

**Minutes
Santee City Council
CDC Successor Agency
Santee Public Financing Authority**

**Council Chamber – Building 2
10601 Magnolia Avenue
Santee, California
October 25, 2017
7:00 PM**

This Regular Meeting of the Santee City Council, the CDC Successor Agency and the Santee Public Financing Authority was called to order by Mayor/Agency Chair/Authority Chair John W. Minto at 7:04 p.m.

Council Members present were: Mayor/Agency Chair/Authority Chair John W. Minto, Vice Mayor/Agency Vice Chair/Authority Vice Chair Ronn Hall and Council/Agency/Authority Members Stephen Houlahan, Brian W. Jones and Rob McNelis.

Officers present were: City Manager/Agency Executive Director/Authority Secretary Marlene Best, City/Agency/Authority Attorney Shawn Hagerty and City Clerk/Agency Secretary Patsy Bell.

(Note: Hereinafter the titles Mayor, Vice Mayor, Council Member, City Manager, City Attorney and City Clerk shall be used to indicate Mayor/Agency Chair/Authority Chair, Vice Mayor/Agency Vice Chair/Authority Vice Chair, Council/Agency/Authority Member, City Manager/Agency Executive Director/Authority Secretary, City/Agency/Authority Attorney and City Clerk/Agency Secretary.)

The **INVOCATION** was given by Pastor Bob Arie of New Heights Community Church and the **PLEDGE OF ALLEGIANCE** was led by Sam Modica.

ITEMS TO BE ADDED, DELETED OR RE-ORDERED ON AGENDA: None

1. CONSENT CALENDAR:

- (A) Approval of reading by title only and waiver of reading in full of Ordinances and Resolutions on the agenda.**
- (B) Approval of Meeting Minutes of the Santee City Council, the CDC Successor Agency and the Santee Public Financing Authority for the Regular Meetings of October 11, 2017.**
- (C) Approval of Payment of Demands as presented.**
- (D) Approval of the expenditure of \$78,352.69 for September 2017 legal services and related costs.**
- (E) Rejection of all proposals received for Request for Proposals (RFP) 17/18-40010 Walker Preserve Restoration & Monitoring Project and direct staff to reissue the RFP as a design-build project.**

- (F) Adoption of a Resolution authorizing expenditure of grant funds, not to exceed \$321,431.00, awarded under the State Housing-Related Parks Program and authorizing the City Manager to execute any documents associated with the expenditure. (Reso 111-2017)
- (G) Authorization to purchase network servers and related software and licensing in an amount not to exceed \$35,135.00 from Dell Marketing, L.P. in accordance with the National Association of State Procurement Officials (NASPO) Value Point Cooperative Purchasing Program Master Agreement No. MNWNC-108, including Amendment No. 1 to the contract, and California Participating Addendum No. 7-15-70-34-003.

ACTION: On motion of Council Member Houlahan, seconded by Vice Mayor Hall, the Agenda and Consent Calendar were approved as presented with all voting aye.

2. PUBLIC HEARINGS:

- (A) Public Hearing and Resolution relating to bond financing for the Carlton Country Club Villas Apartments Project including issuance of tax-exempt bonds by the California Statewide Communities Development Authority (CSCDA) in an aggregate principal amount not to exceed \$55,000,000.00. (Reso 112-2017)

The Public Hearing was opened at 7:09 p.m. Director of Development Services Kush introduced the item and Senior Management Analyst Romstad presented the staff report and answered Council's questions.

ACTION: On motion of Council Member Jones, seconded by Vice Mayor Hall, the Public Hearing was closed at 7:18 p.m., and the Resolution approving the issuance of the bonds by the CSCDA in an amount not to exceed \$55,000,000.00 for the benefit of Islas Development, LLC was adopted with all voting aye.

- (B) Public Hearing to consider certification of a Program Environmental Impact Report under the California Environmental Quality Act (CEQA); adoption of CEQA Findings of Fact, a Mitigation Monitoring and Reporting Program and a Statement of overriding considerations; and adoption of the Mobility Element updating the Circulation Element of the General Plan and making certain related findings (GPA2014-3). (Resos 113-2017 & 114-2017)

The Public Hearing was opened at 7:18 p.m. Director of Development Services Kush introduced the item and Principal Traffic Engineer Mei and Associate Planner Coyne presented the staff report utilizing a PowerPoint presentation and answered Council's questions.

During discussion, Chen Ryan Associates representative Monique Chen answered questions from Council regarding how the number of trips was determined, options for medians and traffic flow.

PUBLIC SPEAKER:

Randy Lang spoke about his property that is located at the east end of Mast Boulevard. He explained that his property is affected by the decision of whether or not to extend Mast Boulevard; specifically whether or not his property will have a Right-of-Way dedication requirement.

MOTION: Council Member Jones moved to accept staff's recommendation and adopt the two Resolutions certifying the Final Program Environmental Impact Report and adopting CEQA Findings of Fact for the Mobility Element, updating the Circulation Element of the General Plan, and adopt the Resolution adopting the Mobility Element (excluding the extension of the Mast Boulevard Roadway segment between Los Ranchitos Road and the County of San Diego boundary), making certain related findings, and adopting a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations under CEQA. The motion was seconded by Council Member McNelis.

Council discussion ensued with staff answering questions on topics such as driving habits of the new generation of drivers, safety and the pros and cons of connecting Mast Boulevard.

Mayor Minto spoke in opposition to the motion, stating that previous Councils had indicated Mast Boulevard would be connected once SR 52 was completed. He stated that extending Mast Boulevard would provide more efficient traffic movement and because of that vehicular traffic, negative activities in and around the vacant land would be reduced.

