

**MINUTES
CITY COUNCIL REGULAR MEETING
MAY 14, 2013 - 6:00 p.m.**

CALL TO ORDER

The regular meeting of the City Council 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 Rob Zinn, 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

No Reportable Action

SPECIAL PRESENTATIONS

None

PUBLIC COMMENT

None

CITY COUNCIL CONSENT CALENDAR

City Manager Hughes stated staff would like to request Item #7 be pulled and continued to the next regularly scheduled Council Meeting.

7. Notice of Completion – “Jerry Lewis Community Center Gymnasium Floor Replacement” (Bid No. 2012-14)

RECOMMENDATION: That the City Council:

1. Accept “Jerry Lewis Community Center Gymnasium Floor Replacement” (Bid No. 2012-14) as complete;
2. Authorize the Mayor to sign the Notice of Completion; and
3. Direct the City Clerk to file the Notice of Completion.

A MOTION was made by Councilman Racadio, seconded by Councilwoman Scott, to approve the Consent Calendar with the exception of Item #7 being continued to the next Council Meeting, and with Councilwoman Scott abstaining from Item #5. Motion carried on a roll call vote, 5-0.

1. Waive the Reading of All Ordinances
Waived the reading of all Ordinances in their entirety and read by title only.
2. Minutes – April 23, 2013 City Council Regular Meeting
Approved the Minutes as submitted.
3. Minutes – April 23, 2013 City Council Special Meeting
Approved the Minutes as submitted.
4. Claim Consideration – Jose Chairez
Rejected claim.
5. Warrant Register
Approved Warrant Register No. 562 for May 14, 2013, in the amount of \$12,367,190.28 and Payroll of \$147,948.66.
6. Treasurer’s Report for March
Received and filed the Treasurer’s Report for March 2013.

Mayor McCallon stated he will move the Legislative items forward and then conduct the Public Hearings.

CITY COUNCIL LEGISLATIVE

10. Two Appointments to the Planning Commission

City Clerk Hughes gave a brief review of the Staff Report.

Mayor McCallon nominated John Gamboa and Mark Rush.

Mayor Pro Tem Lilburn seconded the nomination.

Mayor McCallon called for any objection regarding the nominations, seeing none, the nomination is unanimous.
11. Contract with San Bernardino County for Animal Control Services for FY 2013-14

Community Development Director Jaquess gave a brief review of the Staff Report.

A MOTION was made by Councilwoman Scott, seconded by Councilman Racadio, to approve the contract amendment with San Bernardino County for Animal Control Services for FY 2013-14 in the amount of \$396,547 and authorize the Mayor to sign the contract. Motion carried, 5-0.

12. DIF Credit/H&H General Contractors

Public Works Director/City Engineer Wong gave a brief review of the Staff Report.

A MOTION was made by Councilman Racadio, seconded by Councilman Timmer, to approve the Development Impact Fee (DIF) credit for H&H General Contractors in the amount of \$28,542.10. Motion carried, 5-0.

13. Construction Services Proposal/Engineering Resources of Southern California, Inc., Sterling Avenue Phase II Storm Drain Project (Project No. sdr10001)

Public Works Director/City Engineer Wong gave a brief review of the Staff Report.

Councilwoman Scott stated this is in addition to the original one million of the 2004 RDA Bond.

Public Works Director/City Engineer Wong stated the \$1 million is the construction amount. We are not talking about a professional service for management work and this amount is \$88,415. We are asking for 10% of that, \$88,000.

Councilwoman Scott asked that is added to the \$1 million?

Public Works Director/City Engineer Wong stated not added to the same contract it is two separate contracts.

Councilwoman Scott asked is it included in the \$1 million?

Public Works Director/City Engineer Wong stated no.

Councilwoman Scott asked this is in addition to the \$1 million?

Public Works Director/City Engineer Wong stated yes but it is a different contract to a different firm.

Councilwoman Scott asked we do have that \$88,000 in that RDA fund, right?

Public Works Director/City Engineer Wong stated yes.

A MOTION was made by Councilman Racadio, seconded by Councilman Timmer, to:

1. Approve the proposal from Engineering Resources of Southern California, Inc., (ERSC) to provide construction management services for the Sterling Avenue Phase II Storm Drain Project; and
2. Authorize the City Manager to approve contract amendments up to 10% of the contract amount. Motion carried, 5-0.

14. 2013-2015 Preliminary Budget and Study Session Date

Director of Administrative Services Dantuono gave a brief review of the Staff Report.

Councilman Racadio stated he is out of town on May 29th and 30th. He can meet separately with Director of Administrative Services Dantuono to discuss any concerns or questions he has.

Mayor McCallon stated the 2013-2015 Preliminary Budget and Set May 29, 2013, at 10:00 a.m.

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

Mayor McCallon stated he has seen work being done on Boulder Bridge. Have we received funding for this?

Public Works Director/City Engineer Wong stated city staff has worked on an adjustment of the source of funding to allow work on the bridge. We have not received approval for additional monies but we can, and are, using existing funds to accelerate the process.

16. San Bernardino International Airport Authority and IVDA RECOMMENDATION:

None

CITY COUNCIL PUBLIC HEARING

8. Resolution No. 2013-007 Fixing the Highland Paramedic Special Tax Rate for Fiscal Year 2013-14

Mayor McCallon opened the public hearing.

City Manager Hughes stated the item before you is setting the special tax for the paramedic rate for 2013-14. It is estimated that the tax will generate approximately \$351,000. The rate has not changed since the tax was initially established in 1985. It is \$19 per individual dwelling unit and \$38 per individual commercial unit. Currently the cost to provide paramedic services for the next fiscal year is estimated to be approximately \$1.4 million. So the tax is generating a little less than 25% of the estimated costs to provide those services.

Mayor McCallon called for any speakers in favor or in opposition of this item, seeing none, the public hearing is now closed.

A MOTION was made by Councilman Timmer, seconded by Councilman Racadio, to adopt Resolution No. 2013-007 fixing the Highland Paramedic Special Tax rate for Fiscal Year 2013-14. Motion carried, 5-0.

RESOLUTION NO. 2013-007
A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF HIGHLAND, CALIFORNIA,
FIXING THE HIGHLAND PARAMEDIC SPECIAL TAX
RATE FOR FISCAL YEAR 2013-14

9. A Public Hearing of the City Council to Consider the “Greenspot Village and Marketplace” Final Environmental Impact Report (ENV-009-003), General Plan Amendment (GPA-009-002), Zone Change (ZC-009-001), Specific Plan (SPR-006-001), Development Agreement (DA-012-004) and Design Review Applications for Planning Area 1 (PA1) and Planning Area two (PA2) (DRB 009-003 and DRB 009-004, respectively)

Mayor McCallon stated this item has many parts to it and what he would like to do is to address the first four items through the Specific Plan, if we can, and leave the Development Agreement and the Design Review Application until we have taken action on the first four items. He thinks this will give the Council an opportunity to maybe at least get through those items. He expects we might not get through all of it today but we are going to try. He would like to keep the discussion and comments to the Specific Plan first so that we can take preliminary action on the EIR, the General Plan Amendments, and the Zoning Map to include the new designation of Specific Plan and to introduce the Ordinance to approve the Specific Plan. Having done that, we will then launch into the Development Agreement and the Design Review Application since that may be the most controversial of the discussion.

Mayor McCallon stated this is a continued item therefore the public hearing is still open.

City Planner Mainez stated tonight Economic Specialist Stater will be presenting a brief overview of the subject application as you so directed, and the related actions required for the Council tonight. Also, Public Works Director/City Engineer Wong may have some minor corrections to the conditions so when that time comes up he will turn it over to him. Following Economic Specialist Stater's presentation we have Joann Hadfield, the City's environmental consultant, and she will provide an overview of the EIR, provide some clarity on the findings of override consideration and the other finding associated with the EIR. When it is appropriate, the City Attorney will take over the discussion on the Development Agreement. He does want to add that back in 2006 the City Council raised the bar during the General Plan update process, and more recently during the City Council's valuation of the Housing Element. The Council should be applauded for making some of those big decisions that impacted our development in the future. As the City Council is aware, during this big process the idea of a Golden

Triangle policy area was created in which the Greenspot Village and Marketplace is part of. The intent of the Golden Triangle policy area is to facilitate a master-planned mixed-use type of development, of course large enough to cater to residential, retail and office uses. As he indicated, this is to enhance the City's economic development objectives, and in addition to the housing element put in place, the new high density special overlay. The Greenspot Village and Marketplace Specific Plan was developed based on important guiding principles set forth in Highland's General Plan, and therefore the Planning Commission believes, as well as staff, that the Specific Plan before you tonight is in compliance with the General Plan goals, policies, and objectives. In summary, the Specific Plan would provide high-end resort type housing, retail services, restaurants and entertainment venues which at build out could generate over 1.8 million dollars in retail sales tax revenue for the City and approximately accommodate 2,000 new jobs within the City's boundaries.

Economic Specialist Stater stated as the Mayor mentioned, this project has many parts to it, and she is going to hit the highlights because there are other speakers this evening that will touch on the items also. The best reference point is probably on pages one and two of the Staff Report. If you refer to the Planning Commission's recommendations, the very first part of this project we will be asking you to consider this evening is the Environmental Impact Report which has been in the process since 2008, and as City Planner Mainez mentioned, our consultant, Ms. Hadfield, will be discussing this issue tonight. For basic reference, we will be asking Council to certify the Environmental Impact Report, adopt the overriding considerations and the Mitigation Monitoring Report. That is the first item that has to be completed before we move onto the other items. If that is not completed, we cannot move forward. The second item, on page two, is the General Plan Amendment to designate a portion of the Site Plan development, and if you look at the projector behind her, you will see the project in question, this Planned Development portion here. This section is currently zoned Open Space. It's an eleven acre portion of the Flood Control property that needs to come into compliance with the remainder of the site and be zoned Planned Development. The next item under the General Plan Amendment is an amendment to the circulation element. That is a re-designation of these two streets, Calhoun and Eucalyptus, from a local street to a collector. Once that is completed, the City Council can move forward with Zone Change that affects not only the 11 acres of the Flood Control property, but also the entire site, and that would be a Zone Change as it currently is a planned development to SPR 006001. That really works hand in hand with the Specific Plan. As you adopt the Specific Plan, it will change the zoning and the Specific Plan will be your new guiding planning document in place of the Development Code, and mostly in places where the Specific Plan is silent, the Development Code will still stand. Essentially, the Specific Plan which you received is the document which will tier from the General Plan for this project. It will describe to you the site amenities, the design principals, the zoning, infrastructure, Open Space etc. The applicant will be discussing this at length, but she would like to touch on some of the main portions of the Specific Plan. The land use portion, if you would like to refer to

page 15 of the Staff Report, this describes scenario one and two for this project. Scenario one includes the Flood Control property and would give you 104 acres total, and scenario two would be 84 acres. So that section discusses land use aspects of the project, and that is followed by the circulation plan which discusses your street capacities, some of the open space such as the paseo and other circulation elements related specifically to this project, which is followed by infrastructure including water, sewer, storm drains, solid waste, energy and these are all required elements by law to include in the Specific Plan to make sure we have a project that is compatible with the surrounding land uses and the proposed zoning for the project. Also included you will find, on page 61, the land use standards for the commercial and the residential. This is a crucial portion of the Specific Plan because it discusses what type of uses will be permitted throughout the site, and it's comparable to our current Development Code which would be equivalent to General Commercial for the commercial portions of this site and R4 standards for the residential. Next, you will find design guidelines, and this discusses more themes and massing scales, colors, lighting, etc. followed by landscape and irrigation guidelines and the actual implementation of the plan itself. She is certain the applicant will have a lot of discussion on the plan itself, some of the themes that they have provided and some of the visioning they have for this site, but she thinks next we are going to be hearing from the environmental consultant.

Mayor McCallon stated let's hear from the environmental consultant and then we will hear from the applicant and then public testimony.

Ms. Joann Hadfield, The Planning Center DC&E, stated she is the environmental consultant for the project since 2008. She wants to start out with a brief overview of the history of the project from an environmental processing standpoint, because it's a little bit unique because it stalled midway. She wants to explain how this was addressed, and then she will provide the summary findings of the EIR and final EIR and revised technical studies which were done when they came back. So the initial scoping meeting for the Environmental Impact Report was held March 27, 2008 and then a comprehensive draft EIR was prepared. The draft EIR analyzed and quantified the impacts of the land use and REO's that Economic Specialist Stater mentioned as scenario one with the optional Flood Control property and scenario two. It had a parallel analysis throughout the document that quantified impacts and mitigation for either scenario, so either scenario could be selected with customized mitigation for that development scenario. The draft EIR was supported by a comprehensive suite of technical studies including air quality, greenhouse gas, cultural resources, biological resources surveys, traffic, noise, hydrology, water quality, not so common for EIR's but was prepared for the Greenspot Specific Plan was an urban decay analysis. Basically a retail market analysis to determine whether this project would pull business from other areas in the City and result in a physical deterioration of existing businesses. That market analysis was conducted on agricultural value analysis to determine the significance of losing the agricultural land or agricultural land designated as statewide importance and a mineral

mining feasibility analysis. So all that work was done with the initial EIR, and the draft EIR was circulated from April 13, 2009 to June 1, 2009, the 45 days for public review requirement, and approximately ten comment letters were received on the EIR, and a final EIR response to comments was prepared. Essentially 99% completed when the project stalled due to the economy. They were contacted again at the end of 2012, the Specific Plan had been updated and refined and staff informed them that they needed to determine what needed to be done to go ahead with the environmental clearance for the project. So working with staff, they reviewed the potential requirements for recirculation of the draft EIR and potentially making it available for public review. They reviewed the triggers for recirculation under CEQA guidelines 15088.5, and to summarize those requirements, recirculation is required if significant new information added to the EIR after the availability of the draft EIR, which recall was mid-2009, and new information would be anything resulting in a new significant impact, a substantial increase in the severity of an environmental impact unless new mitigation measures were adopted to reduce impact to less and insignificant. A new feasible project alternative or mitigation is available, but the applicant won't adopt it or the EIR's determined to be fundamentally inadequate. To determine whether recirculation was needed, they needed to come back and update not only the environmental setting and conditions under which the project now would be undertaken, but also update requirements for technical studies. For example, the air quality greenhouse gas modeling for the Southcoast Air Quality management district was completely redone in the interim, and they felt that the new model should be run off from a setting standpoint. They were concerned about potentially cumulative impacts, including the Harmony project, which was included in the original analysis, but at about one-third of the units that are not proposed for that project. So before making the determination, an update of several of the technical studies was conducted, including completely updating the air quality greenhouse gas modeling, updating the traffic and cumulative projects including the Harmony project, the traffic update by the applicant's consultant, Urban Crossroads. They updated the environmental conditions, such as flood improvements and Boulder Bridge. The applicant provided updated technical studies for hydrology, water quality, traffic and an updated biological resources survey to conclude that there were not any new, significant biological resources on the site. At the end of this review, they did determine that there were no changes to significant impacts, and that none of the changes triggered the need to recirculate the EIR. In fact, there were some improvements; revisions to the land use statistics to the project were very minor. A little bit of redistribution of the land use, but the overall housing units stayed at 800 and the square footage for retail under both scenarios was slightly reduced. A big change from an environmental standpoint was due to new flood improvements and modeling it was determined that the outfall previously proposed for discharge to City Creek would no longer be required. That was one of the outstanding issues to be resolved in the final EIR, was mitigation to jurisdiction wetlands associated with that outfall. So, they updated and revised the final EIR to incorporate the findings of the updated studies, the updated analysis topic by topic was gone through and quantified updated impacts, reviewed the mitigation. Probably the most

substantial changes are in traffic, which she is sure one way or another we will speak about tonight. She will talk about the overall findings for traffic. They feel comfortable that the Environmental Impact Report is defensible as substantiated with updated studies and refined for the revised project. As Economic Specialist Stater stated, the mitigation monitoring program was updated for the project, and they also went back to the previously prepared facts and findings and statement of overrides overriding considerations for the project. Facts and findings are required when a lead agency approves a project for any impact found to be significant. The findings are either that it can be mitigated, it is not feasible to mitigate for various reasons including out of the authority of the jurisdiction or it's not physically or engineering possible to mitigate the impact. So a quick review of the impacts that were determined to be significant and unavoidable for the project were agricultural resources, conversions of farm land to non-agricultural use, approximately ten acres of the site designated for farm land of statewide importance to be converted to commercial use is a significant and unavoidable impact. They did back with the original with draft EIR look at feasible mitigation, potential farm land, mitigation banks, and those were not available to the satisfaction of the City or in proximity or within the City boundaries. Air quality is significant and unavoidable impact both for construction emissions and operational emissions. Not atypical because of the scale of the project, and if you review the mitigation monitoring plan or the summary for the EIR all feasible mitigation has been required by the project applicant, the project will still result in significant impact for VOC's and Knox for construction, VOC Knox, CO and particulates for long term operations. Construction noise and construction related vibrations were conservatively determined to be significant unavoidable impacts. Again, feasible mitigation is going to be employed but it's still significant and unavoidable. A short term impact, but nevertheless significant and transportation, traffic impacts, traffic was analyzed both for the interim year development 2017 and accumulative build out year of 2030. The significance of intersection impacts based on the City's acceptable level of service and regional acceptable levels of service were determined. There are three intersections that would operate at an unacceptable level of service that cannot be mitigated these are joint jurisdictional intersections that can't be fully mitigated by the City because of a lack of authority, Tippecanoe Avenue, north/south at Third Street, SR210 southbound ramp at San Bernardino Avenue and SR210 northbound ramp at San Bernardino Avenue. Also found to be significant impacts were two access points to the project at Greenspot Road, access B at Greenspot Road and Webster Street because of left turns, and finally level of service of a few freeway segments, again out of the jurisdiction and feasibility of the City to be mitigated, SR 210 four segments which are detailed in the facts and findings in the statement of overrides. Finally, greenhouse gases were determined to be significant and unavoidable impact. Again, coming back and remodeling for greenhouse gas based on the new air districts CAL EMOD model, those emissions were actually reduced in comparison to the original draft EIR but nevertheless significant. A quick review, CEQA requires the lead agency to adopt a statement of overriding considerations to provide the reasons why the jurisdiction would approve a project given the significant unavoidable adverse

impacts basically benefits the project, those have been summarized by the project's potential to meet the goals of the General Plan and the Golden Triangle community policy area as City Planner Mainez summarized. The project also would provide 800 housing units within the high density overlay that are designated in the Draft Housing Element to help achieve the RHNA, the regional housing needs assessment goal of 1,500 units so 800 would go towards the 1,500 goal. The project would locate jobs and housing near activity centers, assist in economic development, and very specifically provide businesses appropriate for freeway adjacent site and a range of employment opportunities as well as a walkable pedestrian-oriented community that would reduce the number of vehicle trips, an objective in terms of reducing greenhouse gases.

