

MINUTES
CITY COUNCIL, REDEVELOPMENT AGENCY AND HOUSING AUTHORITY
REGULAR MEETING
JANUARY 25, 2011 - 6:00 p.m.

CALL TO ORDER

The regular meeting of the City Council and Redevelopment Agency of the City of Highland was called to order at 6:00 p.m. by Mayor McCallon at the Donahue Council Chambers, 27215 Base Line, Highland, California.

The invocation was given by Pastor Tracy Johnson of Immanuel Baptist Church and the Pledge of Allegiance was led by Councilman Racadio.

ROLL CALL

Present: Lilburn, McCallon, Racadio, Scott, Timmer
Absent: None

REPORT FROM CLOSED SESSION

City Attorney Steele stated prior to this meeting the City Council and the Redevelopment Agency met in closed session regarding the two items on the posted agenda. With regard to the first item, the Anticipated Litigation, the City Council took no reportable action. With regard to the second item, the RDO Construction Litigation, the City Council, by 4-0 vote, authorized a disbursement agreement between the City of Highland and First Sealord Surety. Mayor McCallon was absent from this session.

- 1) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9(b)(1):
One case.

- 2) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Government Code Section 54956.9(a) – RDO Construction dba B&B Equipment vs. UST Development, Inc., et al – Case No.: 37-2010-00069397-CU-MC-EC

SPECIAL PRESENTATIONS

Mayor McCallon presented Brandy Littleton with a 5-Year Employee Award for her dedication and service to the City of Highland.

Mayor McCallon presented Andrea Saavedra with a 5-Year Employee Award for her dedication and service to the City of Highland.

Mayor McCallon presented various organizations with Community Spirit Awards for their tireless efforts and work during the 2010 storm.

At 6:45 p.m. City Council took a short recess from regular session

At 6:52 p.m. City Council reconvened into regular session.

Councilwoman Scott stated there is one gentleman who came to thank the volunteers and unfortunately they all have left the meeting. Mr. Cesario Perez' home was affected by the 2010 storm and he wanted to personally thank the volunteers.

Mr. Cesario Perez stated his home was not as affected by the storm as his neighbor's homes were. He also would like to thank the Mayor, the City Council, the representatives of all the communities, and the Highland Community. They all united together and out of something bad, some good things came. He hopes this is the beginning of good things coming for the City of Highland.

COMMUNITY INPUT

Ms. Beverly Powell gave a brief presentation regarding Southern California Edison's Smart Connect Meters and also introduced the contractor, Corex, as the authorized installer of the Smart Connect Meters.

Mr. Khalid Khan stated he would like to thank the City of Highland for their assistance during the storm as the city did a lot of work to keep us safe as well as save our home. He would like to know the future plans for his neighborhood of Cherrywood Court as there could be more losses in the future to prevent this.

Mayor McCallon stated City Attorney Steele will contact Mr. Khan as well as city staff contacting him.

Mr. Hayward Jackson gave a brief personal religious statement to the City Council.

CONVENE HOUSING AUTHORITY

1. Housing Authority Officers, Personnel Rules, Conflict of Interest Code and Time and Place of Meetings

Community Development Director Jaquess gave a brief review of the staff report.

A MOTION was made by Councilwoman Scott, Seconded by Mayor Pro Tem Lilburn, to adopt Resolution No. HA 2011-01 designating officers of the Housing Authority, adopting personnel rules and regulations and a conflict of interest code and providing for the time and place of holding regular meetings of the Housing Authority. Motion carried, 5-0.

RESOLUTION NO. HA 2011-01
A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF HIGHLAND,
CALIFORNIA, DESIGNATING OFFICERS OF THE HOUSING AUTHORITY,
ADOPTING PERSONNEL RULES AND REGULATIONS AND A CONFLICT OF
INTEREST CODE AND PROVIDING FOR THE TIME AND PLACE OF HOLDING
REGULAR MEETINGS OF THE HOUSING AUTHORITY

ADJOURN HOUSING AUTHORITY

CITY COUNCIL/REDEVELOPMENT AGENCY CONSENT CALENDAR

City Clerk Hughes stated regarding Item #6 and Item #8 under roll call it states Councilwoman Scott as absent; it should state Councilwoman Scott joined the Council meeting late.

A MOTION was made by Councilman Racadio, seconded by Councilman Timmer, to approve the consent calendar as amended. Motion carried on a roll call vote, 5-0, with Councilman Timmer abstaining from Item #5, Item #6, Item #7 and Item #8 and with Mayor McCallon abstaining from Item #4, and with Mayor Pro Tem Lilburn abstaining from Item #10 and Item #14 and also with Councilwoman Scott abstaining from Item #10.

2. Waive the Reading of All Ordinances
Waived the reading of all Ordinances in their entirety and read by title only.
3. Minutes – December 23, 2010 City Council Special Meeting
Approved the Minutes as submitted.
4. Minutes – December 30, 2010 City Council Special Meeting
Approved the Minutes as submitted.
5. Minutes – January 11, 2011 City Council Regular Meeting
Approved the Minutes as submitted.
6. Minutes – January 11, 2011 City Council Special Meeting
Approved the Minutes as submitted.
7. Minutes – January 11, 2011 RDA Regular Meeting
Approved the Minutes as submitted.
8. Minutes – January 11, 2011 RDA Special Meeting
Approved the Minutes as submitted.
9. Claim Consideration – Julie Rybak
Rejected claim.

