

**CITY OF PITTSBURG**  
**Housing Authority Minutes**  
**June 18, 2001**

Chair Frank Quesada called the meeting of the Housing Authority to order at 7:03 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California.

**MEMBERS PRESENT:** Aiello, Beals, Lewis, Peterson, Rios, Wallen, Quesada

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Executive Director, Willis Casey  
Legal Counsel, Linda Daube  
Assistant City Attorney, Carol Victor  
City Clerk, Lillian Pride  
Director of Community Development, Nasser Shirazi  
Planning Manager Randy Jerome  
Assistant Planner Ken Strelo  
Director of Economic Development, Garrett Evans  
Administrative Analyst, Michelle Fitzer  
Administrative Analyst, Jill Haynes  
Director of Finance, Jim Holmes  
Director of Leisure Services, Paul Flores  
Director of Public Services, John Fuller  
Police Chief, Aaron Baker

**PLEDGE OF ALLEGIANCE**

Tom Lewis led the Pledge of Allegiance.

**CITIZENS REMARKS**

There were no citizens' remarks.

**MEMBERS REMARKS**

There were no Member remarks.

**CONSENT**

On motion by Member Aiello, seconded by Member Rios and carried unanimously to adopt the Consent Calendar, as follows:

- a. **DISBURSEMENT LIST** Period Ending: May 31, 2000

Approved Disbursement List period ending May 31, 2000.

b. **MINUTES** Dated: May 21, 2001

Approved Minutes dated May 21, 2001.

c. **REPORT** Investment Report

Approved Investment Report.

## **CONSIDERATION**

1. **RESOLUTION 01-195** Adopting Budget Revisions for Fiscal Year 2001-2002

Legal Counsel Linda Daube suggested with respect to the Budget Revisions for Fiscal Year 2001-2002, that the Housing Authority resolution be considered separately, while the other actions could be considered together. She referred specifically to Resolution 01-195 for the Housing Authority, Resolution 01-780 for the Redevelopment Agency, Resolution 01-9410 for the City Council, and Resolution 01-057 for the Pittsburg Power Company.

Director of Finance Jim Holmes presented the City of Pittsburg mid-year budget review 2000-2002, summarized the current slow growth and the economic state of the State, and explained how that downturn would affect local governments with a significant reduction in discretionary funding and with the reduction or elimination of expected grants. While the anticipated sales tax and building permit revenues were now projected higher than budgeted, the loss of revenue from the State would offset that gain, although with the Calpine reimbursement exceeding budget by \$1.5 million, he stated that the General Fund balance was in its best financial shape in many years. Among other positive revenue factors, he explained that power plants coming on line during 2001 and 2002 would augment the revenue picture in the future via property taxes and franchise fees.

Mr. Holmes reported that in the last fifteen years, the City of Pittsburg had conducted capital projects totaling nearly \$200 million without incurring additional taxes in the City.

Mr. Holmes also cautioned that utility costs were expected to increase during 2001-2002, with the limits of Proposition 218 cities were no longer able to provide for new revenue resources and with recent developments in the economy, bad times were expected to return. As such, he recommended staying focused to assure the City's long-term fiscal health using the opportunity to build reserves, fund needed capital improvements and avoid building in ongoing cost increases.

Identifying supplemental requests included in the budget, Mr. Holmes delineated those changes by City Department. He advised that the supplemental requests as part of the budget cycle represented nearly \$1.78 million.

Vice Chairman Aiello noted that under the staff analysis with projected expenditures compared to revenues, it appeared as if a net gain of \$403,000 was expected in the first year, although that would not occur in the second year of the two-year budget. He wanted to make certain that the revenues would remain in the reserve.

Member Rios requested a clarification of the position changes in the Finance Department, which changes were verified by Mr. Holmes. She also clarified with respect to the Engineering Department the expenditure for signs and other supplies. She was advised by the Community Development Director that he could provide the documentation to clarify the \$50,000 cost for those signs and other supplies. She also clarified that the new position for the accountant in the Financing Department had been a result of the discussion with the Audit Committee.

Member Lewis inquired where in the budget the funds were located to fill the positions needed to fulfill projects approved by the Council, which positions remained unfulfilled at this point.

Mr. Holmes explained that those monies had been included in the Pittsburg Power Company funding portion as related to the project. The funding capacity for those positions was still reflected although not in the portion of the budget under discussion.

As to the Assistant Harbormaster position, Member Lewis inquired whether or not the Harbormaster position should be offset by the Assistant Harbormaster position, to which Mr. Holmes noted that when the budget had originally been prepared the funding for an Assistant Harbormaster position had been promised to be considered at this time, which remained the case.