Councilman Timmer stated in the data he reviewed, it talked about a lot of soil analysis that occurred and it talked about correspondence with other agencies on whether there were any abandoned tanks, those kinds of things, and there was a lot of data directly on the area of Webster and Greenspot which was the old East Valley Water project and they collected a lot of data and that was included in this report. And then there was a lot of data around the chicken ranch areas because of the concerns over pesticides and those kinds of things, and there was a lot of data referring to the chicken farms and how they tested two feet down and did all these things, but he couldn't find any data at all on the flood control properties as far as testing. His first question in his mind was, was an environmental analysis done on the flood control property and staff indicated yes it was, but he couldn't find any data. He would like confirmation that consultants did actually do studies and analysis on the flood control properties.

Ms. Joann Hadfield stated she actually has to go back because this hasn't been an issue since 2009. Typically phase one, environmental assessment would be conducted assuming that is done, that has definitely been done for the entire site and would start with a comprehensive literature research. EDR is a company they use to do that research, if nothing comes up with the literature search that would be the extent of it, there wouldn't be any physical survey or anything required beyond that. She does recall pesticides were an issue and potentially subsequent testing.

Councilman Timmer stated the reason he asked the question is he doesn't want to go through this whole process and find out later that we missed a chunk of the property and are challenged at some point and have to start all over. He just wants to verify and feel comfortable that it was done.

Ms. Joann Hadfield stated glancing at it today, she knows the original comments they received on the project, they did have a letter from DTSC, Department of Toxic Substance Control, and so she will look at that during the rest of the hearing and give you 100% confirmation that they have considered that property.

Councilman Timmer stated under the hydrology analysis that talks about the flood control and FEMA, specifically on City Creek and Bledsoe Gulch, talked about some flood maps that needed to be adjusted and revised, and he saw some conditions in the project saying that the developer would have to do certain things to get those maps readjusted and have to meet any new flood control requirements for Bledsoe.

Ms. Joann Hadfield stated that is actually one of the messiest parts of the environmental review. The applicant retained an engineer and did an updated focused study on Bledsoe Creek. That is fully documented in the updated technical study which is included as an appendix to the final EIR.

Councilman Timmer stated he thinks in summary it says there was some potential flooding or historic flooding on a small portion of this project from Bledsoe.

Ms. Joann Hadfield stated the updated studies conclude that it is not in the flood plain and the issue for the Planning Center in documenting that is that FEMA still has not closed it out. They have not modified their maps, and in 2009 EIR they made it a condition of approval. Basically the permits can't be issued until that is done, but they did follow up with the correspondence back and forth with the County Flood Control District and they are satisfied that FEMA has actually indicated they have no problem with it and concur with the study, but they have not formalized it and that's a staffing issue from her understanding.

Councilman Timmer stated there was a study also on the percolation looking at water quality referencing detention basins, and the plan talks about the paseo area being the bulk of the need to meet the percolation and water quality issues. He can see the drainage is all moving towards Greenspot, there were no requirements for some kind of percolation off the commercial.

Ms. Joann Hadfield stated she would have to go back to the specific drainage study. The applicant's engineer updated the hydrology study and there were actually three separate studies, three separate areas. They divert the drainage, so her recollection is commercial does drain towards Greenspot; two-thirds of it drains to Greenspot. The way they avoided the discharge requirement to City Creek was in part that percolation of the paseo area. The City's contract engineer reviewed the hydrology study and the water quality management plan for engineering adequacies, so that their company didn't do that.

Councilman Timmer stated the question is, water quality is bought off on that as a way to dispose of the water. When we built our new library and our new fire station and our public works building, very small projects compared to this and we had to put detention basins in those projects because they wouldn't let us, unfiltered water, into the streets. He is just wondering how we have this big project that most of the commercial is going to drain into Greenspot Flood Control system and directly into City Creek without any kind of filtration.

Public Works Director/City Engineer Wong stated we have two components. We have the water quality component and then the storm component. The water quality will be taken care of by construction of underground rock chambers that would be located at various locations within the commercial site.

Councilman Timmer asked will those have to be cleaned out on occasion?

Public Works Director/City Engineer Wong stated the intent is not to have to clean it out by constructing a pretreatment facility ahead of this underground rock pit.

Councilman Timmer asked and those are within the project itself, not within the city right of way?

Public Works Director/City Engineer Wong stated right.

Councilman Timmer asked so it will be the property owner's responsibility to maintain and clean those?

Public Works Director/City Engineer Wong stated correct. The second component is storm water. In the original proposal, this project is going to drain into a private onsite drainage system which will outlet onto City Creek not Fifth Street. This concept has been modified because the City by constructing a storm drain on Greenspot Road using RDA funds, the City upsized the Greenspot Road storm drains so it can accommodate any access flows from this project. So therefore, they don't need their onsite system to drain to City Creek. Their onsite system will drain to Greenspot storm drain.

Councilman Racadio stated the Planning Commission minutes included a discussion about the Airport and the safety issue and there was a letter dated April 1 from the Airport was pretty direct talking about liability and building houses in that area. The discussion at the Planning Commission was when we adopted the agreement and the Airport Plan in April 2007 but they ok'd having this housing in this area. They call it Safety Zone Four, and he wants to make sure everyone is comfortable with that and it's safe.

Ms. Joann Hadfield stated when you look back to see a re-circulated EIR, you look for changes since the last draft. So they didn't go back and contact the Airport as there is no reason to think that anything had changed. There were portions of the site, her recollection is the southeast corner of this site on Greenspot, where uses were definitely limited to commercial. There were some specific uses like movie theaters and large congregation type of uses that weren't allowed, but the housing wasn't an issue. Her recollection is we never got a comment letter from the Airport either.

City Attorney Steele stated the agreement that was approved and entered into between the City and the Airport Authority provided a Specific Land Use Plan for the area, and denoted specific uses that were in that plan for each area of the property that the Airport claims is within a certain safety area. That plan went to the Airport Authority and the agreement was that the Airport Authority would cause to be prepared a full Airport Land Use Plan which is kind of a creature of State law which provides planning guidance for land around Airports. The agreement is still in effect, and that plan the City of Highland adopted will be the Airport Land Use Plan for that area in Highland. The Airport Authority has not gotten that plan completed yet, but as part of this entire project we have agreed to make sure that the agreement between the City and the Airport Authority remain in effect and get enforced. The other part of that is, that if it's necessary, depending on uses proposed, to take additional steps for safety, the City would require what is called abdication easements which are basically controls on what would get developed in that area. For example, you wouldn't have a high rise office building in the flight path or tall radio antennas or those kinds of things. It might interfere with the aviation uses of the Airport and that's part of mitigation program and the conditions of approval that are proposed of the project.

Councilwoman Scott stated on the Airport, number one, and the very things that have been identified in that agreement were some of the things that were being proposed. She has a concern about this. However, even though we have the agreement with the Airport, you need to understand that a pilot will come in and land anyway he wants to. She knows it's supposed to be one way in and one way out and that's the way the agreement is, but a pilot is the one that is in control and he can land anyway he wants to. She doesn't want the City or the Airport to have a liability, and we will have an Airport someday. It's going to be a busy one and all of this little quiet out there on Greenspot that you're getting right now is going to cease to exist. She has a concern on the traffic because right now the traffic, 8:30 to 9:30 in the morning from Church Street all the way to the freeway is bumper to bumper. It looks to her like the most we are going to have as street widening is four lanes, two turn lanes and two east/west lanes. Is this correct?

Councilman Timmer stated three lanes each direction and a bike lane on each side.

Councilwoman Scott stated she must be missing a page then, because she has three and a bike lane and a turn lane and she has two and a bike lane and two turn lanes.

Ms. Joann Hadfield asked you're talking Church Street or Greenspot?

Mayor McCallon asked for what year, 2017 or 2030?

Councilwoman Scott stated this is the 2030 as the 2017 is worthless.

Public Works Director/City Engineer Wong stated he would like to draw your attention to page 311 of the agenda. That drawing shows alternately this is how Greenspot is going to look. It shows the number of lanes that go across the freeway from the east and also the number of lanes between the freeway ramps underneath the freeway bridge. This is what it will look like when everything is done.

Councilwoman Scott stated her problem is, as bad as it now, and we don't have this development and we don't have the Harmony homes, so you think this will take care of this project as well as the Harmony homes, because they were included in the EIR.

Public Works Director/City Engineer Wong stated based on the traffic analysis done by this project which includes the Harmony project the freeway ramps where it intersects Greenspot Road and Fifth Street, will operate at an acceptable level of service. In other words, after the roadway has been widened according to this drawing, it will work.

Councilwoman Scott asked is there going to be another lane on the ramp, are we working with Caltrans to get another lane on the ramp?

Public Works Director/City Engineer Wong stated eventually there will be another lane on the ramp. What he is saying is this is the ultimate plan and we are working towards the goal of implementing this plan. So Council has allocated many millions of RDA funds to improve Greenspot Road east of the northbound ramps, plus widening the northbound ramps at the intersection where it intersects Greenspot Road. If you are traveling north on the freeway, when you get off the freeway at Greenspot Road currently you only see two turn lanes at the intersection, but the project the City Council has authorized to do with RDA funds will increase the two lanes into four lanes at the signal. This will help shorten the waiting time.

Councilwoman Scott stated that is getting off at Greenspot, so how about getting onto the freeway because that's where the congestion backs up all the way to Church. Going west and catching the freeway and going north or south.

Public Works Director/City Engineer Wong stated that is not in the current project funded by RDA. That needs to be a separate City project.

Councilwoman Scott stated that is her point, she didn't see where..

Public Works Director/City Engineer Wong stated we are working towards the implementation of this alternate plan. This project is required to pay its fair share of costs to improve these intersections, and while we have other projects that would contribute to this part of funds, so as development occurs we collect more money and if we are lucky we get some outside funding. We can finish improving this intersection. Currently this intersection is not slated for SANBAG funding because it is prioritized as number 21 out of 30 something existing interchanges. So SANBAG is not allocating funding to this, so the City has to find a way to come up with sufficient funding to do this. So that is the plan, and this project is contributing its share to solve the problem.

Councilman Racadio stated the biggest bottleneck is that left turn lane going south on the 210. There are already two turn lanes there and this adds another one east of the intersection, correct?

Public Works Director/City Engineer Wong stated well if you look at the drawing on page 311, you see two left turn lanes that takes the whole length underneath the freeway ramps and right now we don't have that length. We have only one and a half, but we are going to increase that storage space for the left turn movement so this is how it's going to help. In essence, currently we have six lanes; out of the six lanes, four of those are through lanes to our turn lanes, and in the future we will have eight lanes, and out of the eight lanes, five of those would be through lanes and three of those would be turn lanes. So we will increase the turn lanes from two to three and through lanes from four to five.

Councilwoman Scott stated well now there's two turn lanes going south on the freeway now from Greenspot. If you're heading west and you're going to Redlands there's two turn lanes there.

Public Works Director/City Engineer Wong stated it's not the full length.

Councilman Racadio stated it's not the full length plus two more east of the freeway. It's not two full lanes under the overcrossing.

Public Works Director/City Engineer Wong stated right now it's not. It's only a lane and half.

Councilman Racadio stated so it will be full and the whole thing will be two lanes and then east of it will be two full turn lanes also.

Public Works Director/City Engineer Wong stated yes that is right. The traffic consultant is present this evening if the Council would like more information.

Councilwoman Scott stated that is all right. She just can't visualize it with the bottle neck that we have now and no construction and no homes and no Harmony homes; she can't imagine, we're going to be backed up clear to Mentone.

Mr. Carlton Waters, Urban Crossroads, stated there are two problems. One is there is a bottle neck actually at Boulder and Greenspot, and the City project shows we need to get a third westbound through lane to make things work in the morning. So that is one key bottle neck right there that is going to help going back to Church. The second part is that the left turn lanes now are relatively short, so we have one longer left turn lane and one that is pretty short and so from a traffic engineer's perspective you can only give a certain amount of green time to make that thing work efficiently, and not enough cars can get into there and use both lanes. We are going to stretch that left turn lane out the entire length underneath the bridge there, and even stretching beyond by doing widening along this project frontage. The project is dedicating the right of way to make all this possible and make the City project move forward smoothly. So there will be more room to store the cars to abreast like the race cars here. They will be able to move much more efficiently for a longer time onto the freeway which should help the problem that you're seeing out there.

Councilman Timmer stated if he remembers right the project just next to Beattie Middle School was required to add another lane as well which will eliminate the piece between Orange and Boulder and widen that. We are addressing the piece for this project, and other projects will address the bottle neck further on. Since we are talking traffic, he has another traffic question. Looking at the overall design of Greenspot between the freeway and Boulder, the signalized traffic signals have deceleration lanes making right hand turns into the project. There are two uncontrolled entrances into the project that don't have acceleration lanes. He wanted to talk about the safety of the three lane expressway now, and all of sudden people stopping 10-15 miles an hour making right hand turns into this project and people are heading towards the freeway, that's one point. The second part of the comment is safety issues and how that impacts traffic flow, because that's what we are talking about in the EIR. On Webster and Greenspot, making a right hand turn onto Greenspot off of Webster, it's so close to the traffic signal at Boulder, if you're not really careful watching the traffic coming across there and you make a right hand turn in the slowest lane, which is there are only two lanes but will be three later, he would like to look at how we can do an acceleration lane so you're not impacting getting into the traffic flow lane until you get into higher speeds further down. He would like to look at adding that to the conditions of approval. He knows we have already gone to bid and done the stuff for the design, but he thinks there is a real safety concern and a traffic flow concern that people stopping to make a right hand turn into the project and the speed of people that are going down towards the freeway, there's going to be conflict points. We've already had someone killed there just east of Webster a few years ago for the same reason, someone pulled out in front of them when he was coming through there. It would be nice to put those acceleration lanes in

and he knows we probably need to get a little more right of way but then maybe offset that by letting the setbacks be a little shorter for the buildings so they don't have to redesign those individual corners.

Mr. Carlton Waters stated we have a situation now where there are two lanes that have an unimproved shoulder next to them and he agrees traffic will be slowing down as they make those right turns into the project site. They will not be required to come to a stop and the project design will be such that they will be able to proceed onsite. They will slow down to 15 miles an hour or so, they won't be going as fast as the traffic on Greenspot Road, but there is going to be a fair number of traffic signals through this commercial district for the City. You've got the commercial development already occurring on the south side of the street and this project will complete that on the north side. So, there will be gaps in traffic that are created by the traffic signals and especially during the peak hours. People are not going to be going 55 miles per hour, they will be going 35 miles an hour. The other benefit of this project is that when it's fully improved Greenspot Road will have an outside lane that also has a shoulder next to it and so there will be enough room on that outside shoulder lane for the traffic that's making the right turn to be able to move over out of the flow of traffic and make their turn without impeding the vehicles going through. We call that a defacto right turn lane.

