

MINUTES

OF THE

SACRAMENTO CITY COUNCIL
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT COMMISSION
SACRAMENTO CITY FINANCING AUTHORITY

REGULAR MEETING

September 1, 1998

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Mayor Serna at 2:05 p.m. on the above date in the City Council Chamber located at 915 I Street.

ROLL CALL

Present: Councilmembers Cohn, Fargo, Hammond, Kerth, Pannell, Steinberg, Waters, Yee and Mayor Serna

Absent: None

1.0 **CONSENT CALENDAR** (Items 1.1 through 1.22)

A motion was made by Councilmember Hammond, seconded by Councilmember Steinberg, to waive the reading and adopt the Consent Calendar, items 1.1 through 1.22. The motion carried with a 9-0 vote.

Public Review Items - Informational Only

None

Sacramento Housing and Redevelopment

- 1.1 Professional Management and Fiscal Agency Contract for Temporarily Owned Properties. (D-All)
- A. Authorize the Executive Director to select and engage professional property management firms to act on a temporary basis as the Agency's fiscal and management agent for Agency-owned properties.
 - B. Authorize the Executive Director to allow temporary use of the Agency's federal tax identification number by property management companies acting under contract with the Agency.
 - C. Authorize the Executive Director to amend the Agency's budget to recognize property income and property expenses of properties held on a temporary basis.

Adopted (A-C) Agency Resolution 98-036.

AGENCY RESOLUTION NO. 98-036

MATTERS REGARDING TEMPORARY PROFESSIONAL
PROPERTY MANAGEMENT

- 1.2 Receipt of documents related to proposed amendment to the Sacramento Army Depot Redevelopment Plan and Consent to Public Hearings. (D-6)
-

Adopted Agency Resolution 98-037 and Council Resolution 98-443.

AGENCY RESOLUTION NO. 98-037

SUBMITTING THE REPORT AND PROPOSED FIRST AMENDMENT TO THE CITY COUNCIL; APPROVING AND ADOPTING THE REPORT TO THE CITY COUNCIL OF THE PROPOSED FIRST AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE SACRAMENTO ARMY DEPOT REDEVELOPMENT PROJECT; CONSENTING TO AND REQUESTING THE CITY COUNCIL TO CALL A JOINT PUBLIC HEARING ON SAID FIRST AMENDMENT; AND CALLING A CONCURRENT PUBLIC HEARING OF THE AGENCY ON THE PROPOSED FIRST AMENDMENT TO THE IMPLEMENTATION PLAN FOR THE SACRAMENTO ARMY DEPOT REDEVELOPMENT PROJECT

RESOLUTION NO. 98-443

RECEIVING THE PROPOSED PLAN AMENDMENT REPORT TO COUNCIL AND ENVIRONMENTAL IMPACT REPORT AND CONSENTING TO AND CALLING A JOINT PUBLIC HEARING ON THE PROPOSED FIRST AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE SACRAMENTO ARMY DEPOT REDEVELOPMENT PROJECT

City Council

- 1.3 Freeport/Fruitridge Steel Water Main Replacement Project - Phase 5 (PN:ZF91), located within the Freeport Park area north of Fruitridge Road and west of Freeport Boulevard - award contract to L.N. Craig Construction, Inc., for an amount not to exceed \$599,154. (D-4)
-

Adopted Resolution 98-444 awarding Contract 98-130.

RESOLUTION NO. 98-444

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONTRACT WITH L.N. CRAIG CONSTRUCTION, INC., FOR THE FREEPORT/FRUITRIDGE STEEL WATER MAIN REPLACEMENT PROJECT - PHASE 5 (PN:ZF91) FOR AN AMOUNT NOT TO EXCEED \$599,154

- 1.4 Fire Hydrant Replacement Project, 1998 (PN:ZD51) - award contract to Ken Leek Co. for an amount not to exceed \$133,832. (D-All)
-

Adopted Resolution 98-445 awarding Contract 98-131.

