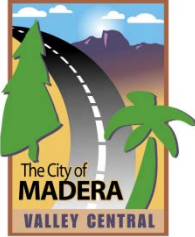


Item:	B-1
Minutes for:	02/15/17
Adopted:	11/15/17



MINUTES OF A REGULAR MEETING OF THE MADERA CITY COUNCIL CITY OF MADERA, CALIFORNIA

February 15, 2017
6:00 p.m.

Council Chambers
City Hall

CALL TO ORDER

The regular meeting of the Madera City Council for 02/15/17 was called to order by Mayor Medellin at 6:00 p.m.

ROLL CALL:

Present: Mayor Andrew J. Medellin
Mayor Pro Tem Cece Foley Gallegos
Council Member Donald E. Holley
Council Member Derek O. Robinson Sr.
Council Member William Oliver
Council Member Jose Rodriguez

Absent: Council Member Charles F. Rigby

Others present were City Administrator David Tooley, City Attorney Brent Richardson, City Clerk Sonia Alvarez, City Engineer Keith Helmuth, Director of Human Resources Wendy Silva, Planning Manager Chris Boyle, Director of Financial Services Tim Przybyla, Police Chief Steve Frazier, Parks and Community Services Director Mary Anne Seay, Public Works Operations Director David Randall, Community Development Director David Merchen, Grants Administrator Ivette Iraheta, Chief Building Official Steve Woodworth, Commander Dino Lawson, Program Manager Grants Jorge Rojas, Administrative Analyst Eugene Haynes.

INVOCATION: Pastor John Pursell, Believer's Church

PLEDGE OF ALLEGIANCE: Mayor Medellin led in the Pledge of Allegiance.

PUBLIC COMMENT

The first fifteen minutes of the meeting are reserved for members of the public to address the Council on items which are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Mayor has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Council is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Council does not respond to public comment at this time.

Mayor Medellin opened public comments.

Steve Frazier, Chief of Police stated their recruitment ended today. They had 405 applicants to compete for possibly 10 positions this Saturday. They are excited that they have some really good candidates. It's pretty much double what that they had the last time they did this.

Mayor Medellin stated that said a lot about Chief Frazier's leadership and the Madera Police Department on how many people would love to join their team.

Mayor Medellin asked if there was anyone else wishing to speak. No comments were made.

A. WORKSHOP

A-1 Discussion and Request for Direction Regarding the City of Madera Economic Development Program (Report by David Merchen)

David Merchen, Community Development Director stated this is a workshop to discuss the Economic Development Program and to have a general discussion about economic development. He's been looking at this for quite a long time. It's stimulated by Vision Madera 2025 Action Plan Element 207.3 that says that the City will review the use of incentives used to attract new development and retail development at least every three years and evaluate whether the tools used are generating new development and evaluate whether the value received in new job generation meets or exceed the value of the incentives provided. Mr. Merchen stated it is the impetus behind scheduling this presentation. He's been working on this off and on for a number of months and they put it on the side burner while they did the travel center and once that was done, they waited until everyone was back in the office and now they are missing one of their council members but at the risk of never getting it done, they'll go ahead and have the presentation and they can follow up later.

Mr. Merchen stated that one thing that he saw as he went through the exercise of looking at what other people had to say about economic development is that there are relatively few universals about what agencies should undertake in their programs. Some entities, some cities and counties and economic development agencies think there ought to be a well-defined and well-articulated ironclad plan on how you pursue economic development. Mr. Merchen stated others are less burdened by the desire to have everything ironclad. They want to be more flexible and kind of freewheeling; taking advantage of opportunities. Other agencies are oriented towards all projects should be incentivized versus some communities that say you shouldn't really incentivize anything unless you can make some very specific findings.

Mr. Merchen stated there is one underlying theme that there are relatively few things which he would say that a community should or shouldn't do. It's really a matter of establishing the comfort level of the Council and their representation of the community as to how they want to pursue economic development.

Mr. Merchen stated there are three things in general that he wants to talk about in this presentation. One is to give a general overview of economic development in the City. He wants to talk about two specific things. One is a public private partnership in the Freedom Industrial Park where they'd hoped to see a building constructed and the second is to look at development impact fees and the potential for some adjustments.

Mr. Merchen stated that in terms of overview, in his world view, economic development is about making an influence or having an influence on businesses. Basically, they want to do those things that would influence a business to do something that they otherwise wouldn't know. Whether that is getting them to start a business, stay in the community or expand their business when they otherwise wouldn't have done that without the City's involvement.

Mr. Merchen stated if they were going to do it anyway and the City also provided them with market outreach or an incentive of some sort, that is great but the true purpose of spending your economic development time and energy and resources is to influence businesses to do something that otherwise they might not have done on their own. These are things like market and outreach, property and building inventories, and direct and indirect financial incentives. So all kinds of activities fall within this economic development definition.

Mr. Merchen stated that commercial and industrial businesses both would be businesses that they would strive to bring into the community and keep in the community once they are here but in recent discussions with their Economic Development Director, Bobby Kahn who is here, he has made it clear to them at the staff level that those business types are very different in both what they bring to the City and the factors that influence them to come or stay in the community. For instance, they know that commercial businesses/retail businesses bring sales tax but their job factors are less likely to be full-time, living wage job factors across the board. Mr. Merchen stated the City wants the sales tax but not necessarily want to rely on retail to be their only job generators. There is almost nothing that the City can do to attract a retail business to this community in terms of an incentive if they weren't going to be able to make their money in their standard market under their standard market conditions. If they can't meet their business model, there's not much that they're going to do to be able to change that.

Mr. Merchen stated that industrial businesses are going to be influenced by different factors. They might be more prone to comparison shopping between organizations. They are going to be looking at long-term cost of operating relative to where those costs might be different in other organizations. Staff has seen more of that market comparison in terms of site selectors asking the City of Madera versus other cities what they have available and what kind of incentives might be offered.

Mr. Merchen stated that in each case, what they have learned is that the City is not likely to understand the real factor that a business has when they are looking at either coming or staying in a community.

Mr. Merchen stated those integral facts are held pretty closely in most instances and the slippery slope is that at least the naysayers of incentives in particular would say all businesses are motivated to take whatever you have to offer them so just be careful that you don't start slipping down that slope before you know whether what you're doing is making a difference or not. Mr. Merchen stated that is the difficult part of economic development. We want to make a difference. We want to make an influence but we don't hold all the cards or all the information as to what factors are really going to make those differences.

Mr. Merchen stated that within the community, partners play really critical roles.

Mr. Merchen stated that Mr. Kahn from the EDC, Economic Development Corporation probably plays the most critical role and he's going to be available to make a few comments and answer some questions as well. Mr. Kahn's office handles a lot of marketing and outreach activity. They handle a lot of interaction between the state incentive programs and local businesses that want to be established.

Mr. Merchen stated there are also critical partners that provide some workforce training issues such as the Workforce Development Board and the Community College. Those are really services that may be the most valuable thing to firms that want to come into the City but are not really City core competency services. Community partners really do play a super important role.

Mr. Merchen stated that the report put in front of Council talks about the potential value of having an integrated strategy where tools and programs are aligned specifically with goals and objectives. So having something like the series of actions and activities on the right hand side [presentation slide] that are vertically integrated so one thing kind of leads to the next may offer some value. Mr. Merchen stated what they wouldn't say is that they need to get tied up into a process where they need a 100 page report in order to do the next thing but potentially looking at a value where they have a very focused, maybe something annually, where they look at what that year's activity looks like and what they want to prioritize in terms of their limited ability to pour resources or apply resources into economic development efforts.

Mr. Merchen stated that incentives may be the thing that they naturally think of when they talk about economic development. He grouped them for discussion purposes into three categories.

Mr. Merchen stated the first is regulatory assistance. Those are the general suite of activities where generally staff and sometimes other elements of the City help a business navigate regulations and

processes whether those are strictly the City Zoning Ordinance or those might be extra outside of City processes like working with Caltrans or working with the San Joaquin Valley Air Pollution Control District to get their permits. Those are activities which are pretty consistently undertaken by the City as a normal course of action. Mr. Merchen stated it is limited to some degree based on the availability of staff today. It is mostly handled by the Planning Department. The staffing there is smaller than it was a few years ago but in general he would say whoever is identified as being a difference maker then regulatory assistance is offered.