Councilman Timmer stated but that's only if the traffic signal is up.

Mr. Carlton Waters stated no, they are actual formal right turn lane and they are even wider at the traffic signals, but the outside lane at the minor access points where it's just a standard width of the roadway are still going to be 20 feet wide.

Public Works Director/City Engineer Wong stated the curb lane is especially wide because it has a five foot bike lane with stripes next to it. So you're going to be traveling next to the curb but between the lane and the curb that actually is a five foot wide bike lane so when people try to make a right turn into the project they will pull over.

Councilman Timmer stated some people will and others will not and follow the dotted line and stay in that.

Mr. Carlton Waters stated well if you're asking me to train all the drivers in Highland to behave...

Councilman Timmer stated no, he's looking at later when we talk about conditions of approval about seeing if there's a consensus of the Council to add those deceleration lanes and acceleration lanes. The reason he brings this up is we at the City quite a few years ago, he lives near Pacific and Boulder, it used to be a two lane highway each direction and you used to make a right hand turn into the development there, you had to really watch your rear view mirror to make sure you weren't going to be run over. A few years ago when we put in new

sidewalks, curb and gutters, we put in a deceleration lane and that intersection is so much safer now making its right hand turn. It still has its driving across and making a left hand turn, but the right hand turn people slowing down and people doing 60 miles an hour coming at your tail, it really has made it safer, and he is seeing where we are in the process of putting a project together; even though we've done some engineering already doesn't mean we still can't change it and make it safer. What he's looking at is trying to make a specific lane so people can make right hand turns to get completely out of the flow of traffic. So people can still use that third lane or the close lane to the curb and still do their 50-60 miles per hour. He just wanted to bring it up now under the EIR process.

Mr. Carlton Waters stated they have criteria that they look at to determine whether they think there is enough traffic volume to warrant the requirement to actually have a deceleration lane.

Councilman Timmer stated we have done it at the traffic signals 100 feet down the road. Why wouldn't it be warranted 100 feet before?

Mr. Carlton Waters stated we see the majority of the traffic is going to gravitate towards those major entrances that have the longer drive aisles into the project, and that is where most of those right turning movements will take place.

Councilman Timmer stated he's looking at people that are going from East Highlands Ranch to the freeway. Now they are not going to be stopping, they are the ones going through, and they are going to be impeded by slower traffic making right hand turns. If we can get them into their own lanes, they can still continue safely without causing any potential conflict.

Mr. Carlton Waters stated certainly and again, the point where they determine there might be a conflict that would warrant the additional deceleration lane is where the number is 100 peak hour right turns during any particular hour, and they are just not seeing the kind of demand that would require them to provide those kinds of deceleration lanes, which is why they were not recommended as part of the project design.

Councilman Timmer stated the big one really though is Webster and Greenspot, an acceleration lane rather than a deceleration lane. To him that is a really unsafe one.

Mayor Pro Tem Lilburn stated she would like to thank Ms. Hadfield for going over the process and recapping some of the highlights and key points. She is not going to beat the dead horse on the traffic impact because she thought they would have a little more impact. Some areas were identified that she was a little surprised at, then some areas were not identified. Something was mentioned on the RHNA numbers, 800 of the 1500, could this information be repeated?

Ms. Joann Hadfield stated the RHNA, and she believes it's a draft Housing Element not adopted yet, has a requirement for 1500 low income/very low income units. By definition these units are within the high density overlay at 25+ dwelling units per acre, so there are 800 units at that density. By definition they made the affordable requirement to be eligible to meet that RHNA demand. That is summarized in the overriding considerations.

Mayor Pro Tem Lilburn stated okay, she understands. The concept threw her off because these aren't really, okay; it's a good thing in that department. When we do the EIR, we don't do an impact on schools?

Ms. Joann Hadfield stated there is a school services section, it's under public services. She summarized the significant and unavoidable impact. Schools, by definition, legally mitigated per CEQA for the SB50 fees that they have to pay for both specific fee per square foot per commercial and per housing unit. The EIR actually goes through and details the student generation for the project, the impacts on the area schools and then also they came back in the final EIR and updated all that information. They updated the student generation rates from the school district and also from the existing capacity. So that is in the final EIR, in chapter four.

Mayor McCallon inquired if the applicant would like to address anything relative to the EIR?

City Attorney Steele stated we should go back to Councilwoman Scott's question; there is a public safety and public services analysis in the EIR. A services fee that is discussed later on, the services fee that is proposed is in the Development Agreement and that's kind of a separate issue, but there is an analysis in the EIR of the impact of the project.

Councilwoman Scott stated she does have a question.

Mayor McCallon stated he would prefer we not get into the Development Agreement at this point.

Councilwoman Scott stated well that's where they are talking about the police and fire and how many. They are saying that, she can't remember now how many police we have to have, but we have to have more fire than we do police. She questions that, she questions why, they both are public safety, they are both 24/7.

Mayor McCallon stated we will have ample opportunity to talk about that.

City Attorney Steele stated we will note that question and address it when we get to the Development Agreement.

Mayor McCallon stated he does have public speakers. Do you want to speak on anything relative to the EIR? Seeing none, he inquired if there is anyone in the audience who wishes to speak on a matter dealing with the EIR? Seeing none, he inquired if the Council has any concerns about being able to certify the final EIR at this point.

City Attorney Steele stated there are a couple of points he would like to make at this point in the EIR process. One is to inform the Council of the legal standard for an adequate EIR under CEQA. He thinks it's important for the Council and the members of the public to understand that under CEQA we are not held to a standard of perfection. We don't have to get everything exactly perfectly right in the most copious level of detail. The legal standard for an adequate EIR under State law is whether it's a good faith effort at the full disclosure of the environmental impacts of the project. It is intended to be an informational document to help you, as decision makers, understand the full scope of the impacts of a proposed development project. It is not required or intended to be an exhaustive prediction of everything that could possibly happen if this project is approved. From the perspective of your staff and your consultants, the document that has been put before you, including the revisions and the final document, and the responses to comments which is a very important piece of information that has been prepared by your staff and your consultant. In the opinion of staff, the EIR is a legally adequate document, and it is appropriate to be certified as being compliant with CEQA. He also typically at this stage, reminds Council members and the public that certifying an EIR is not the same thing as saying we're going to approve this project. It's not a decision on the merits of the project, you still have a lengthy public hearing process to go through and questions to ask and discussions to be had about whether or not this project should be approved. The decision before you right now is the question whether this document has been prepared in accordance with the California Environmental Quality Act. Folks shouldn't get the impression that just because Council Members might vote to certify the EIR, that's not an expression of an opinion on the merits of the project. So hopefully that's helpful to you as decision makers and to the public.

Mayor McCallon stated he proposes they not take any formal action at this point on certifying the final EIR, adopting the statement of overriding consideration, but he wants to make sure anyone does not feel uncomfortable with potentially doing so at this point.

Councilman Racadio stated like City Attorney Steele stated, we are not pre-supposing on how we are going to act on it, why don't we just do it now? Is there a reason?

Councilman Timmer stated because if there are any issues that may come up later, we want to be able to refer back to it.

City Attorney Steele stated he would like to see the Council work through the Legislative issues just in case something needs to be changed or something else comes up.

Councilwoman Scott stated she thinks they can go ahead under City Attorney Steele's direction. She has a real problem with the EIR. It does identify the traffic but doesn't address it except post 2030. Well she isn't going to be around 2030 and she would certainly like to see the traffic taken care of a little bit sooner than that.

City Attorney Steele stated again, he will note on that issue and that kind of issue, certifying the EIR doesn't mean you agree with it. You will have your chance to bring that issue up later.

Mayor McCallon stated we will go onto the second item which deals with approving the General Plan Amendment to designate a portion of the Project Site Plan Development and amending the General Plan Circulation Element and Land Use Element. This deals with the flood control property that is now designated Open Space.

Economic Development Specialist Stater stated it does. You will see those exhibits on page 418 of the Staff Report. Page 418 is the General Plan Amendment to Planned Development of the 11 acres of County property. Page 420 deals with the Circulation Element and then 422 amends the General Plan including the flood control property into the Golden Triangle.

Mayor McCallon inquired if the applicant wishes to speak on this item? Seeing no, he inquired if the public have any comments on whether the Council should approve the General Plan Amendment to designate a portion of the project Site Plan development which deals with flood control property which is now zoned Open Space, seeing none.

City Attorney Steele stated for the record, starting on page 413, section five of the Resolution before you, lists the findings that the Council is required to make to approve a General Plan Amendment. You are all familiar with those findings, you have done this before, but we would like to note for the record, that there is a complete set of findings with regards to the changes that are to be made under this General Plan Amendment and they are in the document before you should you be inclined to adopt it.

Mayor McCallon inquired if there are any questions on the findings included in the Resolution? Seeing none, we will go onto Item #3, which is to amend the City's official Zoning Map to include the new designation of Specific Plan Site if and when we approve the Specific Plan that we would introduce an Ordinance to amend our official Zoning Map to put the Specific Plan on that property at the zoning for that property.

Economic Development Specialist Stater stated an exact summary, if you're looking for an exhibit, it's on page 429.

City Attorney Steele stated just a note, in the hierarchy of land use controls, if you amend the General Plan to provide for the uses that are appropriate, that are applied for on this property, this Specific Plan then puts the guts to that and becomes the land use controls, becomes the Municipal Code that is applicable to the development of the property. So these would be the two Legislative changes that would need to be made to facilitate this type of development on the property as not yet a formal approval of a particular project, which comes later on in the agenda.

Mayor McCallon stated we will be talking about the Specific Plan and discussing that in greater detail. Does the applicant wish to speak on this item of amending the City's official Zoning Map to include this designation?

Councilman Timmer stated on the existing single family dwellings on the south side of Eucalyptus, he is still at a quandary as to why those properties were included in the Specific Plan Zone Change. What is the benefit of doing this and why are we doing it?

Councilwoman Scott stated those are the ones that we had in something else that we will never get now because we don't have our RDA.

Councilman Timmer stated no, these are existing houses that are already there.

Mayor McCallon asked does the applicant wish to address that question?

Councilman Timmer asked a follow up to that is, were they notified of the process that they are going to be changed?

City Planner Mainez stated yes, they were notified. The answer to your question is, there is a basic answer of our police powers under zoning, and by the way the property owners are in support of this zoning as we understand it. He could be surprised tonight but that's his understanding. So, the benefit of incorporating or folding into these projects, properties into a Specific Plan gives the property owners better clarity in terms of what they can do with their properties, residential uses gives you an understanding of what can go there. Without it, it's PD and it could be anything. Commercial, which would compete with our commercial on Greenspot, could be more multifamily. We've already determined we don't need additional multifamily, as we are somewhat meeting the need with this design. It's in the police powers given to the City to do that, just like any other zone in our City. Outside of the project we determine through our General Plan where commercial, where residential, where industrial is. We believe it's appropriate to have small lot subdivisions or large lot subdivisions on the northern parcel. Plus, as Economic Development Specialist Stater stated, the circulation element is being revised to accommodate the development on those sites as well.

Councilman Timmer stated he understands the logic there and it makes sense, but then why wouldn't we include the single family houses there on the north side of Eucalyptus, the four or five parcels, why would we include the ones on the south side if the intent is to get uniformity on how we develop and those things? Why wouldn't we include that small parcel right next to it which is now kind of an island by itself?

City Planner Mainez stated he believes those property owners on the north side have different visions for those sites, and the applicant in the past has tried to acquire some of these other parcels with this vision of this type of housing he just explained in the north side. Given the east/west configuration of that street, it seemed like a logical drawing point to stop it. However, if the Council believes it shouldn't be included, we would have to look at that change to see if it's significant enough to include it.

Councilman Timmer stated the reason he asked is where we're going to be widening Eucalyptus, pour pavements, sidewalks, curbs and gutters, landscaping and all those things, basically we are going to be taking some existing properties to do right of way acquisitions to do that. It just seems logical to him to include those two parcels in the process, since directly north of them there's basically all Open Space. If we included it now, how many steps would we have to go backwards?

City Planner Mainez stated if that's the opinion of the Council, then we would look at if that change is significant enough to open up the EIR, to recirculate or do some analysis. He is hoping not, but keep in mind that the Specific Plan is not set in stone. You can anticipate some changes over the years.

Councilman Timmer asked could they, in the future, then add this to the zone?

City Planner Mainez stated sure.

Councilman Racadio stated City Planner Mainez stated they were in favor of this. Has everyone contacted you?

Councilman Timmer stated on the south side.

Councilman Racadio asked so the north side hasn't been contacted.

City Planner Mainez stated they have but they are more of a commercial orientation.

Mayor McCallon asked anymore questions on this item? Does anyone in the audience wish to address this Zone Change that we are planning to make if we approve the Specific Plan before Council? Seeing none, we will move onto the other discussion of the Specific Plan.

City Planner Mainez stated this might be a good opportunity for the applicant team to do its presentation. However, he would like to add that based on the decisions you are eluding to, the previous actions.

Councilman Racadio stated we didn't make any.

City Planner Mainez stated we didn't make any but when you do this Specific Plan, for the record, will be consistent with those decisions. Currently if this was adopted separately, it wouldn't be consistent.

Mayor McCallon stated he assumes the applicant would like to address the Council on the Specific Plan. We are not going to talk about the Development Agreement or the Design Review Application, just the Specific Plan.

Mr. Glenn Ellsmann, Greenspot Village and Marketplace, stated in response to the way you've structured the presentation this evening, our presentation really is the combination of all the items that are included in the agenda. So, he's not sure how you would like them to address that because it covers back to the beginning of this with the General Plan and the EIR and all things you've just described. His personal opinion is he's comfortable making his overall presentation, because he thinks it exemplifies and incorporates what the fundamentals of what we are trying to talk about with the Specific Plan, with the General Plan Amendment, and the Zone Change and all those different aspects. So, his presentation is designed to be brief and pointed and he will be happy to not make any comments or discussion on the Development Agreement or the specific attributes of it. He will try to keep it as broad as he can, recognizing the Specific Plan is the overall thing, but it's built with all the different pieces that make up the Specific Plan.

Mayor McCallon stated well his goal was to address the Specific Plan, which is a more general document, with the hope that we might be able to come to some agreement on the Specific Plan because the Development Agreement and the Development Review Application, there may be more contention and more discussion, and that would take a lot longer and be more contentious than getting through the Specific Plan.

Mr. Glenn Ellsmann stated if it makes more sense perhaps we will make our overall presentation and that will kind of give the pieces of the puzzle and the context and then we can step back and go back into the particulars of the Specific Plan.

Mayor McCallon stated he would request we not get into any of the Development Agreement or any of those issues that we still need to talk about, but he would rather get the Specific Plan taken care of first.

