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Draft MEETING MINUTES
CITY OF MILPITAS

Minutes of: **Regular Meeting of the Milpitas Redevelopment Agency**
(Including Joint Meeting with the City Council)

Date: **Tuesday, April 21, 2009**

Time: **7:00 PM**

Location: **Milpitas City Hall Council Chambers, 455 E. Calaveras Blvd.**

JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA 1. CALL TO ORDER

Mayor/Agency Chair Livengood called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 8:25 PM.

ROLL CALL

PRESENT: Chair/Mayor Livengood, Vice Chair/Vice Mayor McHugh, Agency/ Councilmembers Giordano, Gomez and Polanski

ABSENT: None

RA 2. Meeting Minutes

Motion: to approve the April 7, 2009 meeting minutes of the Redevelopment Agency

Motion/Second: Agency/Councilmember Gomez/ Vice Chair/Vice Mayor McHugh

Motion carried by a vote of: AYES: 5
NOES: 0

RA 3. Agenda Approval and Consent Calendar

Motion: to approve the agenda and consent calendar items (*), as submitted

Motion/Second: Agency/Councilmember Polanski / Vice Chair/Vice Mayor McHugh

Motion carried by a vote of: AYES: 5
NOES: 0

RA 4. Draft Capital Improvement Program

City Engineer Greg Armendariz presented the five year draft Capital Improvement Program for 2009-2014. Funding was restricted for the itemized projects and cannot be used for ordinary City operations. No general funds were used for the CIP.

Mr. Armendariz highlighted the recently completed new Library and parking garage facilities in the City's mid-town as accomplishments. Also the Main Sewage Pump Station was newly re-built (at the end of life of 45 year old former pump station).

Six major categories were established for the CIP. New on the list was Calle Oriente Park re-design and resurfacing. Recycled water would be used in all the landscaping projects (some on the Streets list). Council was scheduled to visit the CIP document again on May 12 at the budget hearing meeting next month.

Vice Mayor McHugh asked about Project No. 4202, regarding sidewalks on the Calaveras Blvd. overpass. Staff explained the project would narrow auto travel lanes, and would move the sidewalk into part of the road area. Mr. McHugh further inquired about Project No. 8187, the on-ramp change to off-ramp on Carlos St. that connects Main St. to Calaveras Blvd. overpass. Staff reported it was hazardous at this time and needed to be corrected, in concert with Caltrans at the Highway 237 overcrossing.

Motion: to receive the staff report on Draft 2009-2014 Capital Improvement Program

Motion/Second: Vice Chair/Vice Mayor McHugh / Agency/Councilmember Giordano

Councilmember Gomez asked about the Sports Center Master Plan, and how many years out would that take the CIP. Staff needed to conclude the Parks Master Plan first, before getting to the Sports Center Master Plan. The Parks and Recreation Director provided additional comment on this topic.

Motion carried by a vote of: AYES: 5
NOES: 0

RA 5. Public Hearing on Amending the Great Mall Redevelopment Plan Area

A Joint Public Hearing of the City Council and Redevelopment Agency was called. Mayor Livengood opened the public hearing right up front, with a stated set of guidelines for the hearing.

Economic Development Manager Diana Barnhart provided background and history of the Great Mall Redevelopment Plan area. She defined the necessary steps taken to date to amend it. She described the following documents necessary to enter into the record at this hearing:

Exhibit 1: the Affidavit of Publication of the notice of this joint public hearing, published once a week for four successive weeks in the local Milpitas Post;

Exhibit 2: the Certificate of Mailing the notice of this joint public hearing to each assessee of land, each resident and business owner in the Project Area as shown on the last equalized assessment roll of the County and the official records of the Planning Division of the City of Milpitas

Exhibit 3: the Certificate of Mailing the notice of this joint public hearing to the governing bodies of each affected taxing entity within the Project Area

Exhibit 4: the Certification of Certain Official Actions that have been taken by the City Council and the Agency in connection with the proposed Fifth Amendment.

Staff summarized the proposed Fifth Amendment. Ms. Barnhart reported that no new review committee or new Environmental Impact Report was required, so a negative declaration was prepared and had been available for public review for the 20-days period from February 16 to March 4, 2009.