Mr. Merchen stated financial assistance includes things like tax rebates and fee adjustments. Those are much more selectively offered. He wouldn't say they're never offered but really those are evaluated on a case by case basis and fairly narrowly construed as being appropriate. Most of the time that's in conjunction with reimbursing infrastructure that is required in support of new projects.

Mr. Merchen stated there's been a lot of press recently about tax rebates in the context of a very large distribution center for Amazon or for Ulta. To this point, Madera hasn't had the opportunity to be competitive for that large of a facility but he would suggest to Council that for a very large project where the difference is whether they are able to provide a rebate or not is whether they are going to get a project or not then staff is probably going to recommend that they're in the game at some level.

Mr. Merchen stated that in relatively few instances has the opportunity for a tax rebate even been requested outside of an infrastructure reimbursement.

Council Member Rodriguez asked that Mr. Merchen elaborate on the tax rebate. He wanted to know what Mr. Merchen is talking about when he says tax rebate especially for someone like Amazon. He asked what kind of rebates they are looking for and how they would utilize that within the City. He asked how they would provide that tax rebate.

Mr. Merchen stated that in general, organizations in this case cities, might engage a business that is coming to them and looking for dollars that are generated by the business to flow to the City and go back to the business. That might be in organizations where property tax is a much bigger factor. There might be a property tax rebate that is proposed or more likely in California sales tax generated by the project. Businesses are looking for some element of sales tax to come back to the business to offset development and operational cost.

Mr. Merchen stated that with some exception, those kinds of rebates are legal. Some agencies do employ them but most of the ones that he's seen are for larger projects. Mr. Merchen stated he thinks they saw Chowchilla within the last year or two that's maybe offered that on a more broad scale even for smaller businesses. He really hasn't seen that a lot and he's not sure that there's a lot of data that would suggest that is a useful tool for smaller businesses but it is legal and they would suggest it be identified as a tool that's on the board but at least without some factor which says that it's the difference maker for larger businesses that it not be ruled out as something that's used on a regular basis.

Mayor Medellin stated for a larger business unlike a small retail shop that may not generate as much tax dollars or employ as many people as an Amazon or something like that and in all fairness some businesses that would locate to Madera that do not generate sales tax would also be at a disadvantage if the City went that route.

Mr. Merchen stated that was correct.

Mr. Merchen stated that one thing that is also considered by a lot of local communities is the possibility of development impact fees, DIF adjustments or waivers or relief of some variety. He's going to talk a little bit about that later on as a specific talking point.

Mr. Merchen stated the last category of incentives is direct physical assistance and those are the programs and activities that set the table for business development. This is where the City has placed a lot of its

emphasis lately over the last three or four years. That is done in the way of providing infrastructure to properties to make them more easily developable, to remove barriers from development by decreasing the cost and the timelines to establish new businesses, and by adding to the inventory of parcels and even buildings that are available for quick start up. Mr. Merchen stated he'll talk a little bit more about a pending opportunity in the Freedom Industrial Park.

Mr. Merchen stated that right now, the community has a really low industrial vacancy rate and Mr. Kahn can talk a little bit more about that later on if Council needs him to.

Mr. Merchen stated they have identified that the lack of available building space in industrial zoned properties is a limiting factor for attracting new industrial development. At the same time, they have identified the fact that the City owns five parcels totaling a little over 15 acres within the Freedom Industrial Park and the combination of the need for industrial building space and the fact that the City owns industrial building property means there's an opportunity that they have to engage in a project to get a building built and to do that through a public private partnership project.

Mr. Merchen stated the general terms of that might look something like this [presentation slide]. The City would identify minimum project features. They want a 40,000 or 50,000 square foot building. They want so much clear building height. They want so much developed area around the building. That kind of thing. Mr. Merchen stated they would select a business partner through a competitive process; probably an RFQ, Request for Qualifications or something like that. The City would offer an incentive to develop the land through deferral of land sale price and fees until the building was occupied or at least until first occupancy occurred. They have since heard that maybe deferring land sale price and fees wouldn't necessarily be a strong motivating factor and that it might be a superfluous component but nevertheless it is something that the City can do to help get the property started. They would also offer to streamline the approval.

Mr. Merchen stated that essentially what they would hope to do is to attract a builder or a group of investors that had a capacity to build the building and put tenants in it and that we would offer to be a development partner thereby providing land at a predictable value and have the ability to smooth that process along directly.

Mr. Merchen stated they are prepared as staff to roll on this concept and start to firm it up right away with Council direction this evening. They are ready to roll on that and David Tooley and Mr. Kahn have both been in fairly deep discussions about that. There are lots of elements that still need to be shaped but they can commit that is something they are excited about. They think there's a benefit there and it's very doable at this point.

Mr. Merchen stated the second specific discussion was about development impact fees. They know development impact fees are one of just a few locally controlled cost factors. They are, at this point, a relatively small cost factor. For commercial projects, they've provided a few examples in the report, it tends to be quite low less than 1% in a lot of instances. For larger industrial buildings, development impact fees as a percentage of total cost may increase. At the examples that he looked at, they top them out at about 6% which certainly can be more of a significant factor for developers to consider as they look at industrial buildings. Mr. Merchen stated that in any case somewhere between 1% and 6%, even if development impact fees were to be waived completely, by itself is probably not enough to stimulate a project that wasn't otherwise going to be ready to build. Between land values, building construction cost, site development cost and infrastructure, if the site is not already curb ready like it is in the Freedom Industrial Park, development impact fees don't represent a significant enough cost item that by themselves their absence would allow a project to move forward if it wasn't already going to.

Mr. Merchen stated that having been said, they know that reductions or waivers or relief in some way is sometimes viewed as being an important element of an overall program whether that's to avoid the situation where a potential industrial/commercial developer says others do it and the City of Madera doesn't or that the City must not care about attracting them if they're not willing to give them a break.

Mr. Merchen stated that lots of communities have tried some form of relief over the last few years. He's really not seen a lot success stories but nevertheless he and the team understand that from an overall program perspective there is probably some attraction in having some kind of program to celebrate.

Mr. Merchen stated the current development impact fee program was set in 2003 and has been adjusted a couple of times since then in 2005 and 2007 but those were mostly just market based index inflators. The exception was that in 2005 the City included a new Waste Water Treatment Plant expansion cost in its fee program. That resulted in fairly significant cost increases particularly for industrial businesses and was particularly sensitive for large buildings where all of a sudden now a 200,000 square foot building is looking at \$300,000 in development impact fees for just one single fee.

Mr. Merchen stated that as they've looked strategically at how the City might respond to both the Waste Water Treatment Plant fee specifically as well as to general interest in considering fee deferrals, the recommendation is that the Council engage or allow staff to engage in an overall fee update which would take their current master plans and roll them out with current development projections and come up with new cost factors across the board. Mr. Merchen stated they are fairly certain that at that point, the spiking factors for the Waste Water Treatment Plant would be smoothed considerably but he would be kidding both himself and lying to Council if he said he didn't think that there was going to be a occurrent accounting of cost, an overall cost increase for all types of development if they chose to try to collect 100% of cost.

Mr. Merchen stated that rather than putting Council and the community in a position where it's got to look at or think about adjusting fees without knowing current cost, staff recommendation is to measure first, see what the current cost are and see what they can do in terms of smoothing out some of the rough spots.

Mr. Merchen stated that as an example, he looked at that 225,000 square foot building, and sewer and water fees together represent about \$350,000 combined in development impact fees under the current fee program. The 2011 program that they prepared but didn't adopt, but where this other methodology was used, would have brought the fee program down for sewer and water to about \$100,000. So roughly about a 70% reduction for sewer and water.

Mr. Merchen stated other fees went up partially because in 2003 when they created the current fee program, the City chose only to implement a portion of the total fees for industrial development. So they are already kind of discounting what they do for industrial development. So it's kind of another thing to watch for. Mr. Merchen stated if they go back to a program where they are collecting 100% of cost across the board, costs are going to go up.

Mr. Merchen stated considering an apples to apples comparison or whether they go in and look more surgically at what they want to do for different types of development, they have options that remain.

Mayor Medellin stated he believes they are on the right track with that. They have to first ask themselves why the fees are implemented and what would that cost actually be and what kind of hit would that be to the General Fund or any other fund if they were to reduce, lower or release some of these fees.

