

The City Council met in regular session at the hour of 8:30 a.m. in the Council Chamber, City Hall, on the day above written.

Present:	Brian Calhoun	Councilmember
	Paul Caprioglio	Councilmember
	Mike Dages	Councilmember
	Jerry Duncan	Councilmember
	Cynthia Sterling	Acting Council President
	Blong Xiong	Council President
Absent:	Henry Perea	Councilmember

Andy Souza, City Manager
 James Sanchez, City Attorney
 Becky Klisch, City Clerk
 Yolanda Salazar, Assistant City Clerk

Acting President Sterling gave the invocation and President Xiong led the Pledge of Allegiance.

Councilmember Dages announced Sutee Vatanathun, a FAX employee for five years and who was deployed to Iraq in March, passed away November 1ST and called for a Moment of Silence.

PRESENTATION OF THE SPCA PET OF THE MONTH - COUNCILMEMBER DAGES

The pet available for adoption, "Skyler", an eight year old female Australian Shepherd Queensland Heeler mix, was presented.

RESOLUTION OF COMMENDATION TO WILLIAM E. DIETZEL - COUNCILMEMBER DUNCAN

Read and presented.

APPROVE MINUTES OF OCTOBER 28, 2008:

On motion of Councilmember Dages, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the minutes of October 28, 2008, approved as submitted.

COUNCIL MEMBER REPORTS AND COMMENTS:

Councilmember Calhoun (1) commended construction management staff on Phase II of the Santa Fe Depot stating it was a very attractive facility and encouraged all to visit; (2) requested an update on consolidation of police and sheriff services; and (3) questioned if the city of Fresno had any investment in a bank in Ireland that has been in the news lately due to their shaky lending practices to municipalities and loss of money, with City Manager Souza responding.

Councilmember Dages thanked Parking Manager Estabrooke and Public Works Director Weimiller for responding to a couple of matters he had on the agenda.

Acting President Sterling requested a tray memo on the bicycle rules for the Fulton Mall including who is involved in the development of those rules.

President Xiong (1) questioned if the upcoming parks policy would accompany the fees, with Mr. Souza responding affirmatively; (2) thanked Operation School Bell Assistance League for their work in providing school needs and clothing to disadvantaged children in the Fresno and Clovis school districts; (3) congratulated the VIBE team on their luncheon event; (4) thanked Transportation Director Hamm for giving him the opportunity to be a pumpkin judge and congratulated the winners; and (5) thanked Mayor Autry for sharing time on the Hmong radio show these past couple of weeks and also thanked the various Hmong organizations and community leaders for hosting a dinner for the Mayor for his work in the community and specifically with the Hmong community.

APPROVE AGENDA:

On motion of Councilmember Dages, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the **AGENDA** hereby approved as presented, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Sterling, Xiong
Noes : None
Absent : Perea

ADOPT CONSENT CALENDAR:

Cherrie Smith, E. Washington Avenue, spoke in opposition to Item **1-G**.

Acting President Sterling pulled Item **1-G** from the consent calendar for separate discussion/action.

(1-A) APPROVE A CONSULTING AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC., CONSULTING AIRPORT ENGINEERS, TO PROVIDE PROFESSIONAL CIVIL ENGINEERING SERVICES FOR THE REHABILITATION/RECONSTRUCTION OF TAXIWAY B AT THE FYI AIRPORT IN AN AMOUNT NTE \$850,000

(1-B) APPROVE A LANDSCAPE IMPROVEMENT AGREEMENT WITH OWNERS SAM AND LISA MONACO TO RESERVE RIGHT OF WAY TO BUILD THE FUTURE RAILROAD GRADE SEPARATION NEAR THE HERNDON AVENUE/GOLDEN STATE BOULEVARD INTERSECTION, AND AUTHORIZE THE PUBLIC WORKS DIRECTOR OR DESIGNEE TO EXECUTE THE AGREEMENT