RESOLUTION NO. 98-445

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONTRACT WITH KEN LEEK CO., FOR THE FIRE HYDRANT REPLACEMENT PROJECT, 1998 (PN:ZD51) FOR AN AMOUNT NOT TO EXCEED \$133,832.

- 1.5 Granite Regional Park, located between Power Inn Road, Florin-Perkins Road, 14th Avenue, and Light Rail Transit/Jackson Highway. (D-6)
- A. Adopt the "Granite Regional Park Preliminary Master Plan" and "Granite Regional Park: Program Description" dated August 6, 1998, as the preliminary master plan and program description for the regional park; and
 - B. Direct staff to report back to Council with a status report regarding implementation of the preliminary master plan when first phase of park development is funded and scheduled to begin.
-

Adopted (A-B) Resolution 98-446.

RESOLUTION NO. 98-446

A RESOLUTION OF THE CITY COUNCIL ADOPTING
THE GRANITE REGIONAL PARK MASTER PLAN AND
PROGRAM DESCRIPTION

- 1.6 Prohibit parking from 8 a.m. to 3:30 p.m. on a portion of Redding Avenue from San Joaquin Street north for 500 ft. (D-6)
-

Adopted Resolution 98-447.

RESOLUTION NO. 98-447

A RESOLUTION TO PROHIBIT PARKING CERTAIN
HOURS

- 1.7 Annexation of Bear Flag Way into the Sutter Hospital Residential Permit Parking Area located on Bear Flag Way 48th Street to J Street. (D-3)
-

Adopted Resolution 98-448.

RESOLUTION NO. 98-448

A RESOLUTION ANNEXING CERTAIN STREETS INTO
THE SUTTER HOSPITAL RESIDENTIAL PERMIT
PARKING AREA

- 1.8 Establishment of a thirty minute parking time zone on a portion of Broadway from 17th to 18th Streets. (D-4)
-

Adopted Resolution 98-449.

RESOLUTION NO. 98-449

A RESOLUTION ESTABLISHING PARKING TIME
LIMITS

- 1.9 Establishment of a one hour parking time zone on a portion of S Street from 13th to 14th Streets. (D-4)
-

Adopted Resolution 98-450.

RESOLUTION NO. 98-450

A RESOLUTION ESTABLISHING ONE HOUR PARKING
TIME ZONE

- 1.10 Citation and Arrest Authority: Neighborhoods, Planning and Development Services, Housing and Dangerous Buildings Inspections, pursuant to Sacramento City Code, Title 30 and California Penal Code Section 836.5. (D-All)
-

Adopted Resolution 98-451.

RESOLUTION NO. 98-451

A RESOLUTION GRANTING CITATION AND ARREST
AUTHORITY TO CERTAIN INDIVIDUALS FOR
PURPOSES OF ENFORCING CERTAIN CHAPTERS OF
THE CITY CODE AND PENAL CODE

- 1.11 Housing Case Fees and Penalties, pursuant to Titles 49 and 50 of the Sacramento City Code - Findings of Fact for Special Assessment Liens. (D-All)
-

Adopted Resolution 98-452.

RESOLUTION NO. 98-452

A RESOLUTION ACCEPTING THE FINDINGS OF FACT
OVERRULING PROTESTS AND PLACING LIENS ON
PROPERTIES FOR UNPAID ASSESSMENTS AS SHOWN
ON ATTACHMENT

- 1.12 H Street Bridge Rail Replacement Project (PN:TM26), located at Elvas Avenue Over Crossing over H Street - Approval of Change Order No. 2 in the amount of \$41,628.02 and transfer of funds from the Gas Tax Contingency Reserve Fund in the amount of \$15,000. (D-3)
-

Adopted Resolution 98-453.

RESOLUTION NO. 98-453

RESOLUTION APPROVING THE APPROPRIATION AND
TRANSFER OF FUNDS IN THE AMOUNT OF \$15,000
TO THE H STREET BRIDGE RAIL REPLACEMENT
PROJECT (PN:TM26)

- 1.13 Purchase of four (4) additional replacement side loading refuse trucks in accordance with the provisions of Bid No. 1766 in a total amount of \$560,054.33. (D-All)
-

Adopted staff recommendation.