Mr. Merchen concurred and stated it was a great point. Most of the Council, Council Member Rodriguez is new so he maybe hasn't heard him give the speech about the unintended consequences which he is sure he inherited from David Tooley.

Mr. Merchen stated it is always about choices and understanding the risks associated in taking individual actions. What they will always identify are that DIF revenues exist and are generated to support new development by paying for infrastructure. If there are any actions which result in reduced revenue, the risk is that the infrastructure that is needed by new development can't be paid for or they're not able to reimburse developers who are required to construct it. Mr. Merchen stated there is some risk there that can be mitigated. That risk can be reduced by having a plan to backfill revenues that are lost directly through the existing General Fund balance.

Mr. Merchen stated he saw a couple of programs from other cities where they run an exercise where if a project requests a fee deferral or the city wants to systematically offer a fee deferral and the new business will generate sufficient revenues to practically backfill those foregone fees directly, it will engage in that on an individual basis. That is tricky to do because then they're looking at treating one business one way and another business another way which is great for factual determinations but less fun when they have both businesses knocking on their door at the same time.

Council Member Rodriguez stated Mr. Merchen mentioned a lot of industrial fee impact and asked if that is all they are talking about here or are they considering possibly looking at the fee impact for residential. He noticed that in the presentation they are talking industrial and asked if that is the direction he's seeking from Council.

Mr. Merchen stated that answer is maybe yes to both questions and he said he'd tell them why. He stated that if Council were to give staff the direction that they've requested which is to update the fee program, they would be doing that comprehensively. The fees for all land uses and for all categories. Staff would present to Council an updated cost schedule and then Council would have a decision as to how they want to handle that.

Mr. Merchen stated that in terms of the focus this evening, it is on commercial and industrial within the context of economic development.

Mr. Merchen stated that in order to bring residential into that discussion they have to look at a much longer game and look at period of many years. When you get into a rooftops discussion on how many rooftops it takes to make a difference to attract various additional kinds of non-residential land uses..... Those may be valid discussion points but are outside the immediate discussion that they've had this evening. Nevertheless, they would look at all land uses and what the costs are at least for residential as well as commercial and industrial land uses.

Council Member Rodriguez asked how far back it was that they had a fee update.

Mr. Merchen stated that the last time the fees were touched in any way was 2007.

Council Member Rodriguez asked if since the 2007 update, they'd seen any engagement in new commercial or economic development based on what they currently have in their update. He asked if there was any engagement in industrial companies or manufacturers wanting to come in because they see something of that nature that might entice them to consider....

Mr. Merchen stated he is about to wrap up and Mr. Kahn might be able to answer that.

Mr. Merchen stated they could have kicked around the question about what impact or influence their impact fees have on new development either commercial or industrial. They couldn't really identify any circumstances where the level of their fees whether high or low was cited by a business for coming or not coming. For a lot of businesses they're able to celebrate.

Mr. Merchen stated that Christopher Boyle, Planning Manager uses the term that the City is always on sale and for most kinds of commercial development in particular and most residential development, their fees are really low. For some of that larger industrial building it's a little more difficult to make an apples to apples comparison and he wouldn't immediately claim to be the lowest on the block. He is not sure their fee program has either been an incentive or a disincentive for either commercial or industrial development.

Council Member Rodriguez stated it's not going to be a big factor but asked if it has discouraged growth because of that.

Mr. Merchen stated if he were aware of any particular instances where a company had received a fee schedule and said they wished they could come but Fresno has you beat by half a million dollars or by \$25

or whatever it was, he would gladly and freely acknowledge that but that's not feedback that they've received that their fee program has been a discouragement to development. Mr. Merchen stated he would say that differently. He stated that nobody likes fees whether it's their fees or any other city's fees but in terms of knowing or having a strong feeling that their fees are a discouraging factor, he doesn't think they know that.

Mr. Merchen stated that one of the things he will tell them is that when they quote fees for large industrial buildings and he writes those fees out for the Waste Water Treatment Plant, he doesn't like to do that. He is not sure what other cities are doing. It is sometimes hard to decipher other communities' fee programs but he knows that one sticks out to him and he is not excited about it. Mr. Merchen stated that Mr. Kahn can describe from his perspective whether he's gotten any direct feedback regarding that fee or any other fee. He thinks the answer is that they haven't really gotten any feedback that says the fees are bad and they aren't coming because of that.

Mayor Medellin stated he made a great point because although they are talking about economic development tonight, impact fees are a part of that. Mayor Medellin stated he believes they are leaning towards reevaluating all those impact fees especially Waste Water Treatment fees but over the last nine years since they revisited, five or six of those years, nobody was doing anything. Not in Madera or anywhere. So they are trying to find their way out of that and that's why he appreciates this discussion and they are starting to see what they can do, what tools they have to stimulate it again, and to rekindle those conversations that he is talking about. Mayor Medellin stated he doesn't know of any developer, even though they expect the fees, take it with a smile. It never hurts to ask and there's always that discussion they have. It's a great topic and they do need to visit that.

Council Member Rodriguez stated that it's not that they want to give it away either because like Mayor Medellin mentioned before those services are required especially when they have that type of infrastructure development. His only questions were if they are doing enough to go out and solicit these industrial businesses. It's not to say that they are not but wanted to know if they are aggressive. That's the bottom line and sometimes he doesn't know they say take that risk and they can pay for it at the end of the line.

Mayor Medellin stated they'll hear from Mr. Kahn in just a little bit and he's sure that Mr. Kahn might be able to add something to that discussion.

Mr. Merchen stated that one thing mentioned in the report is that a few years ago the GMCIA, Greater Madera County Industrial Association recommended that the City establish a fund to be able to incentivize the development of an industrial property through infrastructure availability and so they did that with \$1 million. The Council had the foresight to do that. For a long time, that money sat on the shelf and they did make note of it to any business that came through, that had enough juice going, that were going to generate employees or generate enough community benefit or that the investment was remotely reasonable.

Mr. Merchen stated that what they tell businesses is that as a general rule if there is something that they need from the City to make their project feasible, to make the difference, they want to know about it. They enjoy being creative. They are solutions oriented. If there's something about what they're saying that makes them uncomfortable or they think needs to be better to come here to let them know. Mr. Merchen stated he believes Mr. Kahn is very much in the same thing. They want to work out solutions. Virtually, most businesses that have come here have come back and said they wanted something. So he feels pretty good about that in terms of have they done everything within the realm of possibility to attract industrial and commercial businesses. He would never say that they've done everything. Certainly within tonight's discussion or in follow-up discussions, as many as Council would like, they can talk about how to further expand those efforts.

Mr. Merchen stated the three recommendations are 1) to consider an overall strategy, starting simple, maybe just a couple of pages on an annual basis just to define what the strategy is on a year to year basis, 2) to look at a public private partnership on a Freedom Industrial Park property, and 3) to begin an update of the Development Impact Fee program.

Mr. Merchen stated he would answer any questions and asked if there was going to be discussion. He stated the Mr. Kahn wanted to address the Council.

Council Member Rodriguez asked if they were talking about building a spec building at Freedom Industrial Park as mentioned in the report and asked how that would work. He asked if the City would front the money and build the building and try to attract a new partner to come. He asked if they were offering this as an incentive as they were taking up the cost.

Mr. Merchen stated that at this point, they are recommending to begin the process of a public private partnership. Conceptually as far as they got, the City has the land and the fees that they can put into the mix. The recommendation is to bring in a development partner that would be responsible for the building costs and the mechanics of how it might work. Mr. Merchen stated they get more information all the time about how that might be structured. The opportunities are exciting because there seems to be, even in the concept, a lot of thought that it would be successful and that people would be interested in that kind of a partnership. The downside is, he doesn't have all the details for Council today because the four corners of the box that he and Mr. Kahn talked about a month ago have already morphed a little bit. The four corners are different today in terms of a probable structure than what they were a few weeks ago.

Council Member Rodriguez asked if he heard correctly when Mr. Merchen said they were bringing Amazon.

Council Member Oliver stated he would make a quick comment and would reserve his questions for after Mr. Kahn had a chance to present.