ACTION: After further discussion, on the motion of Council Member Jones, seconded by Council Member McNelis, the Public Hearing was closed at 8:29 p.m., the two Resolutions certifying the Final Program Environmental Impact Report (Sch. No. 2016121022), adopting CEQA Findings of Fact for the Mobility Element, and updating the Circulation Element of the General Plan (GPA2014-3) were adopted, and the Resolution adopting the Mobility Element (excluding the extension of the Mast Boulevard Roadway segment between Los Ranchitos Road and the County of San Diego boundary), making certain related findings, adopting a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations under CEQA was adopted with all voting aye, except Mayor Minto who voted no.

3. **ORDINANCES:** None

4. **CITY COUNCIL REPORTS:** None

5. CONTINUED BUSINESS:

- (A) Resolution awarding the construction contract for the Mission Gorge Road – Edgemoor Drive Signal Modification Project (CIP2018-04) to T & M Electric, Incorporated DBA Perry Electric, Incorporated, appropriating funds and determining a categorical exemption pursuant to Section 15301(c) of the California Environmental Quality Act (CEQA). (Reso 115-2017)**

Director of Development Services Kush introduced the item and Principal Traffic Engineer Mei presented the staff report utilizing a PowerPoint presentation and answered Council's questions.

ACTION: On motion of Vice Mayor Hall, seconded by Council Member McNelis, the Resolution approving a categorical exemption pursuant to the California Environmental Quality Act, approving an appropriation of \$171,000.00 from the Traffic Mitigation Fund available balance, awarding the construction contract to T & M Electric, Incorporated DBA Perry Electric, Incorporated for a total amount of \$134,750.00, authorizing the City Manager to execute the contract, and authorizing the Director of Development Services to approve change orders in an amount not to exceed \$13,475.00 was adopted with all voting aye.

- (B) City Council selection of a multiplex theater developer/operator.**

ENTERED INTO THE RECORD:

City Clerk Bell reported that results from the community theater survey and a comparison chart of theater amenities were provided by staff.

Council Members Jones and Houlahan both thanked Council for allowing them to participate on the Ad Hoc Committee that reviewed the Requests for Proposals received for the multiplex theater project.

Economic Development Manager White presented the staff report utilizing a PowerPoint presentation and answered Council's questions regarding dining options, service levels and outdoor seating. She announced that after much debate, the Ad Hoc Committee recommends Cinemark USA, Incorporated and Kimco Realty Corporation ("Cinemark/Kimco") as the multiplex theater developer/operator.

PUBLIC SPEAKER:

Art Ballantyne spoke in support of an independent restaurant and did not support food delivery during the movie.

At the Mayor's request, the multiplex theater developers/operators were invited to speak on the attributes of their company:

- Cinemark representative Scott Jensen
- Kimco representative Eric Martin
- Studio Movie Grill representative Joe Harberg

Council Member Jones provided an overview of the Ad Hoc Committee's evaluation process. He and Council Member Houlahan both spoke to how impressed they were with both multiplex theater proposals and how difficult it was to choose one over the other because each had a high quality product with unique attributes.

During discussion, the Mayor and each Council Member spoke of their preferences and debated which theater project would be the best fit for Santee today and in the future.

ACTION: After further discussion, on motion of Council Member Jones, seconded by Council Member Houlahan, the following actions were approved with all voting aye:

- The City Manager and City Attorney were authorized to enter into the Exclusive Negotiation Agreement with Cinemark USA, Incorporated and Kimco Realty Corporation; and
- The City Manager was authorized to create a negotiating team as needed to negotiate the Exclusive Negotiation Agreement and the Development Agreement; and
- A Closed Session item was scheduled for the November 8th meeting for Council discussion on the Development Agreement deal points; and
- It was approved that if for any reason the Cinemark/Kimco Development Agreement falls through, the City Manager and City Attorney were authorized to enter into negotiations with Studio Movie Grill without further Council action.

6. **NEW BUSINESS:** None

7. **COMMUNICATION FROM THE PUBLIC:**

- (A) Bruno Burgin spoke regarding the need for more softball fields for girls in Santee and provided a handout to Council. Mayor Minto suggested he work with the Santee Sports Council through the Community Services Department.

8. **CITY MANAGER REPORTS:**

City Manager Best reported on attending the International City/County Manager Association Conference in San Antonio, Texas. In addition, she offered congratulations to Sheriff's Captain Hank Turner who will be promoted to Commander at the end of November.

9. CDC SUCCESSOR AGENCY:
(Note: Minutes appear as Item 1(B))

10. SANTEE PUBLIC FINANCING AUTHORITY:
(Note: Minutes appear as Item 1(B))

11. CITY ATTORNEY REPORTS: None

Council Members recessed at 9:49 p.m. and convened in Closed Session at 9:59 p.m. with all Members present.

12. CLOSED SESSION:

(A) CONFERENCE WITH LABOR NEGOTIATORS
(Gov. Code section 54957.6)
City designated representative: City Manager
Unrepresented employees: All unrepresented City employees

Council Members reconvened in Open Session at 10:22 p.m. with all Members present. Mayor Minto reported that direction was given to staff.

13. ADJOURNMENT:

There being no further business, the meeting was adjourned at 10:23 p.m.

Date Approved: November 8, 2017

/s/Patsy Bell
Patsy Bell, CMC, City Clerk/Agency Secretary
and for Authority Secretary Marlene Best