Mr. Glenn Ellsmann stated having said that, he would like to thank the Council for this opportunity. We've been working together for a long, long time. He didn't bring them, but he could have brought pictures from eight years ago where all of us had darker hair on that infamous field trip down to another part of Southern California to see an example of how to create the type of community that would meet the objectives and the goal that the City has. Council, he wants you to understand again that your staff has worked beyond tirelessly. As you have exemplified, the amount of work that it takes to lift your paper, your documents, the reams and stacks and so forth that has been produced by your staff, is an encapsulation of an enormous amount of effort over a lot of years between all of your planning staff and your team, and they have done an exemplary job, and they, as a company, really value the service your team has provided. Tonight with him he has some of their team. They have their architect representative here who has been part of the team with Architects of Orange; they have their landscape architect as well, their traffic consultant, their attorney, some other members from their company, who can address various details and specifics of their project. As was stated earlier, they really got things going back during the peak of the market and then the economy fell apart. They had retained a top west coast retail developer to join forces with them to focus on one aspect of the project, and unfortunately economic times put that on hold. As the economy has changed, they have started up the project, met with the City, got feedback from some potential tenants that caused them to adjust some certain components to the Site Plan, and also adjust the study for the EIR and Specific Plan as well. For those who aren't familiar, the nice Golden Triangle there is where the location is, freeway accessible, freeway viewed. What he's going to do is quickly go through the PowerPoint, and also has it in document view as well. This is a bird's eye view looking east, you see the properties to the south are developed and that's where the project is, on the north side. The Golden Triangle had some very specific goals, which was to create a signature mixed use master planned community that integrated commercial office and residential in a unique environmental setting. As found in the General Plan, the Golden Triangle has some specific policies, but those were the target that they tried to include in their Specific Plan and in the project that they have here as well. Their Specific Plan addresses community design, their land use, there's various details of that, it also focuses on circulation and Open Space. Ultimately they are trying to create a community, a community where we work, where we live, where we play and where we shop. Their vision and their plan is try to have a community that is responsible, sustainable, that incorporates the mixed use objectives that are stated in the General Plan and the Specific Plan. They've strived to meet a high quality community by design standards and make it as livable as possible. All of the documents that you've leafed through are really trying to create a community and make something Highland can be proud of. Their community is divided into three areas. We have our residential area which is planning area two, our planning area one is our freeway-orientated retail along with our Main Street, planning area three also incorporates mixed use with added residential, retail and in this particular one we haven't made it a specific Site Plan but the general uses are incorporated into the Specific Plan as well. The details they've tried to

incorporate from the Specific Plan with their Main Street, the good architecture, the design elements with the Main Street, the connectivity, the trails, the paseo that goes east and west, all of these are elements that are dealt with in the Specific Plan. We are striving to create an experience for the community with our Main Street where they can shop, can have Farmer's Markets, where they can incorporate a community experience as well. That is achieved among other things through their Main Street, through their gathering places where there are fountains and fireplaces and places to gather. These are examples of the imagery and the details of the architecture that they are trying to include as exemplified from the guidelines that are in the Specific Plan into the project itself. Further additions, you have seen pages of details, these are just the highlights for the public's benefit. Town Center is a key focal point that has been high on everybody's priority from the very beginning, and that starts at Greenspot at the bottom of the page and goes up and connects into the residential community through our recreational amenity paseo. That's a place where streets can be closed off, where we can have Market Nights, where we can have concerts, where we can have venues, drink your coffee, walk in there; this is the real heart of the community and one of the high priorities that they try to focus on within their project and meeting the objectives of the Specific Plan. A residential community is designed to meet the General Plan and the R4 designation that currently exists. It's designed to be a, they could use a lot of words to describe it, but it's designed to be a market rate, high end, for rent community. It's designed to have heavy amenities with significant recreational amenities. It's designed to have top standard architecture with a variety of rich architectural elevations from Craftsman to Mission to Monterey. Again, for the benefit of the public as the Council has seen pages of these. This is a typical look of their village community and what it's going to look like with all the pieces coming together. They call this kind of a resort style community. They've got three large recreational areas that lead to a total of somewhere with their paseo, about six acres of recreational amenities. Their Open Space is over 40%. Again, we're not going to get into the details here so we're going to quickly move through, but just to highlight that the type of community they are trying to create as one element of the mixed use live, work, shop, play aspect of their project. The paseo is a significant amenity that is also part of the Golden Triangle objectives. It connects the community to the community to the east, it allows the community to the east to cross over, come through the lovely landscaped amenities trail system that brings you into the Main Street community. Again, this actually has been fully designed. Amenities are a significant investment and a goal within the project. So that is the overall highlight of what they have tried to do. They have tried to, in a very careful way, address their impacts as fully as possible. The mitigation of their impacts are fully outlined, and the economic benefits of what they are trying to achieve here are also outlined as well.

Mayor McCallon stated talking about the Specific Plan, he's got some questions and some things he wants to bring up first. First of all, there are a few places in here that refer to I210, should be SR210. Some of your pictures and then the words say I210, it should be SR210. It's not an interstate, it's a State route. He does like the idea, as shown, that they have included in the Specific Plan single family detached residences and single family attached residences. He likes seeing that in the Specific Plan. On exhibit 2-3, page 33, the colors that are listed there don't match the drawing at all. The color legend is wrong. It shows the purple or blue as being the conceptual building areas for the village center PA3 when it should be the orange and vice versa. Also the Specific Plan does not address how the village paseo is going to be maintained.

Mr. Glenn Ellsmann stated just for clarification they are the ones who will maintain it, the project will maintain it. What he thinks is always effective is to have an underlying LMD, so that if somewhere decades down the road somebody gets neglectful, the City ultimately has the ability to step in and control that. Also there will be a master CC&R.

Mayor McCallon stated he understands that, but what he is saying is that there needs to be addressed in the Specific Plan as to who will maintain that paseo; it's not spelled out in the Specific Plan at all, at least that he could find.

Councilman Timmer asked is someone on staff keeping track of these particular items?

Economic Development Specialist Stater stated we will be making note of all these. Just for your understanding, there are no conditions of approval for the Specific Plan.

Mayor McCallon stated he understands that. That is why this item, like he said, it needs to be addressed in the Specific Plan as to who is going to maintain it.

Mr. Glenn Ellsmann stated they will maintain it. Are you comfortable with how he described it? Because that can be updated into the document.

Mayor McCallon stated as long as it's put into the Specific Plan.

Mr. Glenn Ellsmann stated he just wanted to get his concurrence.

Mayor McCallon stated looking at the circulation plan, exhibit 3-1, his concern is we've got all this housing that's planned in planning area two, and we've got the schools over there next to Webster. How do we get the kids safely from planning area two to the schools so that the parents don't have to drive them there?

Mr. Glenn Ellsmann stated that is an excellent question. Part of the traffic study and the condition is up at Eucalyptus and Boulder. There will be a traffic signal installed. The way the flow of the trail system is designed so that people can either come along into here, exit, you have the trail system all along Boulder, the ability to come through into here, come up to here and cross over to get to where you need to be. It's designed to collect everybody up to here because this is part of the whole regional trails system that ultimately goes up to the new Boulder Bridge and its trail system. There will be a signal here and the pedestrian crossing here.

Mayor McCallon stated that's going to be a pretty busy street.

Mr. Glenn Ellsmann stated that's why the signal will be built. There currently is no signal today; it will be built to address that. So it will be a safe street crossing there.

Mayor McCallon stated one of his concerns would be where the paseo comes out and meets Boulder that the kids will want to run across the street, Boulder there.

Mr. Glenn Ellsmann stated they are also conditioned to landscape this, and what he has seen in other communities where people are very concerned about a mid-street block crossing. It's an excellent point and he would hate to see a tragedy occur there. He would suggest we include a decorative wrought iron fence that can be incorporated into the landscaping so that your bolting across the street is discouraged. He has seen it done very effectively in other communities where there is a high pedestrian cross between two major facilities. That has worked very well plus they can design the bushes and so forth to be not an attractive place to cross.

Mayor McCallon stated he thinks we need to address that somehow in the Specific Plan because that's going to be a big issue he thinks, on how do we get the kids across PA2 over to the school.

Mayor Pro Tem Lilburn asked do we not have safe routes to school in that area?

Public Works Director/City Engineer Wong stated we have safe routes to school for all the schools. However, at this time it does not include a route there because there is no demand at this time, but the safe route to school route would be amended.

Mr. Glenn Ellsmann stated we could add that to the Specific Plan.

Councilman Racadio asked has the School District said that Highland Grove and Beattie can accommodate this increase, or is that going to necessitate another school someplace?

Mr. Glenn Ellsmann stated the feedback they have gotten as part of the EIR is the District can accommodate the potential new students from their community. He doesn't believe the District pinpoints, at this stage of the game, exactly which school they are to go to.

Mayor McCallon stated he can't imagine them not going there. They may redraw boundaries to have some of the kids that are going there now go somewhere else.

Public Works Director/City Engineer Wong stated also this project, later on when you reveal the conditions of approval, is required to build a sidewalk on Calhoun and Eucalyptus. So there will be a walking route.

Mayor McCallon stated he understands that but his major concern is the kids are going to want to run across mid-block and not want to walk all the way up to the signal. On page 53 of the infrastructure plan, in the two paragraphs there on telephone, telecommunications, it lists something called SBC, who is that?

Mr. Glenn Ellsmann stated it used to be PacBell and now he thinks it is AT&T. He knows the name has changed.

Mayor McCallon stated that's why he asked the question, he has no idea who SBC is. Anyway, we need to include in there that the proper carrier is, if it's Verizon include Verizon, but SBC doesn't make any sense to him.

Mr. Glenn Ellsmann stated they will make sure it's the current provider.

Mayor McCallon stated on page 59, under paragraph 463, public transportation, it says taxi services available to senior citizens and disabled citizens by the City's Dial a Ride service. He didn't know we had one. We don't have a Dial a Ride service. It is Omnitrans access; the City doesn't have a Dial a Ride program.

Mr. Glenn Ellsmann stated they can get the right name.

Mayor McCallon stated on page 62, Use and Development Standards, it says any reference to Development Standards shall mean the Greenspot Village and Marketplace Specific Plan use and Development Standards, any reference to Development Code shall mean the City of Highland Land Use and Development Code. His question is what parts of the Highland Development Code have not been included and what parts have been modified in this Specific Plan?

Mr. Glenn Ellsmann stated he can't go through this document and give you the specific changes.

Councilman Timmer stated the two biggest things that jumped out at him when he read the same thing is the Sign Ordinance basically is being replaced by what's in the Specific Plan. The Apartment Standard Ordinance we have is being replaced by this or components of it.

Mayor McCallon stated that is what he wanted to know. What components are being changed?

Councilman Timmer stated the parking standards for this project is being changed from what's currently. There are probably others but he had the same question.

Councilwoman Scott stated this supersedes everything.

Mayor McCallon stated the question he really has is that he knows we've made some changes to what our Development Code currently has, and he would, Councilman Timmer has identified some of them that have been modified, what others have not been included. We've had some very strict, stringent standards for apartments, for instance, are all of those included in here or not?

Mr. Glenn Ellsmann stated in talking with staff regarding where the current Ordinance is for R4 as well as for the high density overlay, we went through a process to compare those standards with what we are proposing in the Specific Plan and our Site Plan. The vast majority of them we either meet or exceed. There are some specific areas where the number of parking requirements has been modified to represent the Site Plan, and that has been evaluated by the Planning Commission and recommended to be included in the Specific Plan. That's one specific area. As part of the objective of having freeway oriented retail development, we do have an updated sign program that specifically applies to the Specific Plan area because we go from freeway oriented signs, directional signs, just a whole variety of specific sign types and needs for the overall Specific Plan. Back to the, City Planner Mainez please feel free to jump in here with terms of what other changes, differences there are between the R4 and the different current ordinances and their Specific Plan and Site Plan when it comes to PA2.

Mayor McCallon stated his real concern goes to we spent, in the past, we've developed standards for multifamily residences and they are pretty stringent. Are all of those included in the Specific Plan, and if not, which ones are not included or have been modified. He understands the parking and the garage issue.

Mr. Glenn Ellsmann stated City Planner Mainez can comment on the garage standard you have on R4.

City Planner Mainez stated it is a very big question and he doesn't have an exhibit.

Mayor McCallon stated he knows, but the Specific Plan doesn't address it and when we make the statement that this Specific Plan is going to override what we've had in the Development Code, he needs to understand what changes have been made and why.

City Planner Mainez stated he's trying to think of the easiest way to approach this. What comes to mind is that the commercial is general commercial, so it really meets the same standard as a normal shopping center in our City, and they basically applied it with some modifications to the aesthetics, landscaping and all that.

Mayor McCallon stated his concern is PA2.

City Planner Mainez stated PA2 is what is guiding this design; this site is the R4 overlay, point blank, very simple. So all the standards which City Council adopted, they must comply with unless so noted in their project. For example, some of the parking, garages versus carports and we can go into that in a little more detail. That's the only deviation he can see when it comes to R4 standards. They meet the Open Space, they meet the amenities, storage for each unit, it just goes on and on.

Mayor McCallon asked is it spelled out in the Specific Plan?

City Planner Mainez stated no, because the Specific Plan allows a lot of variety of different housing, and what's guiding this developer is the R4 overlay. So this particular spot that they are putting the multifamily complies with the R4 except for the parking a little bit. Outside of that overlay you can have the other products, single family detached, cluster, all of that. Even outside of the area to PA3 you can have the mixed use, very high density, and other types of uses, but then again he's trying to get at your specific issue.

Mayor McCallon asked does the Specific Plan say that all of the R4 standards are included except parking?

City Planner Mainez stated let him find the right page.

Councilman Timmer stated the other one to him the Specific Plan is silent on is we have in our current requirement of standards that a washer and dryer will be included in the units.

Councilwoman Scott stated they are included.

Councilman Timmer stated yes, but it's silent. He doesn't think it talks about it.

Mayor McCallon stated and it does say that if it's silent then our Development Code prevails. Looking at table 5-1, permitted uses, on page 64, it talks about alcohol sales or drinking establishments. There is a note down there at 5 that says the quantity of ABC licenses will be limited to terms adopted in a future Development Agreement. What does that mean?

City Planner Mainez stated that there is an over concentration already in our City and many of our census tracts. We thought about this early on when we were talking with the applicant that perhaps there will be so many sports bars, so many restaurants that will require beer and wine or spirits, and it's going to be on paper an over concentration. So, we thought by doing a Development Agreement term, and he would defer this to City Attorney Steele to help out with this answer, but he's not sure if that's actually in Development Agreement as stated or we can add it or do a separate one, but the reason it's in the Specific Plan is the over concentration. We wanted to give the Council some assurance that there is a level of acceptance and if they exceed it...

Mayor McCallon stated he understands now. It's not included currently in the Development Agreement and whether it is a separate one or not, he doesn't know. On page 66 it talks about a regional park being permitted in planning area two in the residential area. A regional park? That doesn't make any sense to him as a permitted use.

Councilman Timmer stated there was some discussion quite a few years ago, the County was looking because there was a large open space area of putting some kind of park and then some environmental issues came up such as the K-Rat and it went away.

Mayor McCallon stated but this is in planning area two, a regional park.

Mr. Glenn Ellsmann stated where it says public open space, there was discussion about what could be done with the, even though it's kind of the City Creek area, the City Creek channel is really running north on the north side of that and there is a large open space area that was subject to some discussions on it. It doesn't have to remain in there because now it's been designated habitat so that was a good catch. They are not anticipating in the PA, but it was adjacent to the PA2 and it is part of the connection there.

Mayor McCallon stated he would suggest we take that out. He doesn't think we want to permit a regional park in the residential area. On page 67, it says assisted living is permitted in the residential area. He doesn't want to get into the Design Review Application, but that doesn't make much sense for what is being proposed.

Mr. Glenn Ellsmann stated he thinks this illustrates that the general planning and the types of uses that could be in an area could have included that, and you're right, their current proposal does not but they also have residential designation in PA3 so he's not sure if Mayor McCallon is saying he doesn't want that in PA2 or?

Mayor McCallon stated he's just questioning whether assisted living in planning area two is something that should be permitted, he understands planning area three. Also a live/work is permitted. What kind of work are you talking about, is this someone who has a business in their home?

Mr. Glenn Ellsmann stated your normal, typical live/work thing would be somebody who might be an accountant or just a home office type of use where not very often but sometimes somebody would come in for an appointment.

Councilman Timmer stated we are already addressing the parking shortfall, or we will, and now we are looking at, we had this a couple of weeks ago, with bakeries in their houses and sell. Do we want to encourage this type of uses in a high density area that doesn't have adequate parking?

Mayor McCallon stated his question is what does home occupation mean?

City Manager Hughes stated a home occupation typically is a business that is run from the home. When we issue a home occupation permit, we don't allow employees to come to the home and work out of there, we don't allow the public to just come up to the residence. It's typically people who run internet businesses, those types of things.

Mayor McCallon stated so that's why it's listed as an A instead of a P, an associated use. How does that differ from live/work?

City Attorney Steele stated a typical live/work unit, generally speaking, is a kind of unit where you might have attached units in a mixed use concept.

Mayor McCallon stated that's what we planned for planning area three but that's the question that he had. Is it appropriate for planning area two for live/work in the residential village?

Councilman Timmer stated we have a very tight parking issue there even if we want to allow additional parking.

Mr. Glenn Ellsmann stated practically speaking, if somebody had a home business of sorts, let's say they were a single person and they had a two bedroom unit and one was an office and they had the type of business that would get a permit, they would have a client come in, the Site Plan accommodates guest parking.

Mayor McCallon asked and how does that differ from the home occupation we just talked about? When he thinks of live/work, he's thinking mixed use in PA3. He doesn't think it's appropriate for PA2. Home occupations he can agree associated use with both PA2 and PA3, but live/work in PA2 he doesn't think is appropriate.

Mr. Glenn Ellsmann stated let him piggy back on City Manager Hughes' comment. In other parts of the community where there are multifamily, do you issue home business licenses?

City Manager Hughes stated we do, but he thinks we are mixing concepts here. A home occupation business license is one thing, when we are talking about this live/work designation let's go back to what City Attorney Steele mentioned where it's typically a business down below and then you have the residence up above.

Mayor McCallon stated which planning area three is all about.

Mr. Glenn Ellsmann stated he thinks maybe what might help clarify these particular uses, their current Site Plan for PA2.

Mayor McCallon stated he's not worried about your current Site Plan; he's worried about the Specific Plan.

Mr. Glenn Ellsmann asked but if there had been a design of a product that had a descriptor more in line with what City Attorney Steele was using as an example, then how would that work?

Mayor McCallon stated that goes in planning area three, not planning area two.

Mr. Glenn Ellsmann stated so what you're saying is you would prefer not to have live/work in PA2.