Council Member Oliver stated he loves the concept of the public private partnership. He thinks it's a great opportunity to put their industrial inventory to work, to eliminate some the risk factors that some industrial builders have to look at when looking at spec buildings and trying to secure potential tenant users and obviously there's performance based incentives behind that as well but he really thinks that could also be an economic development driver but could serve as a future template for how they look at excess properties that the City may own. Council Member Oliver stated he's excited about that particular program. He thinks it's going to be one that could potentially, if they move forward, invite and enlist industrial brokers that are very prolific in the Fresno industrial sub-market or further in the south valley that haven't played as much in the Madera market. He thinks there's ample incentive to do so.

Council Member Oliver stated he's looking forward to additional discussion. He thinks this is one that they should have over many more nights especially with their EDC representative present. He appreciates having it. At the end of the day, they want to be competitive. They don't want to give away the farm but at the same time they don't want to be the guy at the party that's waiting for the girl to ask him to dance.

Mayor Medellin asked Mr. Kahn if he had anything to add.

Mr. Kahn stated he's been working hand in hand with Mr. Tooley and Mr. Merchen on this presentation, so he doesn't have a presentation to add on to. He believes that between their open discussions, Mr. Merchen covered things very well.

Mr. Kahn stated some of the things that he highlighted are things he highlighted before. The definition between industrial development and the retail development and what drives that to their community.

Mr. Kahn stated that a retailer is definitely looking at whether their business model works in their community. They have very structured business models. They know what works for them and that is their decision making point. He stated that when they get to the big boys such as Target and Costco, those stores know they have a little bit of muscle to flex so when they come into a community, they will possibly be asking for something additional.

Mr. Kahn stated that a lot of those people are coming into the communities through a development company similar to Zelman Development that they've worked with in the past. The City actually worked through the developer on that so it allowed the developer to pass those benefits through. There are a lot of different ways that can work. Mr. Kahn stated they don't want to confuse the retail with the industrial because they are selling a product to an end user.

Mr. Kahn stated a manufacturer is making product and usually shipping it to another market. Their concerns and locations are heavily dictated around logistics. How much it costs to get their product to the market and reoccurring costs.

Mr. Kahn stated one of the things they fight a lot in the Central Valley and California as a whole is the power costs that they have. They're looking at 14 cents a kilowatt (kW) hour and if they spike it during peak hours, businesses could be paying up to 17 cents to 20 cents a kilowatt hour. That's a huge concern.

Mr. Kahn stated when they work on a project and it doesn't land in Madera, they go back and talk to those people to see if they will disclose why they didn't locate. They get a variety of different reasons but what jumps out frequently is that the cost of power was too high and the other thing that puts them at a disadvantage is logistics.

Mr. Kahn stated that they would think that logistics would be a strong point since they are in the middle of the state but when you figure that things from the port and companies that are distributing product outside of California need an eastbound corridor and the closest eastbound corridor is Highway 58 in Kern County and Highway 80 in the Bay Area, the closer they can get to those corridors reduces their logistics costs. Mr. Kahn stated the San Joaquin counties of the world and the Kern counties of the world have somewhat of an advantage even though we are the center of the state.

Mayor Medellin asked if they were losing some of these industrial markets to larger cities with east-west corridors as opposed to their neighbors since the Central San Joaquin Valley has pretty much the same energy costs.

Mr. Kahn stated there are two factors. It could be a loss to another state. They'll go to Arizona. They'll pay cheap power. Land costs are affordable. Labor costs are affordable. They have good working conditions. It's a business friendly state and they are right outside the California door so their logistics cost if they're shipping back in to California is made up by the other recurring cost savings that they have. Mr. Kahn stated that taking into account that if they are shipping anything to the other states east of them, then it even makes more sense for them to stay on the borders. He stated they are seeing a fair amount of that especially in the past where the companies were wringing California with their going to Arizona, Nevada and a little bit to Oregon but Oregon is not that business friendly. That's where they're making their hay.

Mr. Tooley asked that Mr. Kahn expand on that a little. He stated that business location decisions are made less frequently by upfront costs than they are recurring costs and that is something Mr. Kahn drives home with him on a regular basis. He asked that Mr. Kahn address that more fully.

Mr. Kahn stated that when a company is looking to locate and especially.....he thinks Mr. Merchen made a good point about the impact fees, there is a lot of discussion. Waiving impact fees makes headlines. Big incentive packages make headlines. Sometimes they are necessary. Mr. Kahn stated they shouldn't get him wrong. He is not saying that they just say no how, no way because they have to have an open mind.

Mr. Kahn stated impact fees have such a small percentage of the overall investment and then the land cost. Those are all one time and are usually small fees. When they talk about land versus the actual capital investment that they put on the land and then they add the impact fees, land and impact fees are at the very bottom. They can say they have cheap land and they have cheap impact fees. They'll say that it will cost them every day to ship here.

Mr. Kahn stated it's going to cost them every day to carry out their business. Mr. Kahn stated they definitely have some advantages on that too. The cost of doing business in Madera is very affordable and that is something that they market hard but if they hit them with logistics then that's a battle they have to try to overcome.

Mr. Kahn referenced Mr. Merchen's comment regarding not ever losing a business because of high fees and stated he doesn't think they ever have.

Mr. Kahn stated that they did an industrial survey of the majority of their industrial users in 2004 or 2005. He believes they surveyed at least 25 or 30 industrial users in Madera County. They did that survey again in 2011 because they wondered how people were doing and what answers would be different during the recession. Out of all the questions they asked, such as why they chose to locate in Madera and why are they staying in Madera, not one of them ever referenced impact fees or land costs. They referenced the cost of doing business. Some stated the central location was an advantage for them; close to their customers. Out of all those questions asked, impact fees were never uttered.

Mr. Kahn stated that the possible public private partnership is a huge opportunity. The City already owns the land and he believes they have to put some meat on the bones of that. If they ask his opinion, he would definitely encourage the Council and staff that they go through the process as Mr. Merchen laid out to bring on a qualified development partner because cities are not developers nor should they try to be.

Council Member Rodriguez asked what other cities are doing to mitigate logistics and energy costs. He asked if the energy they were talking about was specifically electricity and heating. He asked what energy consumption they were talking about that was driving businesses to not want to locate in the Central Valley. Council Member Rodriguez asked if they or other cities in similar environments were mitigating by producing solar or something else that would help these businesses say this is a good step for them to consider besides the logistics. Council Member Rodriguez asked if they were trying to eliminate all the reasons that businesses don't want to be here. He asked what could be done as a City to alleviate some of those issues that they see. He stated that obviously, logistics is not something that they can alleviate, but asked about the other smaller factors that come into play.

Mr. Kahn stated that Council Member Rodriguez was correct in that it is generally electrical fees that are the biggest concern.

Mr. Kahn stated if other communities don't have an irrigation district or something that is creating cheaper power within like Sacramento with SMUD, Sacramento Municipal Utility District that is separate from PG&E..... They have some opportunities up there. Turlock Irrigation District has some opportunity there. They can find some pockets within the Central Valley and within California that can get away from the PG&E rates.

Mr. Kahn stated as far as solar goes, he didn't think they could put in enough solar to make a difference. Most solar improvements they've seen are on an individual case by case basis that are directing the power back into their particular use. He doesn't think that's going to be an area that even comes close to being feasible for the City to look into.

Mr. Kahn stated other opportunities are something that could be discussed and maybe Mr. Tooley has an answer.

Mr. Tooley, City Administrator stated there are some communities that are going to a Community Aggregation Model where they band together, acquire the distribution system, buy power on the open market and basically they are wheeling energy cost. That becomes an economy of scale issue. Mr. Tooley stated they have to have enough critical mass, enough entities that want to play in the game so that they can afford the expense of going through the exercise. He's read a lot about it and it just so happens that his son-in-law in a larger city actually put together a Community Aggregation Program. He doesn't know

that it would work for their region but it is on his tickler list. That's going to be interesting to do a little more research into so it goes directly to the council member's question.

Mayor Medellin stated that as part of their community partners, he is sure they can sit down with PG&E and Anne and evaluate that.

Mr. Kahn stated there are also some PG&E incentive rates that businesses can qualify for but there are a lot of strings attached to that program. He doesn't want to get into the details of it because it would take up a lot of time. Sometimes they can work with the business to get them qualified for a lower rate through that program but it's not something that they can knock on somebody's door and say that they can reduce their power 25% or 30%.