- 1.14 Purchase of four (4) additional replacement rear loading refuse trucks in accordance with the provisions of Bid No. 1778 in a total amount of \$504,162.25. (D-All)
-

Adopted staff recommendation.

- 1.15 13th Street Sewer Replacement B/C Alley to J Street (XC42) - accept bid and award contract to Bay Pacific Pipelines, Inc., for an amount not to exceed \$1,064,530. (D-1)
-

Adopted Resolution 98-454 awarding Contract 98-132.

RESOLUTION NO. 98-454

RESOLUTION AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONTRACT WITH BAY PACIFIC PIPELINES, INC., FOR THE 13TH STREET SEWER REPLACEMENT, B/C ALLEY TO J STREET (PN:XC42) FOR AN AMOUNT NOT TO EXCEED \$1,064,530.

- 1.16 East End Project - Ratification of Council action taken August 25, 1998 re: working group recommendations to State Office of General Services. (D-3)
-

Adopted staff recommendation.

- 1.17 Neighborhood Traffic Management Program (NTMP) - Status Report for Fiscal Year 1997/98. (D-All)
-

Adopted Resolution 98-455.

RESOLUTION NO. 98-455

RESOLUTION ADOPTING THE NEIGHBORHOOD TRAFFIC MANAGEMENT PROGRAM (NTMP) STATUS REPORT FOR FISCAL YEAR 1997/98

- 1.18 Request to reopen an application period for Natomas Basin Conservancy Board Technical Advisory Committee for two vacancies. (D-All)
-

Application period opened; applications due September 18, 1998.

- 1.19 Request to reopen an application period for the Natomas Basin Conservancy Board of Directors for three vacancies. (D-All)
-

Application period opened; applications due September 18, 1998.

- 1.20 Ordinance amending Section 1.01.070 of Title 1 [General Provisions] of the Sacramento City Code relating to Criminal Sanctions, Civil Actions, and Administrative Penalties for violations of the Sacramento City Code, Charter, Uncodified Ordinances, Uniform Codes, Orders, Conditions, and Requirements. [PFP'd August 25, 1998, item 1.9] (D-All)
-

Adopted Ordinance 98-038.

ORDINANCE NO. 98-038

AN ORDINANCE AMENDING SECTION 1.01.070 OF THE SACRAMENTO CITY CODE RELATING TO CRIMINAL SANCTIONS, CIVIL ACTIONS, AND ADMINISTRATIVE PENALTIES FOR VIOLATIONS OF THE SACRAMENTO CITY CODE, CHARTER, UNCODIFIED ORDINANCES, UNIFORM CODES, ORDERS, CONDITIONS, AND REQUIREMENTS

- 1.21 Contract Programmer Services - approval of Consultant Services Agreement in the amount of \$27,412 with Computer Resources Group, bringing vendor's total compensation to \$179,252. (D-All)
-

Adopted Resolution 98-456 approving Agreement 98-130.

RESOLUTION NO. 98-456

RESOLUTION AUTHORIZING AN AGREEMENT WITH COMPUTER RESOURCES GROUP FOR CONTRACT PROGRAMMER SERVICES

- 1.22 U.C.D. Med Center Regional Storage Project (PN:XM44), located at the southwest corner of V and 49th Streets - award contracts to Associated Concrete Products, Inc., for an amount not to exceed \$1,119,600 and to Gifford-Hill Concrete Products for an amount not to exceed \$1,116,096. (D-5)
-

Adopted Resolution 98-457 awarding Contracts 98-133 and 98-134.

RESOLUTION NO. 98-457

RESOLUTION TO AWARD CONTRACTS TO ASSOCIATED CONCRETE PRODUCTS, INC. FOR AN AMOUNT NOT TO EXCEED \$1,119,600 FOR THE U.C.D. MED CENTER REGIONAL STORAGE PROJECT (PN:XM44)

* * * * *

****Note: A motion was made out of sequence by Councilmember Fargo, seconded by Councilmember Waters, to continue items 4.2 and 4.3 to September 15, 1998. The motion carried with a 9-0 vote.

