



MINUTES

Finance Administration and Police Subcommittee
Special Meeting Date: November 21, 2019, 4:00 p.m.
Meeting Location: City Hall
124 N. Cloverdale Boulevard, Cloverdale, CA

Subcommittee Members

Mayor Melanie Bagby, Chair
Vice Mayor Gus Wolter

City Manager David Kelley
Police Chief Jason Ferguson
Finance Director Susie Holmes

1. **Call to Order:** Chair Bagby called the meeting to order at 4:00 p.m. Present: Vice Mayor Wolter, City Manager Kelley, Police Chief Ferguson, Finance Director Holmes, Assistant City Manager/CDC Thompson and Chair Bagby.
2. **Communications:** None
3. **Public Comment:** None
4. **Minutes Approved:** October 3, 2019 Special Meeting Minutes.
5. **Current Items for Discussion**
 - a) Funding Request from Kingdom Development - Assistant City Manager/CDD Thompson summarized the funding request from Kingdom Development, as follows: (1) City to provide \$1.9 million in unspent housing bond proceeds to fund development costs; (2) City to provide a \$450,000 loan from its Inclusionary Housing Fund to be used for predevelopment expenditures; and (3) City to provide a commitment of a \$1.6 loan of former redevelopment agency funds which may become available from the sale of the Thyme Square property to be drawn down by Kingdom over time for operational expenses. The item will go before City Council December 11th.

Colleen Holbohm, Wallace House, commented that she was turned down for vouchers this year because there was no proposal for site control. After City Council approves the project, she will be able to submit an unsolicited application, though she is not certain whether vouchers will be available. In response to concern about what would happen if the agreement with Kingdom Development falls apart, Ms. Holbohm indicated that they may be able to get a loan from Mercy Funding if needed during the interim.

Assistant City Manager/CDD Thompson stated that the cost is estimated to be about \$300,000 per unit and includes the initial cost of land and services. Assistant City Manager/CDD Thompson asked for additional recommendations to be included in the memo.

Vice Mayor Wolter requested that, due to the complexity of the project, the memo be given to Council ahead of time and asked that the following things be included: (1) update of voucher program, (2) breakdown of what Kingdom Development has invested to date, (3) comps that show services and how the money is being spent, (4) the current value of the land, and (5) talking points that include the cost of land and services for the project as a whole and per unit.

- b) Request from the Cloverdale Senior Multipurpose Center Board of Directors to appoint a City representative to their Board - City Manager Kelley stated that the Board wanted to add a City representative to attend their monthly meetings. Vice Mayor Wolter suggested appointing a planning commissioner.

Recommendation: Add this to the regular January procedures where Council selects subcommittee members and meeting dates. Add to the December 3rd Planning Commission agenda to poll for interest.

- c) Discussion regarding conducting a revenue measure feasibility survey - City Manager Kelley indicated that Godby Research and FM3 had been asked to submit proposals to poll for various public financing options – extension of the utility user tax and a possible district sales tax. The matter is time sensitive.

Recommendation: Move forward to review the proposals and make the selection in a timely manner.

- d) Letter from Cari Gloeckner regarding Pepperwood Trail - City Manager Kelley reviewed the history of the letter, noting that residents in the area expressed concern about activities in the unincorporated area of Hot Springs Road. More homeless people seem to be frequenting the area.

In response to Vice Mayor Wolter’s suggestion for extra patrols for the area, Chief Ferguson stated it has been and will continue take place. He spoke with Ms. Gloeckner who expressed thanks.

City Manager Kelley stated, in response to Mayor Bagby’s inquiry regarding signage on the walking trails, that he would ask maintenance staff what the status is of the signage request for that area as well as Porterfield Creek.

- e) Enforcement of Smoking Ordinance. Local retailers are selling vape product, and concern was expressed at a joint workshop with the City/School Board about how the ordinance could be enforced. Chief Ferguson stated that the ordinance could be enforced by initially sending out a request for compliance; and follow up by citation for non-compliance.

Recommendation: Keep as a standing item on the agenda.

6. **Standing Items / Items Continued**

- a) Discuss Pension Liability - City Manager Kelley asked to remain a standing item, as methods need to be identified that reduce long term liability. The financial forecast found incremental increase in pension liability.
- b) Consider actions to address downtown vacancies - Discussion ensued that the ordinance needs more teeth and should focus on downtown and transit-oriented development. Assistant City Manager/CDD Thompson said he will look at what other cities are doing to address the problem. There are a few buildings and lots downtown that are vacant. Vacancies impact businesses, and business owners in town have expressed concern. A vibrant downtown could help improve the financial health of the city.

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Recommendation: Bring back to next meeting. Involve the Chamber in the discussion. Assistant City Manager/CDD Thompson will bring back options that address the empty properties and storefronts. Consider relaxing parking requirements. The SB2 Planning Grant is an essential component to be utilized in this discussion.

- c) Evaluate Options for expanding the tax base, including ballot initiatives; and d) Prepare Service group presentation regarding City's Financial Forecast and extension of Utility User Tax
City Manager Kelley commented that the City is engaging a firm to prepare a financial forecast and strategy and include voter education to target why the City is seeking extension of the utility user tax and district sales tax.
- e) Update on Homelessness Strategic Planning Process – Assistant City Manager/CDD Thompson indicated that the kick off meeting will take place on November 26th from 1:30 pm to 3:30 pm at the Fire Department.
- f) Update on Measure P and Cannabis Permits. The updated memo was passed out (attachment) that shows \$212,465.45 collected to date.

7. Information Only Memos: None

8. Future Agenda Items: Vice Mayor Wolter expressed interest in moving forward with Portland loos for the plaza after the annex building is removed.

Recommendation: Staff was directed to bring back a financing plan and possible use of Quimby Act funds before taking the item to City Council.

9. Pending Items: None

10. Good of the Order: None

11. Adjournment: Chair Bagby adjourned the meeting at 5:05 p.m. The December 26th meeting was rescheduled to December 19th at 6:00 p.m. at Cloverdale City Hall, 124 N. Cloverdale Blvd., Cloverdale CA 95425

Minutes approved December 19, 2019