

**ANAHEIM CITY COUNCIL
REGULAR ADJOURNED MEETING OF
SEPTEMBER 11, 2007**

The regular meeting of September 11, 2007 was called to order at 3:00 P.M. and adjourned to 4:00 P.M. for lack of a quorum. At 4:05 P.M., Mayor Pringle called the regular adjourned meeting of September 11, 2007 to order.

A copy of the agenda for the Anaheim City Council meeting was posted on September 7, 2007 on the kiosk outside City Hall.

PRESENT: Mayor Curt Pringle and Council Members: Lorri Galloway, Bob Hernandez, Lucille Kring and Harry Sidhu.

STAFF PRESENT: City Manager Dave Morgan, City Attorney Jack White, and City Clerk Linda Nguyen

Mayor Pringle adjourned to closed session for the following items:

CLOSED SESSION:

1. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Subdivision (a) of Section 54956.9 of the Government Code)**
Name of case: Walt Disney World Co. v. City of Anaheim, et al., Orange County Superior Court Case No. 07CC01210 and 07CC01293.
2. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Subdivision (a) of Section 54956.9 of the Government Code)**
Name of case: City of Yorba Linda v. City of Anaheim, et al., Orange County Superior Court Case No. 07CC08763.
3. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Subdivision (a) of Section 54956.9 of the Government Code)**
Name of case: Qualified Patients Association, et al. v. City of Anaheim, Orange County Superior Court Case No. 07CC09524.

At 5:05 P.M., Council returned to open session.

Invocation: Mayor Curt Pringle

Flag Salute: Mayor Pro Tem Bob Hernandez

Presentations: Recognizing the Anaheim Ducks on winning the Stanley Cup

Mayor Pringle introduced various members of the Anaheim Duck's front office as well as professional ice hockey player, Samuel Pahlsson, who helped defeat the Ottawa Senators to win the Stanley Cup Championship. He congratulated the team on its success pointing out that the entrance into the Honda Center would now be known as Stanley Cup Way in recognition of their

successful year and in anticipation of future wins. Chris Carillo, representative for Senator Diane Feinstein, presented the Ducks with a Proclamation and Congresswoman Loretta Sanchez also congratulated and also recognized the team for bringing the Stanley Cup to Anaheim.

Acceptance of Other Recognitions (To be presented at a later date):

Proclaiming September 15, 2007, as the Boys and Girls Club Day for Kids

Michael Baker thanked Council for recognition of the Boys and Girls Club announcing the celebration planned for September 15th with activities and special events for the children of the community.

Proclaiming October 2007 as Dyslexia Awareness Month

Pamela Nelson, Board Member, International Dyslexia Association accepted the proclamation, thanking Council for bringing awareness of this issue to the community.

Proclaiming September 2007 as National Preparedness Month

Fire Chief Roger Smith accepted the proclamation, announcing the 5th annual employee preparedness drive was in process to encourage employees and residents to participate in the preparedness training classes being offered.

Recognizing City of Anaheim Centennial Queen Rita Brown

Recognizing the Chance Theater Repertory Company on their 9th Anniversary

Casey Long, Managing Director of Chance Theater, thanked Council for the recognition given and invited the community to its annual fundraiser on September 29th.

Recognizing the Anaheim Masonic Lodge #207

Ron Maxwell accepted the proclamation on behalf of the lodge, announcing the celebration of our nation's constitution on September 19th.

Mayor Pringle called to order the Anaheim Housing Authority (in joint session with the City Council) for the receipt of public comments.

ADDITIONS/DELETIONS TO THE AGENDA: None

PUBLIC COMMENTS (all items except public hearings):

Congresswoman Loretta Sanchez updated the community on federal legislative activities remarking, she expected Congress to be in session until December 23rd before required funding appropriations were completed for the coming fiscal year. She reported the minimum wage bill passed and was signed by the President and the 9-11 Bill (recommendations made by the 9-11 Commission) was also passed, important to Anaheim as one of the largest recipients of homeland security grants. Other bills in the works were the college cost reduction act and student loan funding program as well as the issue of addressing medically uninsured children. She pointed out funds had been earmarked for a domestic violence study in conjunction with Anaheim's Family Justice Center and the University of Chapman as well as funds to update the kitchen facilities for

the Feedback Foundation. Other funds had been earmarked for ARTIC and for the protection of the groundwater replenishment system for Orange County. She ended her presentation reminding the community that the single most divisive issue in the Federal legislature was the war in Iraq at a cost of \$3 billion a week.

David Lake, resident, complained of a number of code enforcement issues, graffiti and lack of police protection in the La Palma area over to the freeway. Mayor Pringle referred Mr. Lake to appropriate staff members.