2.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

****Note: this item was heard out of sequence following item 5.1.

- 2.1 Monthly Status Report by Design Review Board. [oral report]
-

John Packowski, Chair, Design Review and Preservation Board, advised that the last meeting had been antagonistic, and as a result changes would be made, particularly as to implementing better communication, new meeting guidelines, and greater community outreach. Mr. Packowski identified the conflict as arising between what the neighborhoods want vs. the professional view of what is needed. Regarding the Alhambra area parking and streetscape, the Board architects applied an architectural theme and an historical design, which became a point of controversy. Regarding the 17th and J Street location, the Office Max Building, most neighborhood groups were opposed to the original design, which was then reversed. Mr. Packowski advised that the

residents are split between urban/suburban style; residents opinions will be taken into consideration through outreach efforts.

Mayor Serna advised that Board members are his appointees; he emphasized proper decorum at Board meetings since the members are representatives of the City and poor behavior is an embarrassment to the City. If members do not conduct themselves in a professional manner, they will receive a note of admonishment and may be called before the City Council. Mr. Packowski agreed with the Mayor concerning these behavior issues.

Councilmember Cohn commented that he was disturbed by the report, fearing that it would affect the Board's efficiency in making decisions. Mr. Cohn noted that the property at 17th and J Streets was in his District; he felt that the second design fit in well with its surroundings.

Mr. Packowski commented that the debate must be taken to the public, so that there may be coordination between the neighborhood and the Board; he stated that he now has a better understanding of what is desired.

Councilmember Hammond expressed her thanks for the emotional report; she added that there are some PACs groups the Mayor appoints and inevitably, some meetings are acrimonious on certain issues. Ms. Hammond suggested that a meeting be devoted to parliamentary procedures. She advised Mr. Packowski that the City Agenda is on the City's web site. Ms. Hammond wanted an update on the Farmer's Market, noting that no one in District 5 has protested; protests came from other districts.

Mayor Serna referred to the information sheet that is always in front of every Councilmember's Agenda binder, saying that he insisted on courteous behavior and if he heard any more complaints regarding the Boards, he would not reappoint those members.

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3.0 PUBLIC HEARINGS

- 3.1 Ordinance adding a subsection to Section 2-G to the Comprehensive e of the City of Sacramento (Ordinance No. 2550, Fourth Series, as amended) relating to Community Serving uses on Sacramento Housing and Redevelopment Agency (SHRA) owned property (M97-037) (continued from 7/21/98, item 3.1) (D-All)

This item was withdrawn [staff].

- 3.2 Required Report on Public Health Goals. (D-All)

Roland Pang, Water and Sewer Superintendent, presented the report.

SB 1307 (Calderone-Sher, effective 1-1-97) mandates that a report be prepared to provide information to the public in addition to the Annual Water Quality Report which is mailed to each customer. The new law requires that a public hearing be held, which can be part of a regularly scheduled public meeting, for the purpose of accepting and responding to public comment on the report. This public hearing is scheduled as part of the City Council meeting and has been advertised as required for public hearings.

Mr. Pang advised that Well 136 exceeded the Public Health goal, but not a maximum contaminant level; 1500 notices were sent to the residents in the affected area. Any comments received today will be incorporated into the final report, which would then be made available to the public.

Mayor Serna remarked that this action was the result of Senator Sher's report.

There was no further discussion on this item.

A motion was made by Councilmember Fargo, seconded by Councilmember Cohn, to close the hearing. The motion carried unanimously. The item was for Council information, and no action was required.

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4.0 STAFF REPORTS

- 4.1 Proposed policy for the City to pay the cost of real property appraisals used to assess a City official's potential conflict of interest while conducting City business. (D-All)
-

Deputy City Manager Martinez presented the report.

On August 18th, 1998, the City Council approved an intent motion to adopt a resolution to establish a policy to pay for conflict of interest appraisals for City Council members and Planning Commissioners with potential conflicts of interest. The Council directed that the proposed resolution be amended to limit the City's payment for appraisals for Planning Commissioners to situations where the Planning Commission has final decision-making authority over one or more entitlements, and not in situations where the Planning Commission has recommendation authority only.