Council Member Oliver stated he likes those details. He stated he was curious as to how many have actually utilized the Economic Development Rate that Mr. Kahn referenced especially when locating in the Madera market. He asked if any have been successful, that had a decline of sales or some type of financial hardship, in applying for that incentive and if not maybe that's an area they can work on with more information or outreach to line those folks up with that.

Mr. Kahn stated they've offered it to more than one company that they felt was in a position to qualify because they have to be expanding, relocating or looking to leave and they have to oftentimes say "but for". If it wasn't for this rate, they would not be staying here or expanding or doing this project. He doesn't want to get into the weeds of all of it but it's not something that they can go around and hand out cards to all of their industrial users.

Council Member Oliver asked if there was an incentive and Mr. Kahn responded that there is definitely an incentive and it's a five year program.

Mayor Medellin asked that Mr. Kahn briefly touch upon retail specifically restaurants and things like that that the public is really itching for and asking why they don't have some of the restaurants and retail places. Mayor Medellin asked what they are looking for and what the roadblock is in the City of Madera as to why they don't get those.

Mr. Kahn stated the biggest roadblock is their demographics because they'll look at the annual household income. They look at graduation rates. They look at how many people in the community have a high school degree, how many have an AA degree and how many have a Bachelor's Degree. Then they'll go on to how many people are in the community. A lot of them have hard stop numbers. If they don't have 60,000 then they are not going to take a look at you.

Mr. Kahn stated that with the bigger companies he's found that the first thing they mention is that they'll have to do an analysis on canalisation. What will this do to their store in Merced or what this will do to their store in Fresno or multiple stores in Fresno? What's gonna be the impact to their overall business model that they have in the San Joaquin Valley if they open another location? Are we going to bleed off from those stores or is Madera going to be sound enough to create its own business base that they are not sucking off those other stores. That's one of the bigger ones.

Mr. Kahn stated that the last one and he thinks they're kind of hopefully in his opinion after all the years he's been sitting in the EDC chair, the other one is especially restaurants..... Everybody wants freeway location now.

Mr. Kahn stated he's talked to Sizzler's to no end and basically they did an analysis and at that time they didn't have adequate freeway. Sizzler's said their business model was to offer a quality affordable meal at a little bit lesser price than their competitor. Sizzler's said their margins were thin. They said they could not survive in a market like the City of Madera if they put it, and they didn't say this, over on Howard Road. Sizzler's said they have to have freeway exposure to survive in communities like that. They did a hard look at Madera and they said they felt they just needed to wait a while.

Mr. Kahn stated that with the development of Avenue 17 once the Love's Travel Center goes and if they can ever get the casino off the dime, he thinks that is going to open up. He stated that one of the things they've been lacking is those freeway locations. Cleveland Avenue is pretty impacted now. Fourth Street is a non-starter. Madera Avenue is a non-starter. Mr. Kahn stated they need to treasure their Avenue 17 and hopefully in the future the City will be taking on Avenue 12 at some point in time. Those are the City's two pearls right there; those interchanges.

Mayor Medellin stated he knows median income and disposable income always play a role which is another reason he likes the spec building. He stated that their past Mayor Robert Poythress always said it best that they don't create jobs; they create opportunity and that is exactly what this building is. It's creating an opportunity for somebody to come in and offer not only a large number of jobs but high paying jobs that require the skill that he thinks they have here in the Workforce which is also one of their partners. So the more high paying jobs or better paying jobs that they can have the opportunity for, that raises that median income and he thinks Madera will be looked at differently in the future with some of these places.

Mr. Kahn stated they may be able to bring some other players that are working in the south valley or just to the north of them. He's had opportunity to talk to a lot of development companies that are out of the Bay Area and some even out of Los Angeles and he thinks that they can even strike some interest there because of the partnership. They'll see some opportunity there. Mr. Kahn stated he's talked to a lot of them and a lot of them say their market is enticing but they're just not ready to make that last look because they're thinking they have to buy the land, they have to buy the building, they have to worry about occupancy, is this guy for real and is their vacancy rate for real. But if they say that the City is going to be their partner, now they'll say they are going to make that investment; they'll make that gamble.

Mr. Kahn stated he thinks they will get that local attraction but he thinks their tentacles.....it might be really good because they may entice people from even a little further away. Once the word gets around, they might get some of those bigger players because most of them right now are playing in the Manteca, Lathrop, Tracey area and they are not interested in moving much further south than that. This may be the way to pull them down a little bit.

Council Member Rodriguez stated that Mayor Medellin mentioned something about the retailer and why we don't have them. Obviously, he made a good point that they need to have that discretionary income and in order to have that they need to have those jobs and once you have those jobs then that creates the need for these other types of retailer.

Council Member Rodriguez stated he also mentioned something about education which is high school education or non-graduation. These are what those other businesses are looking for. Council Member Rodriguez asked what they are looking for. He stated he knows they are connected to their State Center Community College and asked how they can use data from the State Center and asked if local industries here are really hiring those kids that come out of college. Council Member Rodriguez asked if they have some data that shows that if they get that manufacturing or maintenance or some type of technical course, then they have a job here. He asked if they are pressing for that, are they really putting a big focus on that, are they missing something in there that he could see that they're not doing correctly, are they not partnering up with their school district for example or high school career technical education so that they can better beef up that sector that businesses look for. Council Member Rodriguez stated he understands the demographics but asked if they have the skilled labor or the educated workforce if they are not investing in that section of their City especially the students who are in career technical pathways.

Mr. Kahn stated they talked demographics on the retail side but Council Member Rodriguez is asking about the industrial side. Mr. Kahn stated they are partnering and there is room for improvement however Madera between the State Center Community College and Madera Unified School District, he thinks, is leading the way in career technical education. They are not chasing other areas. Others are actually looking at them as models.

Mr. Kahn stated the Center for Advanced Manufacturing, for example, at the Community College is going to have a substantial addition made to it and more equipment is going to be put in there so that they can offer more programs and more advanced programs. They were just able to add additional equipment in there this last year that's allowed them to upgrade and they've actually hired a second instructor.

Mr. Kahn stated that he thinks that Madera Unified School District and the focus that they put on career technical education these last two years has been very strong and they have really good programs.

Mr. Kahn stated students are getting hired but not all of them.

Mr. Kahn stated a lot of their manufacturers will call him and tell him they are doing an expansion, they are busy, they are busier and they are looking to add 10 people. They ask him for resources. A lot of them are frustrated by trying to go through the typical fashion and having to interview 20 people to get one person they feel would be a good candidate.

Mr. Kahn stated they are referring them out to the Center for Advanced Manufacturing. Mr. Kahn stated they go to those instructors and ask for the name of their top 10 students and they pass those names along to the manufacturers.

Mr. Kahn stated the same thing with JBT, John Bean Technologies formerly FMC. They started their own apprenticeship program and they are hiring 10 individuals, mostly students, some high school, some associate degrees or certificated degrees and they are bringing them in and putting them right on their payroll. Part of their program is that two hours of their work day is spent at the Center for Advanced Manufacturing to learn the skills they want them to have in their plant.

Mr. Kahn stated it is growing but he thinks they are doing a pretty good job.

Mayor Medellin stated he would agree and stated that with the increase in the industry and possibly the High Speed Rail, one of the questions they are looking at is if we have the labor workforce to fill those jobs and with the industry that they have here in town, Mr. Kahn is absolutely right, they're calling all the time.

Mayor Medellin stated that even folks like Midland Tractor or Kuckenbecker Tractor that are looking for skilled mechanics that would start well above minimum wage.

Mayor Medellin stated that with the passage of Measure C, he believes the \$40 million is going to be spent at the Madera campus and he thinks that's where the first dollars or the first dust in the air will be done with the emphasis on these industry type jobs for welders or mechanics and things of that nature. Mayor Medellin asked Mr. Kahn if that was correct and Mr. Kahn responded affirmatively. Mayor Medellin stated it kind of crept up on them.

Mayor Medellin stated he doesn't know if they needed to ask earlier or get back together with the GMCIA and ask their partners in town on what exactly they are looking for so that they can produce that. Obviously, not as many kids are going on to four year D1 (Division 1) schools but are certainly qualified to enter into the workforce with this career technical education.

