

**CITY OF CERES  
PLANNING COMMISSION  
MINUTES**

**June 6, 2016**

**MEETING CALLED TO ORDER:** 6:00 p.m.

**PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was led by Chairperson Smith.

**ROLL CALL:**

**PRESENT:** Commissioners: Condit, Del Nero, Molina, Smith, Chairperson Kachel

**ABSENT:** None

**ALSO PRESENT:** Director of Community Development Tom Westbrook, City Manager Toby Wells, Director of Engineering Services/City Engineer Daryl Jordan, Redevelopment and Economic Development Manager Steve Hallam, Associate Planner James Michaels, City Attorney Kerry Fuller, Secretary/Deputy City Clerk Ann Montgomery

**CONFLICT OF INTEREST DECLARATION:**

None

**CITIZEN COMMUNICATIONS:**

- Renee Ledbetter – Ceres Chamber of Commerce Board President

Mrs. Ledbetter announced:

- Tomorrow is the Kick-Off for the Concerts in the Park Series and enhanced Farmers' Market. There are over 20 vendors expected, due to the recent agreement we made with the Turlock Certified Marketing Manager for the Turlock Farmers' Market.
- Cash Passes are for sale to help offset the funding of the Concerts in the Park. There will be 7 opportunities to win \$500 and she encouraged everyone to purchase one; they're \$35 each.
- Farmers' Market Opens at 5:30 p.m.; Concerts begin at 6:30 p.m. - Tuesdays
- Ceres Chamber of Commerce recently moved into their new office at 2904 4<sup>th</sup> Street, formerly Ceres Partnership for Healthy Families offices.

**CONSENT CALENDAR:**

1. Clerk's Report of Posting. The Agenda for the regular meeting of the Planning Commission of June 6, 2016 was posted on June 1, 2016.

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**ACTION:** It was moved by Commissioner Smith; seconded by Commissioner Del Nero to approve the Consent Calendar. Motion passed by the following vote:

**AYES:** Commissioners Condit, Del Nero, Molina, Smith, Chairperson Kachel  
**NOES:** None  
**ABSENT:** None

**CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR**

None

**PUBLIC HEARING:**

2. Vesting Tentative Parcel Map (VTPM) 16-05; Proposal for a Vesting Tentative Parcel Map to subdivide a 5.11-acre commercial zoned property to create two parcels located at 2531 E. Whitmore Avenue; Pallios Enterprises, A California Limited Partnership, applicant.

Associate Planner, James Michaels presented the staff report.

**The public hearing was opened at 6:06 P.M.**

- Mark Niskanen, J.B. Anderson Planning, 139 S. Stockton Avenue, Ripon, CA

Mr. Niskanen stated that he is representing the applicant, Pallios Enterprises this evening. He also noted for the record, that they agree with the Conditions listed in the staff report and he is available to answer any questions.

**The public hearing was closed at 6:07 P.M.**

**ACTION:** It was moved by Commissioner Molina; seconded by Commissioner Smith to adopt PC Resolution 16-13. Motion passed by the following vote:

**AYES:** Commissioners Condit, Del Nero, Molina, Smith, Chairperson Kachel  
**NOES:** None  
**ABSENT:** None

**NEW BUSINESS:**

3. Capital Improvement Program, FY 2016-17 Project Priority List.

Director of Engineering Services, Daryl Jordan presented the CIP FY 2016-17 Project Priority List, referencing the revised spread sheet that was handed out at the dais prior to the meeting. He reviewed each item on the list and answered questions from the Commission.

**ACTION:** It was moved by Commissioner Smith; seconded by Commissioner Molina to adopt PC Resolution 16-14. Motion passed by the following vote:

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AYES: Commissioners Del Nero, Molina, Smith, Chairperson Kachel  
NOES: Commissioner Condit  
ABSENT: None

**ADJOURN AS THE PLANNING COMMISSION TO THE CERES DOWNTOWN  
REVITALIZATION AREA BOARD**

**MEETING CALLED TO ORDER:** 6:20 P.M.

**ROLL CALL:**

**PRESENT:** Commissioners Condit, Del Nero, Molina, Smith,  
Chairperson Kachel

**ABSENT:** None

**ALSO PRESENT:** Director of Community Development Tom Westbrook,  
City Manager, Toby Wells, Director of Engineering  
Services/City Engineer Daryl Jordan, Redevelopment and  
Economic Development Manager Steve Hallam, Associate  
Planner James Michaels, City Attorney Kerry Fuller,  
Secretary/Deputy City Clerk Ann Montgomery

**CONFLICT OF INTEREST:**

None

**NEW BUSINESS:**

4. Ceres Downtown Revitalization Area Board Annual Report and Budget.

Redevelopment and Economic Development Manager Steve Hallam presented the Annual Report and Budget.