At the August 18 meeting, the Council also expressed an interest in the possibility of providing for limited disclosure the affected official of the ultimate conclusion of the appraisal only (i.e., whether the reasonably foreseeable financial effect was \$10,000 or more, or whatever the applicable financial threshold is), and the possibility of treating the appraisals as confidential.

Deputy City Attorney Archibald advised that the attached memorandum from the City Attorney's Office addresses these issues, and advises that limited disclosure and confidentiality should be considered practically and legally infeasible. (For the full text of the City Attorney's memo, please see pages 3 & 4 of the staff report.)

Mr. Archibald advised that theoretically, the Council could adopt a policy providing only for disclosure to the Council or to the official for whom an appraisal is prepared, or both, of the ultimate conclusion of the appraisal. However, the appraisal itself would be a public record; the Attorney's office is not aware of any exception under the Public Records Act which would allow the City to shield the full appraisal report from disclosure upon the filing of a Public Records Act request, or from its subsequent collateral use.

Mr. Archibald noted that, as discussed at the August 18th meeting, it is anticipated that an official, upon receiving an appraisal showing the absence of conflict, may wish to seek written advice from the Fair Political Practices Commission on his/her right to participate in the decision in question. This approach has been taken in a number of

situations in other jurisdictions. In such instances, the standard practice is to include the full appraisal report as part of the advice request, presumably to allow for limited review by the FPPC. While the FPPC will not certify that the appraisal is correct and accurate, they presumably would advise of any major flaws or defects in the appraisal or the manner in which it was undertaken and question the reliance upon such appraisal. Merely providing a statement of the ultimate conclusion of the appraisal provided nothing for the FPPC to review and advise upon, and will likely result in a letter that provides little, if any, advice or protection.

Mayor Serna inquired as to whether in the instance of the Arden Garden Connector, if the appraisal is \$10,000 above or below, could a Councilmember participate? Mr. Archibald responded if the value of the appraisal is not correct, the FPPC will review; if there were no conflict with the factors that require consideration, the FPPC would expect the official involved to determine his/her level of comfort regarding participation in the discussion.

Councilmember Hammond established with Mr. Archibald that the FPPC would provide its opinion in writing.

A motion was made by Councilmember Cohn to adopt the staff recommendation.

Mr. Cohn commented that ultimately each City Council member must decide if he or she is willing to take the risk regarding participation. Mr. Cohn added that he would have preferred a way of insuring that a given individual would not derive any personal benefit from the appraisal.

The motion was seconded by Councilmember Hammond.

Councilmember Fargo commented that she did not feel at any time that property she and her husband owned and/or was under construction would be affected. Ms. Fargo added that appraisals are expensive; there is a need to exercise caution and to do this on a case-by-case basis; she assumed that the City Council would vote on each case. The main concern in her case, regarding the Arden Garden Connector, was related to the distance of her property to the Connector. Ms. Fargo observed that appraisals performed for the City usually cost more than those done for an individual; she urged prudence in choosing appraisers and not choosing those who would overcharge the City. The distance ruling in question states that an individual who owns property located within 300 feet of a project must not participate in discussion; if it is a very large project, the distance requirement escalates to 2500 feet.

Mayor Serna remarked that the best measure is if there is a public interest.

Councilmember Steinberg inquired as to whether, if a public official relies on FPPC's evaluation, it absolves that public official of responsibility, giving protection from legal repercussions; he added that a public official must balance an obligation to the public vs. risk to the official's public office. Mr. Steinberg commented that if we pay for an appraisal and get a letter from the FPPC, the official must feel comfortable about casting a vote.

Mayor Serna expressed concern as to whether there would be later repercussions or penalties if he chose to take part in a discussion based on advice from the FPPC; he wanted the same immunization that Mr. Steinberg desired.

Mr. Steinberg asked how to solve this problem, and why use public money to pay for an appraisal without a safety net? Why vote anyway?