Mayor Medellin stated he thinks they are taking the lead on that but asked if we can be doing more and stated, absolutely and that it was a good question.

Council Member Rodriguez stated that for himself, he would like to follow up with some data and he doesn't know that he's asking for too much on that. He doesn't know that they have any concrete data that shows that because of these pathways or things that they are formulating at the State Center these kids are jumping into some type of manufacturing or industrial type of job.

Council Member Rodriguez stated that again, creating that discretionary income. That better income that they need so that they can bring in those types of retail stores that they talked about; the Sizzler's and what have you.

Council Member Rodriguez asked how they can gather that data and he doesn't know if that's even possible or not in connection with their high schools, career technical and State Center and directly to the workforce.

Mr. Kahn stated he would have to do some research to see how much data.....and he thinks he can get some data from the State Center. He is not closely connected to the Madera Unified School District system and how they track their students after they graduate so he wouldn't want to answer on their behalf.

Mayor Pro Tem Foley Gallegos stated she could answer Council Member Rodriguez. She stated that just last year they sent postcards out to seniors asking where they are attending school, what type of internships they've gotten into and what jobs are they in. That just happened this year so they are starting to track and see.

Council Member Rodriguez stated that would only be beneficial in the City for them to make decisions as far as the data showing that they have the skilled force and there's no reason why manufacturers will not look at Madera if they have what they are seeking. They have and here is what they have in play. Here's the data that shows kids are graduating and going on to pursue these types of career pathways or technical pathways.

Council Member Rodriguez stated he is assuming that is how they look at things. They look at data. Data is very important and like Mr. Kahn mentioned earlier, one of the biggest things was high school education, graduation and what have you. He thinks any business that would want to look at a city like Madera, would want to see that type of data as well.

Mr. Kahn stated that one of the things they emphasize when they market their communities is that they are a regional workforce. They want them to look broader because they've had some people say we're a pretty small community. Even the cities, the City of Chowchilla and county-wide, they only have 155,000 people so they emphasize the fact that they are regional and they have the data to back that up showing commute patterns back and forth to Fresno, Madera, Merced and surrounding communities.

Mr. Kahn stated they've had issues with workforce in specific positions but they've never had a workforce issue overall.

Council Member Oliver stated that in his day job, he's worked with a number of businesses that have had to go through the planning process especially those impacted by High Speed Rail and having to relocate and have certainly seen some of the factors that go into their decision making and sometimes its fees.

Council Member Oliver stated he's also seen other cities especially rural cities that are walking back on their impact fee waiver programs because they realize the impact it has on their budget and their bottom line.

Council Member Oliver stated he thinks the underlining factor for any business is that you have a city and a community that is consistent. The rules are simple and there's clarity but most importantly there's consistency. Council Member Oliver stated he thinks the interface for that is, not only Mr. Kahn and his organization, but Chris Boyle, Planning Manager and Steve Woodworth, Chief Building Official because if he's a prospective business or out of town business, he's coming to City Hall oftentimes he's meeting with them to learn what the City's rules are and what the requirements might be and sometimes they have to be the bearer of bad news especially when it comes to realizing their General Plan or Vision Plan.

Council Member Oliver asked Mr. Boyle and Mr. Woodworth what some areas of improvement are to become more business friendly, support their department and their staff, meeting their business needs, answering their questions and doing it promptly. Council Member Oliver stated it was an open-ended

question but he's just curious as to their role since they are usually the first face at the counter for some of those prospective or expanding businesses.

Mr. Boyle stated if there is one thing that projects struggle with it is the availability of infrastructure. When there are a lot of off-site improvements such as improvements required not on-site for the physical development of the site, but off-site in order to provide for the necessary infrastructure for the project to work, that can be a detractor to locating a particular location.

Mr. Boyle stated he probably dreams of streets lined with ample sewer and storm drain connectivity so that it makes it really easy and he comes to work the next day and have five prospective buildings lined up at his counter and say that he's got that for them. That is something that they are trying to incentivize in different ways and overcome so that the City can continue to logically grow. That is probably the number one factor that is an issue sometimes.

Mr. Woodworth stated they are doing what they can to expedite the process of plan review and permitting process for developers and contractors. They take it case by case and try to improve their day to day work. Mr. Woodworth stated that as far as the inspection process, they are staying ahead of the game with the staff that he has. They are not getting any complaints that he's aware of by developers or contractors as far as that is concerned. They are just working on that on a daily basis.

Council Member Oliver stated he appreciates that response especially as Mr. Woodworth didn't take the opportunity to request additional staff and resources.

Council Member Oliver asked Mr. Kahn what some of the tools and resources were that currently aren't at his disposal that would help his organization to help their mission.

Mr. Kahn stated it would be lovely to have all these disposable dollars that they could use to be creative but they know that is not the fact of life. He echoes off what Mr. Boyle and Mr. Woodworth said. He thinks they have adequate tools. He doesn't want to say they have everything in the toolbox that they would like to have.

Mr. Kahn stated he thinks that before they throw too much money at too many different promotional things, that they really look hard inside themselves at the City and ask where they could make some investments that would prompt the economic development to happen.

Mr. Kahn stated he can't even come close to knowing how many brain cells he's killed and how many brains cells of Mr. Tooley, Mr. Merchen and Mr. Boyle he's killed over just one particular piece of property in town. That is exactly what he described. They have a great piece of property but they have off-site improvement issues and they cannot seem to be able to figure it out. Those are the kinds of things.

Mr. Kahn stated they could have an off-line discussion, which would probably be better and he should have that discussion with their staff as well. There are some things they can do but he doesn't want to get into that right now. He doesn't think that is fair to Council's staff.

Council Member Oliver stated he appreciates that and he really appreciates the discussion item tonight. He thinks it's one that should be ongoing. He knows it's always front and center in staff's minds and he knows they are doing a great job and doing a lot of hard work to land all the big fish that they can. Council Member Oliver stated he appreciates the work that Mr. Kahn and his organization do.

Council Member Oliver stated he agrees with some of the points raised in the staff report and he would support that especially with that public private partnership program and looking at updating their impact fee schedule.

Council Member Oliver stated the other thing he wanted to pivot to as well is that the retention component is huge and as much energy and emphasis they place behind prospective businesses and prospective

industry, trying to get them to locate here, hopefully hire here and hopefully those folks will buy homes here, he thinks they have to look back in the mirror and look back at those businesses, small and large that have invested here for many years over and over again. Maybe they are big job creators and maybe they're not and it is small businesses like the Bridge Store or the GBS or the Seabury Copeland and Anderson's.

Council Member Oliver stated he thinks they have to take a look at where some of their deficiencies in the City are especially aging parts of the City. Looking at downtown and seeing how they can align incentives and resources that will encourage businesses and property owners to redevelop or reinvest in their properties whether it be folks that are confronting ADA upgrade issues in downtown or façade improvements or maybe even looking at their economic development incentive program if they ever create one to guide prospective development and uses in areas that are in need whether it be a need of pharmacies or grocers that serve fresh fruits and vegetable to nearby communities that might not have access to those places of business or school sites or other public facilities.

Council Member Oliver stated that's kind of getting into a broader discussion but he thinks they should always pivot back to that fact of what are they doing to show their commitment to those existing folks as well. Maybe it's if they've been in business for 60 years and they come through for a small expansion project or building permit fee, they waive the fees 60%. At the end of the day, it's not a big cost item but maybe it shows the City's commitment to existing industry, existing businesses and the many families and people that really make their community great.

Council Member Oliver stated he really appreciates the forward looking discussion. He thinks it's a long game. He thinks that's economic development in a nutshell. Economic development is a quality of life discussion. He hopes they can have additional conversations in the future and certainly some off-site ones. He appreciates the presentation and the information it's brought forward.

Mr. Tooley asked if they could simply get a consensus from the Council that they'd like staff to proceed with the three recommendations and they thank Council very much for an effective discussion.

Mayor Medellin asked Council if there were any other additions, questions or comments.

Mayor Medellin stated he too would like to echo those comments. He thinks it starts here in a discussion like this. They play for the same team and he thinks they are all striving to get that win and so that they can be an open discussion in the public and carry on this conversation, speaks volumes.

Mayor Medellin stated he thinks staff has direction. He thinks they've heard a lot of different things on what they as a Council and their input but they appreciate the input back from them as well and he does appreciate that and he also agrees that they should have multiple discussions on this point.