**Board Questions and Discussion:**

Board Member Smith thanked Mr. Hallam for his presentation and the work he has done over the last year, bringing the timely and accurate quarterly reports to the CDRAB. She asked for an explanation, why the expected revenue for the current fiscal year, (2015-16) is shown as \$14,230 and the projected revenue for next year (2016-17) is \$12,750.

Mr. Hallam explained that the last 3 years there has been a continuing decline in revenue. The Finance Director advised to set the assessment rate at a realistic rate that we expect to receive next year.

Board Member Smith asked about getting information about the number of businesses within the district and categorizing them for future reports. This way the CDRAB can get

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information about revenue generated by category type. She would like to see this beginning with this next fiscal year, so that next year when we're at this point, we can have a basis with which to talk about the assessment. The assessment hasn't been looked at for 27 years, which is fine, but it really can't be looked at without considering all the data.

Ms. Smith continued, referring to the Operational Expenses that Mr. Hallam went through: Landscape Maintenance by Howard Training Center, Utilities and the Installation of the Banners came to \$12,910. Also in this budget is \$25,000, which this Board has recommended over the years to be allocated for Façade Improvement, as well as \$1,000 for Way-Finding Signage. She believes the Board had extensive discussions about using the reserves to fund those activities, which she supports. She is interested in seeing the Operational portion of this budget being reduced to be more reflective of the projected revenue. She remarked that she and Mr. Hallam had spoken before the meeting about the actual expenditures being more in line with that \$12,910 figure. She would feel more comfortable approving a budget that was reflective of the actual revenue.

Board Member Condit inquired about Exhibit A, the Boundary Map of downtown, asking if we might be able to include some more businesses on 4<sup>th</sup> Street.

Board Member Smith remarked that expanding the boundaries of the district will naturally grow the revenue base.

Board Member Condit agreed and asked when the limits of the downtown were last expanded.

Mr. Westbrook replied that they have never been expanded; they were established in 1989. That would require the vote of everyone within the boundary and the proposed boundary.

City Manager, Toby Wells added, that question has been asked several times; about annually. The last legal opinion from our previous City Attorney was, to do it, takes a vote and because of the mechanism that is used in the downtown, it is next to impossible under the current format, to expand those boundaries with the way we are currently structured. So in essence, we would have to throw it out and start over. We can bring that back to the CDRAB and get our new legal counsel to look at it. Because of the mechanism that we used to form this district, its ability to change is significantly limited.

Board Member Condit would like to get a proposal on how we would go about it and see if it is possible. If it is, he thinks we should include every business near downtown to try to bump our revenue up.

Mr. Wells stated that he would leave that to staff, but just knows this question has been asked and the legal opinion was that changing the boundaries is next to impossible.

Mr. Hallam remarked that the proposed budget forwarded to the CDRAB annually has been the same budget categories for many years; certainly since he's been here. The estimates that Finance Director, Ms. Dean and he have looked at, at where we're actually going to end on expenditures for this current fiscal year is \$12,750. There are

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actually two parts to the budget; regular annual expenses and standard activities. We've always funded the cleaning, the electricity, and the banners, and the big jump in the budget the last 2 years has been the \$26,000 we fund; \$25,000 for the downtown façade improvement and \$1,000 as a placeholder for Way-finding signage. He suggested what the CDRAB could choose to do and it was the Board's prerogative, is make a recommendation on the annual report, which describes the annual activities and their costs and forward that annual report to the Council. Also, if it is the prerogative of the CDRAB board, to more closely match expected expenditures with projected revenue, the \$12,750 in revenue, plus funding from reserves, \$25,000 and \$1,000 would result in a reduction from \$54,500 in the total proposed 16/17 FY budget to \$38,750. So, it is that number of the annual report that is the only part of the Board's resolution and action that would require an amendment, if it is their prerogative to change it. He would feel comfortable and that they could quickly, before the Council considers the final budget, put together a \$12,750 proposed budget for Fiscal Year 2016/17. An example of a modified recommendation might be, "to adopt resolution 2016-01 to approve the annual report for 2016/17, with an amendment to the report that the proposed budget shall be reduced from \$54,500 to \$38,750 to reflect actual projected revenue with projected expenses for the standard annual operating expenses."