Mayor Serna agreed with Mr. Steinberg in that the public interest is to be served, but if a public official is by that service placed in a position of potential liability, the issue then becomes a personal interest to avoid placing oneself in legal jeopardy.

Mr. Martinez advised that while the legal department states that there is no way to provide 100% legal protection, there was public concern that certain Planning Commissioners and City Council members can't vote on this. We are saying there is a way, but it is not 100% without risk to the official.

Mr. Steinberg asked Mr. Archibald whether any potential liability would be considered a civil or criminal one? Mr. Archibald responded that would potentially include all types, adding that to date, no action had been taken against City officials. He wanted to review the statutes to see what advantage City Council members would derive from getting a written advice letter from the FPPC.

Mr. Steinberg wanted the City to indemnify the City's elected officials in the event that the FPPC would change its mind and hold those officials liable.

City Attorney Jackson advised that the sanctions are both Civil and Criminal; there is a \$2,000 fine; there will not be a 100% guarantee. If a good faith effort was made, and there is no apparent deficiency, the FPPC would be hard-pressed to go forward. It is hard to determine how this would evolve.

Mr. Cohn stated that he did not want to spend public money if officials decide not to vote anyhow; the individual decision-maker is the one responsible. Mr. Cohn urged that the option not be abused; he added that any legal result would be a misdemeanor, not a felony. It a Council member feels that he or she wants to vote on an issue, that person should come to the City Council and make a specific request for an appraisal.

Councilmember Hammond established with Mayor Serna that in the event public money was used for an appraisal, and the individual is fined, public money would not be used to pay the fine. The Mayor was clear that the City may not immunize the official.

Mr. Steinberg commented that the whole purpose of this option is to get members to vote; he asked if the City Council would be willing to indemnify fellow City Council members or officials? Ms. Hammond felt that this goes to the individual member's level of comfort. Mr. Steinberg requested Mr. Archibald to return with a definitive answer regarding the weight of an advice letter from the FPPC, so that we know what level of protection that would provide, should we adopt this policy to pay for an appraisal.

City Attorney Jackson commented that there was really not much more that Mr. Archibald could do. Mr. Archibald advised that any Council member who acts as a result of FPPC's written advice letter is always protected against any further action by the FPPC.

Mr. Martinez clarified that, regarding the process, the City Manager would notice everyone, including the City Clerk, who would be asked to put the item on the Preliminary Agenda. He added that this was not an automatic occurrence; it must be called up by a City Council member.

The motion carried with a 9-0 roll call vote.

RESOLUTION NO. 98-458

RESOLUTION ESTABLISHING PROCEDURES FOR CITY
PAYMENT OF CONFLICT OF INTEREST RELATED
REAL PROPERTY APPRAISAL COSTS

****Note: Item 4.2 was heard out of sequence following the Consent Calendar.

- 4.2 Citywide Sponsorship Program - *CAPITAL SPIRIT*. (D-All)
- A. Authorize solicitation of proposals in the Non-alcoholic Beverages and Telecommunications categories under the proposed RFP process.
 - B. Authorize advertising of a notice of opportunity to major companies doing business in Sacramento in primary sponsorship categories.
-

A motion was made by Councilmember Fargo, seconded by Councilmember Waters, to continue this item to September 15, 1998. The motion carried with a 9-0 vote.

****Note: Item 4.3 was heard out of sequence following the Consent Calendar.

- 4.3 Park Maintenance Standards. (D-All)
-

A motion was made by Councilmember Fargo, seconded by Councilmember Waters, to continue this item to September 15, 1998. The motion carried with a 9-0 vote.

- 4.4 Ebara Technologies Personal Property Tax Reimbursement, located at 51 Main Avenue, approximately 3 blocks east of Northgate Boulevard on the east side of the East Main Drainage Canal. (D-2)
-

Dean Peckham, Management Analyst, Neighborhood, Planning & Development Services, presented the report.