Mary Betson, Lincoln Inn resident, complained of the living conditions in her building and unfair notices given to residents. Mayor Pringle referred Ms. Betson to Anaheim's Housing Authority manager to hear her concerns.

John Strathman, representing Regency Outdoors, addressed his comments to Item No. 22 on the agenda. He stated Regency Outdoors felt the Request for Information (RFI) developed by the City was limiting in scope and did not allow his company to respond as Regency Outdoors had no billboards located on Anaheim's arterial streets.

Pam Folker, resident, addressed her remarks to Item No. 1 of the Housing Authority agenda which was an affordable housing project proposed for the Greenleaf/Glenoaks area. She expressed concern that the high density project would exacerbate existing graffiti, vandalism and parking problems already in her neighborhood. She emphasized that within a quarter mile area, there were over 471 apartment units and she felt additional development would increase the spillover parking problems. Mayor Pringle remarked the Greenleaf/Glenoaks site was property the City purchased from Caltrans with the idea of making it available for affordable housing and had subsequently asked housing providers to bid on this site plus two other properties owned by the City. He indicated Jamboree Housing had been awarded the bid to go forward with development of this property and that a development agreement was now before the City for consideration. From his perspective, he felt there had been multiple steps along the way in which the City had solicited comments from the community and at this point, he might not be inclined to change the course of this development which he felt would be an asset to Anaheim. He recommended the neighboring community work with Jamboree Housing to discuss and work out their concerns during the design phase of the process.

Larry Rosenberg, Anaheim Ballet, announced on Saturday, September 15th at Pearson Park, Anaheim Ballet had been given permission by the George Balanchine Trust to dance a unique ballet for the community and invited all to attend.

Andy Goodman, CBS Outdoor, addressed his remarks to Item No. 22, stating his company supported the program and had submitted an RFI proposal to the City. He indicated CBS currently maintained 30 poster faces in the City and 15 bulletin faces. He explained CBS had responded in terms of square footage for an exchange rate, i.e. three poster faces per bulletin on the freeway and would propose to the City that some properties Anaheim currently owned on the freeway could be considered as billboard sites with the City acting as lessor. He also proposed the sunset clause be removed from the RFI and Anaheim consider becoming a landlord and allow CBS to maintain billboards on the freeway.

James Robert Reade, resident, commented on a former police chief's public statements.

At 6:00 P.M., Council recessed to consider the Housing Authority agenda, reconvening Council session at 6:05 P.M.

CONSENT CALENDAR: Council Member Sidhu removed Item No. 9 from the consent calendar for further discussion; Mayor Pringle removed Item No. 12 and requested continuance of Item No. 19 and Council Member Kring requested continuance of Item No. 22. Council Member Sidhu moved to waive reading in full of all ordinances and resolutions and to adopt the balance of the consent calendar in accordance with the reports, certifications and recommendations furnished each council member and as listed on the balance of the Consent Calendar, seconded by Council Member Hernandez. Roll Call vote: Ayes - 5; Mayor Pringle, Council Members: Galloway, Hernandez, Kring and Sidhu. Noes - 0. Motion Carried.

3. Reject certain claims filed against the City.
4. Receive and file minutes of the Housing and Community Development Commission meeting of May 2, 2007; Public Utilities Board meeting of May 3, 2007; Community Services Board meeting of June 14, 2007; Senior Citizens Commission meeting of July 12, 2007; Cultural and Heritage Commission meeting of July 23, 2007; and minutes of the Parks and Recreation Commission meeting of July 25, 2007.
5. Review the need for continuing the local emergency heretofore proclaimed by the Director of Emergency Services as ratified by previous action of the City Council concerning land movement and property damage in the vicinity of 357, 365 and 373 Ramsgate Drive and the Hidden Grove Lane/Fox Glen Drive area in the City of Anaheim, and, by motion, determine that the need for continuing the local emergency exists.
6. Approve minutes of the Council meeting held August 21, 2007.
7. Accept the low bid of Pioneer Americas, LLC., in an amount not to exceed \$156,291, for the purchase of sodium hypochlorite for public utilities for a period of one-year, with four one-year optional renewals and authorize the Purchasing Agent to exercise the renewal options in accordance with Bid #6980.
8. Award the contract to the lowest responsible bidder, Albert W. Davies, Inc., in the amount of \$1,407,063, for the Citywide Sanitary Sewer Improvement Project, Group 1 and approve and authorize the Finance Director to execute the Escrow Agreement pertaining to contract retentions.
10. Award contracts and authorize the Public Utilities General Manager to execute and administer the Master Agreements with nine qualified responsive bidders: Steve Bubalo Construction Co.; J.R. Filanc Construction Co., Inc.; General Pump Company, Inc.; Layne Christensen Co.; J. De Sigio Construction, Inc.; West Valley Construction, Inc.; Tamang Electric; Simich Construction Co., Inc.; and Ken Thompson, Inc. for water system repair, maintenance, immediate response and miscellaneous construction services and waive any irregularities in their documents.
11. Approve Amendment No. 12 to Cooperative Agreement No. C-95-965 with Orange County Transportation Authority relating to certain projects funded in the Combined Transportation Funding Program.
13. Approve the Parking License Agreement with AvalonBay Communities, Inc. to use a total of sixty parking spaces on the Sportstown site on a month-to-month basis.