Mr. Hallam addressed the second item that Board Member Smith mentioned. He does not know the specific breakdown; he's never seen that information of how many businesses, by category. That current assessment is pretty much based on gross receipts, banks or savings and loans or gas stations and home occupations within there. He doesn't know what that number is and how it has changed, but that is certainly something that we could start receiving and certainly include in the quarterly report. We could even start with the 4<sup>th</sup> Quarter for 2015-16, and begin to put a snap shot and then track that throughout the year, and that would be very good base knowledge to see if those assessments might be due for an adjustment, since it has been many years, if they've ever been changed. That is something the Board could make a recommendation for, to include in the quarterly reports from here on out. He'd be happy to assemble that information and put it together for the Board, if that's the Board's prerogative. Again, the expansion of boundaries, if you'd like us to ask the City attorney for a report on that at a future meeting, we could do that too.

Board Member Smith stated that it's important for us to do what we can, to assist the businesses within the district to increase their revenue, so that we can avoid at all cost, any kind of assessment increase. But, the reality is, if the annual maintenance expenses are exceeding what the revenues are, we're going to have to do something. So, knowing what our base is would be helpful.

Ms. Smith continued; with regard to her proposal, which will be to adjust the proposed budget to the anticipated revenue, with the exception of the Downtown Facade Program as well as the Way-Finding Sign Program; we're looking at this on a quarterly basis. We're seeing what the revenues are coming in. In the event we see a trend upward in revenue, we can do a budget adjustment that allows us to both appropriate the revenue as well as expend it, and allow you to increase expenditures for operational purposes. She's explaining this so her fellow commissioners understand what her proposal is; is to adjust the expenses to meet the projected revenues and continue our quarterly review and make adjustments as those numbers come in.

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Board Member Condit stated that he thinks it's a good proposal.

Board Member Molina remarked that he would like to echo Board Member Condit's comments about expanding the downtown boundary area. He knows there is a report and research to be done, but the resolution was adopted by the City Council in 1988; that's 28 years ago. There are 7 businesses that are being left out of the CDRA area. With respect, he suggested we should consider evaluating the possibility of expanding this downtown area at least to Whitmore Avenue.

City Manager Wells stated that anything is possible; it's just the mechanism that is currently being used will not be able to expand. We will most likely have to find a different taxing mechanism if we're going to change the boundaries. With that mechanism that was used, it's not likely to be able to just be expanded; it will need to be completely re-done. Nothing's impossible. There's always a way, but there's also a cost and an implication of what that means, and the mechanism of it being voted on and passed. We have a district in place. The ability of that district to be changed, is next to impossible. Putting a new district in place is not impossible, but it would be faced with some real practical implications of those businesses, and property owners will have to vote for it. There's a practical constraint as well as the legal constraint. He hopes the Board doesn't misunderstand. The idea is, we have a tax in place, and that structure; we really can't change it; at least that's what our legal opinion was. We can undo that and do something new and expand those boundaries. That's absolutely possible, but it will require a vote and significant work.

Board Member Molina stated the only thing he wouldn't be happy with is paying a consultant \$2 million to figure out what it would take to do this; but if it's possible, then he thinks that it would be good. Maybe it's time for a change. It's 28 years later; perhaps we can now consider that there are businesses that are already established for many years, that would either benefit from this and we're looking at expanding this, to something with hopefully businesses coming in. It's Whitmore; it's our gateway to the City. We know for a fact that it's only a matter of time before homes in this section will be excluded and become businesses, as we've seen happen recently.

Mr. Hallam remarked, on that point, what about a separate consideration where we just ask the City Attorney for a report, because it's obviously a Council call, if they'll want to do it. It might be nice to have all of us become educated on what the current process is, and see if we even want to recommend to the Council that they approve it.

City Manager Wells suggested that we bring back the previous opinion that we have; that document/memo because this Board has to recommend to the City Council, to spend, unless this Board wants to spend CDRAB money to do that investigation because there is a legal cost associated with that. This Board can't allocate the City's money, per se, so that would be a recommendation back to Council to explore that option. That's probably the most prudent; to bring back that data, with history; a memo that was prepared by the previous City Attorney that documented that history, and request direction.

Board Member Smith remarked that's a good start. She suggested that we have the current city attorney review that and be prepared to comment as to agreement, or other options that maybe have surfaced since Mr. Lyons wrote that memo.

**The public hearing was opened at 6:48 p.m.**

- Renee Ledbetter – Ceres Chamber of Commerce Board President

Mrs. Ledbetter remarked that she is excited to hear Commissioner Condit suggest that we look at possibly expanding it. As the Ceres Chamber, we fully support the Downtown Improvement District and will help in any way possible to encourage businesses to be a part of the district, whether we do a new one or refine what we have. At this point, she doesn't know if the businesses would buy into an increase in the levies, because for 28 years, they haven't seen anything change with the money they've already given. She is totally behind expanding the district; she's not comfortable with an increase in the assessment at this point. Maybe once the improvements are made to downtown, where they can see something happening, and then, at that point, we bring them to the table to say, okay now that we've made these changes, we need to readjust the levy. But at this point, she doesn't think the Chamber could get behind an assessment increase without giving them something for all the money they've already paid into, for the last 28 years. But she's all for the expansion.