Mayor McCallon stated that is what he said. Home occupations he could see that but live/work where you've got mixed use, where you have an office on the bottom floor and you live above it is the kind of mixed use that is envisioned for planning area three, not for planning area two. On page 68, it talks about family day care small in planning area two being a CUP and what is small and would this be for local residents only?

Mr. Glenn Ellsmann stated we wouldn't envision a commercial daycare use within the residential area, but if there is somebody who has a few kids that they take care of it would seem like that would be compatible with the community.

Mayor McCallon inquired as to how we handle it now.

Community Development Director Jaquess stated if it's a small number, specifically falls into the six or fewer category then it's not covered under any zoning regulations. He thinks the definition of a small daycare is six or eight. A daycare that has over six would be covered under our code, our Specific Plan.

Mayor McCallon stated a daycare facility and goes to his other question. Is this for local residents only, or are we going to have cars coming in and dropping kids off and parking and then not having a parking spot?

Community Development Director Jaquess stated the answer to that question is to restrict it to tenants in the complex, for example, it would be almost impossible to enforce. So we probably wouldn't deal with that type of restriction.

City Manager Hughes stated also he believes the City is restricted by State law regarding small, six or fewer; we can't regulate six or fewer.

Mayor McCallon asked well can we with a CUP?

City Manager Hughes stated no, not six or fewer.

Mayor McCallon stated so that's not appropriate even here.

City Planner Mainez stated we are looking at the R4 standards. He is thinking twelve or more for daycare. We will get back to you on it.

Councilman Timmer asked if the State controls this, why would we want to do a CUP?

Community Development Director Jaquess stated if it's six or fewer we have no authority, but the definition of a small daycare he thinks is more than six.

Mr. Glenn Ellsmann stated PA2 also covers up to Eucalyptus as well. It's beyond just the Site Plan, it goes beyond that boundary. You have other properties that are also included.

City Planner Mainez stated the definition of a small daycare is six or fewer and larger is seven to twelve.

Mayor McCallon stated six or fewer and he's being told that we have no authority over six or fewer anyway.

City Planner Mainez stated that was the definition and now we are going to go to the table in our permitted uses.

Mayor McCallon stated the Council will adjourn for a brief five minute recess.

Council went into a brief recess at 8:21 p.m.

Council resumed regular session at 8:33 p.m.

Mayor McCallon asked did you have some answer to his other question?

City Attorney Steele stated under State law a small family daycare provider is six or fewer children, and those uses are permitted by right in any residential zone. So this reference to family daycare small in both PA2 and PA3 should be permitted uses and not conditional use permits. We will note that right now this Specific Plan is prohibiting what is referred to as large family daycare which would be more than six kids in every planning area. So there is no provision for a large family daycare right now in the Specific Plan. So we will just note we need to change those conditional use references.

Mayor McCallon stated the other question he would go to then is why are we allowing a child care center in the PA2 which is obviously something much bigger, especially with the traffic issues and parking issues that would associate with that?

Mr. Glenn Ellsmann stated he thinks it could be very possible that there may be a property owner that is not a part of this Site Plan for PA2 that is part of the Specific Plan either along Calhoun or Eucalyptus. Frankly, he thinks there are some people who have daycare operations there who may find that to be an appropriate use because of its proximity to the residential. He thinks try not to merge the two; planning area two covers more property than we have submitted a Site Plan for. So, he couldn't tell you what might happen to the west side of potential future residential or on the north side in the non-apart area.

City Planner Mainez stated there is a possibility of having a daycare facility because there are other projects in the region where these large, multifamily have daycare facilities built in. They might not always be run by the manager of the apartments, but that might be a marketing tool for families that want to live there, to actually have that as an accessory use. However, we would require a conditional use permit which obviously to some extent would be appropriate too.

Councilman Timmer asked wouldn't it be built in a stand-alone type of building on the project area? It doesn't have to be designated on the Site Plan like that at all.

Mr. Glenn Ellsmann stated we don't anticipate that but again planning area two covers beyond that and that maybe something that is looked at for a service for the residences of a particular community or adjacent to that community.

Mayor McCallon stated onto page 70, 532 talks about outdoor vendors, carts, kiosks and it says throughout Highland Marketplace and Village Center, planning areas one and three, to create an atmosphere that encourages pedestrian traffic and invites people to walk between uses. Outdoor vendors are permitted as an accessory use; accessory use means that they are accessory to an existing permitted business, is that correct?

Economic Development Specialist Stater stated it could be accessory to an existing business or complimentary to. She doesn't know if it was meant to restrict it to being accessory to an existing business.

Mr. Glenn Ellsmann stated he thinks in creating the Main Street atmosphere, there are significant projects where kiosks, opportunity carts are provided as a way of creating additional retail opportunities and amenities for the retail experience, so that's why it's focused on those areas. You can see a Market Night where you would have a kiosk or a food cart or something.

Mayor McCallon stated he is concerned about vendor carts rolling through the..

Mr. Glenn Ellsmann stated this harkens back to our relationship with retail developer and the examples of the Main Street experiences that they created in a number of their particular communities and this is something that is common. This is something that is controlled through the CC&R's and controlled through the ownership of those areas. It's not intended to be what you're, he thinks it's a very legitimate concern, where this becomes a free-for-all outside vendors. Its private property, they wouldn't be permitted to do that. For example, if it became the City of Highland's Market Night there's a process in which people get permits and so forth for that. So it's designed to be controlled by the center itself, not a free-for-all.

Mayor McCallon stated the center and the CC&R's would control that.

Mr. Glenn Ellsmann stated sure, absolutely because we wouldn't want people randomly coming in with no business being there at all. It's a good point.

Mayor McCallon stated on page 83 and 84, it says on 83, on 551, required parking and in the second paragraph in recognition of these circumstances the requirements of section 16.52 parking regulations of the Development Code are not applicable and then on the next page, under B, it says such valet parking shall meet the requirements set forth in Development Code section 1652.050F. This seems to conflict with the above statement, and to get rid of that conflict you probably need to put in on page 83 that the requirements of section 16.52 parking regulations of the Development Code are not applicable unless otherwise noted. Otherwise you have a conflict here. On page 85 where it says the following standards shall apply for all residential units within the Specific Plan and it lists square footage one, two three, four bedroom units. How do these compare to our current standards?

Economic Development Specialist Stater stated for R4 in the code, studio is 425, a one bedroom is 650, two or more is 800.

Mayor McCallon stated one bedroom is 650.

Economic Development Specialist Stater stated that is the R4 standard.

Mayor McCallon stated two or more is 800. It doesn't define three or four?

Economic Development Specialist Stater stated there is a footnote in the code that excludes R4 from the following provisions that she will read. One bedroom 800 square feet, two bedrooms 1,000 square feet, 3 bedrooms 1,200 square feet and 4 bedrooms 1,400 square feet per table 16.16.040 b. The R4 standard in particular is studio 425 square feet, one bedroom 650 square feet and two or more 800 square feet.

Mayor McCallon asked in the R4, we didn't include any for the three or four bedrooms?

Economic Development Specialist Stater stated not that she can see.

Mayor McCallon asked so you put three bedrooms in 800 square feet?

Councilman Timmer stated the larger numbers go all the way back to Dennis Johnson and Jim Rissmiller when they designed the initial apartment standards. Those numbers have carried through to the Development Code and the R4 numbers we changed when we adopted that six or seven months ago.

City Planner Mainez stated these were done based on consultation with some pretty reputable apartment developers and nonprofit low-income housing developers. So those numbers were what were acceptable. This is including all the storage area and other factors to make the density work. The larger numbers are the other units, the single family detached, outside of the R4. So, if you look at the Specific Plan it looks like their standards are a little bit less.

Mayor McCallon stated he realizes these are minimum standards. So we've in essence lowered the one bedroom minimum standard from the R4 designation, and R4 we've significantly lowered that from the 800 that was the original Development Code.

City Planner Mainez stated the sentence before that, the list of square footages, needs to be revised. It does say the following standards shall apply to all residential units within the Specific Plan and we need to revise that to make it clear that depending on the type of product, and then we will have to figure out what those numbers are. Of course the R4 is easy; we want it to be greater than the R4 standards.

Mr. Glenn Ellsmann asked just to clarify, what would be the, you're saying the R4 standard is 650 for the one bedroom, 800 for the two bedroom and three bedroom is greater than how many?

City Planner Mainez stated three bedrooms is greater than 800.

Mayor McCallon stated what he is getting at, what those standards are for the R4, and this says all residential units which includes the single family detached and attached which are significantly higher minimum square footage.

Mr. Glenn Ellsmann stated so what we need to do is have the PA2 R4 zoning spell out what he just described.

City Attorney Steele stated he thinks the most effective way to do it might be just to refer to the existing standards in each zone. The R4 standards already exists, and if there is a lower density residential component later on, that standard which is already in the code would apply. We could just revise the sentence to say that the City's existing square footage standards for residential units shall apply in the Specific Plan.

Councilman Timmer stated except in R4. You're talking about buildings and this is R4 stuff.

City Attorney Steele stated that's a question for Council. Do you want your regular R4, or are you willing to allow a reduction in that?

Mr. Glenn Ellsmann stated the current zoning is R4.

Mayor McCallon stated he thinks we ought to stay with the R4 as far as square footage goes.

Mr. Glenn Ellsmann stated the consistency is the current zoning.

City Attorney Steele stated right, rather than the numbers that are here which are a little bit less than the current R4 standard.

Councilman Timmer stated this Specific Plan covers other kinds of uses other than R4.

Mr. Glenn Ellsmann stated that's his point.

Mayor McCallon stated that's why he says it should say that we will comply with the current standards or just be silent on it, one or the other.

City Attorney Steele stated right, the point is the R4 is the density that is being proposed in a certain area, and you will apply the R4 square footage standards. If at some point a lower density housing project is proposed that density, whatever is in the Municipal Code, will apply to that square footage. So if single family detached homes were proposed, then the appropriate zoning would apply there in a lower density.

Mr. Glenn Ellsmann stated the only point he wants to clarify is, it currently is R4, we are complying with the current zoning. We're not proposing R4 zoning.

City Attorney Steele stated we understand that, but in the Specific Plan it says all residential uses so he's trying to provide for that page.

Councilman Timmer stated or we buy off on this standard and we change it all to R4 in saying that it's acceptable to have smaller units, and that's not what we are saying, but talking about whether we want to.

Mayor McCallon stated he thinks R4 for multifamily and then whatever our current standards are for single family is what's appropriate. That will have to be reworked and staff understands, correct?

City Planner Mainez stated yes.

Councilman Timmer stated you're talking and asking questions, and he's thinking do we all buy off on that as a concept?

Mayor McCallon stated well they understand his concerns.

Councilman Timmer stated as long as they make notes and revisit these issues as say yes, we all agree or we don't at this point and he's not saying he doesn't disagree, he's just saying we're not voting on each of these issues at this point.

Mayor McCallon stated no, we're not. Onto 108, section C, and we're talking about walls and fences. It says the materials and construction of walls and fences shall otherwise comply with the requirement of the Development Code and the intent of the applicable design guidelines in the Specific Plan. The Development Code calls for block walls only, correct?

Economic Development Specialist Stater stated typically block walls are required as perimeter walls, yes.

Mayor McCallon stated he thought Council took action once before that all residential walls would be block walls.

Councilman Timmer stated there were some exceptions based on specific environmental issues or scenic issues and they could put wrought iron up and so forth.

Mayor McCallon stated but no wooden fences.

Councilman Timmer stated no wooden fences, no plastic fences.

City Planner Mainez stated Councilman Timmer is correct. We did modify the code and it says block walls or otherwise as determined by the Planning Commission, and we've tried to avoid wood fences, and keep in mind most of the new tracts we've built are closer to the hills so it's always been a fire issue. Those have been other materials, other than wood fences.

Mayor McCallon stated his desire, and he's speaking for himself, is that the walls not be wood but be block walls.

Mr. Glenn Ellsmann stated however, from their Site Plan point of view, they believe there are very appropriate areas where, as an example, in between the building they would have wrought iron fencing there.

Mayor McCallon stated that's fine, no wood fences.

Councilwoman Scott asked between the buildings, where?

City Planner Mainez stated it's clear, prohibit wood fencing.

Mr. Glenn Ellsmann stated we can add no wooden fencing in the Specific Plan.

Councilwoman Scott stated or plastic.

Councilman Timmer stated plastic is fine.

Mayor McCallon stated on page 112 and 113, he will give his view on electronic message board signs and he's not in favor of them. It says any proposal for freeway oriented electronic message boards shall be reviewed by the Planning Commission for recommendation of the City Council for review and approval. He's just registering his feelings on message board signs.

Mr. Glenn Ellsmann asked just curious, what is your concern?

Mayor McCallon stated he doesn't like them. They are too bright and can be distracting.

Mr. Glenn Ellsmann stated their concern is, just to be upfront, the concern is because of the objective of establishing a significant freeway oriented retail service. The primary purpose for the digital reader boards, which have gone through a significant evolution as well, is to help meet some of the requirements that the tenants have for their exposure and to draw shoppers off the freeway into the center to add to the tax pays.

Mayor McCallon stated he understands all of that and he still doesn't like them. City Attorney Steele stated that is not before you anyway, so it's not worth the dialogue at this point.

Mayor McCallon stated right, he just wanted to comment.

Councilman Timmer stated however, when they are developing their signage plan they may take that into consideration.

Mayor McCallon stated on page 261, the implementation plan, it says that the anticipated commercial construction planning area one will begin in 2013 and build out of the Specific Plan area as anticipated in 2016 for scenario one and 2017 for scenario two. Is this realistic?

Mr. Glenn Ellsmann stated one of the things they struggle with is the intent when they reactivated the project in the winter of 2011/2012 was to be further along than they are today. They had completed everything in June of 2012, and then the applicant with Harmony Ranch came on board and that caused another delay to evaluate its cumulative impacts and so forth. In trying to have the Specific Plan consistent with the EIR and making sure they were taking into timing of their impacts which is consistent with traffic mitigation and so forth. It may a bit optimistic, but from a CEQA point of view and their Site Plan point of view, they have to see where the market goes. The market comes on board, then things could happen very quickly. We won't know until we can get started with that. He doesn't know how critical that date is in a Specific Plan document. He knows the timing and phasing was very critical for the EIR but that seems to have been addressed pretty thoroughly so he doesn't know if this needs to be changed or not, but he can make a note of it and talk their Specific Plan.

Mayor McCallon stated those are all the comments he has on the Specific Plan at this point.

Councilman Timmer stated on page 20, there are terms in here for planning area two, that says the planning area may, and the word is may, include parks and rec facilities, and later on it says in the residential village may include features such as neighborhood parks, water features and they use the term again, may. Whenever he sees the term, may, he gets a little concerned that it's such a passive word and that it doesn't mean anything. A report he would like to see is, will do these things. He has a concern that these will all disappear because you have a word here that says you don't have to do them. Legally could we require them to change those kinds of terms?

City Attorney Steele stated it's your Specific Plan and you can require any change you want.

Councilman Timmer stated he has sensitivity; he calls those weasel words, may versus will.

City Attorney Steele stated in a Legislative document they are weasel words where you, it really depends on the inclination of the City Council as the further project approvals move along to put the shalls in replace of mays. So when you get to a Site Plan review you've got conditions. The concept of land use laws is to sort of narrow everything as you go along and by the time you get to a Site Plan review and you're imposing conditions of approval and approving actual plans for a site that's when you start to put the shalls in where a Legislative document like this, a policy document, is more permissive. That's the intent, here but it is your Specific Plan.

Mr. Glenn Ellsmann stated their objective is to try to have a high standard of items to be included, but not every project detail would include all of them. He thinks the Council can tell by what has been submitted, they've included most of them as it turns out, but again it's the whole Specific Plan where it is expected that there is a high amenity level.

Councilman Timmer stated his concern though, is if you change to divest and sell portions of the project or whatever, and the next developer comes in and says he doesn't want to do all these things but the word is may, it allows them later to change that.

City Attorney Steele stated the problem we could face though is that if we change the word to shall as a practical matter or will, then we have to be much more specific about each one of the items. Because if we say will include parks, recreation facilities and water elements, then you start to getting into which ones are required. In the planning process, you may ultimately decide that you want three water elements and it is okay to give up the recreation facility. Allowing some flexibility in the Specific Plan document is a pretty typical level of detail, but again it's up to Council on how much specificity you feel comfortable with, but in his experience this is a pretty typical level and what you do when you get to the specific approvals you provide much more specificity and much more mandatory terms like in the conditions of approval.

Councilman Timmer stated page 24, under planning area 2.4.3, it starts listing the variety of projects that talks about for sell, for lease, residential single family detached, attached and goes to a whole litany of family product type and he kept looking at the drawings of the maps and he couldn't find any of those types other than the 24 unit block units, and so this product isn't throughout this planning area two at all. You say you're going to do some of these, and he knows you're talking about doing future areas and all that stuff, but there's no physical...