10. Warrant Register
Approved Warrant Register No. 514 for January 25, 2011, in the amount of \$1,479,328.62 and Payroll of \$108,972.98.
11. Treasurer's Report for December
Received and filed the Treasurer's Report for December 2010.
12. A Semi-Annual Report of the Processing of Applications per the City Council's "Come Home to Highland" Program and Policies for the Period of July 1,2010, to December 31, 2010
Received and filed the report.
13. Easement Acceptance/Olive Street Sidewalk Project (Project str09003)
 1. Accepted the Grants of Easement for Road and Drainage Purposes from Rama Ben Wala and Pablo Ventura Arguelles; and
 2. Directed the City Clerk to record the Grants of Easement.
14. Request for Co-Sponsorship by the Highland Relay for Life Committee for the Fourth Annual "Relay for Life" from May 21 through May 22, 2011, at the Highland Community Park
 1. Approved the Relay for Life Committee's Request for Co-Sponsorship (waiving of fees);
 2. Authorized the use of the City log for Relay promotional items; and
 3. Authorized staff to install a street banner for the event across Base Line.
15. Seventeenth (17th) Annual Highland Community Trails Day Event
Approved Saturday, April 9, 2011, as the date for the Seventeenth (17th) Annual Highland Community Trails Day Event and the use of the City Creek Levee roads between Base Line and Highland Avenue.
16. Cooperative Agreement with County of San Bernardino
Entered into a Cooperative Agreement with the County of San Bernardino for crack seal work at various locations and authorize the Mayor to sign the Cooperative Agreement.
17. Cooperative Agreement with City of San Bernardino for Pavement Rehabilitation of Boulder Avenue and Highland Avenue
 1. Entered into a Cooperative Agreement with the City of San Bernardino, contingent upon approval of the City Attorney or any modifications to the Agreement that may be proposed by legal counsel of the City of San Bernardino; and
 2. Authorized the Mayor to sign the Cooperative Agreement.

18. Agreement with Tom Dodson & Associates for Environmental Services for San Bernardino International Airport Ground Access Circulation Improvement Project
 1. Approved the Professional Service Agreement with Tom Dodson & Associates to provide Environmental Services for the San Bernardino International Airport Ground Access Circulation Improvement Project; and
 2. Authorized the Mayor to sign the Agreement.

19. Agreement with Hernandez, Kroone & Associates for Traffic Engineering Services for San Bernardino International Airport Ground Access Circulation Improvement Project
 1. Approved the Professional Service Agreement with Hernandez, Kroone & Associates to provide Traffic Engineering Services for the San Bernardino International Airport Ground Access Circulation Improvement Project; and
 2. Authorized the Mayor to sign the Agreement.

CITY COUNCIL/REDEVELOPMENT AGENCY PUBLIC HEARING

20. Municipal Code Amendment 010-006 (MCA 010-006), a City Initiated Municipal Code Amendment to Update and Amend the Existing Sign Regulations, Chapter 16.56 of Title 16, the Land Use and Development Section of the City of Highland Municipal Code (Sign Code Update) – a City Council Goal

Mayor McCallon opened the public hearing.

Senior Planner Meikle stated the sign code update was a goal based upon the 2006 General Plan Update and the need to update and evaluate the city's existing sign standards and to ensure the city has a good friendly-user constitutional, non-ambiguous sign code. To help with this, the City Council established a Sign Review Subcommittee consisting of two Council Members, Council Member Scott and Council Member Timmer, in addition to two Planning Commission Members and two members of the Highland Chamber of Commerce. They conducted their review and ended that in October. During that time, the City Attorney's office had opportunity to review the draft sign code. Subsequently, the Planning Commission reviewed the sign code update, two meetings and two public hearings. In particular, it was brought to the attention of the Planning Commission language that was included in the Sign Code update regarding what is referred to as non-conforming pole signs. Before Planning Commission, there was a fair amount of input from the business community regarding a proposal that was brought forth by the Sign Review Committee about providing a seven year amortization period for existing pole signs. In other words, at the end of the seven year period, existing pole signs would have to be either brought into conformance with the new code or removed.

There is a fair number of letters, which were provided in the packet, and in addition there are additional letters from the business community that were provided today. Again, there was a little bit of correspondence that was provided just this evening as well. There are correspondences in the packets, plus Council has the minutes from the Planning Commission hearing meeting. At the end of the Planning Commission's deliberations, they also suggested some options for Council's consideration, there are three options. He will go through them in the order. They took a straw vote which was to continue with the existing ordinance regarding pole signs which prohibits them. What happens is a pole sign deteriorates or is abandoned; it would have to come down. That is the first option, which is the current code. There's also a provision in option one that the city would provide some funding for removal and possible new sign for that business. The second option was the same as the first option but without any funding mechanism for any new signs or sign removal. The third option is a proposal for a five year amortization period which would allow the property owner a period of time to update or bring their sign into conformance with the new sign requirements. There is also a component about providing funding as part of the third option. Those were the three options that the Planning Commission suggested to the Council.

Mayor McCallon called for any speakers in favor of this item. Hearing none, he called for the speakers in opposition.

Ms. Pam Bechtel Bible stated she is speaking to oppose a section of the sign ordinance, the part about removing the existing pole signs. She does not think it is right that we should have to remove signs that were put up legally. She thinks businesses put these up in good faith, they got their permits at the time, followed all the correct procedures that the city had established and she wishes there was a better word beyond it just doesn't seem right. It doesn't seem ethical that they should have to turn around and be required to remove them now. A lot of these signs are in the older parts of town where there are graffiti problems also. If you require these amended signs she feels we are going to have a lot more graffiti. Right now at least with the pole signs the only thing they can damage is the pole itself, if you lower the entire sign, in most of these areas you're going to have graffiti on them everyday. It's going to look a lot worse than having a pole up in the air. These signs, because they are lower, you're losing a lot of your visibility for the businesses and she has a lot of tenants in her building complain that they are feeling like they're in this economy they are really struggling as it is and they are very concerned that this loss of visibility is going to affect their business more. This is a large cost to owners who paid to have these signs put up in the first place and now it doesn't seem fair that you want to make them pay to tear them down plus pay to put them up. If you're going to do this at all, there should be some kind of program if you want them removed then you should have to pay for them. The new sign, the monument, is a lot smaller than our existing pole signs. For some businesses it may not be as bad but they have 11 units. There is no way that we are going to be able to give exposure to all those units on the smaller sign. Also, their building doesn't face Base Line. Businesses that face

Base Line could have a big sign over their door that states the name of the business. A majority of their offices face a side street and if you don't have that visibility driving down Base Line and if you take their pole sign a lot of those businesses won't be seen at all. She thinks the monument signs are fine for new construction and if the Council wants to require that for new buildings she doesn't have any problem with that.