Board Member Smith thanked Mrs. Ledbetter and explained she's not recommending that they consider an assessment change this fiscal year. Her recommendation is that they get a better grasp on the number of businesses within the district. She supports the idea of looking at options to expand the district to grow the revenue. She wants to reduce the budget to be more consistent with the revenue that the district is currently generating, at least the operational portion of it. Then next year, when we're in the spot to review the budget and things have changed, we can talk about what options are available. She is not supporting an assessment increase, but it has to be on the table. We have to make sure we have all the information available to us, both about it as an option and expanding as an option.

Mrs. Ledbetter pointed out that some of those houses on the map have been converted to commercial use. We are leaving money on the table by not expanding that area all the way to Whitmore Avenue, as well as the Chevron, KFC, the auto repair shop, and several other places. She definitely supports the decision of looking at possibly expanding it. She knows that there's some cost involved and maybe we can use the CDRAB money because it's there; she doesn't know all the ins and outs of that. She didn't want to go without saying that she doesn't think we should do an increase at this point.

**The public hearing was closed at 6:52 p.m.**

Chairperson Kachel appreciated the comments from everyone. He believes that the additional information, both the past legal opinion and the idea of who's in this district, how much are they paying and what businesses are there, to him, is really good fundamental information that we don't have now and will be great to start accumulating; the sooner the better, if possible.

**ACTION:** It was moved by Commissioner Smith; seconded by Commissioner Condit to adopt Resolution 2016-01 (CDRAB), amending the proposed budget to adjust the Operational Expenditures to \$12,750, allow the Downtown Façade Improvement Program of \$25,000, as well as the Way-Finding Sign Program of \$1,000, for a total

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budget of \$38,750 for Fiscal Year 2016-17. Also, a request for staff to be given a presentation on the option previously presented by the City Attorney on expanding the district and future quarterly reports from staff to include information regarding the number of businesses and their zoning categories. Motion passed by the following vote:

AYES: Commissioners Condit, Del Nero, Molina, Smith, Chairperson Kachel  
NOES: None  
ABSENT: None

**RECONVENED AS THE PLANNING COMMISSISON** at 6:53 P.M.

**PUBLIC MEETING(S):**

None

**UNFINISHED BUSINESS:**

None

**MATTERS INITIATED BY PLANNING COMMISSION AND STAFF**

None

**REPORTS:**

- Commissioner Condit reminded everyone that it's Election Day tomorrow and remember to vote.
- Commissioner Smith announced she was not in attendance at the last meeting, as she was in Portland. It is beautiful and exciting, and she can see pieces of that that belong to downtown, such as a mural program on their downtown buildings that are works of art. She also thanked Commissioner Condit for arranging the opportunity to ride in the Ford F-150 in the Ceres Street Faire Parade and looks forward to doing it again.
- Chairperson Kachel inquired about the PG&E project recently in his neighborhood. He received a letter that was somewhat vague and asked what happens when they're finished with the project.

Mr. Jordan explained every time they come in and tear up our streets, we require them to resurface any trenching operations or replace any damaged public improvements.

PG&E has recently painted project alignments on residents' sidewalks and driveways. We have advised them they will have to remove any paint from private property and instructed them not to paint private property for future jobs. We are looking into a policy for a utility company to resurface streets that have received substantial reconstruction due to their projects.

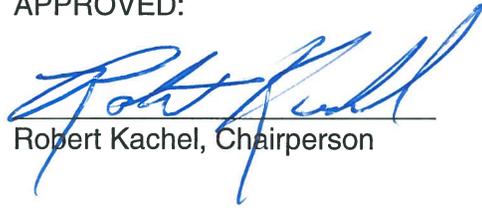
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- Commissioner Molina reported that he enjoyed riding bikes with his family on the recently completed bike bath. He stated that the whole area is really nice and thanked the City of Ceres.
- Director of Community Development, Tom Westbrook reported that the Concerts in the Park starts tomorrow; see you there!

**ADJOURNMENT:**

The Commission adjourned at 6:58 p.m. to the next regularly scheduled meeting of Monday, June 20, 2016.

APPROVED:



Robert Kachel, Chairperson

ATTEST:



Tom Westbrook, Secretary

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