

CITY OF SAN CLEMENTE

City Council Minutes

Adjourned Regular Meeting - March 13, 1991

An Adjourned Regular Meeting of the City of San Clemente, conducted in the Community Development Department Conference Room, 910 Calle Negocio, San Clemente, California, was called to order by Mayor Diehl at 1:08 p.m.

PRESENT ANDERSON, BENEDICT, HAGGARD*, LORCH, MAYOR DIEHL

*Arrived at 4:25 p.m.

ABSENT NONE

STAFF PRESENT Michael Parness, City Manager; Michael Sorg, Interim Assistant City Manager; Myrna Erway, City Clerk; James Holloway, Community Development Director; Al Ehlow, Police Chief; Linda Kulp, Personnel/Risk Manager; William Cameron, City Engineer; Jim Knight, Director of Fire Protection; Dean Porter, Finance Director; Mike White, Assistant Finance Director.

Input for City's TCA Representative re the San Joaquin Hills Transportation Corridor

Mayor Diehl declared a conflict of interest concerning the SJHTC and left the meeting room.

Mayor Pro Tem Anderson assumed the duties of the chair.

Karoline Koester, 604 Via Pavon, stated the TCA has confirmed that financing for the San Joaquin Hills Transportation Corridor will be difficult; stated the Finance Plan indicates that insufficient funds are available for interim costs or collateral for the bonds; suggested that certification of the DEIR should be delayed.

Audrey Germer, 1807 Calle Mayita, stated the Realty Board was unaware that businesses along a portion of El Camino Real could be taken to widen the I-5; relayed the Realty Board's opposition to such action.

Gina Rose Ybarra, 2177 Via Teca, spoke in support of Alignment #1; opined that incomplete data are available to adequately assess the impacts of the corridor.

Councilmembers expressed individual views on the San Joaquin Hills Transportation Corridor as follows:

Councilmember Lorch

- The DEIR is deficient and should not be certified
- Not all data have been addressed and analyzed
- EPA issue regarding coordination of all traffic corridors
- No traffic flow mitigation is proposed for San Clemente
- No trigger is included regarding HOV lanes and mass transit
- I-5 will need to be widened
- One city (Laguna Niguel or San Juan Capistrano) will be significantly impacted
- The three tollways lack destination
- Gridlock will be created with San Clemente bearing an unacceptable portion of traffic
- Tollways will induce growth and increase the likelihood of an airport

Councilmember Benedict

- The DEIR should be certified
- The corridor will alleviate traffic congestion
- San Clemente is currently secluded and the corridor will facilitate circulation
- Stated he will defer to the City's TCA representative as to whether Alignment #1 or #2 should be selected, noting that a compromise alignment may be possible
- Expressed reservation with the tollroad concept

Mayor Pro Tem Anderson

- Supports Alignment #1
- The corridor will minimize use of arterials
- The corridor will alleviate Orange County's traffic problem
- The corridor will facilitate economic development
- The corridor will result in improved air quality
- The DEIR adequately addresses issues and specifies mitigations
- Disagreed that the corridor will induce growth
- Environmental issues have been adequately addressed
- No evidence exists that citizens will be assessed additional taxes if the tollway is unsuccessful
- The tollways have been included in the County land use plan since the mid 1970's and the area has been developed accordingly
- If the corridor is not built, it will be necessary to either widen Pacific Coast Highway or the I-5
- Mass transit is not a viable alternative at this point in time due to the lack of sufficient density to support such a system and the construction time involved
- Will support light rail and HOV alternate
- Concerned with Alignment #2 due to the significant expense and impact on the City of Laguna Niguel
- Concerned with the impact of Alignment #1 on the City of San Juan Capistrano and indicated that he would welcome suggestions for mitigating that impact

MOTION BY COUNCILMEMBER LORCH to direct San Clemente's TCA representative to vote to not certify the DEIR since it is presently deficient and needs further study and mitigations. The Motion died for lack of a second.

MOTION BY COUNCILMEMBER LORCH to recommend that the DEIR be modified to include mitigation(s) that will result in maintaining, or improving, the existing levels of traffic service in San Clemente on the I-5, arterials and surface streets. The Motion died for lack of a second.