Mayor McCallon stated he wanted to let everyone know the Council did have in front of them as part of the record, testimony that was given to the Planning Commission. They have reviewed that and they have a lot of their testimony in there already as well as letters from you.

Mr. William Beddingfield stated he is a business owner and he does not want to be redundant and say things that were already said. It was pleasure to say a prayer and to salute the flag which kids in school nowadays don't get to do. With that being said, the fact is this is America. He buys a property and puts up a sign and as long as it is not offending anybody it shouldn't bother anybody. It should be our right, our right to pursue happiness. We should have the right to have the sign that was permitted by the city. The city a few months ago came down and told him he had to give a lot of his property to do sidewalks. We pay our taxes, we pay for permits, and he has 14 of them. Where does it stop when the city is taking over us? They are in our life deep. We can't afford to keep giving. Small businesses have been the back bone of America for over 150 years and they are taking it away from us.

Mr. Michael Kim stated he turned in a letter earlier and he owns property at 26856 Base Line. There are five separate buildings there. Removing the sign at his property will hurt these five businesses. They depend on passing traffic to see where they are. His business owners will state why they need the pole sign.

Mr. John Valdez stated he owns a shop down the street and people fly right by us. If we take our sign off, people would never see we were there. Sometimes people say I saw the shop sign so I turned around to see what was going on then they come in and we make a friend to make more business.

Mr. Edilberto Alvarez stated he would like to thank the City of Highland for letting him be in business. He has been a resident of San Bernardino for over 20 years and he is a mechanic for all his life. He is lucky to own his small business and he is thankful for the opportunity to speak. He thinks it is very important that everyone look at everybody's pocket because he supports six members of his family and it is very hard for him to extend extra money right now for these kinds of situations to fix every problem. He barely started his business two and half years ago and he thanks the owner of the building because he gave him the opportunity to be there. If we bring the signs down there will be more problems as not only will there be more graffiti but it will be more damages to them. Sometimes they get damaged and who pays for them, we do out of our pocket. He thinks it is better to keep them up which is not a big problem.

Mr. Peter Forteza stated first off he really doesn't understand why the Planning Commission and City Council feels that this time frame is right to bother the small business guy. To go out and pull a new regulation that they have to follow to try to amend something that seems to be just affecting a few people in the Planning Commission. They don't like the sight of the pole signs and bother a business which is running and bringing in a small income and supporting the community and taking care of the sign, basically trying to conduct business in the community. He doesn't understand why you have to reach out and put a strangle hold on the small business. There are a lot of things in the community which need attention such as open culverts, damaged sidewalks, and other stuff that could take this precious time. He just thinks small businesses are the driving force and Council needs to help in this economy right now. He thinks pole signs in general if you absolutely want to do away with them, there are tons of poles in this town. You have light poles, posts holding up something the city needs or something that is leading people off the freeway. The businesses are here and we need the support. We would really like to be left alone and if you can't then a fourth option needs to be looked at. Let's put a plan in place where we can cover the pole with a lower facade or square box, whatever it is that Council thinks would make it look better. He doesn't have the budget to do one like McDonalds or Shell.

Ms. Evelyn Cofrancesco stated the City of Highland is not very business friendly. We are tax paying citizens being discriminated against. Don't people have the right to vote these days? The City of Highland is trying to put all the small businesses out of business. What you are asking us to do is not justified. It is cost prohibited to repair the monument signs. Taking these pole signs down would be very costly especially since the City of Highland approved these signs. Some of these signs have been there for 60 years and should be grandfathered in.

Mr. Glenn Elssmann stated he has been working with the property owner on 5th and Palm to come up with an optimal sign program. One thing that was suggested was to bring up the idea of potentially allowing or inserting language that would allow the review or consideration of what they call roof signs. For a lack of a better word, is if you have roof facade that comes down and there is not a facade along, there's not enough space on the front facade above the store to have a sign there, could the roof area be considered a space where an appropriate design and constructed sign might be fitting. He knows that in Victoria Gardens, as an example, they've got roof signs that happen to have a lot of character and class to them. He doesn't want to open up a can of worms, it's just if there is consideration for some language. That would obviously have to be reviewed and considered as an option and not as a guarantee because you have to have certain criteria or valuation to look at that. It was suggested this would be the place to bring forth that kind of idea.

Mayor McCallon stated that kind of thing, he would think, would be something that could be discussed in the same area of your development.

Mr. Glenn Elssmann stated this relates to other areas besides what we are doing on Greenspot. That is why he is bringing it up today.

Councilman Timmer stated he thinks what is being proposed and if the building on 5th and Palm with multiple buildings and different businesses, that the ordinance, in fact, even the old ordinance used to allow a specific plan to come in that addressed site specific requirements of that particular building or properties. We did that purposely to allow more flexibility to meet some of the things. He thinks the new ordinance still has that option of having a specific sign plan for a specific building or projects.

Mr. Glenn Elssmann stated that is good to hear. The suggestion was made by staff and he might want to bring that up and just talk specifically about the roof sign.

Community Development Director Jaquess stated he thinks the reason this was brought up to Mr. Elssmann earlier today was because he was asking for that kind of signage and sign code as it is being presented tonight which specifically prohibits signs that would be on the roof.

Councilman Timmer stated as he remembers it, it says if it goes above the roof line. He's talking about something below the roof line but in the roof features itself, that's what he understood.