(1-C) **RESOLUTION NO. 2008-302** - 35TH AMENDMENT TO AAR 2008-162 APPROPRIATING \$1,352,400 FOR SUPPLEMENTAL UGM REIMBURSEMENTS FROM AVAILABLE FUNDS TO APPROVED DEVELOPERS

(1-D) APPROVE CONTRACTS WITH THE FRESNO COUNTY OFFICE OF EDUCATION TO PROVIDE UP TO \$127,537 FOR THE PARCS DEPARTMENT TO CONDUCT COLLABORATIVE AFTER-SCHOOL PROGRAMS (FRESNO JR. BEST) AT FIVE FUSD MIDDLE SCHOOL SITES RUNNING THROUGH JUNE 30, 2009

1. RESOLUTION N. 2008-303 - 42ND AMENDMENT TO AAR 2008-162 APPROPRIATING \$25,900 IN THE PARCS DEPARTMENT TO CONDUCT THE PROGRAMS

(1-E) APPROVE AGREEMENT WITH THE UNITED WAY OF FRESNO COUNTY FOR THE WEED & SEED CENTRAL GRANT PROGRAM

1. RESOLUTION NO. 2008-304 - 32ND AMENDMENT TO AAR 2008-162 APPROPRIATING \$51,400 FOR THE PROGRAM

(1-F) APPROVE SIDE LETTER OF AGREEMENT WITH THE FRESNO CITY EMPLOYEES ASSOCIATION (FCEA), UNIT 03, REGARDING UNIFORM ALLOWANCES FOR POLICE AND FIRE DEPARTMENT STAFF

On motion of Acting President Sterling, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the above entitled **CONSENT CALENDAR** hereby adopted, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Sterling, Xiong

Noes : None
Absent : Perea

CONTESTED CONSENT CALENDAR:

(1-G) BILL NO. B-67 - ORDINANCE NO. 2008-65 - AMENDING THE FRESNO MUNICIPAL CODE REGARDING FREE PARKING FOR CERTAIN LOW EMISSION VEHICLES AT CITY-OWNED PARKING FACILITIES AND PARKING METERS (ELIMINATING THE FREE PARKING PROVISION)

Acting President Sterling stated she still had a lot of questions relative to outreach, upon her request Parking Manager Estabrooke responded to Cherrie Smith's earlier comments/concerns, and Acting President Sterling presented questions/comments relative to how this will impact hybrid vehicles, concern with starting a program and then eliminating it, and request to staff to keep her office informed.

Gail Hurlbut, W. Swift Avenue, questioned why the change was occurring, with Mr. Estabrooke and City Manager Souza responding and clarifying the entire program was being eliminated per Council direction which was different from what staff had originally proposed.

Councilmember Calhoun stated what was before Council was appropriate, it still provided for handicapped/disabled citizens, a program that discriminated in any way based on engine size was not the way to go, and this program was tried and had not worked well as downtown employees with hybrids would park all day long which was not the intent, and stated hybrid vehicles were no longer a novelty as they were years ago and made a motion to adopt the ordinance, which was seconded by Councilmember Duncan. Upon question of President Xiong, Mr. Souza clarified those who purchased program tickets that will still have time remaining after the program is eliminated in January will get their entire fee refunded.

On motion of Councilmember Calhoun, seconded by Councilmember Duncan, duly carried, RESOLVED, the above entitled Bill No B-67 adopted as Ordinance No. 2008-65, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Sterling, Xiong
Noes : None
Absent : Perea

(9:00 A.M. #1) AWARD A CONTRACT TO SMG FOR THE OPERATION AND MARKETING OF THE FRESNO CONVENTION AND ENTERTAINMENT CENTER (FCEC)

City Manager Souza gave an in-depth review of the issue, all as contained in the staff report as submitted, and recommended approval. Councilmember Dages spoke briefly in support of the issue and SMG, acknowledged the many letters of support that had been received, stated he liked the option of ten one-year agreements and added there had been a lot of improvements working as a team, and commended Mr. Overfelt and made a motion to approve the contract, which was seconded by Councilmember Duncan.