Mayor Medellin stated he is in total agreement of the recommendations and he thinks that number one, that strategy, is something that they will continually come back to them so they can look at that strategy and sometimes it changes like the wind but they need to be proactive and stay on top of that. The opportunity that the spec building will bring, he thinks is huge. Mayor Medellin stated he was not sure if his colleagues had anything else to add to that but he wholeheartedly supports the three recommendations that were given.

Council Members Holley and Robinson concurred with that.

Mayor Medellin thanked his colleagues for their input, questions and concerns. He stated it all adds up to what they are striving to do. That was great.

Mr. Tooley stated Council has turned them lose and they will be back.

Mr. Kahn stated he wanted to make a closing comment and say that it is a pleasure to work with the staff that Council has at the City. They get it. They understand it and most importantly, they're inclusive. Mr.

Kahn stated he can't tell them how many calls he gets from staff people here asking him to come over and talk about things and that's what makes this team so strong is that they are working together and they look at them as a team member and he appreciates being a part of the team. Mr. Kahn stated that Council has some really good leaders sitting around these tables.

Mayor Medellin thanked Mr. Kahn for his kind words. Mayor Medellin stated the key word is team and Mr. Kahn is absolutely right.

B. CONSENT CALENDAR

- B-1 Minutes – 2/17/16, 7/6/16
- B-2 Information Only – Warrant Disbursement Report
- B-3 Bi-Weekly Water Conservation Report for 1/23/17-2/5/17 (Report by Dave Randall)
- B-4 Consideration of a Resolution of the City Council of the City of Madera Approving Award of Bid and Approving Agreement for RFP PWP201617-001 with Wastewater Solids Management, Inc. to Clean Anaerobic Waste Digester Number 1 at Madera Wastewater Treatment Plant and Authorizing the Mayor to Sign the Agreement on Behalf of the City of Madera; and

Consideration of a Resolution of the City Council of the City of Madera Amending the FY 2016-17 Annual Budget to Increase Expenditure Allocations in the Sewer Fund to Increase the Allocation Necessary for Interior Cleaning of an Anaerobic Digester (Report by Dave Randall)
- B-5 Consideration of a Resolution Approving an Agreement with Provost & Pritchard Consulting Group for Professional Engineering Design Services for Water Main Installations at Various Locations, and Authorizing the Mayor to Execute the Agreement; and

Consideration of a Resolution Approving Funding Amendments to the Fiscal Year 2016/17 Budget for Costs Associated with Professional Engineering Design Services for Water Main Installations at Various Locations (Report by Keith Helmuth)
- B-6 Consideration of a Resolution Authorizing Submittal of an Application to the California Department of Resources Recycling and Recovery for Beverage Container Recycling City/County Payment Programs and Authorizing the City Administrator to Execute All Grant Documents (Report by Dave Randall)
- B-7 Consideration of a Resolution Adopting the City of Madera Comprehensive Emergency Management Plan (Report by Eugene Haynes)
- B-8 Consideration of a Resolution of the City Council of the City of Madera Approving an Agreement with David P. Hamilton, MAI for Professional Appraisal Services for Street Right of Way Acquisition on the Olive Avenue Widening Between Gateway Drive and Knox Street Project and Authorizing the Mayor to Execute the Agreement (Report by Keith Helmuth)
- B-9 Consideration of a Resolution Approving an Amendment to the Lease Agreement with Greyhound Lines Inc. for the Lease of Property at the Madera Intermodal Facility and Authorizing the Mayor to Execute the Amendment on Behalf of the City of Madera (Report by Ivette Iraheta)

- B-10 Consideration of a Minute Order Approving and Accepting the City of Madera Investment Report for the Quarter Ending September 30, 2016 (Report by Tim Przybyla)
- B-11 Consideration of a Minute Order Approving and Accepting the City of Madera Investment Report for the Quarter Ending December 31, 2016 (Report by Tim Przybyla)
- B-12 Consideration of a Resolution of the City of Madera, California, Authorizing the Submittal of an Extension Request to the California State Department of Housing and Community Development for Extended Funding Under the CalHome 2011 Program; the Execution of a Standard Agreement if Selected for Extended Funding and Any Amendments Thereto; and Any Related Documents Necessary to Continue Participating in the CalHome 2011 Program and Authorizing the City Administrator or His Designee to Sign the Extension Request, Certifications, Funds Request and Any Related Grant Documents (Report by Ivette Iraheta)
- B-13 Consideration of a Resolution Appointing Ruben Mendoza, Eloise Rodriguez, Celeste Voyles, Brian Massetti and Shawn Griffin to the City of Madera Civil Service Commission (Report by Wendy Silva)
- B-14 Consideration of a Resolution Appointing Rosanne Bonilla, Kristy Anderson, Maxine Barnett and Rohi Zacharia to the City of Madera Beautification Committee (Report by Mary Anne Seay)

Mayor Medellin asked if any council members would like to pull items from the consent calendar for further discussion or questions. Council Member Holley asked that Consent Item B-7 be pulled for discussion.

Mayor Medellin asked for a motion for action.

ON MOTION BY COUNCIL MEMBER OLIVER, AND SECONDED BY COUNCIL MEMBER HOLLEY, THE CONSENT CALENDER WITH THE EXCEPTION OF ITEM B-7 WAS ADOPTED UNANIMOUSLY BY A VOTE OF 6-0. ABSENT: COUNCIL MEMBER RIGBY.

RES. NO. 17-24 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MAOERA APPROVING AWARD OF BID AND APPROVING AGREEMENT FOR RFP PWP201617-001 WITH WASTEWATER SOLIDS MANAGEMENT, INC. TO CLEAN ANAEROBIC WASTE DIGESTER NUMBER 1 AT MADERA WASTEWATER TREATMENT PLANT AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT ON BEHALF OF THE CITY OF MADERA

RES. NO. 17-25 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA AMENDING THE FY 2016/17 ANNUAL BUDGET TO INCREASE EXPENDITURE ALLOCATIONS IN THE SEWER FUND TO INCREASE THE ALLOCATION NECESSARY FOR INTERIOR CLEANING OF AN ANAEROBIC DIGESTER

RES. NO. 17-26 A RESOLUTION OF THE COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPROVING AN AGREEMENT WITH PROVOST & PRITCHARD CONSULTING GROUP FOR PROFESSIONAL ENGINEERING DESIGN SERVICES FOR WATER MAIN INSTALLATIONS AT VARIOUS LOCATIONS, AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT

RES. NO. 17-27 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA APPROVING FUNDING AMENDMENTS TO THE CITY OF MADERA FISCAL YEAR 2016/17 BUDGET FOR COSTS ASSOCIATED WITH

PROFESSIONAL ENGINEERING DESIGN SERVICES FOR WATER MAIN INSTALLATIONS AT VARIOUS LOCATIONS

- RES. NO. 17-28** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, AUTHORIZING SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY FOR BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAMS AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE ALL GRANT DOCUMENTS**
- RES. NO. 17-30** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPROVING AN AGREEMENT WITH DAVID P. HAMILTON, MAI FOR PROFESSIONAL APPRAISAL SERVICES FOR STREET RIGHT OF WAY ACQUISITION ON THE OLIVE AVENUE WIDENING BETWEEN GATEWAY DRIVE AND KNOX STREET PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**
- RES. NO. 17-31** **A RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF MADERA, CALIFORNIA, APPROVING THE FOURTH AMENDMENT TO THE LEASE AGREEMENT WITH GREYHOUND LINES, INC. FOR LEASE OF PROPERTY AT MADERA INTERMODAL FACILITY AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT ON BEHALF OF THE CITY OF MADERA**
- RES. NO. 17-32** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, AUTHORIZING THE SUBMITTAL OF AN EXTENSION REQUEST TO THE CALIFORNIA STATE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR EXTENDED FUNDING UNDER THE CALHOME 2011 PROGRAM; THE EXECUTION OF A STANDARD AGREEMENT IF SELECTED FOR EXTENDED FUNDING AND ANY AMENDMENTS THERETO; AND ANY RELATED DOCUMENTS NECESSARY TO CONTINUE PARTICIPATING IN THE CALHOME 2011 PROGRAM AND AUTHORIZING THE CITY ADMINISTRATOR OR HIS DESGINEE TO SIGN THE EXTENSION REQUEST, CERTIFICATIONS, FUNDS REQUEST AND ANY RELATED GRANT DOCUMENTS**
- RES. NO. 17-33** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA MAKING APPOINTMENTS TO THE CIVIL SERVICE COMMISSION**
- RES. NO. 17-34** **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, APPOINTING ROSANNE BONILLA, KRISTY ANDERSON, MAXINE BARNETT AND ROHI ZACHARIA TO THE CITY OF MADERA BEAUTIFICATION COMMITTEE**

Mayor Medellin called item B-7 for discussion.