Community Development Director Jaquess stated we haven't seen any plans so he can't say exactly. He was just clarifying the point.

Councilwoman Scott stated the way she understood it was that if that was the top of the roof, signs could not go up here but it could go here. Isn't that correct?

Senior Planner Meikle stated that is correct. Current code would not allow a sign to be above a roof line but this sounds a little different.

Mr. Kurt Scallett stated he has some signs and wanted to request the city planners who worked on this. First of all, he doesn't have anyone up here that's going to or he doesn't know who it would be that would protect us sign owners, specifically the pole sign owners. He knows there over 100 owners out there in the City of Highland. He calls upon the planners and City Council to take extra care in consideration and protecting our rights to have the signs, our legal rights to keep the signs. One of the other things that is going to happen if they go ahead with this thing and say that you get five or seven years on three types of levels of plan that they are considering. The people who have these signs are going to get stuck with a huge impact financially. They will have to tear out their sign which will cost them money. His specific sign at his place goes down 18

feet deep so we have to have that dug out and compacted and hauled off. The sign cost to replace it was at least \$10,000. What he is concerned with is the cost of demolition for each one of these businesses should be considered, the removal costs. Once this time limit that you might impose on us, five or seven years, we meet that we have to tear it out, some of these businesses won't have the money to afford to put a new sign back in, then their business will be damaged. Consideration of this should be taken. He would hope they will be able to get a new sign put in ourselves but he knows there is going to be some businesses that can't. So then they're going to be stuck with this very strict sign ordinance and they won't even be able to have a sign on their building. He would like to propose another thought that all three of the suggestions that they had, he would like to see one of them modified or a fourth one started that would allow the stuff they mentioned before but allow the signs to stay for the life of the sign.

Mayor McCallon called for any other speakers in either favor or in opposition. Hearing none, he closed the public hearing.

Community Development Director Jaquess stated he was going to clarify something for Council's benefit. The Planning Commission's recommendation to you, of the seven members, five of the Planning Commissioners recommended that the pole signs be allowed to remain for the life of the sign or until it was abandoned by the business owner. Two of the Commissioners recommended a time line or a time frame for recycling the signs but five of the Commissioners recommended that the signs be allowed to remain as long as the sign was still structurally sound and being used by the business.

Councilman Timmer stated that's a majority of the Commission. Why wasn't the ordinance changed to reflect that?

Community Development Director Jaquess stated they split their motion up. Three of them said it should be done but they recommended that the Council authorize a specific funding program to help people make the signs conforming even in the future. Two of the Commissioners did not want to include the funding mechanism so it got split into a three vote, a two vote and a two vote. None of them was a majority.

Councilman Timmer stated the ordinance in front of us that was included says that basically the pole signs are non-conforming. They have seven years of life left and then they have to go away. However, the Planning Commission by five members voted that they could stay as the current ordinance permits them to stay, that they will stay until they are either abandoned for 180 days or they fall down, or they are damaged more than 50% and they can't rebuild them currently. That's what they are suggesting by five members.

Community Development Director Jaquess stated yes.

Councilman Timmer stated okay but the ordinance doesn't say that.

Community Development Director Jaquess stated the ordinance wasn't modified because the Commission made a recommendation that was split but the draft of the ordinance that was presented to the Commission originally was still brought forward but the actual recommendation was on page 8 of the staff report which is where they presented the three options which was based on the votes of the Commission.

Councilman Racadio stated on pages 104 and 105 is where the table is on how they were voting. He was confused as to what was exactly option four and the voting. So this voting here was at five of the seven recommended that they stay as legal non-conforming uses.

Community Development Director Jaquess stated essentially yes. In the staff report there was a bunch of alternatives as discussed in the minutes. What they ultimately voted on was where they took three different actions because they couldn't get a quorum vote of any one particular position.

Councilman Timmer stated but you said they had five votes for leaving it as today which is majority.

Community Development Director Jaquess stated three for existing with funding to change them, two just to leave them as is and two to do a five-year plan.

Mayor Pro Tem Lilburn stated it is on page 8 and it says received votes from three Planning Commissioners on option 1; option 2, two Commissioners; and option 3, two Commissioners.

Councilman Timmer stated the reason he asked the question is Community Development Director Jaquess stated in his report that five members agreed to have as it is today which he didn't interpret it that way.

Community Development Director Jaquess stated he was adding the three and two together to make it a total of five but there was a detailed distinction in the three versus the two of them.

Mayor McCallon stated he thinks it is important what the Council wants to do.

Councilman Timmer stated he understands that but it is always nice to know what the majority of the Planning Commission and there was no majority is what staff is saying.

Councilman Racadio stated on page 86 which is the July 13 Sign Code Subcommittee, it says at the top it was recommended to adopt a non-conforming use period to advertise pole signs for seven years so that was the recommendation from the subcommittee, he takes it.

Community Development Director Jaquess stated that is correct.

Councilman Timmer stated and that is what the ordinance shows in our report today.

Councilman Racadio stated and he guesses legal non-conforming use can be eliminated with reasonable amortization time and that's why it was in this.

City Attorney Steele stated that is correct and if he is not mistaken, the inspiration for the seven-year period comes from Caltrans guidelines that they use for amortizing billboards and signs along freeway corridors. It wasn't just a number taken out of the air, it's a number that Caltrans uses.

Councilman Racadio stated just from the discussion he takes it that most of the people who talked oppose this and don't want any, the amortization isn't important. He means if it were twelve years or nine years they just don't want amortization.

City Attorney Steele stated that's what it's sounding like.

Councilman Racadio asked if staff investigated one of the options as to the financing plan and how that would work. Where would we get the funding and what the cost would be?

Community Development Director Jaquess stated no.