Acting President Sterling presented numerous questions and comments at length relative to correspondence received from various groups/organizations relative to customer relations/service, catering, **(2 - 0)** and former employee concerns, the need to address all concerns, financial arrangements/employee benefit portion of the agreement, the economy and justification for moving forward with SMG, city oversight, and request SMG keep Council informed of any concerns that are received, with SMG Manager Overfelt and Mr. Souza responding to questions and clarifying issues throughout.

Councilmembers Calhoun and Duncan both spoke in strong support stating bringing SMG in was the best decision ever made, presented questions briefly relative to relationship with the CVB (with Mr. Souza and Mr. Overfelt responding), and commended the mayor, city manager, and SMG for all their work, for raising the level of entertainment, and for making the Selland Arena a premier facility.

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On motion of Councilmember Dages, seconded by Councilmember Duncan, duly carried, RESOLVED, a ten year agreement with SMG for the continued operation and marketing of the Fresno Convention and Entertainment Center (FCEC) hereby approved, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Sterling, Xiong
Noes : None
Absent : Perea

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(9:00 A.M. #2) UNSCHEDULED ORAL COMMUNICATIONS:

Sherry Smith, 4724 W. Swift, commended fire personnel and station 16 on their handling of the newborn baby, and spoke to risk of security of municipal bonds and to fire service and facilities in the west area, and expressed concern with the city levying high financial burdens on its taxpayers.

Paul Hurlbut, 4701 W. Swift, spoke to the police regional training facility and stated police and fire should work together on a joint facility to avoid duplication.

Richard Smith spoke to the media coverage of the newborn that was dropped off at Fire Station 16 and expressed concern with how the station looked and with the lack of a sign and American flag at the station.

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(9:15 A.M. #1) REQUEST STAFF TO RETURN IN 30 DAYS WITH A RESOLUTION TO THE STATE LEGISLATURE REQUESTING THE CAPPING OF INTEREST RATES AT 36% FOR ALL CALIFORNIA CHECK CASHING AND PAYDAY LOAN COMPANIES, AND ADDITIONALLY, REQUEST STAFF RETURN ON NOVEMBER 18, 2008, WITH A 6-MONTH MORATORIUM PROHIBITING NEW PAYDAY LENDERS IN THE CITY OF FRESNO - COUNCILMEMBER CALHOUN

Councilmember Calhoun stated besides this being a state and national issue it was a very local issue affecting basically the low income, clarified this item was not meant to punish the low income or the entrepreneurs but stated to ignore it was wrong, gave an in-depth overview of the issue, all as contained in his report to Council as submitted, and introduced Ms. Molina from the California Reinvestment Coalition in San Francisco who advocates for the right of low income communities to have fair and equal access to banking and other financial services.

Speaking in support of the issue, and/or to the importance of it, were: Liana Molina, California Reinvestment Coalition, who explained the payday loan transaction, why it was a problem, and recommended policy solutions (**Note - the ending portion of Ms. Molina's comments and the beginning of Ms. Chubb's comments were not recorded due to a tape malfunction*); Amy Chubb, Fresno Works for Better Health Advocacy **recording resumes here... (3 - 0)*; Larry Hodges, Central Valley Financial Literacy Initiative; Lynette Hyatt, Central California Legal Services; and Larry Rosell, 344 E. Simpson, who spoke to the importance of the issue.

Councilmember Calhoun spoke to McLane High's student-run bank project and the major official who spoke that had a lot of information on Fresno's poverty rate and those who do not use financial institutions; spoke to how the cycle of poverty and spending practices needed to be broken and how a moratorium would allow time to look at alternatives out there and explained; and made a motion to request staff to return in 30 days with a resolution to the State Legislature requesting the capping of interest rates at 36% for all California check cashing and payday loan companies, and further request staff to return on November 18th with a six month moratorium prohibiting new payday lenders in the city pending a review of these practices on Fresno citizens. The motion was seconded by Acting President Sterling and subsequently amended for a 45-day moratorium.