Mr. Peckham referenced the amended resolution distributed today, which states in point #7 that the City will annually rebate a maximum \$35,317.28, not to exceed \$152,162, for a period of five (5) years beginning in FY 1998-1999, subject to Sacramento County assessments; point #10, that the purchase of the new property (manufacturing equipment) will create at least 10 new full-time jobs, at a salary of at least \$10/hour or \$20,000/year and these positions will continue for a continuous period of 5 years; point #11, that Ebara will file an annual employment report with the City Clerk certifying that they have maintained their employment level of 163 employees plus the 10 new employees; and point #12, that in the event that Ebara contests its personal property tax assessment during the term of this rebate (FY 1998/2999-2002-2003), it will not be reimbursed by the City until evidence of payment has been submitted. In point #13, the resolution states that if Ebara should violate any of the aforementioned conditions, they will forfeit any future payments and the City may recapture all of the property tax rebated.

The City will rebate its share (25.747%) of the incremental difference in the growth of Ebara's personal property tax bill. The maximum annual amount to be rebated is \$35,317. Based upon the depreciation tables provided by the Sacramento County Assessor's Office, it is projected that the City's share of the personal property tax will be a

maximum of \$152,162 over five years.

Mr. Peckham advised that Ebara Technologies is a local manufacturer of vacuum pumps for the worldwide semiconductor industry. Ebara's pumps remove air and chemical gases from the sealed chambers in which semiconductors are made.

Pumps manufactured at this plant cost between \$15,000 and \$50,000, generating annual sales of approximately \$50 million. Its customers include such local and international names as Hewlett Packard, NEC and Intel. Ebara employs approximately 187 people currently, with an average wage of \$35,000.

Mr. Peckham advised that in 1994, the State signed into law AB 1823 (now known as Section 5108 of the State Revenue and Taxation Code). This law permits local jurisdictions to reimburse private corporations for up to 100 percent of their share of the new personal property taxes generated by these facilities. This law was passed as an "economic revitalization measure", directed towards property used in the manufacturing process. The use of the property must create at least 10 new full-time (2,000 hours/year) jobs at a salary of \$10/hour, or \$20,000/year, and must continue for a period of five years.

Councilmember Kerth advised that he had a recent tour of Ebara; he wanted to keep Ebara here and keep the jobs here.

A motion was made by Councilmember Kerth, seconded by Councilmember Fargo, to adopt Amended Resolution 98-459. The motion carried with a 9-0 roll call vote.

Approving Agreement No. 98-179

AMENDED RESOLUTION NO. 98-459

A RESOLUTION APPROVING A REBATE OF THE PERSONAL PROPERTY TAX ON THE PURCHASE OF NEW CAPITAL EQUIPMENT FOR EBARA TECHNOLOGIES, INC. LOCATED AT 51 MAIN AVENUE (AN#226-0050-033-2400)

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5.0 **SHRA**

Staff Report:

5.1 Status report back on Newton Booth [27th and V Streets] (D-4)

Beverly Fretz-Brown, Director of Housing Development, SHRA, presented the report.

At the August 5, 1998 meeting, the City Council requested preliminary cost estimates for the rehabilitation of the single-family properties located at 2217, 2205, and 2215 27th Street and 2700 and 2706 V Street (see Attachment I and II). The properties are privately owned; the owner's intentions for their disposition are uncertain.

The 40' by 80' sites are zoned R1B, which allows single-family units by right and two-family units subject to special permit approval. The homes range in size from 900 to 1320 square feet and are in various states of disrepair. The rehabilitation costs are rough estimates due to the inability to perform destructive testing for dry rot, termites,

and hazardous materials. Inspections and cost estimates were carried out by a licensed contractor, hired by Neighborhood Housing Services, and Agency rehabilitation staff.

Attachment III illustrates the cost and scope of two levels of rehabilitation and a new construction alternative. For specific cost estimates on the properties, please see page 2 of the staff report.

Based on the comparables, Agency staff estimates that an investment in substantial rehabilitation could be covered by market sales prices ranging from \$65,000 to \$85,000.