City Manager Hughes stated one potential source of funding for it, if it was in the Redevelopment Agency, Redevelopment Area, however, that funding is being attacked by the State at this time. He is not sure if Council wants to use City General funds for a purpose like this but RDA funding could be used for this purpose.

Councilman Racadio asked has there been any estimate on how much money we're talking about if it were to be exercised by everybody.

City Manager Hughes stated there are multiple different options so we really need to get direction from the Council. Do you want to look at modifying the signs, how do you want them modified? We need some direction.

Councilman Timmer stated options 1, 2 and 3 came out of the Planning Commission. Just a little history and Councilwoman Scott can amplify on this as well, we probably on that Committee talked about this issue more than any other issue probably put together. We played with longer time periods, shorter time periods and we focused in on what Caltrans uses for that. When he looked at options 1 and 2 or looking at potential funding sources he immediately read those and said with the Redevelopment issues those options aren't even on the table as far as he is concerned at this point. The only other thing he was thinking was well maybe the seven-year period or five-year period is too short, maybe we need to have a longer period where the local businesses then can come up with business plans on how they are going to address that over the next 10 to 15 years.

Councilwoman Scott stated we started out with a longer period.

Councilman Timmer stated yes we did, we wanted to be in conformance with what is generally accepted in the industry by other cities and agencies who deal with this issue. So we kind of looked at it that way and sounding from what the business owners are saying, it's not a time frame issue of seven years, they just want to have their own signs addressed at all. One of the things he would like to say is that they said the city approved the signs but most of them were approved under the County of San Bernardino. The city is trying to upgrade their standards but his gut feeling is telling him now that maybe we need to just look at the ordinance, adopt the ordinance as is with one exception on this particular issue and go back to what the current ordinance, which basically says they're available to be there. Again, if they are damaged or fall down they have to come into conformance with the new standards but they can retain their signs for whatever period of life they have and he was one of the people pushing hardest to get rid of these signs.

Councilwoman Scott stated at the meetings one of her biggest comments was we don't enforce some of the sign issues that we have in the ordinance now, how are we going to enforce this. She has a problem with a city that allows a sign to deteriorate just so they can get rid of it because that makes the city look even worse. She totally agrees with the businesses especially on this end of town that have remarked how the monument signs would be an absolute disaster. They would be vandalized, Mr. Shin who spoke earlier used to have the Alta Dena market and he was required to put in a monument sign on the corner. Well there is absolutely no sign there. There is a mound of dirt because the monument sign was busted, damaged and had to be removed. The lower signs, you lose visibility and on Sunday she drove around town and she was looking at all the different signs because when she was on the Committee, to her a pole sign was a single pole. She was astounded when she found out that it was like the sign at the Tartan which has been there way longer than we have been a city. As she was coming up Palm and looking at CVS Pharmacy, if CVS did not CVS Pharmacy up on the roof in traffic with the vehicles, she would have never seen the monument sign until she actually got right to the stop signal. To her that is what those

monument signs are, she doesn't know why they are on such a big kick with monument signs. Signs are for advertisement; advertising is a life's blood for a business. As long as they are in good taste and they're kept up, let our businesses advertise. Let them do business, let them bring in clients.

Mayor Pro Tem Lilburn stated she was somewhat confused because she kept reading the minutes and they talked about option 4 and 2.A and different ones but as she reads this and looking at the Planning Commission, first she knows there are a couple Planning Commissioners out in the audience and she knows the Sign Committee and the Planning Commission have spent a lot of time on it so she wanted to thank them. Really, she thanks the business owners for coming here while we have discussion on this because they do have a vested interest in their businesses and signs. Usually they show up after the fact complaining that we took an action and nobody was here to speak on their behalf. So, it's really nice they are taking part in the process but she thinks that if we continue and she does not have a problem supporting the current number 2 option that if you're going to be a responsible business owner, then be responsible and maintain your property which includes the signs. She thinks we, as a city, we need to enforce and make sure if we're going to keep this that we actually look at and do our enforcing and make sure they stay up on these or otherwise they lose their right to keep their pole signs. We just want to keep up with the beautification of our city so we have to enforce it in order to maintain and preserve it. She wouldn't have a problem supporting the Planning Commission's option 2 which is to do nothing and continue to implement without basically the bottom line, without financial aid to the property owner for the sign if something should go wrong with it.

Mayor McCallon stated existing signs would have to be removed as they deteriorate.

Mayor Pro Tem Lilburn stated correct.

Councilwoman Scott stated she can support that if you take out does not permit the repair of an existing sign. If an existing sign is damaged by a rock or the paint is fading or whatever.

Councilman Timmer stated it doesn't say that.

Councilwoman Scott stated her number 2 does, does not permit the repair.

Councilman Racadio stated if you look on page 47 of the Ordinance or is it 37.

Community Development Director Jaquess stated it is both numbers, 37 is the big number and 47 is the small number.

Councilman Racadio stated 37, the big number gives us what they cannot do, can't change to another non-conforming sign so they can't get another one. Structured altered to extend useful life, can't be expanded, it can't be re-established after damage or destruction more than 50%.

Councilwoman Scott stated she doesn't go for that. We're just saying okay go ahead and keep it until the thing falls down and in the meantime it makes the city look really crummy. No, if they have a sign for their business keep it up.

Community Development Director Jaquess stated specifically, if you go to the next page, on item F on page 38, specifically says that the signs may be maintained and repaired. So he thinks that covers her comment. If it's damaged more than 50% of its value then it can't be replaced but it can be maintained and kept up and painted and the materials can be repaired and replaced if broken.

Councilwoman Scott stated okay if a sign, a big utility truck with a ladder thing swings around the corner and happens to bust one of those signs off of its pole that would be more than 50%. The owner wouldn't be able to put a new sign up.

Councilman Timmer stated the ordinance clearly talks about that. More than 50% damage whether that is by dollars or whatever, the Building Official determines the damage and they have to meet the new standards.