Mayor McCallon stated that is the development review

Councilman Timmer stated he understands that.

Mr. Glenn Ellsmann stated to address your point because of the direction and the collaboration to include the community to the north, that's not a part of the project, they are single family. They have those types of uses.

Councilman Timmer stated he understands that, but when reading this, the project that you're going to be building, not the existing stuff building now, but include some of the variety of projects.

Mr. Glenn Ellsmann stated the specific reason is because of the boundary that they were asked, and the other thing is some of the overlay doesn't go to the north of what is being proposed, so if you didn't have that language, and maybe they could have separated it, but in the PA2 area you would have all these inconsistencies with the current occupants and the owners of the property that are not a part of the land that they own and submitted Site Plans for. There is a consistency issue in addressing that as well.

Councilman Timmer stated he understands that, but he was just looking at new sticks going into the air that would meet that standard and there is nothing in the proposal that does that, and that's going to be addressed later. It just bothered him because he read all these different variety of products, different heights and sizes and then boom, one size fits all and that was kind of frustrating. Back to Mayor McCallon's earlier question, he talked about what standards are different than what our current standards permit under the Specific Plan. Under our commercial, do we allow buildings that are sixty feet tall? He doesn't necessarily have a problem with it, he's just saying Mayor McCallon asked the question what's different than our current standards, and they are asking for commercial to allow sixty feet to the top of the roof line. That's something to look up and let us know.

City Planner Mainez stated yes, we will check into that.

Councilman Timmer stated on page 78, it talks about the development standards for PA1 and PA3. It lists the buildings setbacks; again what are our current standards on building setbacks for commercial? Is this compatible to that and again, are we having a different standard for this project versus other projects? Something to look up. Ten feet seems awful close on some of those. He had a question on page 109, it talks about parking regulations. Again he has a concern lowering the standard or raising the standard for having less parking than our current standards permit. On page 112, where it talks about the signs and stuff, and he knows Council is not approving sign stuff, but he would like to get some input or give some direction on he is not comfortable with what is being proposed in the Specific Plan whenever the sign plan comes in. Specifically the number of signs and the heights; some of the signs are talking about 90 foot freeway oriented signs. He knows they are normally supposed to be flag tested. The size of the signs along Greenspot, some are 38 feet tall, and so staff indicated they are comparable to the signs that are on the south side and he went to look and they are not at all. Nearly double and sometimes even more than that, so he

would think we would signage to meet the vendor or the business requirements, but should be something compatible to what is on the south side? We are also asking for signage to encroach into the City right of way where the signs are to be installed, and he doesn't think we've ever done that before. He did speak with staff about this, and part of the issue was we have a pretty good right-of-way so the signs would be too far off the street, so he can understand that request to do this. He too also has a concern with the message boards, so just some input on the sign plan when it's put together.

Mr. Glenn Ellsmann stated one of the things they have tried to do when Vestar was their development retail partner, and they are one of the west coast's largest retail developers, and frankly they looked to them for their expertise and guidance and their consultants who have put together large centers like what is proposed here as the authority on what program would meet the needs. It was based on real world projects.

Councilman Timmer stated he knows every arm wants to have the biggest signs they can, but we have certain standards that we've adopted.

Mr. Glenn Ellsmann asked what is the height of Lowe's freeway sign?

Councilman Timmer stated the freeway oriented signs are really not the ones he's concerned with. He is concerned with the lollipop effect going down Greenspot of these 30 foot signs, 38 foot signs, 25 foot signs, where every entry has two or three of them. That's a concern. Also, our current sign ordinance permits one freeway oriented sign per quadrant, and the plan shows two.

City Planner Mainez stated could we go back a couple of steps. On the commercial development standards, as he indicated early on, we are applying general commercial development standards. In every case, it looks like so far, we are consistent except for the setbacks along the street side. We typically require a 20 foot setback, but somebody brought up the additional landscaping easement and whether the signs can go in there, so we've encroached to an extent into their setbacks. In the Specific Plan, it says ten feet, but there is so much landscaping out there that it really will feel like it's 25-30 feet.

Councilman Timmer stated but the plan indicates they will go into the right-of-way.

City Planner Mainez stated it would in the right-of-way, that's true, but technically it's the same.

Councilman Timmer asked again, what are we doing different than our current standards?

City Planner Mainez stated that is just a little nuance because of the additional right-of-way that we put in there. The height of the building is the same, sixty feet.

As stated in the Specific Plan it requires a review by the Planning Commission. It requires a sign program, so what is before you tonight does not include a sign program, and what you're putting into the record is your strong opinions that the size of the signs are proportionate to the City's desires. So staff has made a note to go back and modify so the standards are lowered a little bit. Again, it's hard to say tonight because mainly this project will look different than what's across the street, and the landscaping will be complimentary to the signs, and maybe this is a spot where we want bigger signs to give more tenants the opportunity to advertise and those tenants will be set back further from the street. But again, this has to go to Planning Commission and ultimately the Council. Freeway sign has to be flag tested and he believes there are two signs out there, and it might be too many but it's not on the agenda tonight.

Councilman Timmer stated he understands the current sign ordinance has a provision that because of uniqueness of the project size, bulk of the project, however you want to term it, they are permitted to file a sign plan which could be different and have to verify these are the reasons. He's just saying based on his feelings some of those signs are too big. He's not saying they should be back to the City standards, but they seem to be dominating the visual impact.

City Planner Mainez stated they are dominating and in fact the developer intentionally did that. You're always going to want to ask for something big and knowing that you need big to show an exhibit on what your vision is for that site. Everybody knows the flag test is required and the Planning Commission knows as well and that's why they didn't dwell on it a lot. These are conceptual sign locations.

Mr. Glenn Ellsmann stated on page 173, it provides a conceptual sign location plan just to show more of the ranking of the different types of signs and the possibilities. They developed their sign program and their concepts with Vestar and with their consultant who does this all over the place. A formal sign plan will be submitted for review, and having said that, the protection in approving a Specific Plan document is that it doesn't say shall allow these locations. So you have the protections that you are wanting and your notes and comments on some of the details such as height. They will note so as well and include it in how they make their ultimate presentation.

Councilman Timmer stated he is not suggesting we change those numbers in here. He's just letting them know that he has concerns and he is only one.

Mr. Glenn Ellsmann stated a very specific concern was stated and how this overall arching planning document is related to the current ordinance and what are the differences. He thinks one of the things trying to be addressed is how do you watch out for the City's objectives and goals? To address the potential fear, if you do approve this Specific Plan document without saying we don't want 38 feet, we want 32 feet, you've lost that opportunity because you had a Specific Plan approved and we get to say gotcha. It's specifically noted that these are conceptual, it was noted in the plan approval from the Planning Commission that the detailed sign program is coming back.

Councilman Timmer stated on page 154 and 157; it talks about garage treatment, garage doors. He has concerns; again we are changing the City standards on the numbers of garages that are required for projects. The landscape guidelines under 254, 255, where it talks about all tree species, they use the term flowering accent types of trees and they list Jacaranda and other trees. He doesn't have a problem using those, but the area of concern is if you have those kinds, he calls them dirty trees because they drop a lot of stuff, you can put them in your project anywhere you want because you're going to maintain them. He has concerns of those kinds of trees being listed and used in the City right-of-way, stuff that's going to fall on the curbs and into the streets. He would like to have something about that, the flowering kinds of trees, the Jacarandas and camphor's, that those would be prohibited from being within the City right of way where we have to clean it up as a City.

Mr. Glenn Ellsmann asked so you want that as a Specific Plan guideline?

Councilman Timmer stated he's not sure where we need to address that but since the Specific Plan lists all the tree species, he's not sure how we put it. Do we put a little asterisk or just a little statement that heavy flowering trees shouldn't be permitted in the City right of way where we have to clean them up? They can use them internally in the project wherever they want, no problem.

Mr. Scott Rice, Community Works Design Group, stated all of these guidelines are subject to Landscape Plan Review. He agrees with the asterisk idea with a note at the bottom is probably the best way to address it at this stage.

Councilman Timmer stated again, he's just giving some input for later as they come in. On page 261, it talks about fees and financing. It says basically all fees shall be collected prior to issuance of building permits and that's traditionally what we've done. However, the conditions of approval talks about our current language where we have some variation. He likes this wording better than what our current conditions of approval are because we allow some of the fees to be paid at occupancy versus issuance of permits. He likes this language better. Does that cause a conflict later?

Mr. Glenn Ellsmann stated the rest of the sentence says unless otherwise approved by City Council.

Public Works Director/City Engineer Wong stated the City Council's Development Impact Fee Resolutions gave, in the past several years, exceptions that development impact fee be collected at the occupancy stage rather than in the beginning of the building permit stage. So either number one, the Council in the future changes that exception, in other words don't do anymore exceptions just go back to the normal timing of fee collection, and then it would automatically fall back to the building permit timing. So, if the Specific Plan talks about paying at building permit and you don't have anything else that supersedes it, then of course it would fall back.

Councilman Timmer stated but the language that Mr. Glenn Ellsmann, Greenspot Village and Marketplace, stated, otherwise approved by the City, does that then say what we're currently doing would be permissible by this? And then why do we need to say the fees shall be paid based on current City policy or procedure?

Public Works Director/City Engineer Wong stated he guesses you can. You can just change it to based on current or prevailing City procedures.

Councilman Timmer stated it just seems like it's the issue we're always arguing over long term. On page 275, role 8.4, lists the term affordable housing and this is always a sensitive subject. However, Mr. Glenn Ellsmann, Greenspot Village and Marketplace, stated, this is going to be a market driven project and we're not going to be addressing Section Eight housing. Just by the nature of the beast, R4 uses, the State considers real high density affordable housing. He wants to know how they are using that term in the Specific Plan and what their intent is.

City Attorney Steele stated that's our goal; it's from the General Plan.

Councilman Timmer asked but he has to adhere to the goal, right?

City Attorney Steele stated right, this Specific Plan has to be consistent with the General Plan.

Councilman Timmer stated so by having the higher density stuff he's adhering to this housing goal.

Economic Development Specialist Stater stated he's meeting the State's intent.

Councilman Timmer stated all right. On page 290, where it talks about some of the definitions, it talks about cottage industries. That's usually in residential neighborhoods and we talked earlier about the daycare and the home occupancy uses. The concern is we've already lowered our parking number for this project, if we approve it, and now we're putting a lot of these kinds of ancillary uses that create even more parking concerns. He has concerns we're having these kinds of uses within high density residential.

Mayor McCallon stated he didn't see cottage industries identified in there.

Councilman Timmer stated no, it's not there, but they list it as a different definition.

City Attorney Steele stated cottage industries under a new provision of State law, is a home based occupation. So it's going to be included in your home occupation ordinance. It's this versioning where people are making jams for sale or cookies, it's not a customer serving use, but it is a home based business under your existing home occupation definition.

Councilman Timmer stated that was all the questions he had, but he would like to make a summary of his points. He has concerns that basically we are taking our current sign standards and kind of throwing them out the window. Our current apartment standards are going out the window, our current parking standards are going out the window for this project, and we will address some of those things maybe later on when we get to the conditions of approval.

Mayor Pro Tem Lilburn stated she can't help thinking in the back of her mind that the Specific Plan and the current conditions, that we are setting the tone for other places that are planning on coming in as well. Trying to keep in mind this is a quality project, this is quality piece of property, our last one that we potentially have with the mixed use. All these have been concerns with the apartment size, the parking, the security. Her issues weren't so much with the signs, the height of the signs or the lighted signs, but the amount of signs. As she goes through it, she sees the different signs on the spots, but when she goes to look at them they don't look as drastic when she sees the actual signs. On page 24 it talked about some of these things, she is wondering if it's left over from the last plan, when it was worked on this before. Do you think some of this was left in, like Planning Area Two allows for the sale, lease and residential. Maybe some of this stuff was left over because she knows nothing is for sale in the PA2.

Mayor McCallon stated that's in the proposal, this is the Specific Plan.

Mayor Pro Tem Lilburn stated right, but she knows it wouldn't allow for it and there isn't any so that's what threw her off a little. A lot of her questions have already been addressed as everyone has done a great job on their questions.

Councilman Racadio stated the economic analysis, is that reserved for the Development Agreement? It talks about how Boulder will look in the future and he's curious, on page 37, at full improvement Boulder will be 160 feet right-of-way consisting of road sections at least 38 feet wide and two travel lanes, one bike lane. How does that compare to how it is now?

Public Works Director/City Engineer Wong stated Boulder Avenue does not need to be widened, in general, along the west side of Boulder Avenue curbs and gutters already exist. He thinks the south end of the intersection there is a little bit that needs widening to facilitate a right turn lane, but for the most part Boulder Avenue will stay as wide as it is. Currently there is a dirt median along the whole length of Boulder Avenue and it will be replaced with raised curb median with landscaping. The west side of Boulder Avenue will be fully improved. Especially there is a pretty wide trail along the west side. That trail will also serve as Edison's access road because they have that 66kb line that they will relocate from where it bisects along Boulder Road. Then of course the parkway will have landscaping as approved by the Design Review Board.

Councilman Racadio stated he recalls a discussion a long time ago that it's too big of a line to underground, too costly.

Public Works Director/City Engineer Wong stated the City is paying around \$3.4 million for that job and is part of the RDA funds.

Councilman Racadio stated there is no mention in this section about any improvements to the freeway that might be required.

Public Works Director/City Engineer Wong stated the only thing that this project will do on the freeway, if the City proceeds with the current RDA project to improve Greenspot Road which includes a little bit of the freeway ramp widening work, assuming the City is going to finish this project, then this development would only need to do two things.

Mr. Glenn Ellsmann stated are you speaking of the main line freeway or the interchange?

Public Works Director/City Engineer Wong stated the interchange has a condition that requires the applicant to restripe, not widen, but the change is the striping of the southbound off-ramp. Very minor restriping work, which is the only thing this development is conditioned to do. However, earlier it was mentioned that this project will pay its fair share to modify the interchange. That project fair share calculation is about \$1.5 million. They would make that special payment. The City however, will recognize their contribution of these 1.5 million dollars and reduce the development impact fee somewhat. He's figured out about \$1 million so they may have a net contribution of a half million dollars to the interchange.

City Attorney Steele stated Mayor, you were wanting to keep the conversation focused on the Specific Plan.

Councilman Racadio asked on page 67, what is the second unit in planning area two.

Mr. Glenn Ellsmann stated as an example, if somebody had a single family residential, one of things that would be permitted would be like a granny flat. It could be detached or above the garage or something.

Councilman Racadio stated procedurally about the issue that Councilman Timmer raised about the amenities and we talked about leaving it as may instead of shall. What input would we have and how would that be and how is that linked to Council and the Planning Commission?

City Attorney Steele stated as it would come later this evening, for example, you have a Site Plan review before you that lays out what the developer proposal is for those types of amenities among other things. You sort of cement that by approving or amending the Site Plan and imposing conditions of approval at that stage.

Councilman Racadio stated you also talked about the reader board, the only one he remembers seeing is the one in the pass area.

Mr. Glenn Ellsmann stated there are two reader boards that he can think of. One is on the north side of the 10 freeway as you make the transition to take the 215 North, there's a professional building that has the digital reader board similar and features a lot of communication from Loma Linda University and then as you go north on the 215 freeway you have the San Bernardino Auto Center that has incorporated a digital reader board as part of their freeway sign for their Auto Center. These are not digital billboards like you have your freeway billboards. These are integrated into the pylon sign as part of the architecture itself. They are not the 40, 50 foot wide billboards. They are specifically designed to complement your anchor tenants.

Councilwoman Scott stated she has some very serious concerns about many of the things that each Council Member has talked about. She has no problem with the General Plan Amendment, she has no problem with the Zone Change, and she can accept the final EIR, even though she doesn't think her concerns have been addressed sufficiently. The Specific Plan and the Development Agreement, and she knows we are not on the Development Agreement right now, but she has some very serious concerns about the Specific Plan simply because as Mayor Pro Tem Lilburn stated this is the jewel of Highland, the last jewel of Highland. We have cut corners and lowered standards to the point where we're going to make it a ghetto and she knows all night long it's been said oh, it's not on the agenda tonight, the Specific Plan, we're not going to do this and that and the other. That's kind of like Nancy Pelosi saying sign the thing and read it later. She is not about to do it. She has some very serious concerns. She wants security cameras in the apartments, she doesn't like the idea of apartments, when we first became a City we went through different studies and we said we determined that there's your biggest crime, your biggest need for public safety services.

Mayor McCallon stated we will address that in the Design Review.

Councilwoman Scott stated okay, fine but it's also in everything we talked about and all of this stuff we've had to go through. If they are going to have apartments anyway they need to have security cameras 24/7. Parking garages, we have to have garages at least 75%, that 22% isn't going to cut it.