14. Approve a Parking License Agreement with Platinum Centre, LLC authorizing Platinum Centre to place two trailers on a portion of the Sportstown parking lot on a month-to-month basis for a period of up to twelve months.
15. Approve the Parking License Agreement with Platinum Centre, LLC authorizing Platinum Centre, LLC to use a total of sixty parking spaces on the Sportstown site on a month-to-month basis.
16. Approve a Second Amendment to Agreement with HOK Sport authorizing HOK to provide additional services, authorize the Convention, Sports & Entertainment Department Executive Director to approve further services, in an amount not to exceed \$10,000, should they become necessary, approve and authorize the Director of Public Works to execute Contract Change Order No. 1 with SMC Construction and increase the Convention Center's FY 07/08 budget expenditure appropriation by \$601,946.
17. Approve the Professional Services Agreement with ADWizz for the creation and placement of recruitment advertising.
18. Determine on the basis of the evidence submitted by The Hanover Company, that the property owner has complied in good faith with the terms and conditions of Development Agreement No. 2005-00005 for the 2006-2007 review period.
20. Determine on the basis of the evidence submitted by West Millennium Homes, that the property owner has complied in good faith with the terms and conditions of Development Agreement No. 2005-00007 for the 2006-2007 review period.
21. Determine on the basis of the evidence submitted by Walt Disney World Company, that the property owner has complied in good faith with the terms and conditions of Development Agreement No. 96-01 for the 2006-2007 review period.
23. Approve and authorize the Public Utilities General Manager to execute agreements for as-needed professional consulting and engineering services to support the Public Utilities Department.
24. Approve and authorize the Public Utilities General Manager to execute the Aerial to Underground Conversion Agreement with Pacific Bell Company, which requires Pacific Bell/AT&T to underground a small aerial communications circuit on Lewis Street.
25. RESOLUTION NO. 2007-174 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM amending Resolution No. 2007-098 Nunc Pro Tunc.
26. ORDINANCE NO. 6072 (ADOPTION) AN ORDINANCE OF THE CITY OF ANAHEIM amending the zoning map referred to in Title 18 of the Anaheim Municipal Code relating to zoning (Reclassification No. 2007-00206, 2121 South Manchester Avenue) (introduced at the Council meeting of August 21, 2007, Item #50).
27. ORDINANCE NO. 6073 (ADOPTION) AN ORDINANCE OF THE CITY OF ANAHEIM amending Subsection .020 of Section 18.20.040 of Chapter 18.20 of Title 18 of the Anaheim Municipal Code relating to the Platinum Triangle Mixed Use (PTMU) Overlay Zone (introduced at the Council meeting of August 21, 2007, Public Hearing Item #57).

ORDINANCE NO. 6074 (ADOPTION) AN ORDINANCE OF THE CITY OF ANAHEIM (i) approving Development Agreement No. 2006-00004 by and between the City of Anaheim and AMB Property, L.P., (ii) making certain findings related thereto, and (iii) authorizing the Mayor to execute said agreement for and on behalf of the City (introduced at the Council meeting of August 21, 2007, Public Hearing Item #57).

28. ORDINANCE NO. 6075 (ADOPTION) AN ORDINANCE OF THE CITY OF ANAHEIM amending various sections of Chapter 18.20 relating to the Platinum Triangle Mixed-Use (PTMU) Overlay Zone and Table 40-A of Section 18.40.050 of Chapter 18.40 of Title 18 of the Anaheim Municipal Code (introduced at the Council meeting of August 21, 2007, Public Hearing Item #58).

ORDINANCE NO. 6076 (ADOPTION) AN ORDINANCE OF THE CITY OF ANAHEIM (i) approving Development Agreement No. 2007-00001 by and between the City of Anaheim and Steadfast Investment Properties, Inc., Japos, Inc., and 2130 Dupont Company, (ii) making certain findings related thereto, and (iii) authorizing the Mayor to execute said agreement for and on behalf of the City (introduced at the Council meeting of August 21, 2007, Public Hearing Item #58).

