comment Re:
Exclusion of the Term*

Mr. Armstrong, Barratt American, indicated that the agreement should address term. The TUMF would allow the developer to pay infrastructure fees over a period of six to seven years span; and the agreement required a target date of June 2003 for completion of improvements for Rider Street. The acceleration to the storm drain was an expensive improvement and was scheduled for improvement in the next two to three years. The cost addressed in the agreement was greater than anticipated. The developer requested to discuss the issues for resolution and benefit for both parties and implied that an agreement could be structured with alternatives for TUMF.

*Barratt American, Mr.
Comments Re: Term; Target
Date & Alternate Agreement*

Community Development Director Gutierrez commented that there was a potential initiative, which would cancel the TUMF requirement. The dialogue with Council was to receive input as to whether Council was interested in exempting the development from the TUMF. There was a time frame to follow, the City was expected to adopt an ordinance enacting the TUMF during the last meeting of February, 2003.

*Community Development
Director Gutierrez's
Comments Re: TUMF
Potential Initiative & TUMF
Time Frame*

City Attorney Dunn defined the potential initiative and indicated that a petition was circulated for signatures (36,000 by February 9, 2003) to hold a special countywide election in April 2003, a referendum to overturn the county's TUMF. In regards to the comments made that the agreement should had been completed five years ago, City Attorney Dunn pointed out that five years ago the maps were not recorded and the latest specific plan did not exist. As it exists today, it was a full-entitled project, which was under construction.

*City Attorney Dunn's
Comments Re: Definition of
Potential Initiative & Project
Entitled*

Councilmember Rogers suggested, in order to meet the TUMF deadline Council should approve an agreement, which excluded the TUMF. Then, at a later date the components addressed could be negotiated in a separate development agreement.

*Councilmember Rogers'
Comments Re: Approval of
an Agreement & Negotiation
of Components*

Mayor Busch supported the concept of the amendment of the terms by Council and an alternate agreement.

*Mayor Busch's Comments
Re: Term Amendment &
Alternate Agreement*

Councilmember Yarbrough said the TUMF approach made sense, the problem was that the City had the greatest impact. He voiced concern of not knowing the area where the money received would benefit the City. Councilmember Yarbrough asked if the developer was requested to perform more than required.

*Councilmember Yarbrough's
Comments Re: Benefit to City
& Performance More than
Required*

In response, Mr. Armstrong, said staff requested the developer to perform full width improvements as opposed to the required half-width.

*Barratt American, Mr.
Armstrong's Response*

Community Development Director Gutierrez intervened and explained why the full width of improvements was required. There was commercial area (K & B Homes) located across from the proposed development that would not be developed for a few years. Therefore, it was determined that to perform the half-width at that location would be problematic; and would be utilized as a short cut/access to Ramona Expressway. The full width improvements would be mutual to both parties and would enhance the circulation within Barratt American's development. It would also be a positive thing that the developer could do to assist the City in their circulation. Barratt American could request a reimbursement agreement for the improvement to K & B Homes' half-width.

*Community Development
Director Gutierrez's
Comment Re: Benefits of
Improvements*

Mr. Armstrong pointed out other required full-widths: a section of Avalon Parkway; May Ranch's right-of-way; a portion of Bradley Road; and improvements along the edge of the Elementary School site.

*Barratt American's, Mr.
Armstrong's Comments Re:
Required Full-Width
Improvements*

Community Development Director Gutierrez indicated that Avalon Parkway was a significant thorough-way in the subdivision; a half-width street would create a bottleneck; and the issue of May Ranch's right-of-way would not occur. The required improvements were benefits to Barratt American's project.

Community Development Director Gutierrez's Comment Re: Required Improvements

In regards to the relocation of power poles, City Engineer Motlagh said Edison would challenge the City if their process were bypassed. The developer would be responsible for cost.

City Engineer Motlagh's Comments Re: Relocation of Power Poles

In regards to the cost, Mr. Armstrong said they would reimburse the City for actual cost for a section of Rider Street. There was the issue of confirming if the existing easement was in the right-of-way; or if the right-of-way existed prior to the easement.