Mayor Pro Tem Anderson announced that he will consider the issues raised by Council and the public concerning the SJHTC in deciding his vote.

MEETING RECESSED

Council recessed at 1:40 p.m. and reconvened at 1:47 p.m., with all members present.

Mayor Diehl reassumed his mayoral duties.

Presentation of City's Financial Plan

Eric Anderson, Partner with Coopers & Lybrand, reviewed the document entitled "San Clemente's Long Term Budget Outlook and Strategic Options", dated March 13, 1991, and on file in the City Clerk's Department; provided a financial overview of the City during the 1980's as well as financial projections for the next 20 years; stressed the need for an increased sales tax base and a balance between residential and commercial development; reviewed projected special fund revenues and expenditures, cumulative special fund capital surplus and deficit, and cumulative General Fund and special fund requirements; explained RDA opportunities; noted that Coopers & Lybrand will prepare a final report that outlines assumptions and recommendations.

Council was requested to provide input for the final report within the next two weeks.

MEETING RECESSED

Council recessed at 3:30 p.m. and reconvened at 3:40 p.m., with all members present.

Presentation of Interim Economic Development Plan

Copies of the updated Market Analysis for December, prepared by Jay Natelson, were distributed.

Jay Natelson reviewed opportunities to address the City's budget shortfall; noted it is necessary to proceed expeditiously to take advantage of those opportunities before they are no longer available; reviewed the revenue-producing potential of an auto park and a regional mall at the San Clemente High School site; noted the possibility of utilizing the RDA, entitlements/developer agreements, Community Facilities District financing and/or establishment of a Mello-Roos district to aid in facilitating economic development; reviewed the City's economic development goals as follows: 1) To maintain and enhance existing commercial activities in the downtown area; 2) To expand the City's commercial base to include regional retail activities; 3) To expand the City's commercial base to include a business hotel and a destination resort hotel; 4) To expand the City's commercial base to include new uses in the Pier Bowl and Casa Romantica area; and 5) To expand the City's industrial base; opined a business hotel could become a reality within five years, but indicated uncertainty as to whether a market currently exists for a destination resort hotel; opined that although he believes a destination resort hotel should be pursued, it is important to note that a return would not be guaranteed and hence the revenue from such an endeavor should be regarded by the City as a means of supplementing, rather than solving, the City's economic situation.

Marilyn Whisenand, PMW Associates, voiced concern that the City is currently in a passive mode regarding economic development; explained the role of the RDA in aiding the City in facilitating an improvement in the City's economic situation; spoke on the need for a good education program and clearly-stated goals; opined the San Clemente High School site would represent the City's most valuable asset, although it would be difficult to include the property as an RDA project area.

Organizational Study

John Heiss reviewed the Draft Phase I Report on Administrative and Management Organization, focusing on the process which resulted in the report; noted that a system which would include two Assistant City Managers (one for Management Services and one for Operations) is being recommended; noted Phase II of the study, which will be completed this month, will include a management audit of each department.

MEETING RECESSED

Council recessed at 5:00 p.m. and reconvened at 6:00 p.m., with all members present.

Presentation of Mid-Year Fiscal Report and Departmental Activities

Finance Director Porter reviewed General Fund Revenues/Expenditures, as contained in the Mid-Year Report for FY 1990-91, which is on file in the City Clerk's Department; recommended that 1) the computer purchase be changed to a lease/purchase, 2) the street improvement 50/50 match be deferred to FY 1991/92, and 3) the CIP program funding be deferred to FY 1991/92; noted the projected 6/30/91 Fund balance with the aforementioned adjustments results in a deficit of approximately \$100,000; noted the cost-saving measures contained on Pages 4 and 5 of the report entitled "Financial Projections and new Program Requests for FY 1991-92" will result in a cushion of \$147,800 for FY 1991-92.

During the course of discussion, Council noted potential revenue sources such as:

- > Increasing transient occupancy taxes and development fees
- > Feasibility of a bond or tax override
- > In-Lieu sewer fund tax payments
- > Establishment of a refuse collection franchise fee
- > Increasing General Fund overhead charge to Solid Waste Management Fund

Interim Assistant City Manager Sorg provided an overview of the Mid-Year Report for FY 1990-91 and requested that Council provide input concerning format and desired modifications for future Quarterly Reports.