ORDINANCE NO. 6077 (ADOPTION) AN ORDINANCE OF THE CITY OF ANAHEIM amending the zoning map referred to in Title 18 of the Anaheim Municipal Code relating to zoning (Reclassification No. 2007-00207) (introduced at the Council meeting of August 21, 2007, Public Hearing Item #58).

END OF CONSENT CALENDAR

9. Award contracts and authorize the Public Utilities General Manager to administer and execute the pre-qualified Master Agreements with City Light & Power, Inc.; Hampton Tedder Electric Co., Inc.; Asplundh Tree Expert Company; and Arizona Pipeline Company for electrical construction, maintenance, repair and immediate response and waive any irregularities in their documents.

Council Member Sidhu discussed the importance of having contracts available on an as-needed basis which allowed for immediate response when construction, maintenance or repair was quickly needed. He added during the recent heat wave, Anaheim lost one percent of its energy compared to Southern California Edison (SCE) which lost 12 percent of its power. He added Anaheim's proactive methods of replacing transformers in a timely manner, reduced the impacts of any heat wave and congratulated the department on its operations. Marcie Edwards, General Manager, pointed out proactive policies had been put in place as Council was interested in maintaining reliability measures. Council Member Kring pointed out the Department was following the same practices in the Water Department, referencing Item No. 10 on the agenda.

Council Member Sidhu moved to approve Item No. 9, seconded by Council Member Galloway. Roll Call vote: Ayes - 5; Mayor Pringle, Council Members: Galloway, Hernandez, Kring and Sidhu. Noes - 0. Motion Carried.

12. Approve and authorize the City Manager to execute Amendment No. 1 to the Professional Service Agreement with JM Diaz, Inc., increasing the term by one year and \$150,000 to proceed with the next phases of the Quiet Zone Project.

Mayor Pringle pointed out Anaheim contained 15 railroad grade crossings in the City and because of Placentia moving forward in addressing this problem, other Orange County cities had focused on the issue of quiet zones. He reported that in this past month, Orange County Transportation Authority (OCTA) funded \$60 million for municipalities to address quiet zones to be matched by funds from the local agency and that this program was vital to residents who lived close to a rail crossing to insure safety measures were in place as well as alleviating noise impacts. The City Manager added that next week, Placentia and Anaheim would be celebrating the opening of the first quiet zone in a location the two cities share.

Council Member Hernandez moved to approve Item No. 12, seconded by Council Member Galloway. Roll Call vote: Ayes - 5; Mayor Pringle, Council Members: Galloway, Hernandez, Kring and Sidhu. Noes - 0. Motion Carried

19. Determine on the basis of the evidence submitted by KB Home Coastal, Inc., that the property owner has complied in good faith with the terms and conditions of Development Agreement No. 2005-00006 for the 2006-2007 review period.

Mayor Pringle asked if this item could be continued as he had some questions on the progress of this developer. With no objection voiced, this item was continued to September 25, 2007.

22. Determine that the billboard exchange terms offered in the three RFI responses do not provide the minimum community benefits necessary to pursue further consideration of the proposals and establish minimum equitable exchange rates or program terms that would need to be met prior to further consideration of such a program.

Sheri Vander Dussen, Planning Director, reported that last April an RFI was issued to provide an opportunity to remove billboards along arterial highways in exchange for the right to construct new freeway oriented billboards. She emphasized the primary goal was to remove existing billboards from arterials and residential neighborhoods. Recognizing the financial value of the billboards was an important component to consider when looking at the exchange rate, a consultant had been hired to define what an appropriate exchange rate would be as billboards had different values depending on size, location, and how many motorists would view them. She explained in detail the value of the various sized billboards and pointed out that Stanley, Pastori and Hill (SP&H) had analyzed the revenues billboards typically received from owning street-oriented billboards compared to the benefits a company could receive from owning a freeway-oriented billboard. In calculating the exchange rate, the study also accounted for the demolition and construction costs associated with an exchange program including overhead costs. The rate was then determined based on the exchange of Anaheim's street billboard which contained advertising on both sides for a freeway billboard with advertising on one side. She noted the RFI requested outdoor advertisers to submit general information about their proposal including locations and sizes of any billboards proposed to be removed or constructed, proposed time limits for any new billboards and analyses of the benefits to the City of their proposed program. She noted three responses had been received: Bulletin Displays, CBS Outdoor and Clear Channel Advertising.