No written comments were received on the plan amendment proposed in advance of the meeting, the City Clerk reported to the Council.

Mayor Livengood open the Public Hearing.

Speaker: **Rob Means** was concerned that there were "too many eggs going in the RDA basket." The City was using the agency as a credit card for the City, with environmental and fiscal problems ongoing.

(1) Motion: move to close the public hearing

Motion/Second: Vice Chair/Vice Mayor McHugh / Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

Councilmember Polanski asked why there was no fiscal impact statement. She asked if all taxing agencies were notified and requested staff to reiterate how and when. Staff

responded, as noted earlier.

(2) Motion: adopt Joint Resolution No. 7857/RA329 of the City Council and the Redevelopment Agency adopting the Fifth Amendment to the Great Mall Redevelopment Plan and approve the Negative Declaration

Motion/Second: Vice Mayor/Vice Chair McHugh/ Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

City Attorney Ogaz read aloud the title of Ordinance No. 192.22 "An Ordinance of the City Council of the City of Milpitas Amending Ordinances No. 192.8, No. 192.10, No. 192.13, No. 192.17 and No. 192.19, and Approving and Adopting the Fifth Amendment to the Redevelopment Plan for the Great Mall Redevelopment Project."

(3) Motion: to waive the first reading beyond the title of the Ordinance No. 192.22 for the Fifth Amendment to the Great Mall Redevelopment Plan

Motion/Second: Vice Mayor/Vice Chair McHugh/ Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

(4) Motion: to introduce Ordinance No. 192.22, for the Fifth Amendment to the Great Mall Redevelopment Plan

Motion/Second: Vice Mayor/Vice Chair McHugh/ Agency/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

RA6. Agreements for Freeway Electronic Signs

Economic Development Manager Diana Barnhart provided the background on recommendation for electronic freeway advertising signs. From eight responses to a Request for Proposals issued last year, at this point, two responses were recommended by the Economic Development Subcommittee to the City Council for approval.

1) McCarthy Ranch with Clear Channel Outdoor proposal was for six total freeway signs, which could yield $409,236 average yearly revenue. Three were recommended by the subcommittee.

2) CBS Outdoor with Milpitas Automotive Group proposal was for six total freeway signs, with possible $608,720 average annual revenue to the City. Three were recommended by the subcommittee.

Recommended contract terms were provided, with annual revenue payments and annual percentage shares. Developers would bear all costs of design and sign installation. The final recommendation to Council came from Mayor Livengood and Councilmember Polanski at the subcommittee meeting.

Mayor Livengood asked applicants if they wanted to speak to the Council.

Tom Chadwell of Piercey Toyota gave some history, noting added benefits to the Piercey property site, and mentioned the additional dealership coming soon (Honda). He reiterated that Piercey had expectations from the beginning of its project to have five freeway signs, not three as recommended now. His company wanted four signs at least, with two on I-880 and two on I-680.

Joe McCarthy, from McCarthy Ranch with Clear Channel, commended City staff and the two subcommittees that had met on this issue. His company was pleased with the recommendation of three signs for each group. Mr. Bill Hooper, President of Clear Channel for Northern California, supported the subcommittee's recommendation stating it was fair. The number of signs was right for the City of Milpitas and McCarthy looked forward to construction of the signs soon.

Mayor Livengood addressed what had happened with these signs. The number one priority for him was what was in the best interest of taxpayers, to maximize revenue. He liked the proposals from both groups, and it was difficult to propose on land that the two groups did not control. Piercey Toyota should be reimbursed some of the costs for its Environmental Impact Report done in the past, if in fact the company would get only half the signs originally agreed. The Mayor did not want seven signs.

Councilmember Polanski gave the point of view from the Economic Development Subcommittee. She agreed with the Mayor's suggestion on the EIR to be fair. She remained concerned for the sign on I-680, leased or owned by the Simon Group (Great Mall) and wasn't sure if it was fair to say that Milpitas Automotive Group should get that site for an advertising sign.