Councilwoman Scott stated can she ask this, why are we going to insist that every business have a monument sign. One of the things that was said really got her too was the fact that you have parking lots, monument signs are going to take up space. We don't have that space with our little businesses on Base Line. As long as the sign looks good and brings in customers why are we being picky? We have a sign ordinance that says you can't plaster your window with a bunch of those homemade things but that thing's not enforced.

Community Development Director Jaquess stated on page 9 of the staff report, it does show a sign option for what we call pedestal signs and that is where you could take and make a pole sign into a conforming sign but it's not a monument sign in a sense that's it down low on the ground. It shows it to be a taller sign but still an improved version of a pole sign. That's an option that would be available particularly under option 3 of the Planning Commission.

Councilwoman Scott stated it's this particular one that threw her when she saw that the Tartan Sign and Mr. Shin's sign and some of those two legged pole signs were included because she thought a pole sign was a pole, a single pole.

Mayor McCallon stated his personal view is either or. Either leave it like it is in the Sign Ordinance, current Sign Ordinance, or the other option that he would be palatable is if we want to get rid of pole signs then we have to incentivize the businesses to do that which means providing funds to replace them and you can do that in a couple of ways. You can say we are going to incentivize businesses that have pole signs by paying for them to replace them and that's for let's say a 5 year period. That the pole signs can exist for ten years but if you go ahead and replace it within this five-year period we will help you replace them or incentivize you to do so. That's an option he thinks we can put forward if we're serious about wanting to get rid of pole signs. Then if we are serious about that then we as a Council, as a city, ought to assist those business owners in doing that. If we don't provide incentives for them to replace the signs then he thinks we ought to just leave it like it is.

Councilman Racadio asked is that option one?

Mayor McCallon stated he has no idea what option that is.

Councilman Racadio stated number 3 has an amortization table.

Mayor McCallon stated there is no option, it is his option. All he is saying is if you want to say within a ten-year period we want to get rid of pole signs then you can incentivize businesses to say all right in the next five years, if you replace them, the City will help you do that, the Redevelopment Agency.

Councilwoman Scott stated but why do we want to get rid of pole signs.

Mayor McCallon stated he is asking the question, if we want to or not.

Councilwoman Scott stated but she is asking the question why, why would we want to.

Mayor McCallon stated to Councilwoman Scott, you were on the subcommittee.

Councilwoman Scott stated yes she was.

Mayor McCallon stated and what was your decision there?

Councilwoman Scott stated she argued a lot.

Councilman Timmer stated the Committee basically said they had to be gone after seven years.

Mayor McCallon stated he was proposing two options. One you leave it like it is in the current sign ordinance or you say all right we will allow them to stay for ten years but if you replace them within five years we will help you pay for it through our redevelopment monies.

Mayor Pro Tem Lilburn stated what if they don't replace them within five years.

Mayor McCallon stated if they don't replace them within five years, then in ten years they have to be gone with no assistance. If you want it done, then you incentivize it. You should not put those costs on the businesses if it's the city that wants this done for beautification then the city ought to help pay for it.

Mayor Pro Tem Lilburn stated but we have a lot of businesses and most of the pole signs are on the western portion and that isn't financially feasible for them to change their signs out without financial help.

Mayor McCallon stated that's the way he sees it. Leave it like it is or if we want them gone then we need to help pay for them.

City Manager Hughes stated with the impending Governor's proposal on the RDA take, he would not recommend at this point and time committing any redevelopment funding especially over the period of five years. We don't know if we're going to have a Redevelopment Agency if the Governor's proposal goes through. He would be very, very hesitant to commit RDA funds at this point and time.

Councilman Timmer stated he agrees with Mayor McCallon on if we're not going to support changing this, that the businesses can retain their signs as is with the understanding that the city is going to be looking closer at the maintenance of these signs to make sure they are being maintained. He doesn't think we should commit dollars at this point with all the unknowns out there.

Mayor McCallon stated you are saying we should leave the current sign ordinance for poles or what is being proposed here.

Councilman Timmer stated what is being proposed here is that the signs have to disappear in seven years, however, he thinks that time frames needs to disappear.

Councilman Racadio asked are you saying keep the ordinance as it is here and eliminate that section of amortization.

Councilman Timmer stated the seven year period, yes.

Councilwoman Scott stated you said to omit C?

City Manager Hughes stated B and C.

Councilwoman Scott stated on F, she is going to have to ask the City Attorney, under maintenance and repair, it says if a non-conforming pole signs and structure may be maintained and repaired in compliance. Shouldn't that be must or shall? Because that is what we want, we want the signs to be maintained. We don't want them to deteriorate and look terrible.

City Attorney Steele stated he thinks the wording could be changed to shall under F. The intent of this section, the entire section, was to be permissive because it was the city giving permission to the owners of non-conforming signs to do these things. We can change it to shall if you feel more comfortable with that but the intent was to say here are the things you may do with a non-conforming sign that is why all the language in this section is permissive. If you look at the cross reference, Section 16.56.020, the language in there is shall.

Councilwoman Scott stated on page 37 it's 16.56.182 and it seems to her that what follows after that, including the five, Section A, conflicts with D, F and G.

City Attorney Steele stated this is the same with any non-conforming structure, not just a sign. If a non-conforming structure is damaged or destroyed to more than 50% of its value it may not be replaced. So this is consistent with the rule for every non-conforming structure not just signs. What this is saying is if somebody throws a rock and breaks the panel of a sign and it's just that plastic panel that needs to be repaired, that's fine. If a non-conforming sign, like any other non-conforming structure, is damaged 55% and based on the Building Official's evaluation that gets replaced per current code which is the same as any other non-conforming structure in the city.

Councilwoman Scott stated if you have business with a pole sign and it's an automotive repair business and the automotive repair business leaves town and a transmission place comes in, now can the transmission place change the sign from automotive repair to transmissions?