Councilmember Fargo commented that she appreciated staff's work, but questioned in which direction this issue was proceeding? She wanted to see a specific plan and a decision from the owner as to how to proceed.

Gary Stonehouse, Planning Director, responded that the report shows profitable alternatives for the site; our role is to either rehabilitate or demolish. Mr. Stonehouse added that if the properties are demolished, there is no requirement to rebuild. He advised that the owner was willing to demolish and rebuild, but no proposal has been received as yet regarding the owner's intention.

Ms. Fargo asked whether there would be a community meeting later? Mr. Stonehouse responded that the neighborhood activists are interested in the outcome.

Ron O'Connor, Housing and Dangerous Buildings, asked whether the Council wanted his department to begin the noticing process? Ms. Fargo asked whether that was at the discretion of the City Council? Mr. O'Connor advised that H&DB was waiting for the report from the Attorney as to what may or may not be waived; staff wanted direction, but were told to hold off until directed otherwise.

City Attorney Jackson advised that there was no need for the City Council to decide whether to waive or not; there is confusion surrounding the last meeting and Mr. O'Connor is unsure how to proceed.

Ms. Fargo responded that she wanted to see housing restored to that neighborhood. If financing is available, trying to do a partnership is one approach, but the owner has not attended a City Council meeting to discuss the issue.

Mr. Stonehouse commented that Mr. O'Connor's concern was about levying administrative fees against these properties, if the intention was to transfer the units to a non-profit housing corporation vs. demolishing. City Attorney Jackson confirmed that any recordable fees against the property follow the property.

Mayor Serna directed that this issue not be brought back to Council until there was something solid to consider. The Mayor asked Councilmember Yee to call the developer to set up a meeting with staff, Mr. Yee, and himself to see what could be done.

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6.0 COUNCIL IDEAS AND QUESTIONS

- 6.1 Councilmember Cohn advised that the tennis courts at McKinley Park are now reopened. Mr. Cohn expressed his thanks to Dave Spease, Sue Brown, and Bill Campbell for their efforts; the project was completed at under 20% of the original \$500,000 estimate. Mr. Cohn encouraged young people who do not play football or similar sports to play tennis.
- 6.2 Councilmember Cohn advised that he had welcomed USA Track and Field this morning; the contract is signed and it is now official that the year 2000 Olympic Trials will be held in Sacramento. The officials were enthusiastic about Sacramento and the facilities.
- 6.3 Mayor Serna thanked Councilmember Cohn for covering the signing of the USA Track and Field contract in his place. The Mayor advised that he had attended the 50th Anniversary of Service Award for Agnes Tomei of Blue Diamond Almond Growers. The Mayor noted that Ms. Tomei still teaches advanced Italian at City College, and has no plans to retire from Blue Diamond in the near future.

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7.0 CITIZENS ADDRESSING COUNCIL (MATTERS NOT ON AGENDA)

- 7.1 R.G. Stuter expressed his appreciation of various City Council members and suggested that the City would benefit from the services of a lobbyist or ombudsman to forestall problems earlier. Mayor Serna advised Mr. Stuter that the City already has a lobbyist.
- 7.2 Stephen P. Tourigny, Vice President of Operations, Ebara Technologies, Inc., expressed his thanks to the City Council for their assistance in keeping the company here, and in particular to Councilmember Kerth for his help in obtaining easements. Mr. Tourigny advised that construction was completed in record time.

Mayor Serna commented that the business was important to the City. Mr. Tourigny added that there was an increase in skill levels for people who worked for Ebara Technologies.

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8.0 CLOSED SESSION

None

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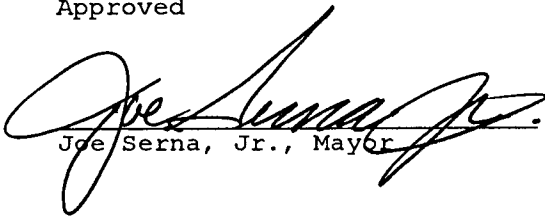
ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 3:40 p.m.

Submitted


Valerie A. Burrowes, City Clerk

Approved


Joe Serna, Jr., Mayor