She reported Bulletin Display's proposal included partnering with Vista Media to remove 30 eight-sheet billboards in exchange for two double-faced freeway oriented billboards. The number of billboards to be removed thru this proposal, she pointed out was significantly lower than the equitable exchange rate determined by the study. In addition to the billboard exchange component, Bulletin Display included a proposal to construct one to four new community message centers conceptually proposed as 57 feet high, 52 feet wide signs in the shape of a letter A for

which a portion of display time would be dedicated for civic or charitable messages. The construction of these message centers was not tied to the removal of any street-oriented billboards. Clear Channel Outdoor also submitted a proposal to remove 48 sign faces on 36 thirty-sheet billboard structures in exchange for the opportunity to construct nine billboards on the SR 5, including one digital billboard. The proposed number of billboards to be removed, she pointed out, was slightly lower than the number of billboards the study determined should be removed to provide an equitable exchange. CBS Outdoors' program was the most consistent with the study's exchange rates; she reported they proposed to remove both thirty-sheet billboards and bulletins but did not indicate how many billboards it proposed to be removed or identify the exchange rate.

Ms. Vander Dussen commented that since new billboards were currently prohibited by Code, any program allowing new billboards would require additional actions including code amendments and there was also a state requirement regarding siting billboards along freeways. Ideally, she stated, an exchange program would improve the visual character of the neighborhoods by eliminating or reducing billboards in numbers consistent with the high end of the exchange rate as recommended by the City's consultant. She added the City had worked extensively with Caltrans and had invested significant amounts of both city and redevelopment funds to enhance landscaping along the freeways as they were the gateways to the City and created lasting impressions on those that travel to or through Anaheim. She further added while the removal of billboards was a positive step towards community improvement, Anaheim had seen a decline in the number of billboards through attrition resulting from property development and street widening. She pointed out in 1991, there were 141 billboards and today there were 91 in total. Since the City's freeways provided an important first impression and none of the proposed billboard exchange programs provided benefits that justified compromising these gateways, it was staff's position that future consideration of an exchange program should only be considered if such a proposal were to be consistent with the high end of the exchange rate recommended by SP&H.

Council Member Kring asked for a continuance to allow her more time to consider the information provided and asked if Regency Outdoors could be included as they had commented on offering some other method to beautify the City. Ms. Vander Dussen responded that staff could be directed to review Regency's proposal.

Council Member Hernandez remarked that barring companies from participating in the RFI process because they did not have billboards located in the City for an exchange program did not speak well to the City's business friendly stance.

Mayor Pringle emphasized Council had given staff direction over two years ago to improve City streets such as Lincoln, Magnolia, Euclid and La Palma by investigating how to remove billboards along City streets possibly through a billboard exchange program. He added if Council and the community felt an exchange had a high enough value, a number of billboards could be eliminated and traded for a much smaller number along freeways. He added the premise was not to make it easier to put up more billboards in Anaheim but to eliminate them and that an ordinance had been passed at the end of last year which prohibited any additional billboards to be installed in the City. This law broadened an existing restriction on banning freeway billboards. He pointed out that one of the RFI bidders partnered with a company that owned some of the billboards in town which then allowed that company to respond to the RFI process even though they did not own personally billboards in Anaheim.

Council Member Galloway concurred in that staff was following Council's direction. She also felt there was another component to be included and that was the community input and benefit to be received by the removal of billboards. She indicated residents had contacted her who felt that

removing billboards from arterial roadways was very beneficial to them personally and she felt that the residents should be considered along with the fiscal value of any program. She added she would concur in allowing additional time to digest the information received and recommending getting the public's input as well.

Council Member Sidhu concurred in having further study done on the exchange rate but that ultimately his goal was to improve the aesthetics of the City streets and to not clutter the freeways with additional signs.

Ms. Vander Dussen explained in detail the exchange rate recommended by the consultant and identified those benefits in each of the proposals received.

Mayor Pringle indicated he would concur in having additional time to study the report, however, he felt the responses received were far less than what he expected, and was not sure if he had any interest in continuing the process with the exchange rates proposed so far. He stated that the discussion of billboards had been going on for a number of years and he was also not interested in opening it up to more advertising companies although he would like citizen input. Mayor Pringle recommended continuing this item to the meeting of November 6th and have staff prepare a report on the value of the billboards in terms of rent return, locations listed by the companies and possibly have the bidders make a presentation on their proposals. Council Member Hernandez asked staff to develop the economic impact of eliminating the billboards including advertising dollars and leasehold figures. Council Member Kring added she would like to have Regency Outdoors with no billboards in Anaheim, submit a proposal which could include purchasing existing billboards which could then be exchanged for freeway signs.

Continued to November 6, 2007 as an off consent calendar item.

29. That City Council members appoint one resident and one stakeholder to the Housing Element Ad Hoc Committee (continued from the meetings of July 31, 2007, Item #25 and August 21, 2007 Item #53).