Mayor McCallon stated we've all identified areas of the Specific Plan that we have concerns about, if staff and the applicant go ahead and make some of those changes, how does the Council feel about adopting the Specific Plan or are there other items that need to be addressed before we could make a determination that we are happy with it?

Councilwoman Scott stated Mayor, we have to be really careful adopting this Specific Plan right now because as it says it supersedes everything that we've ever done in this City.

Mayor McCallon stated he's not proposing that we adopt it tonight. What he's proposing is have we addressed all of our concerns, and if those concerns are addressed in the Specific Plan and brought back to us will we be able to make a determination on the Specific Plan?

Councilman Timmer stated he's not sure we're going to get through all these components, and that is why we all kind of agreed at the end we will approve one,two,3,4. Maybe staff, and he's sure the developer has listened to these concerns and that they can get together, and maybe at the next meeting when it's convenient they can come back and these things we can resolve and get some things changed, and if there are still some other issues that can't be resolved then we will have to say aye or nay on it. Give them some opportunity to get together and come back.

Mayor McCallon stated that was where he was going. His question is have we addressed all of those concerns so that when they come back we won't have another three or four hours of issues to talk about.

Councilwoman Scott asked could we adopt the General Plan Amendment and the Zone Change?

Mayor McCallon stated the City Attorney has advised that we not do that.

City Attorney Steele stated what he suggesting is a separation of the Legislative pieces and the quasi-judicial pieces, the Site Plans. If you got to a point this evening where you believe that, and he thinks the question has been asked could staff bring back a Specific Plan that is adoptable, and that's where you sort of want to leave tonight, then he would suggest that we go ahead and certify the EIR and adopt the overall legislative changes, the General Plan Amendment and the Zone Change because that will get that statute of limitations running on the EIR and that of some assistance to all of us going forward. We can bring back the Specific Plan and the other documents if that's the pleasure of the Council.

Mayor McCallon stated with that in mind, since none of the public wishes to speak on those three items, we can go ahead and entertain motions to certify the final EIR and adopt the statement of overriding considerations.

A MOTION was made by Councilman Racadio, seconded by Councilwoman Scott, to:

1. Approve Resolution 2013-008; to Certify the Final Environmental Impact Report including the Mitigation Monitoring Reporting Program for the Greenspot Village & Marketplace Specific Plan Project and adopt the Statement of Overriding Considerations and (ENV 009-003). Motion carried, 5-0.

City Attorney Steele stated we will just note, in association with that Motion there is a Resolution before you on the EIR and he hopes the Motion includes this as well.

Councilman Racadio stated yes, the Resolution as well.

Councilwoman Scott stated yes, she agrees.

RESOLUTION NO. 2013-008
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, CERTIFYING AN ENVIRONMENTAL IMPACT REPORT
INCLUDING THE FINDINGS OF FACTS, MITIGATION MONITORING
REPORTING PROGRAM, AND STATEMENT OF OVERRIDING
CONSIDERATIONS (ENV-009-003) FOR THE PROPOSED GENERAL PLAN
AMENDMENTS (GPA-009-002), ZONE CHANGE (ZC-009-001), SPECIFIC
PLAN (SPR-006-001), AND DEVELOPMENT AGREEMENT (DA-012-004)
RELATED TO THE GREENSPOT VILLAGE AND
MARKETPLACE SPECIFIC PLAN

A MOTION was made by Councilwoman Scott, seconded by Councilman Racadio, to:

2. Approve Resolution 2013-009, Approving General Plan Amendment 009-002 (GPA 009-002) to designate a portion of the Project Site Planned Development (PD), and amending the General Plan Circulation Element and Land Use Element. Motion carried, 5-0.

RESOLUTION NO. 2013-009

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, DETERMINING THAT AN ENVIRONMENTAL IMPACT REPORT IS THE APPROPRIATE ENVIRONMENTAL DOCUMENTATION FOR THE PROPOSED GENERAL PLAN AMENDMENTS AND SUBSEQUENT ZONE CHANGE AND SPECIFIC PLAN; AND ADOPTING THE GENERAL PLAN AMENDMENTS TO PORTIONS OF THE LAND USE ELEMENT (CHAPTER 2) AND CIRCULATION ELEMENT (CHAPTER 3) (GPA 0009-002) RELATED TO THE GREENSPOT VILLAGE AND MARKETPLACE SPECIFIC PLAN

Mayor McCallon stated the other one is ordinance to introduce the ordinance to amend the City's Official Zoning Map to include a new designation for the Specific Plan site entitled SPR-006-001 which we have not approved at the moment.

A MOTION was made by Councilman Racadio, seconded by Councilwoman Scott, to:

3. Introduce Ordinance No.379 to amend the City's Official Zoning Map to include a new Designation for the Specific Plan Site entitled, "SPR-006-001" (ZC-009-001). Motion carried, 5-0.

City Clerk Hughes introduced Ordinance No. 379:

ORDINANCE NO. 379

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, AMENDING TITLE 16 (LAND USE AND DEVELOPMENT CODE) OF THE HIGHLAND MUNICIPAL CODE, ALL RELATED TO THE GREENSPOT VILLAGE AND MARKETPLACE SPECIFIC PLAN (SPR-006-001) [MUNICIPAL CODE AMENDMENT-009-001 AND ZONE CHANGE-009-001]

which title was read.

Mayor McCallon stated he does have people who would like to speak and he would ask if they would like to speak at this point. We have one in favor of the project he assumes, Mr. Doug Goodman. Would he like to speak at this point or later when we get to other issues?

Mr. Doug Goodman stated he has worn many hats before you before tonight. He is here representing the Greenspot Holding Company. He is the managing member of that LLC. They own approximately 11 acres on Webster and Greenspot with significant frontage along Greenspot which is planning area three. He really came to say they remain very supportive of the efforts that have been made by Greenspot Village and Marketplace. They are very much behind and in agreement as enthusiastic as everybody is to see this gets approved. They very much appreciate the efforts Council is going through to make sure this is done correctly. Their primary interest right now is the Development Agreement and they would like to be able to ensure that both their interests are represented and clearly protected because they are part of the Specific Plan.

Mayor McCallon stated when we get to discussing and talking about the Development Agreement you will have the opportunity to speak again.

Mr. Dennis Johnson stated being one of the old founders, we get together and discuss Highland at a regular basis and we want the best for Highland. When Mr. Glenn Ellsmann came forward with this, we reached out and talked to him and we said we would like to make your project worthy, we would like to make it better and we want to make it a success. They met with Mr. Ellsmann three different times and we asked for more security, better architecture, we asked for more surveillance and safety issues. Thus far, he has not come back to them and said what he would do and what he didn't do so that's happening lately. He wanted to address a little bit what Mayor McCallon was saying is that Highland has had such high standards for apartments, and then he's hearing we got 600 square foot and this and that and he remembers one night that lasted just about like this and one Council Member, Jim Rissmiller, said we've had enough of this, let's find out what standards Highland wants for apartments and he made a Motion that single family apartments are 800 square feet, two bedrooms 1,200, three bedrooms 1,500. That will ring in his mind for the rest of his life. Now he's hearing these smaller numbers, now what happened? He doesn't know he's been gone too long he guesses. Then he's hearing from Mr. Ellsmann that this is a high end project and then he's hearing it's market rate. Well how can you go high end apartments and charge normal rate? It doesn't balance. He would love to see a Performa on the financing of this on how it would fly. You've got very expensive land and a prime location and now what's going to happen? Highland to him, you're right at a diversion area, are you going to go with apartments or are you going to go another direction? The other direction is buy in. What does he call buy in? Buy in is people who come in and they want a condo they buy in, the want a residence they buy in; they want to buy a mobile home, they buy in. Apartment people are different; there is no buy in. They are here and they're gone. They don't belong to your local church, they are not your coaches, they are here just for a short period of time and then they are gone. In 1990, some people here in Highland throughout the County re-established the County wide Gang and Drug Task Force, because we could not fight gangs and drugs just on Highland or Rancho Cucamonga or Loma Linda, so we decided to get together and talk about what is happening with gangs and drugs. We covered everything

from a gang is formed, how it's a family, how they initiate them, how the murders and rapes and who lives on this corner and this. We know Los Angeles now is the World's largest capital for gangs. This morning he drove five miles from here and he ended up on Waterman and Base Line. What's there, the gut of San Bernardino? Well gangs and drugs. We started analyzing, what happened to Arden and Guthrie? Arden and Guthrie was a beautiful area, Loma Linda University produced it, they started out wonderful and it didn't work. They found out there are five stages to apartments. They are in the glory part; we call this the celebration part. The first ten years in apartments, it's the building, the planning, the painting, everybody is happy the first ten years and so cash flows and here comes the next cycle. Ownership changes, they made their money, they'd done a good investment and they want out. An investment group comes by and buys it. Hate to say this when there's an accountant here, but bean counters come in and say what are we going to do? Well, we're going to raise the rent and cut the expenses, which is phase from ten to twenty. So now you people are gone, but you've made the decision that we're going to go, apartments twenty years from now he doesn't know where you are, and now thirty years down the line we find out apartments come in and ask for assistance from the Government. They can't afford it because now you're on your third ownership and what happens there is hey, we need to fractionalize it and want to sell these apartments to an individual which is a no-no as that's what happened at Arden and Guthrie. After fractionizing it, you get Section 8 and then you're really in problems. From 30 to 40 that's when it came down, the investors are crooks. The investors are gone, two to three owners are gone, you're on the fourth one and they start milking it; they don't pay the property tax, they don't pay anything. Liens are filed on it and pretty soon bankruptcy. They take the money and leave, bankruptcy court takes over, they get new owners which paint it up and the cycle starts again. So when you make the decision you have a decision where you want to have people who have loyalty to the community, people who don't have loyalty to the community, people who are going to be your coaches, your doctor, people who are going to stay and make your community, who are going to invest their dollars in it. He doesn't know anyone who lived in an apartment who became a community leader. Before you make a decision and he hasn't heard it, talk to your local law enforcement and they will say don't touch apartments. So what do you want Highland, do you want to criminalize Highland in 30 or 40 years? Yes, these people are going to make good money or are you going to make a decision, and they can make a lot of money on this, ownership, townhouses or condos but have people buy into Highland?

Mayor McCallon stated the applicant has heard the pros and cons; do you have anything you would like to say at this point?

Mr. Glenn Ellsmann stated Mr. Johnson, he appreciates his comments. First he wants to go back to the fourth item that is on the agenda. What he's hearing from the Specific Plan are two things. One is there is some areas of slight modifications or tweaks, or points to be noted that we or others need to keep in mind as it pertains to signage and some of these other elements. He thinks there have been clarification of the R4 zoning and the size of the different units. He would say at this point, the comments or suggestions that have been made with the Specific Plan he doesn't think are anything that is unacceptable or not manageable. He thinks one of the purposes that they have tried to achieve with the Specific Plan document is to address what everybody's fundamental concern is in this community, and that is recognition that the Golden Triangle is golden and right now there is a problem. The Golden Triangle is mostly empty, and while we've done a lot of clean up and people appreciate our skunk rehabilitation program and all the rest of it, it's still an empty piece of land. We've tried to work with the community with countless workshops, Planning Commission workshops, and have had the opportunity to have this before the public to receive input from the public at large and from the Council and staff as well. Number one objective is how we can be part of creating a top notch mixed use community that achieves all these goals, quality, safety, viability and longevity and all the rest of that. They are aligned on the goals. The first step to achieving that is to memorialize these goals in a solid Specific Plan document. They think the Specific Plan document overall sets the tone and standards that Highland is trying to achieve, and because the Specific Plan covers land that they don't own and didn't put particular plans on, the recommendation was let's come up with a comprehensive plan. So that's what it attempted to do and they think it does that, so that's what the Planning Commission seems to have supported. He thinks Council's comments are fair and reasonable and acceptable. What's special about the opportunity that the City has tonight is that they have gone beyond 30,000 feet, 10,000 feet, 5,000 feet, they've brought it down into specific detailed constructed plans with all the drainage, all the engineering, all the circulation, all the architecture, the colors, the elevations, they've put together an entire package so that you don't have to say so what does this really mean, what is this ultimately going to look like? What you have before you is a plan that covers the majority of the Golden Triangle which detailed everything in their submittal package. He has their team of consultants who have heard the comments, who have been to the workshops, and he would like to request that they be afforded the opportunity to explore both of the submitted Site Plans and to go through what has been submitted and reviewed and conditioned by staff and has been approved by the Planning Commission to take it and get a little bit more real, because what they've been doing is dealing with the higher view, and now we are down to the details and into the specifics. We would like to hear that, we have consultants who come from long distances who have been kind enough to keep their caregivers for their families in place so that they can respond to some of the specifics that may come up. He thinks we can do this pretty broadly and effectively, so if it's okay with the Council.

Mayor McCallon stated as long as you understand that we will have about 30 minutes. We have an ordinance that says we cannot go beyond 11:00 without unanimous approval of the Council and he's not willing to go beyond 11:00 and we have other parts of the agenda to get to. So whatever you want to cover in the 30 minutes that we may have left.

Mr. Glenn Ellsmann stated sure, he appreciates that. He thinks for the benefit of their team that has come here, one of the things he's heard from different folks is as you know you've approved the EIR that addressed all of the traffic issues and mitigation measures, but that doesn't mean that the comments regarding their planning areas one and two and its traffic, he wants that to be fully addressed. He would like to cross that off the list so to speak. Have they satisfied Council's questions related to the Site Plan when it comes to traffic? His preference is to focus on the Site Plan because that will drive the questions or responses to either conditions that are in either the conditions of approval or elements that are included in the Development Agreement.

Mayor McCallon asked do you want to address anything, or do you want the Council to raise their concerns?

Mr. Glenn Ellsmann stated he thinks we can have a dialogue back and forth, as his way of looking at it has been the Council should be commended. You've asked incredible questions, detailed questions about nooks and crannies of a lot of documents. The citizens should be proud that you have not absconded or just shoved the big piles aside. Are there specific questions regarding any unanswered questions regarding their traffic impacts or their traffic mitigation?

Mayor McCallon stated well relative to the Design Review that has been presented to the Council.

Councilman Timmer stated he already brought up an issue earlier, related to the acceleration and deceleration points that would be create a safer driving environment for the Greenspot and the Webster turn. He would like to see if he can get support from the Council to add whatever the normal design requirements are for adding a deceleration lane on both of the uncontrolled entries to the project, and also look at how we can design an acceleration lane making a right hand turn out of Webster onto Greenspot going west. We already have a 15 foot right of way, is that correct?

Public Works Director/City Engineer Wong stated well whatever right-of-way is needed to accommodate this can be made a condition of the project. As a matter of fact, the applicant has already dedicated the necessary right of way for the current design, and we've got that dedication prior to the City starting construction of the improvements. Two things, number one is if the Council would like to see some additional turn lanes and some acceleration lanes be added to the City project, that means the City is going to be redesigning the street and then he guesses paying the contractor extra to construct this work, which even

saying that you have RDA monies that you can use, or if the money that you have allocated to this project has succeeded to its maximum then you can consider deleting some other component of the City project to accommodate this right turn and acceleration lanes.

Mayor McCallon stated the priorities for use of that money he doesn't believe have changed.

Public Works Director/City Engineer Wong stated in other words, for example, if adding this causes us to exceed the amount that you have allocated, we may have to drop a monument sign or maybe some landscaping. Wait until development occurs and have the developer provide the deleted items. The other is the additional right of way to accommodate this acceleration lane and right turn pocket, we would need to get it from the property owner and the property owner would include Mr. Goodman's property because he has the PA3 which is Webster Street and also from Mr. Glenn Ellsmann's property and flood control property.

Councilman Timmer stated it doesn't apply to Flood Control because there's no uncontrolled intersection in the flood control.

Public Works Director/City Engineer Wong stated that is correct.

Councilman Timmer stated he thinks the current right-of-way is 15 feet at least on Greenspot. He doesn't know where it is on Webster, but we could put a deceleration lane within there and maintain within the current right-of-way if we chose, we would just have less landscaping and the parkway might be a little narrower. To eliminate or alleviate some of the pressure to have the developer push back the boxes that are going to be at those corners, we could reduce just for portions, the setback requirements so that they can still maintain them within the basic design that has already been put together. He thinks the safety concern of making that traffic a little safer outweighs some future landscaping.

Public Works Director/City Engineer Wong stated the street improvement set up the framework for what you can do onsite. So if you decide to do the extra turn lanes, then the Site Plan needs to be adjusted. Whether it's adjusted by moving the building or losing some parking space or losing some landscaping, it's a design issue that can be determined later.

Councilman Timmer stated he would be receptive to looking at some of the adjustments to accommodate this lane, because he thinks traffic safety is a bigger issue than a little bit of landscaping.