City Attorney Steele stated within 180 days, yes.

Mayor McCallon stated to clarify, what we are proposing and what we are agreeing to is to take out of Section 16.56.182, Subsection B and C, and in Section F changing the "may" to "shall."

Councilman Racadio stated at some point in the future, if we feel secure about redevelopment, maybe come back and look at the suggestion regarding a positive incentive to move forward.

A MOTION was made by Mayor Pro Tem Lilburn, seconded by Councilman Timmer, to approve the following:

1. Adopt a Negative Declaration for Municipal Code Amendment 010-006 and instruct staff to file a Notice of Determination with the County Clerk of the Board; and
2. Introduce Ordinance No. 358 to amend (MCA 010-006) the city's Sign Regulations, Chapter 16.56 of Title 16, the Land Use and Development Code, as amended, by deleting Subsection B and C of Section 16.56.182, and in Section F, changing the "may" to "shall." Motion carried, 5-0.

Councilwoman Scott stated when this comes back in the future with the things that Councilman Racadio has requested, she would like justification regarding why we do not want pole signs in the City of Highland.

City Clerk Hughes introduced Ordinance No. 358:

ORDINANCE NO. 358
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, REPEALING CHAPTER 16.56 SIGN REGULATIONS,
WITH THE EXCEPTION OF SECTION 16.56.190 OFF-SITE
ADVERTISING DISPLAYS, AND REPLACING IT WITH AN AMENDED
CHAPTER 16.56 SIGN REGULATIONS OF TITLE 16 (LAND USE AND
DEVELOPMENT) OF THE HIGHLAND MUNICIPAL CODE
[MUNICIPAL CODE AMENDMENT 010-006]

which title was read.

21. 2006-2014 General Plan Housing Element Update (GPA-007-002) (Planning Period of January 1, 2006 – June 30, 2014)

Mayor McCallon opened the public hearing.

City Planner Mainez stated he does want to mention that he did receive at the last minute a letter from Caltrans and they have indicated that they have reviewed the element and feel that there are no impacts on their system. He believes City Clerk Hughes passed out a copy of the letter to Council for the record. Also, he wants to introduce Michelle Halligan, Housing Element Consultant of The Planning Center. She is very instrumental in assisting the city with the draft housing element. Before he gets started he wants to apologize, he inadvertently left out the approval letter from the State. It does list all the statutory requirements and goes on condition, which is to re-zone the sites that have identified in the housing element. Basically we have some work cut out for

us. There are seven sites that need to be re-zoned and it's basically a two step process. Tonight Council will adopt a Housing Element and staff will come back in a couple of months with the zone changes. As indicated, the new zoning district will be called Residential High Density, R-4, and it will impact six areas within the city. Now concurrent with that zone change obviously we have to adopt standards that meet those densities of 20-30 units per acre. We've told the State that we will include full profit as well as non-profit developers to the table to review the ordinance with us prior to bringing it Council. They can have a sense of potential restrictions or obstacles that will prevent them from building that type of housing in our city.

Mayor McCallon called for any speakers in favor or in opposition. Hearing none, he closed the public hearing.

Mayor McCallon stated it says the conditions imposed by HCD required the city to complete the re-zoning of sites as outlined in the city's Housing Element program #9. He looked through and couldn't find what program #9 was.

City Planner Mainez stated program #9 lists and explains why we are going to be doing a zone change and also references Appendix B. So you really have to go back to that inventory to look at the maps and then we will indentify each site by number. It starts on page titled Zone 1 and every page after that will explain statistics for each site all the way to Zone 7.

Community Development Director Jaquess stated these are all the specific sites that were indentified by Council in your workshop before we forwarded to the State for their approval.

Mayor McCallon asked have there been any changes from that discussion that was held during that workshop.

Community Development Director Jaquess stated none.

Councilman Timmer stated this doesn't have zone change #7 though.

Community Development Director Jaquess stated he thinks there was one that two parcels are combined into one zone change that's why there are only six zone changes.

Ms. Halligan stated he might be remembering the hearing.

Community Development Director Jaquess stated none of the maps show the Golden Triangle.

Ms. Halligan stated right we went over that with HDC and we decided to move that because it's vacant so it's not part of your vacant land inventory. That map is actually part of your text, it's in the housing plan because it's an overlay. Since it is vacant land you didn't have to do a major rezone as it's sort of a place holder while we wait for the specific plan to be approved.

Mayor Pro Tem Lilburn stated she doesn't like this. She doesn't like how it is laid out. It's not a clear vision for her. Before it was laid out and we could look and see because there were different pieces of property that we saw and indentified that we didn't want and that we did want.

Ms. Halligan stated that changes that were made removed all the parcels that you didn't want. That's important so that the members of the public don't see something that you didn't want in the document.

City Planner Mainez asked is it the maps, the way they are laid out.

Mayor Pro Tem Lilburn stated yes, it is the whole layout, she doesn't like it.

City Planner Mainez stated we originally submitted the whole map but they actually made us re-do it and break it up into smaller maps so that they could understand it.

Mayor Pro Tem Lilburn stated just so we could see the big picture and then we could break them down.

City Planner Mainez stated he agrees 100%.

Community Development Director Jaquess stated we can provide that for the Council.

City Planner Mainez stated we can have a separate document but the one that the State wants is this format.

City Manager Hughes stated this document is in compliance with what the State wants.

City Planner Mainez stated we promised the State that we would have it back within three months.

Ms. Halligan stated you can be revisiting these sites within three months but the requirement for the actual re-zone to take place is within one year. City Planner Mainez is giving Council time to look at it and look at development standards but it is State law and you are required to do this within one year and then you will have a legally adequate General Plan.

Councilman Racadio asked what the penalty is for not having an approved Housing Element.

Community Development Director Jaquess stated basically the penalty is you're vulnerable to legal challenge for an inadequate General Plan and may not be eligible for funding or grants.