Mayor Pringle indicated there was a rule about serving on two commissions at one time and asked staff if this ad hoc committee fell within that restriction. Mr. White commented that if Council took formal action to create this committee, an individual could not serve on this committee or another board or commission at the same time. The City Clerk indicated the Housing Element Ad Hoc Committee had been established through Council action at a previous meeting.

Mayor Pringle Appointments:

Resident: Greg Tucker Stakeholder: Bruce Solari

Mayor Pringle deferred his appointment to the end of the council meeting and subsequently offered Greg Tucker as resident and Bruce Solari as stakeholder. With no objection from Council, these appointments were affirmed.

Council Member Hernandez Appointments:

Resident: Esther Wallace

Council Member Hernandez nominated Esther Wallace and asked whether Ms. Wallace was currently serving on any city committees. The City Clerk indicated she believed Ms. Wallace served in the past, but was not currently serving and would confirm same with Council following the meeting. With no objection from Council, Ms. Wallace was appointed as a resident.

Council Member Sidhu Appointments:

Resident: Prakash Achrekar Stakeholder: Ron Phadnis
Council Member Sidhu nominated Prakash Achrekar as resident and Ron Phadnis as stakeholder. With no objection from Council, these appointments were affirmed.

30. Through the nomination and appointment process, consider the following appointments: appointment to the Community Services Board to complete the unexpired term of Diane Filippone; appointment to the Cultural & Heritage Commission to complete the unexpired term of James Baker II; and an appointment to the Public Utilities Board to complete the unexpired term of Peter Agarwal.

Community Services Board:

Appointment: _____ (expires June 30, 2009)

Council Member Kring nominated Jerry Conrey, Council Member Hernandez nominated Phalba Henderson and Council Member Sidhu nominated Suzanne Almansor. A straw poll for each of the nominees failed to garner a majority vote. Council Member Kring again nominated Jerry Conrey with Council Member Hernandez offering Phalba Henderson. No other nominees were offered and the second straw vote was taken with both nominations resulting in a passing tie vote; therefore Mayor Pringle continued the appointment to September 25, 2007.

Cultural & Heritage Commission:

Appointment: Andrew Deneau (expires June 30, 2010)
Council Member Kring nominated Andrew Deneau. With no other nominees offered and without objection from Council, Mr. Deneau was appointed to the Cultural and Heritage Commission.

Public Utilities Board:

Appointment: Kristine Murray (expires June 30, 2010)
Council Member Sidhu nominated Kristine Murray and Council Member Kring nominated John Karcynski. Straw poll for Ms. Murray reflected: Ayes – 3; Mayor Pringle and Council Members Galloway and Sidhu. Noes - 1; Council Member Hernandez. Abstention – 1: Council Member Kring. Straw poll for Mr. Karcynski reflected the following vote: Ayes – 2: Council Members Kring and Hernandez; Noes – 0. Abstention: Mayor Pringle and Council Members Sidhu and Galloway. Ms. Murray was appointed to the Public Utilities Board.

PUBLIC HEARINGS:

31. This is a public hearing to consider approval of the Police Department's Expenditure Plan for the FY 2007/08 Supplemental Law Enforcement Services Fund (SLESF) award from the State budget.

Approve the Police Department's Expenditure Plan for the FY 2007/08 SLESF award from the State budget.

Police Chief John Welter stated the City had been the recipient of SLESF monies since 1996 used to support front line police services over the years. This year the Department requested approval to use these funds for seven full-time and three part-time positions (two property evidence

technicians, one detention facility assistant, one senior office specialist to work in the crimes against persons unit, two police records specialist, one police dispatcher and 3 part-time cadets to be working in gangs, property crimes and the family crimes units. The Chief reported the exact amount of SLESF funds to be awarded had not been determined although \$650,000 was expected. The total cost of funding the positions identified was \$600,000 which would leave \$50,000 to be used to purchase department-related equipment.

Mayor Pringle opened the public hearing. With no comments received, the hearing was closed. Council Member Kring moved to approve Item No. 31, seconded by Council Member Hernandez. Roll call vote: Ayes - 5; Mayor Pringle, Council Members: Galloway, Hernandez, Kring and Sidhu. Noes - 0. Motion Carried.

32. This is a public hearing to consider approval of a resolution creating Underground District No. 55 (Lincoln/Rio Vista Phase 1).