Mr. Carlton Waters stated he prepared the traffic analysis, both the original 2008 study as well as the focus traffic analysis that was published this year. If you look at the Site Plan, we are talking about Webster here where Councilman Timmer is suggesting that perhaps an acceleration lane would, in his opinion, create a safer situation than having traffic here wait at the stop line for a gap in traffic and then enter the flow of traffic. At the same time, Councilman Timmer suggested, in his opinion, it would be desirable to have a deceleration lane provided for traffic that is going to turn right into the next un-signalized, minor street access here, and his concern is that the traffic that is merging into traffic here, is he assuming some might get rear ended as they are trying to accelerate into traffic or they might get rear ended when they are trying to decelerate and slow down to make that turn in there. By the time you get done trying to put in an acceleration lane in and a deceleration lane there you're essentially going to have a continuous lane, and so instead of having a situation where you're asking the driver to use his judgment to identify an appropriate gap in traffic, which most of the time they will do but not all the time, he's sure. You're going to end up with a situation where you now have a weaving section and the decision making associated with a weaving section where you now have vehicles coming up to speed and trying to judge where they can merge together and cross one another's path is actually more complex than the decision of the car braking, I'm not supposed to rear end him or I'm sitting on the side street and he has to wait for an appropriate gap in traffic, which by the way with the signal at Boulder Avenue is probably going to be created by having red lights which will create gaps in traffic.

Councilman Timmer stated well you go drive that and see how much time you have from the lights being green and red and how you have to be cautious. He guesses we can debate what's good and not good. He would like staff to analyze how and if it can be done reasonably. He has a concern and if they come back to him and say for whatever reasons it can't physically be done, then that's another issue, but he wants some evaluation on how that can be made to work. The other entrance certainly does not have the problem you're talking about.

Mr. Carlton Waters stated and again as he mentioned previously we have tests, we have quantitative rules that they apply because they get requests for additional traffic signals and stop signs all the time so they have to have standards that they apply as they go through the evaluations of these sites. They have looked at the volume here. For instance the right turn volume during the p.m. peak hour which is the highest hour from Webster onto the street is projected to be 24 vehicles. That's one vehicle every two minutes. It's much lower than the threshold than 100 vehicles where we'd say let's consider whether we really need to develop more pavement here.

Councilman Timmer stated if we can avoid one accident within that ratio you're talking about, and right now there's nothing there. We can build it now, it's harder later once it's in to tear it out and readjust it. We have an opportunity to fix a potential liability for the City long term now and he would like staff to evaluate and look at that to see if it can be resolved in a relatively easy manner without redesigning the whole budget. He has a concern and it sounds like maybe some of the other Council Members as well. He would like some evaluation to come back to them saying yes, this is doable for this one but not these ones.

Mr. Glenn Ellsmann stated they are not opposed to Councilman Timmer's request. He does want to get a clarification from their traffic engineer. He thinks he's almost implying this acceleration lane may be being too close to the deceleration lane and there could be some conflict potentially between the deceleration here and acceleration there. His question is to Mr. Carlton Waters is, what does he think of having deceleration, slight acceleration there, here and not there? So there are three points. If you did the elements that Councilman Timmer is describing, are there downsides to that from a traffic safety point of view that he's not thinking about?

Mr. Carlton Waters stated as he's been attempting to express here based on the normal rules as he, a traffic engineer, apply every time he looks at a Site Plan like this, and projected traffic volumes goes above and beyond what is necessary to service these driveways. At the same time providing a deceleration lane is not going to create a safety issue in the absence of having that acceleration lane, which creates that weaving condition that he mentioned. It does create additional maintenance costs to the City over time. Again, his professional opinion is that the combination of the deceleration and acceleration lane creates a weaving condition which is potentially more dangerous.

Councilman Timmer stated again, he would like staff to take a look at that. If your concerns are warranted, then we look at an acceleration lane and not necessarily have a deceleration lane into the first entrance. Biggest point to him is that safety issue at Webster and Greenspot. The other ones, if you can fix those and make them work, that's great. That's the corner that really bothers him because of the closeness to Boulder and Greenspot traffic signal.

City Attorney Steele stated Mayor, staff understands the concern and we can go back and reevaluate.

Mayor McCallon stated on this particular issue, staff will look at that, and when it comes back he wants to know what the cost impacts are, who's going to pay for it and if it's going to come out of redevelopment monies that we have committed to this project, what does that do for the overall project. He understands the safety concerns but he wants to understand the fiscal impacts before we proceed.

Councilwoman Scott stated you have to think of future planning too. What is Omnitrans going to do when we have more commercial down there on Greenspot; they are a hazard on Base Line so we need to have something on Greenspot.

Mayor McCallon stated that brings up another issue relative to traffic. Are there provisions along the frontage for bus stops, turns outs, etc.?

Public Works Director/City Engineer Wong stated yes, there are two bus spaces.

Councilwoman Scott stated she is concerned about Boulder too, and Mr. Ellsmann knows that because of the kids crossing, Boulder is a busy street and they are going to have to cross to get over to Beattie.

Councilman Timmer stated some areas that have a tendency to jaywalk across; the put up a wrought iron fence down the middle of the median so it would prohibit most of them from crossing that and that could be added as well.

Councilwoman Scott stated that needs to be looked into for the safety of the students.

Mr. Carlton Waters stated he thinks a decorative fence that extended most of the way between Webster where's there a signal that they can cross at and Eucalyptus where there's a signal. Once they get within 100 feet of the intersection they're going to say okay I'm going to the signal and use the crosswalk.

Councilman Racadio asked do you anticipate when most people go to work to come down this way?

Mr. Glenn Ellsmann stated this entrance here is not a drive. It is emergency access only. You have several entrances; this one here is your main entrance, this is a main entrance and this is another resident's only entrance. The traffic study is saying 58% will come here, 20% Eucalyptus and the rest here. This community is completely gated; visitors only can come through here and residents have their own entrance.

Councilwoman Scott asked just keyed and numbered or a guard shack?

Mr. Glenn Ellsmann stated the technology now in terms of having a fast pass control digitally, if you move out it's deactivated, you can't give it to your friends, you can't come back in. It's worth noting and it's in the last page of your exhibit that they handed out. The traffic mitigation fees for this project exceed, where the regional improvements which are part of your DIF program, \$10 million and then you have your local improvements which is \$3 million. Also, just so everyone understands the 2030 fair share costs for their project and their traffic analysis, every intersection that generated more than 50 trips was analyzed for this

project's fair share impact at 2017 and 2030 cumulative. The fair share costs for this project is \$2.5 million on the City and \$166,000 outside the City. The payment they are paying through the DIF fee program that has been adopted combined is \$13 million. So we're satisfying and meeting the traffic impact mitigation requirements for this project.

Councilwoman Scott stated it's because of that investment that the Council wants the best. We don't want lower standards than what we set for this City when we formed, because we always wanted Highland to be the best and we have been.

Mr. Glenn Ellsmann stated they concur. He's wondering if they should attempt to tackle the fundamental theme which has come through tonight, the detailed Site Plan on PA2, the multifamily.

Mayor McCallon stated we have 14 minutes.

Mr. Glenn Ellsmann stated he thinks it would be good to receive the highlights of what people's concerns are. Their architects are present; perhaps there could be some response to that so he's fine with that.

Mayor Pro Tem Lilburn asked from what is being proposed, remember when we did the study session and you brought something forward, can you tell us from that study session to what you have here, what did you bring back different.

Mr. Glenn Ellsmann stated the original plan that was submitted in 2008 had this larger box retail and was located here and it pushed up into the Site Plan here. The feedback was given that it would be more desirable for a larger user to be up against the freeway. Originally that was not the stated objective. So the PA1 plan took that and put it here. The only change that has been made to the Site Plan is that it used to be that the paseo went up to go around that area there. So when that flipped over, they straightened out the paseo and modified and opened up the multifamily design, added an additional recreation area, created more open space, enhanced the paseo.

Mayor Pro Tem Lilburn asked where did you add more open space?

Mr. Glenn Ellsmann stated within the project itself they added more open space. The original plan had two recreational amenity areas, they added an additional one and the added various ones here. The original Site Plan covered this whole area and there were about 503 units that were planned on this area here and their current Site Plan is 546 units. We have more units included because we included more land. Council also set forth minimum density requirements with the R4 zoning. So those are the substantive changes, PA3 has conceptually been the same.

Mayor Pro Tem Lilburn asked what adjustments were made to the parking?

Mr. Glenn Ellsmann stated the parking in planning area two, they've tried to get to a parking ratio based on working with their architect that he believes is approximately 1.85 spaces per unit. The mix of the community is between 40-45% one bedroom, 40-45% two bedrooms and the rest are three bedrooms.

Councilwoman Scott stated so you really don't have any parking for any visitors at all, and if you have a husband and wife in a one or two bedroom apartment and they both work they both have cars.

Mr. Glenn Ellsmann stated the parking ratio of overall about 1.85 based on, again their architects of Orange are familiar with designing similar communities like this all over the west coast. So the adequacy of the guest parking and the parking for the units they believe are adequate to do that.

Mayor McCallon stated your current density is 22 dwelling units per acre. What was it in the original plan?

Mr. Glenn Ellsmann stated the original plan, he believes they were about 18-19.

Mayor McCallon asked why haven't you included the additional five acres of the flood control property in PA2 residential?

Mr. Glenn Ellsmann stated they as a company evaluated an investment strategic decision. As you know, they don't own the flood control property and they don't control that part of the action that is being contemplated is to give them an opportunity to have control over that. That's a recent development. When the potential anchor tenant came to the table and informed them of the changes they would like see, they made a company decision to spend a significant at-risk investment to design the details and include all of the traffic analysis, which again cost an enormous amount of money and added significantly to the delay of the project. As a collaborative means to work in the spirit of the cooperation with the City, and trying to achieve the significant overall objective of the Golden Triangle which is to have an opportunity to maximize the retail opportunity, create an integrated community so that there's a future tax base for the City of Highland. They were uncomfortable taking that to this area so they decided, in essence, risk the investment to take care of the priority of the retail and then see what would happen.

Mayor McCallon asked assuming that they are able to acquire the flood control property what is your plan for it?

Mr. Glenn Ellsmann stated it's a good question. He thinks there could be, basically, two possibilities. One is to continue with some form of residential development. His sense is they would create a different type of a product that would then modify the western side of the plan. They've shown potential hotel uses over here, but there could be demand to potentially open up the main street, create a potential hotel plaza, this has a lot of freeway exposure and

visibility. From a practical sense it could be possible; his guess is that if they had to do some amendments to Specific Plan or otherwise and there was a hotel plaza there, he's assuming the City would probably embrace that. They've had discussion with staff but all of it is conjecture. They fundamentally believe the process that started at the beginning to allow for residential development and the genesis for where the overlay districts are today. One of the key benefits that people have addressed is a concern are they going to create a multifamily ghetto, that they are going to create an apartment ghetto. What's not talked about is if they are going to create a retail ghetto. This last downturn has shown that when retail is overbuilt and not supported by high quality residential communities, shops empty and vacate and can become a significant issue. They believe because of the orientation of the freeway, the Greenspot Road, the gateway access to the community, expansion and so forth, the addition of this helps strengthen and support the retail business. One of the concerns they have is the sequencing of what happens. They would love to see the retail develop first. That's been their dream; they've invested huge amounts of resource to try to get to that point but the retail world may follow the residential world. The feedback that they have been given is that by creating the construction of this type of community, that really places an anchor and a banner to the retail community that it's a growing community. This is the place to be versus communities that are not growing. They also believe that the objective of trying to meet the variety of segmentation in the housing of this community, his question is where do our kids go, where do the people who want to be winners by choice who have been either dislocated economically because they are not able to afford a home. There's so many segments, newly married people, retired people, renters by choice, single people, there has never been a standard upscale multifamily community constructed in the City of Highland. They think it's a segment that will sustain the whole Golden Triangle, meet the needs of the entire community and the standards and the goals and objectives that the community set out to do at the beginning of its formation, they have been aware of from the beginning. They believe that the plans and the details of the landscape and amenities, the excess of open space, the highly developed details of the architecture and so forth are designed to address the very concerns that Mr. Johnson and others have said which is how is this all going to pan out. Will we have a high quality community? They do believe that there is more criteria to the quality of the community other than does the bedroom size or the square footage size of a particular unit, is that the creator of the quality or is it the whole package, the whole system, the whole architecture, the huge investment of landscaping and amenities. What they believe they have tried to do through the Specific Plan and the submittal of the detailed plans is to have an abundance of evidence of what's being proposed here will meet and exceed, not just short term but long term, the standards and goals of the City has appropriately set out to do.

Mayor Pro Tem Lilburn stated she remembers when we first started this project and we've been with you since the get go. We took the tour to Ladera Ranch and you dangled the nice condos and the townhomes, and she thinks when he brought this back the first time those were items we wanted to see instead of a whole lot of apartments.

Mr. Glenn Ellsmann stated he thinks the community allows for opportunities for other types of housing in PA3 and even in PA2. So it's not done; they do believe that there is a critical need and demand for this type of housing. They have put place holders for other types of housing so that when the market demands, that it will be available for the community as well. So they have tried to cover the span. One question, are there any comments or concerns on the elevation or the Site Plan itself when it comes to an architectural point of view?

Mayor McCallon stated he thinks we are going to have to put that off to our continued meeting. At this point he would like to discuss a continuance of this meeting to a special meeting of some sort. He's not sure if we want to continue it to the next council meeting. City Manager Hughes, do you have any thoughts on this?

City Manager Hughes stated it seems as if there is still quite a bit of information that the Council needs to digest and go over during this process. From staff's perspective, we are a little concerned with timing, how much longer this is going to take. We have a lot of items we've been stacking up to accommodate this project, which has been pushed back a number of times, and we've been pushing back our agenda. We are getting to the point where we are getting to the budget and a lot of issues that go along with the adoption of that. What he would like to suggest is we look at possibly a special meeting rather than the next council meeting to try and tackle this. He was discussing with the City Attorney we can't adopt an ordinance; we can introduce an ordinance, of a special meeting but not adopt so maybe we can do a special meeting. You can have your input if you so desire to introduce ordinances and then we would have to bring the ordinances back to another meeting but at least we can bring ordinances back for the second reading, it won't be this type of detail and length of time. Also remember, you've given staff a number of things you want to consider so we need time.

Mayor McCallon stated tell us when you think you can accommodate us. Our next scheduled meeting is on May 28.

Mr. Glenn Ellsmann stated here is his question, if you did continue it and staff is not, if he's not mistaken, what he's hearing the City Manager say you can't take formal action on a special meeting.

Mayor McCallon stated we can introduce an ordinance, we just can't adopt it.

Mr. Glenn Ellsmann asked is staff expecting to do more work for the 28th meeting?

Mayor McCallon stated he expects them to come back with the changes to the Specific Plan that they've asked for.

City Manager Hughes stated you've also asked for a traffic analysis and costs.

Mr. Glenn Ellsmann stated to finish his thought, if the 21st is a special, and we are finishing the presentation, the discussion and feedback, there is no staff requirement to provide anything because we are just continuing now getting into PA1 and PA2. Obviously for the 28th there would be a number of things to be addressed or sometime after that. He's just wondering if staff is not needed to do anything for the Site Plan, because you're not going to discuss the Specific Plan at the next hearing.

Mayor McCallon stated that's not necessarily true.

City Manager Hughes stated the 21st will not work for the City Attorney.

A MOTION was made by Mayor McCallon, seconded by Councilwoman Scott, to continue the following items to a Special Meeting to be held on May 28, 2013 at 4:00 p.m.:

4. Introduce Ordinance No. _____ to approve Specific Plan 006-001 (SP 006-001), for the Greenspot Village & Marketplace Specific Plan;
5. Introduce Ordinance No. _____ to Approve Development Agreement 012-004 (DA-012-004) to ensure the Project proceeds in an orderly and economic fashion to the benefit of the City inclusive of the following two actions;
 - a. Approve Design Review 009-003 (DRB 009-003) for Greenspot Village and Marketplace Planning Area One (PA1), "Highland Marketplace," including the Site Plan, Conceptual Building Elevations, Conceptual Landscape Plan and Conceptual Grading Plan (Exhibit one of the Development Agreement), and;
 - b. Approve Design Review 009-004 (DRB 009-004) for Greenspot Village and Marketplace Planning Area Two (PA2), "Residential Villages", including the Site Plan, Building Elevations, Conceptual Landscape Plan and Conceptual Grading Plan (Exhibit two of the Development Agreement). Motion carried, 5-0.

ANOUNCEMENTS

May 16
May 18-19
June 3

Women of Distinction Luncheon
Relay for Life at Community Park
Choralier Concert

CLOSED SESSION

None

ADJOURN

There being no further business, Mayor McCallon adjourned the meeting at 11:00 p.m. in memory of Thomas Everett Hackler, Jr.

Submitted By:

Approved By:

Betty Hughes, MMC
City Clerk

Larry McCallon
Mayor