Presentation and Prioritization of New Program Requests

Finance Director Porter provided an overview of the City's financial projections, focusing on General Fund Revenue and Expenditure summaries and the projected FY 1991-92 Fund balance; reviewed the General Fund Summary of Revenues by Source, and the Summary of Expenditures by Department; suggested new revenue sources as contained on Pages 5 and 6 of the report entitled "Financial Projections and New Program Requests for FY 1991-92".

Discussion ensued relative to revenue from Fire Station #3 and whether to continue the Fire Response Model and Fee Program. Council requested a Staff Report on this issue.

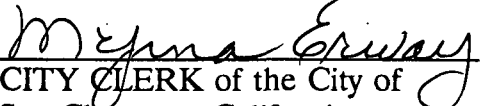
City Manager Parness provided an overview of "Proposed New Programs Priority Evaluations - Fiscal Year 91/92" as contained on Page 10 of the report entitled "Financial Projections and New Program Requests for FY 1991-92"; explained the process utilized in prioritizing the various projects.


Council prioritized the FY 1991/92 proposed new programs as set forth in Exhibit "A" of these minutes.

Adjournment

MOTION BY COUNCILMEMBER BENEDICT, SECOND BY MAYOR PRO TEM. ANDERSON, CARRIED 5-0, to adjourn at 9:15 p.m.

The next Regular Meeting will be held on March 20, 1991 at 7:00 p.m. in the Council Chambers, located at 100 Avenida Presidio, San Clemente, California.


CITY CLERK of the City of
San Clemente, California


MAYOR of the City of
San Clemente, California

FY 91/92
PROPOSED NEW PROGRAMS
COUNCIL PRIORITIES

PROJ PG / #	PROJECT TITLE GENERAL FUND	COUNCIL SCORE	AVE	RANK	J.A	T.B	S.D.	C.H.	T.L.
11&12/1a/b	Org Plan Implement	11	2.2	1	1	2	2	1	5
13 / 2	Drainage / NPDES	13	2.6	2	4	3	1	3	2
14 / 3	GIS Staffing CDD	17	3.4	3	2	4	8	2	1
15 / 4	CIP Management & Plan	20	4	4	5	5	3	4	3
16 / 5	Street Rehab Recon	25	5	5	6	6	4	5	4
18 / 7	Safety Program	28	5.6	6	7	1	5	9	6
17 / 6	Gang Special Ops	32	6.4	7	3	7	7	8	7
20 / 9	Advance Planning Staff	44	8.8	8	9	9	10	7	9
19 / 8	Code Rewrite	45	9	9	8	8	6	6	17
21 / 10	Inter Gov't'l Relations	43/4	10.75	10	N/A	16	9	10	8
34 / 23	Affordable Housing	48/4	12	11	N/A	12	11	11	14
28 / 17	Asset Management	62	12.4	12	10	15	15	12	10
31 / 20	Youth Prog & Employ	50/4	12.5	13	N/A	10	13	15	12
33 / 22	Child Care	51/4	12.75	14	N/A	13	12	13	13
32 / 21	Gang Alternatives	52/4	13	15	N/A	11	14	16	11
29 / 18	Rec Program Staff	57/4	14.25	16	N/A	12	16	14	15
35 / 24	Cultural Outreach	67/4	16.75	17	N/A	17	17	17	16

PROJ PG / #	PROJECT TITLE NON GEN'L FUND	COUNCIL SCORE	AVE	J.A	T.B	S.D.	C.H.	T.L.
23 / 12	Solid Waste / Recycling	10	2	2	1	1	1	5
25 / 14	Affordable Housing	13	2.6	2	2	1	3	5
26 / 15	Pier Bowl Master Plan	5	2.6	1	2	1	8*	1
24 / 13	Water Conservation	4	2.8	1	1	1	1	10*
36 / 25	Golf Master Plan	14	2.8	1	8	1	3	1
27 / 16	Park Development Proj	7	3.4	1	3	10*	2	1
22 / 11	City Hall Relocation	9	3.8	2	5	1	1	10*
30 / 19	Park Rehab & Recon	11	4.2	2	3	10*	5	1