Dukko Lee, Undergrounding Program Manager, announced Council had approved the five year plan for underground conversion on July 31st, a program which had been in place for 17 years. He indicated Underground District No. 55 was the Lincoln, Rio Vista Phase 1 project whose boundaries included Lincoln from east of Rio Vista over to the Santa Ana River. He added it was approximately 2,000 feet of roadway and included 12,000 volt distribution lines in addition to communication lines and that staff had been working on the design in conjunction with telecommunication companies and with the various property owners to acquire easements in order to site transformers and other Utility Department equipment. The design work, he stated, was scheduled to be completed in November 2007 with construction shortly thereafter, with full completion of this segment anticipated by March or April 2008. He explained there was a Phase 2 part of this project which entailed a freeway crossing across the SR 57 in addition to transmission lines that ran along Rio Vista and because of the magnitude of the scope of that work, staff was proposing to put that at the back of the five year plan and to start the planning process several years down the line.

Mayor Pringle opened the public hearing for comments and receiving none, closed the hearing. Council Member Hernandez moved to approve Resolution No. 2007-175 of the City of Anaheim creating Underground District No. 55, seconded by Council Member Kring. Roll call vote: Ayes - 5; Mayor Pringle, Council Members: Galloway, Hernandez, Kring and Sidhu. Noes - 0. Motion Carried.

RESOLUTION NO. 2007-175 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ANAHEIM creating Underground District No. 55 (Lincoln/Rio Vista Phase I).

33. **CONTINUED PUBLIC HEARING:**
CEQA NEGATIVE DECLARATION
VARIANCE NO. 2007-04728
TENTATIVE PARCEL MAP NO. 2007-144
OWNER: Juan Castaneda Franco, 1774 Canterbury Circle, Anaheim, CA 92802-2806
AGENT: Bob Suleimani, 9582 Hamilton Avenue, Huntington Beach, CA 92646
LOCATION: **1774 South Canterbury Circle:** Property is approximately .37-acre, having a frontage of 137 feet on the east side of the cul-de-sac on Canterbury Circle and is located 67 feet north of the centerline of Katella Avenue.
Variance No. 2007-04728 - Request to construct a single-family residence with waivers of (a) minimum lot size, (b) minimum lot width, (c) minimum lot depth adjacent to an arterial

highway, (d) minimum front yard setback, and (e) minimum dimension of tandem parking spaces.

Tentative Parcel Map No. 2007-144 - Request to establish a 2-lot, 2-unit detached residential subdivision.

ACTION TAKEN BY THE PLANNING COMMISSION:

Negative Declaration approved (Vote: 6-0; Commissioner Velasquez absent).

Variance No. 2007-04728 denied) (PC 2007-67) (Vote: 4-1-1; Commissioner Flores voted No, Commissioner Karaki abstained and Commissioner Velasquez absent).

Tentative Parcel Map No. 2007-144 denied (Vote: 4-1-1; Commissioner Flores voted No, Commissioner Karaki abstained and Commissioner Velasquez absent).

Appealed by Agent, Bob Suleimani

(Planning Commission meeting of June 25, 2007)

(Continued from the Council meeting of August 7, 2007, Item #24).

MOTION: S/G CEQA NEGATIVE DECLARATION.

MOTION: S/G TENTATIVE PARCEL MAP NO. 2007-144.

RESOLUTION NO. 2007-176 OF THE CITY COUNCIL OF THE CITY OF ANAHEIM DENYING VARIANCE NO. 2007-04728.

Mayor Pringle remarked that public comments had been received on the appeal of the denial of this variance request by the Planning Commission at a previous Council meeting, explaining the hearing had been closed and consideration of the matter continued to this date with the hope some resolution could be found.

Sheri Vander Dussen, Planning Director, reported staff had met with the property owner and his design team after the August 7th Council meeting and the applicant had agreed to make some revisions to his plans. He agreed to adjust the first floor of the front of the house to eliminate the encroachment into the front setback and also agreed to make modifications to allow tandem parking spaces in front of the garage to comply with the required code depth. However, she pointed out, the second story of the home would still encroach one foot into the required front yard setback. Ms. Vander Dussen indicated at the August 7th meeting Council had expressed interest in reducing the number of deviations from the zoning code related to the variance applications and with those changes identified, the applicant reduced the need for a waiver to reduce the minimum parking space depth. The applicant also agreed to remove the second floor balcony that overlooked another neighbor's yard but indicated an unwillingness to remove the second story itself because the home would be too small for his family's needs. She added the applicant agreed to install landscaping along the side and rear property lines so as to provide some screening of the property. She noted Council had also asked staff to look at the possibility of adjusting the lot size so the second lot would be less nonconforming and Ms. Vander Dussen reported since the first lot was only just a few square feet larger than the minimum required 7,200 square feet and the lot width was only seven feet wider than the Code required, there was not an opportunity to make the first parcel smaller in order to make the second parcel more conforming with respect to lot size.