Vice Mayor McHugh agreed that the Mall owner and its relationship with the City had changed over the years. He agreed with the recommendation in the staff report that went to the Subcommittee, allowing up to seven freeway signs. Seven would not oversaturate, he felt. Mr. McHugh wanted modification to the Subcommittee's recommendation to allow two signs on I-880 for Piercey and two on I-680 and then three signs on the McCarthy property.

Councilmember Gomez asked the Subcommittee how six signs were determined and seven as too much. Mr. Livengood responded it was some guess work, that it was hard to figure with no magic formula, and he wanted to be fair to both groups.

Mr. Hooper, the CBS representative, had been in the business for 26 years, and it was important to find the right number of signs for the community. CBS had taken the approach of developing iconic locations for outdoor signs, and the two freeways in Milpitas, 880 and 680, fit that mold. CBS was quite sensitive to oversaturation.

Vice Mayor McHugh asked the Economic Development Director about comments in her memo about seven signs maximum. Ms. Barnhart did not feel there would be over-saturation with seven freeway signs, noted in the written report, and explained how staff tried to take into consideration both valid sign proposals from Piercey and McCarthy.

Councilmember Gomez asked staff what was the end date of the agreement for the Great Mall sign on I-680, and staff reported it would expire in June.

Mayor Livengood asked for any speakers from the audience.

Speakers:
Bill Ferguson, Milpitas resident, commented that having great big billboard signs would not be a good thing for Milpitas. He did not want to have the City look like Las Vegas. He felt such signs with video would be dangerous and cause driving accidents. Bright lights would be on all night, and be disturbing to residents nearby, as well as possibly decrease property values. Her termed the potential new signs "visual blight" and irritating but compelling.

Rob Means, Milpitas resident, thought that the agreement among the Council pretty good for the signs. He asked should the City have these signs at all in this City. It was support of commercialism in our culture. The City would become known for the signs if six or seven signs go up.

Motion: to authorize the Agency Executive Director to negotiate agreements with CBS Outdoor and Milpitas Automotive Group for three electronic freeway signs and with McCarthy Ranch and Clear Channel Outdoor for three electronic freeway signs and return to Council/Agency for approval of the agreements

Motion/Second: Mayor Livengood (no second offered)

With no second to the motion, the motion was not voted upon.

Motion: reconsider the recommendation of the Subcommittee for six signs, with flexibility for sign location on I-680 and not be tied to the Great Mall site (a 40 year lease) and with the costs of the Environmental Impact Report to be split

Motion/Second: Councilmember Polanski/Councilmember Gomez

Motion failed by a vote of: AYES: 2 (Polanski, Gomez)
NOES: 3

Motion: authorize four freeway signs for Piercey Group and three for the McCarthy Group

Motion/Second: Vice Mayor McHugh/Councilmember Giordano

Motion failed by a vote of: AYES: 2 (McHugh, Giordano)
NOES: 3

Motion: move to continue this item to the next meeting

Motion/Second: Councilmember Gomez/Councilmember Giordano

Motion carried by a vote of: AYES: 5
NOES: 0

At 9:41 PM, Mayor Livengood announced a five minutes break and the City Council returned at 9:50 PM.

*RA7. Execute Amendment No. 3 to Agreement with Sugimura Finney Architects for Tasman Ext. Great Mall Parkway to I880

Authorized the City Manager/Agency Executive Director to execute Amendment No. 3 to the Agreement with Sugimura Finney Architects for the Tasman Extension – Great Mall Parkway to I-880, Project No. 4133, in the amount not-to-exceed $80,530, subject to approval as to form by the City Attorney/Agency Counsel.

Approved a budget appropriation in the amount of $70,000 from the Recycled Water Fund to the Tasman Extension – Great Mall Parkway to I-880 Project.

*RA8. Amendment No. 4 to Agreement with Noll & Tam Architects for Senior Center

Authorized the City Manager/Agency Executive Director to execute Amendment No. 4 to the agreement with Noll & Tam Architects for the Senior Center Project, Project No. 8176.

RA9. ADJOURNMENT

Chair/Mayor Livengood adjourned the Redevelopment Agency meeting at 9:41 PM.

Meeting minutes respectfully submitted by
Mary Lavelle, Agency Secretary