B-7 Consideration of a Resolution Adopting the City of Madera Comprehensive Emergency Management Plan (Report by Eugene Haynes)

Council Member Holley asked if Eugene Haynes, Administrative Analyst was present. Mr. Haynes replied affirmatively.

Council Member Holley stated he is concerned. The City has a lot of people. Other counties have an emergency plan and evacuations. He asked if they are set to have something like that because years ago he was living here when the Fresno River flooded several homes. He asked if they have something that would allow folks to go somewhere for evacuation purposes if they were flooded out of their homes.

Mr. Haynes responded they have identified two shelters along with the other shelters that are within the City Limits such as the churches and the schools. In the City, they did an assessment and they identified four locations but they accepted two out of the four locations. One is the John Wells Center and the other is the Pan American Center.

Mr. Haynes stated that after speaking with Red Cross, he found the Red Cross actually has a lot of the schools already targeted and in place as well as some of the churches. Mr. Haynes stated they should keep in mind that working with Red Cross in an event of such magnitude as a flood, the Red Cross would look at the churches that they already have a relationship and rapport with as well as the high schools and the elementary schools and he is talking more so about the gymnasiums in the schools that would be used in these type of scenarios.

Council Member Holley asked if there is a way that the public is aware.

Mr. Haynes responded that the public would definitely be aware. They would work with Red Cross and there would be communications. There is a County database that they have called WebEOC that all the cities are a part of and have access to. They meet on a quarterly basis with the County Emergency Preparedness Team. City staff monitor those websites on a daily basis just about.

Mr. Haynes referenced the last rainfall. He stated they were on the website daily trying to see what roads were closed down and where the shelters were more so in the mountain areas in Oakhurst and all that. Staff knew exactly where the evacuation centers were. They knew what roads were closed and which roads they had access to. Mr. Haynes stated that CHP, California Highway Patrol is part of the database too so staff was in daily communication getting a feel for what was actually happening.

Mr. Haynes stated that in an event of that magnitude, Red Cross is pretty much going to identify what shelters are going to be available and they will communicate with our community as far as where to go. Red Cross plays a big role in this whole process and staff meets quarterly with them.

ON MOTION BY COUNCIL MEMBER HOLLEY, AND SECONDED BY COUNCIL MEMBER OLIVER, ITEM B-7 WAS ADOPTED UNANIMOUSLY BY A VOTE OF 6-0. ABSENT: COUNCIL MEMBER RIGBY.

RES. NO. 17-29 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA APPROVING THE CITY OF MADERA COMPREHENSIVE EMERGENCY MANAGEMENT PLAN

C. HEARINGS, PETITIONS, BIDS, RESOLUTIONS, ORDINANCES, AND AGREEMENTS

- C-1 Second Reading and Consideration of Adoption of an Ordinance Rezoning Approximately 2.15 Acres from the R3 (High Density Residential) Zone District to the PD 6000 (Planned Development) Zone District in Conjunction with the Riverwalk Single-Family Residential Development Project (Report by Chris Boyle)

Chris Boyle, Planning Manager stated that at their February 1st Council meeting, Council introduced an ordinance that would rezone 12 parcels that cumulatively form the Riverwalk subdivision from the R3 to the PD 6000 Zone District. Staff and the Planning Commission continue to recommend approval and would recommend adoption of that ordinance. Mr. Boyle stated he would answer any questions.

Mayor Medellin asked if anyone had questions for Mr. Boyle. No comments were made.

Mayor Medellin asked that title be read.

The ordinance was read by title by the City Clerk.

ON MOTION BY COUNCIL MEMBER OLIVER, AND SECONDED BY COUNCIL MEMBER HOLLEY, FURTHER READING WAS WAIVED AND ITEM C-1 WAS ADOPTED UNANIMOUSLY BY A VOTE OF 6-0. ABSENT: COUNCIL MEMBER RIGBY.

ORD. 939 C.S. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MADERA AMENDING THE OFFICIAL CITY OF MADERA ZONING MAP TO REZONE APPROXIMATELY 2.15 ACRES LOCATED ON THE SOUTH SIDE OF THE FRESNO RIVER CHANNEL BETWEEN THE NORTH A STREET AND NORTH C STREET ALIGNMENTS FROM THE R3 (RESIDENTIAL) TO THE PD-6000 (PLANNED DEVELOPMENT) ZONE DISTRICT

D. WRITTEN COMMUNICATIONS

There are no items for this section.

E. ADMINISTRATIVE REPORTS

There are no items for this section.

F. COUNCIL REPORTS

Council Member Robinson stated the League of California Cities will be holding a General Membership meeting in the City of Selma at the Spike and Rail Steakhouse. The program is a Climate Investment Workshop at 6:00 p.m. tomorrow, February 16th. Council Member Robinson stated they are welcome if they can make it. He believes it is a 45 minutes – 1 hour drive.

Mayor Pro Tem Foley Gallegos stated she had nothing to report but she stated there is someone in the audience that they can acknowledge; past Sheriff John Andersen who is representing Anthony Cannella.

John Andersen spoke from the audience but it was inaudible.

Council Member Holley stated he has been staying busy. He stated that Mayor Medellin and Chief Frazier have been targeted to pick a team for the Big Brothers Big Sisters Bowl for Kid's Sake. He was asked to deliver this message to Mayor Medellin from the Big Brothers Big Sisters coordinator. Somebody told him that the Sheriff's Department is outdoing their Police Department. He spoke to Chief Frazier about that who stated it was not true so it's become a competitive thing right now. They have also thrown the Mayor into that stating that as a city leader he should get a team together. The bowling event is April 15th.

Police Chief Steve Frazier spoke from the audience. [Inaudible.]

Council Member Rodriguez had nothing to report.

Council Member Oliver thanked those who joined him for his birthday and signed up for the National Bone Marrow Registry. 50 people signed up and he was pretty excited about that and hopefully somebody will have a chance to give a stranger a second chance at life.

Council Member Oliver stated that he volunteered at a FAFSA [Free Application for Federal Student Aid] workshop over the weekend. That was hosted at CAPMC [Community Action Partnership of Madera County] with Madera Unified School District, Fresno State and the United Way. As of today, only 44% of high school seniors have filled the FAFSA form so there is certainly a very small window of time left. He believes the deadline is March 2nd so there will another workshop that he will be volunteering at on Saturday, February 25th from 9:00 a.m. to 1:00 p.m. at CAPMC. Nonetheless, it was a good event and they were able to help several families in getting through that process.

Mayor Medellin stated that on Wednesday they had Civics Day and he thanked Sonia Alvarez, City Clerk and all the team from Madera for participating. It was another huge success and he thinks having the kids in the Council Chambers and doing the financial exercises is always an eye opener.

Mayor Medellin gave a big shout out to the Public Works Department and Dave Randall, Public Works Operations Director. Last week they got about two inches of rain in a matter of 30 minutes – an hour maybe or so. It was crazy. He knows Mr. Randall's employees were working overtime and he knows the phone was ringing off the hook. There were a number of streets that had water up over the curb and things of that nature. Mr. Randall's employees are true blue and some great team players and they did a fantastic job. Madera showed their true colors when we were able to handle that. Mayor Medellin gave a shout out and kudos to Mr. Randall's team and also to Mr. Randall for leading them.

G. CLOSED SESSION

There are no items for this section.

ADJOURNMENT


The meeting was adjourned by Mayor Medellin at 7:31 p.m.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN

Approval of the minutes is not addressed in the vision or action plans; the requested action is also not in conflict with any of the actions or goals contained in that plan.


SONIA ALVAREZ, City Clerk


ANDREW J. MEDELLIN, Mayor


Prepared by:
ZELDA LEÓN, Deputy City Clerk