Given the applicant's consensus to making some changes, she stated staff still felt the proposed home was out of scale with the neighborhood and recommended uphold the Planning Commission's denial of the variance.

The applicant, Mr. Franco, stated he had met with staff and agreed to remove the second balcony, provide landscaping to screen the home and to work on the setback for the garage but pointed out

if the second story was removed, only one bedroom would remain which would not accommodate his family.

Council Member Galloway asked what the square footage was for the ground floor and Ms. Vander Dussen responded with the garage, it was 1,500 square feet and without the garage, the first floor was approximately 1,079 square feet of livable space as currently designed.

Mayor Pringle asked what the cost was for construction, minus the land purchase price and Mr. Franco responded it was over \$250,000.

Council Member Kring asked what the square footage was of the lot and Ms. Vander Dussen reported it was 4,500 square feet. She asked if the first parcel could be extended to make it larger to put more bedrooms downstairs if the second floor was eliminated. Ms. Vander Dussen stated the applicant would have to request permission to allow the home to encroach into required setbacks if that occurred. She added staff had discussed that option with the applicant and he indicated it would still not be large enough for his family. Council Member Kring asked for details on the current design; the applicant stated it was a three bedroom, three bath home. Ms. Vander Dussen added it was about 2,300 to 2,400 square feet as it currently stands. Council Member Kring remarked the size of this home immediately strikes the viewer as being too large for the neighborhood and she would prefer to see the second story removed and the first floor enlarged to give the applicant more bedrooms.

Mayor Pringle remarked that both Council and staff had struggled with this development. He acknowledged the City had made errors but he also felt that errors had been made on the part of the applicant as well and that it should not have reached this point of development. He stated the home was out of place in the neighborhood and he felt it would set precedent should Council agree to allow it to be completed and recommending proceeding with discussions with the owner to determine how to pay back some of the costs and to restore the property to the way it originally was.

Council Member Hernandez confirmed that construction costs totaled about \$250,000 and that the land which was purchased two years ago was \$680,000. He asked what was the least the City could do to accommodate the applicant and make him whole. City Attorney Jack White responded that should Council be unable to make the findings for the variance and deny it, the property owner would have the right to file a claim to the City for his construction costs. Staff would then process that claim and return to Council for consideration due to the amount involved and Council would have the ability to work an equitable settlement if desired. Part of that settlement, should, in his opinion, involve the owner demolishing the portions that had been built in violation of the current Code so that the property would go back to what it was before construction with one house and the owner of the property receiving an agreed upon compensation for the cost he put into that construction.

Council Member Sidhu concurred; he stated errors had been made on both sides and he would not recommend approval of the variance. He moved to approve Resolution 2007-176 of the City of Anaheim Denying Variance No. 2007-04728 and included denial of the Code waivers and directed the City Attorney to begin discussions with the property owner and determine an equitable settlement, seconded by Council Member Galloway. Roll Call vote: Ayes - 5; Mayor Pringle, Council Members: Galloway, Hernandez, Kring and Sidhu. Noes - 0. Motion Carried

Report on Closed Session Actions: None

Council Communications:

Council Member Hernandez remembered the victims of 9/11, remarking he had an opportunity to participate in a barbeque at Veteran's Administration in Long Beach as a show of appreciation to those veterans in the hospital for their service to our country. He also requested the Anaheim Voter Empowerment Initiative be placed on the September 25, 2007 Council agenda for discussion.

Council Member Galloway remarked on the 9/11 tragedy and the compassion, healing and patriotism that had resulted from that event.

Council Member Kring reported she had attended the League of California Cities conference in Sacramento last week on behalf of the City, viewed the county mural on display in the State Capitol and also attended the opening of the centennial time capsule buried 50 years ago in Anaheim, remarking the capsule items would be on display in the library.

Council Member Sidhu also attended the League Conference in Sacramento and announced the October 26th Jubilee celebration.

Mayor Pringle indicated that in addition to opening a time capsule that had been buried 50 years ago, the City was also putting a time capsule in the ground to be opened in 2057. He had also attended the League conference in Sacramento and the dedication of the new county mural in the Capitol building remarking that all 58 counties were represented in the mural. He spoke of the opening of the new Muzeo scheduled for October with the Imperial Room exhibit to be on display and adjourned the meeting in memory of those who give service to our country and in member of those who perished in 9/11.

Adjourn in memory of those who gave service to our country.

At 8:03 P.M., the meeting was adjourned to September 25, 2007 at 3:00 P.M. to the Gordon Hoyt Conference Room for the CDBG Non-Profit Funding Workshop, located at 201 S. Anaheim Boulevard, 2nd Floor, Anaheim, CA. (City Hall West).

Respectfully submitted,

Linda Nguyen, City Clerk