Councilwoman Scott asked do we have to take action tonight or can we wait. She is in agreement with Mayor Pro Tem Lilburn; she went through this and thought this is not what we had before.

A MOTION was made by Councilman Timmer, seconded by Mayor McCallon, to adopt Resolution No. 2011-006 approving the following actions:

1. Adopting a Negative Declaration for the 2006-2014 General Plan Housing Element Update and direct staff to file a notice of determination with the San Bernardino County Clerk of the Board; and
2. Certifying the city's 2006-214 Housing Element in accordance with the Department of Housing and Community Development (HCD) conditional approval letter dated October 1, 2010. Motion carried, 3-2, with Mayor Pro Tem Lilburn and Councilwoman Scott dissenting.

RESOLUTION NO. 2011-006

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, APPROVING AND CERTIFYING THE CITY OF HIGHLAND
GENERAL PLAN 2006-2014 HOUSING ELEMENT (GPA-007-002)

CITY COUNCIL/REDEVELOPMENT AGENCY LEGISLATIVE

22. No Parking on the West Side of Lillian Lane from South of Hibiscus Street

City Engineer Wong gave a brief review of the staff report.

A MOTION was made by Mayor Pro Tem Lilburn, seconded by Councilman Racadio, to adopt Resolution No. 2011-007 establishing a No Parking Zone on the west side of Lillian Lane south of Hibiscus Street. Motion carried, 5-0.

RESOLUTION NO. 2011-007

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, ESTABLISHING A NO PARKING ZONE
ON A PORTION OF LILLIAN LANE SOUTH OF HIBISCUS STREET
AND RESCINDING RESOLUTION NO. 2009-036

23. Omnitrans Bus Shelter Services Agreement

City Engineer Wong gave a brief review of the staff report.

A MOTION was made by Mayor Pro Tem Lilburn, seconded by Councilwoman Scott, to enter into an agreement with Omnitrans to provide and maintain bus shelters in Highland and authorize the City Manager to sign the agreement. Motion carried, 5-0.

24. Extension of Memorandum of Understanding for Possible Redevelopment Boundary Adjustment Between the City of Highland and the Inland Valley Development Agency

Community Development Director Jaquess gave a brief review of the staff report.

Councilwoman Scott stated prior to the recall election some of Highland's city boundaries had been put into the IVDA correct?

Community Development Director Jaquess stated a small parcel was.

Councilwoman Scott stated okay but it was still taken from the City of Highland and put into IVDA.

Councilman Timmer stated that is not correct, the only thing that was given up was the boundary line moved to the centerline of the road. We didn't give up any specific parcels of land.

Councilman Racadio stated he thinks we did.

City Manager Hughes stated technically when we gained the parcel from San Bernardino, IVDA was redevelopment authority for that small parcel

Councilwoman Scott asked is this the same parcel or a different one?

Community Development Director Jaquess stated this would be a separate issue and it involves looking at a larger area of the city for possible inclusion into the IVDA boundary.

Councilwoman Scott asked for what purpose.

Community Development Director Jaquess stated they have invited the city to join IVDA and become a voting member of IVDA but we have to have more of a land area of the city part of the boundary. The purpose would be and then we could benefit from the financial resources of the IVDA for potential improvements and projects in this area of the city.

Mayor McCallon stated this is an extension of an existing MOU. We have the Committee that works with the IVDA to see if we really want to join the IVDA. This MOU allows that discussion to go ahead.

Councilwoman Scott stated it is her understanding that the Committee never finished.

Mayor McCallon stated work is still being done.

Councilwoman Scott stated the Committee was dissolved.

Mayor McCallon stated no it was not. The Ad Hoc is still going but the issue has not been finished.

Councilwoman Scott asked how many acres is it.

Community Development Director Jaquess stated it is the area south of Sixth Street between Tippecanoe and Del Rosa roughly. The Committee has not made a formal recommendation on an area just yet.

Councilwoman Scott stated none of this is in Highland RDA.

Community Development Director Jaquess stated all of it is.

Mayor McCallon stated this is the issue that has been discussed. Nothing is being recommended to us, it just extended this MOU so discussions can continue. What may come out of the discussions may be nothing or there may be some proposals but we have yet to see or discuss this. There is no decision to be made and no commitment at this point.

A MOTION was made by Councilman Timmer, seconded by Councilman Racadio, to reaffirm and extend the Memorandum of Understanding with the Inland Valley Development Agency to evaluate the feasibility and desirability of adjusting the Redevelopment Agency Boundary between the City of Highland and the IVDA by expanding the IVDA boundary into the city and reducing the City RDA project area by an equal amount. Motion carried, 4-1, with Councilwoman Scott dissenting.

25. Update on SANBAG, SCAG, Omnitrans, Work Program and Regional/Legislative Issues/Development Issues/Subcommittees/AB 1234 Updates

Mayor Pro Tem Lilburn was appointed to the CTSA which is a separate transit agency from Omnitrans.

City Manager Hughes stated we have set the Work Program meetings. The first meeting will be held Wednesday, March 2, 2011, at 1:30 pm and the second meeting is scheduled for Wednesday, March 9, 2011, at 1:30 pm.

Councilman Racadio stated he and Mayor McCallon attended the New Mayor and New Council Members Academy which was held in Sacramento on January 19, 2011.

26. San Bernardino International Airport Authority and IVDA

None

ANNOUNCEMENTS

January 30, 2011 at 5:30 p.m.

Proclamation Presentation to Immanuel Baptist Church

CLOSED SESSION

None

ADJOURN

There being no further business, Mayor McCallon adjourned the meeting at 8:49 p.m. in memory of John Copolillo, Pauline Murrillo, Elaine Hall, Margaret "Peggy" Clark and Cordie McCallon.

Submitted By:

Approved By:

Betty Hughes, CMC
City Clerk

Larry McCallon
Mayor