Councilmember Duncan expressed his strong opposition to the motion, stated with all due respect he had never been more offended by the presentations made this date stressing no one was forcing anyone to go into this business and no one was forcing anyone to do something they were not well informed on, stated he was also really offended by the notion that people who may be of low income are too stupid to understand what they are doing, to those who think this is such a big problem recommended they open a business and charge a lower interest rate, stated it was not Council's responsibility to take care of people and he was tired of people telling Council what they needed to do and to start micro-managing the economy of this area, and stated a 6-month moratorium would do nothing but move these businesses to other areas.

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Relative to legal aspects City Attorney Sanchez stated several cities have done this, a moratorium would (1) only apply to new uses and (2) be set up to allow consideration of potential modifications in land use provisions, and recommended an initial 45-day moratorium which he stated could be extended with appropriate findings as staff's research continues.

Acting President Sterling thanked Councilmember Calhoun for bringing this forth and elaborated on the issue including locations, those who do not use banking institutions, institutions leaving an area due geographical changes based on financial status and those with predatory tendencies staying and thriving, people not understanding the system, and this being a opportunity to further

promote 'Bank on Fresno', help implement training as was done at McLane, and put local institutions in areas that do not have them.

Councilmember Dages stated he agreed with a resolution to the state and the capping of interest rates but did not agree with a moratorium, stated the issue was interest rates and a moratorium would not change anything as there would still be 78 outlets/lenders out there, stated he agreed with Councilmember Duncan's concern about going after businesses and added competition would solve the problem, and stated he would not support the motion because of the moratorium and stressed interest rates needed to be changed and people needed to be educated.

Mayor Chief of Staff White clarified issues relative to the student-run bank at McLane and the Bank on Fresno initiative, advised prior to December's launch of Bank on Fresno staff would issue a tray memo to Council with an overview of the program, and recommended a brief informational workshop be presented by staff.

Councilmember Calhoun, Mr. Sanchez and Ms. Molina responded to questions of President Xiong and clarified issues relative to the moratorium, analysis staff would look at, intent of the motion/moratorium to send a message to people and see what staff comes back with, and having a 45-day moratorium versus 6 months. Councilmember Calhoun amended his motion for a 45-day moratorium. President Xiong stated he wished the solution to the problem was as simple as competition, advised he has been an advocate in terms of the EITC and predatory lending way before coming on council, stated there was a dilemma with free market and where Council comes in as policy-makers to assist, added there are reasons why these lenders are in certain locations and why they are charging these interest rates and added maps would show where the majority are, stated everyone must work as partners to cap the rate at 36% and he was supportive of a 45 day moratorium to see what staff comes back with, and spoke to the need to educate people and expressed disappointment with comments that Council has not been engaged or as active as they should be and spoke to the city's efforts.

On motion of Councilmember Calhoun, seconded by Acting President Sterling, duly carried, RESOLVED, staff requested to return in 30 days with a resolution to the State Legislature requesting the capping of interest rates at 36% for all California check cashing and payday loan companies, and staff further requested to return on November 18, 2008, with a 45-day moratorium prohibiting new payday lenders in the city of Fresno pending a review of these practices on Fresno citizens, by the following vote:

Ayes : Calhoun, Caprioglio, Sterling, Xiong
Noes : Dages, Duncan
Absent : Perea

(10:00 A.M.) HEARING ON REZONE APPLICATION NO. R-07-32 AND ENVIRONMENTAL FINDINGS FILED BY SUNRIDGE DEVELOPMENT, NORTHEAST CORNER OF S. MINNEWAWA AND E. JENSEN AVENUES
1. CONSIDER AND ADOPT E.A. NO. R-07-32/T-5844, DETERMINATION OF INITIAL STUDY TO FILE A FINDING OF CONFORMITY TO THE GENERAL PLAN MEIR
2. BILL NO. B-68 - ORDINANCE NO. 2008-66 - AMENDING THE OFFICIAL ZONE MAP TO RE ZONE FROM AE-5/UGM TO R-1/EA/UGM

President Xiong announced the time had arrived to consider the issue, opened the hearing, and upon his question Planner Braun advised the staff report as submitted was complete and there was no new information to add.