Barratt American's, Mr. Armstrong's Comments Re: Rider Street Reimburse & right-of-way

For clarification, City Attorney Dunn indicated that a title search would be required as to who had the prior rights. If the City had prior rights and it was a public project, then the utility company had to relocate the poles.

City Attorney Dunn's Comment Re: Prior Rights in Regards to Relocation of Power Poles

Councilmember Yarbrough asked where did the school district and K & B Homes stand in regards to improvement costs.

Councilmember Yarbrough's Query Re: Improvement Cost for School District & KB Homes

In response, City Engineer Motlagh said in regards to Rider Street improvements, the school district was asked to figure up to \$200,000 and tentative promises were made, but not confirmed. To facilitate the improvements, the City worked with K & B Homes to accommodate \$100,000. Rider Street could be improved between Evans Road to Perris Boulevard with four lanes; sidewalks; a decent bridge; and would be a \$2 million project. City Engineer Motlagh pointed out areas of improvements and gaps. There would be a signal at Rider Street/Evans Road and Ramona Expressway/Rider Street in the future. The school had one access (in/out) and traffic would be chaos. City Engineer Motlagh indicated that he supported the development agreement, because it was a way to obtain money to complete Rider Street and other required improvements. The City's Capital Improvement fees had been put into Rider Street and there were not enough funds for other projects.

City Engineer Motlagh's Response

City Manager Vasquez commented that the agreement should be an exchange between the developer and City. What was identified were issues/concerns that the City required. The TUMF issue was a gray area and it was necessary to exempt the developer from that fee. If there were no TUMF, then there needed to be trade-off for the developer. The development would impact Rider Street with traffic, ergo, improvements were necessary. The school district understood the need for improvement funds, but their funding was special, which was for school development only. The City would be impacted by citizen complaints in regards to the street, etc.

City Manager Vasquez's Comments Re: Development Agreement a Benefit to Both Parties

Therefore, the City needed to address the issues before they occurred and when development occurred was the time to pursue the issue. The agreement required resolution, which had mutual benefits.

Con't. City Manager Vasquez's Comments Re: Development Agreement a Benefit to Both Parties

Councilmember Yarbrough proposed that Council create an Ad Hoc Committee for review and resolution of issues/details; and volunteered to serve on the committee.

Councilmember Yarbrough's Proposal Re: Creation of Ad Hoc Committee

After general discussion it was the consensus of Council not to consider creation of the Ad Hoc, but to appoint two councilmembers to attend informal meetings with staff and the developer. Staff will contact those councilmembers as to when a meeting would take place.

General Discussion: Ad Hoc Committee versed Informal Meetings

Community Development Director Gutierrez said there were terms that changed the balance (dollar value) of the development agreement. That balance varied from fees that were to be exempted or locked into and phasing of the parks. There was significant language that required review, etc.

Community Development Director Gutierrez's Comments Re: Review/Monitoring for Balance

Councilmember Landers asked if the school's ingress/egress was to be addressed.

Councilmember Landers' Query Re: Address of School's Ingress/Egress

In reply, City Manager Vasquez indicated that the school district did not require City's approval for design. The State Architect approved their design. The role of City and City Engineer in interaction with the school district was to provide input.

City Manager Vasquez's Response

Councilmember Yarbrough asked if there were challenges the City could present to the school district. It was confirmed that it was too late.

Councilmember Yarbrough's Query Re: Challenges to School District

City Attorney Dunn said schools and classroom facilities were exempt from local zoning requirements. So, if there were any local school disputes it would be directed during the CEQA review.

City Attorney Dunn's Comments Re: School Exemption & Disputes Presented @ CEQA Review.

It was the consensus of Council to draft a letter to the School Board addressing the concern of ingress/egress design.

Draft of Letter Re: School's Ingress/Egress Design

5. **ADJOURNMENT:** By unanimous consent the Special City Council Meeting was adjourned at 7:15 p.m.

7:15 p.m. Special City Council Meeting Adjourned

Respectfully Submitted,

Margaret Rey, City Clerk