Upon call, no one wished to be heard and President Xiong closed the hearing.

On motion of Councilmember Dages, seconded by Councilmember Caprioglio, duly carried, RESOLVED, the subject E.A. hereby adopted, and the above entitled Bill No. B-68 adopted as Ordinance No. 2008-66, by the following vote:

Ayes : Calhoun, Caprioglio, Dages, Duncan, Sterling, Xiong
Noes : None
Absent : Perea

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(10:15 A.M.) JOINT MEETING WITH THE REDEVELOPMENT AGENCY

The City Council recessed at 10:50 a.m. and convened in joint session with the Redevelopment Agency.

APPROVE AGENCY MINUTES OF SEPTEMBER 30, 2008

On motion of Councilmember Dages, seconded by President Xiong, duly carried, RESOLVED, the Agency minutes of September 30, 2008, approved as submitted.

- (A) CONSIDER ACTIONS REGARDING THE ASSIGNMENT/ASSUMPTION OF A CITY HOME PROGRAM CHDO AGREEMENT FOR AN AFFORDABLE SINGLE FAMILY HOME PROJECT (SOUTH CLARA ESTATES PROJECT)
1. APPROVE THE ASSIGNMENT/ASSUMPTION OF A CITY HOME PROGRAM CHDO AGREEMENT FROM FRESNO WEST COALITION FOR ECONOMIC DEVELOPMENT (FWCED) TO HABITAT FOR HUMANITY FRESNO, INC., FOR AN AFFORDABLE SINGLE FAMILY HOME PROJECT (*Council action*)
 2. AUTHORIZE THE ASSIGNMENT AND AMENDMENT OF THE OWNER PARTICIPATION AGREEMENT (OPA) BETWEEN THE REDEVELOPMENT AGENCY AND FRESNO WEST COALITION FOR ECONOMIC DEVELOPMENT TO HABITAT FOR HUMANITY FRESNO FOR CONSTRUCTION OF A RESIDENTIAL HOUSING PROJECT AT THE SOUTHEAST CORNER OF CLARA AND NORTH AVENUES - TRACT NO. 5603 (*Agency action*)

Interim HCD Manager Casares reviewed the issue, all as contained in the staff report as submitted.

Acting President Sterling commended both parties and expressed her support to move on, and made a motion to approve staff's recommendation. Ms. Casares responded briefly to questions of Councilmember Dages relative to money FWCED made, if FWCED was being reimbursed for failure (4 - 0), concern with the time/money/education spent on FWCED and them passing the baton onto someone else, and commendation to Habitat for taking this on.

On motion of Acting President Sterling, seconded by President Xiong, duly carried, RESOLVED, the Assignment/Assumption of the HOME Investment Partnerships Program Community Housing Development Organization (CHDO) Agreement and Promissory Note in the amount of \$250,000 from Fresno West Coalition for Economic Development to Habitat for Humanity Fresno, Inc., hereby approved, by the following vote:

Ayes : Calhoun, Caprioglio, Sterling, Xiong, Duncan
 Noes : Dages
 Absent : Perea

On motion of Member Sterling, seconded by Member Caprioglio, duly carried, RESOLVED, the Agency Executive Director authorized to assign the above entitled OPA and take such further actions as may be necessary or appropriate to carry out the Agency's obligations under the Agreement, subject to approval as to form by the City Attorney's Office, by the following vote:

Ayes : Calhoun, Caprioglio, Sterling, Xiong, Duncan
 Noes : Dages
 Absent : Perea

The joint bodies adjourned their meeting at 11:00 a.m. and the City Council reconvened.

President Xiong urged those who have not voted to do so and advised he would not be present at the November 18th meeting.

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ADJOURNMENT

There being no further business to bring before the City Council, the hour of 11:00 a.m. having arrived and hearing no objection, President Xiong declared the meeting adjourned.

Approved on the ___2nd_____ day of _____December_____, 2008.

_____/s/_____
Blong Xiong, Council President

ATTEST _____/s/_____
Yolanda Salazar, Assistant City Clerk

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