Member Aiello emphasized the significant construction in the City that had been accommodated with no increase to the ratepayer.

Mr. Holmes explained that the \$200 million of capital projects that the City had conducted in the last fifteen years could compare favorably with other cities and that throughout that process the costs had been mitigated to avoid increased charges to the citizenry.

Member Rios inquired of the Administrative Secretary position that had originally been included in the Economic Development Department, to which Mr. Holmes explained that the money for that initial position had been included in the pool for the General Plan. The person who had held that position was now working in the Administrative Services Department in another capacity.

In response to Member Rios, Director of Public Services John Fuller explained that the Department was so large that there were vacancies all the time and all positions were almost always partially unfilled.

Mr. Holmes described some of the ongoing projects that required personnel and expanded and enhanced projects that would require more staff. He stated that in the beginning of the two-year budget cycle, a new supervisor position had been sought. There were now two supervisors and one superintendent working for the Department. Dependent upon the growth, he suggested that additional positions might be required.

Member Rios commended the City Manager for upgrading some of the positions that needed to be upgraded.

Mr. Holmes presented a fund balance analysis, reported that the General Fund would experience a \$139,000 increase, the Enterprise Fund would experience an increase of nearly \$1 million, the Internal Service Fund would experience a negative of \$600,000 and the Special Revenue Funds would also experience a \$1 million decrease since there would be a draw down on the reserve. In balance, an overall negative \$412,000 was anticipated. He suggested that overall the City's position had not deteriorated over the projected two years even given salary adjustments and other benefits that the City Council had approved for City Employees.

Mr. Holmes explained that at June 30, 2002, the General Fund balance was anticipated to be \$6,831,591, the 20% reserve at \$5,052,098, and a balance in excess of 20% of \$1,779,493.

Vice Chairman Aiello inquired of the \$2 million loan from the East Contra Costa Regional Fee and Financing Authority (ECCRFFA), clarified by Mr. Holmes that the City had not borrowed that total in that only \$70,000 had been advanced. He expected that funds would be available in tax allocation funds to pay the costs with no need to borrow the funds and he noted that the funds could be returned or retained, as needed.

In further response to Vice Chairman Aiello as to why an increase had been calculated for legal fees, Mr. Holmes stated that was reflective of the initial projections that had been considered at the time of the initial budget cycle. The actual costs had been less than what had been projected.

Vice Chairman Aiello suggested that portion of the budget could be considered by the City Council at its review of the budget.

Mr. Holmes also noted that the water fund reflected a deficit of expenditures over revenues of \$230,600 for 2001-02, primarily attributable to increased utility costs of \$300,000. Further analysis would determine if additional rate increases would be required.

Vice Chairman Aiello sought a report from the Water Department to identify their needs and to consider ways to reduce costs, overall expenditures and eventual costs to the ratepayer, to which Mr. Holmes commented that the problem with the water fund was that it was not generating enough money for capital replacement.

Mr. Holmes further reported that the Pittsburg Power Company reflected an ending balance of \$9,284,928 at June 30, 2002. That amount would be reduced correspondingly by expenditures for capital projects approved by the City Council.

Further, that building occupancy reflected an ending balance of minus \$753,422 reflective of the new phone system and furniture acquired for City Hall. Mr. Holmes added that annual revenue would exceed expenditure in the next few years to eliminate that deficit. Landscape also reflected an ending balance of minus \$1 million, although in actuality it would be zero once transfers from the General Fund had been made.



**CITY OF PITTSBURG**  
**Redevelopment Agency Minutes**  
**June 18, 2001**

Chair Frank Quesada called the meeting of the Redevelopment Agency to order at 8:09 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California.

**MEMBERS PRESENT:** Aiello, Beals, Lewis, Rios, Quesada

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Executive Director, Willis Casey  
Legal Counsel, Linda Daube  
Assistant City Attorney, Carol Victor  
City Clerk, Lillian Pride  
Director of Community Development, Nasser Shirazi  
Planning Manager Randy Jerome  
Assistant Planner Ken Strelo  
Director of Economic Development, Garrett Evans  
Administrative Analyst, Michelle Fitzer  
Administrative Analyst, Jill Haynes  
Director of Finance, Jim Holmes  
Director of Leisure Services, Paul Flores  
Director of Public Services, John Fuller  
Police Chief, Aaron Baker

**CITIZEN REMARKS**

There were no citizens remarks.

**MEMBERS REMARKS**

There were no Member remarks.

**CONSENT**

On motion by Member Lewis, seconded by Member Rios and carried unanimously to adopt the Consent Calendar, as shown.

a. **MINUTES** Dated: June 4, 2001

Approved Minutes dated June 4, 2001.

b. **RESOLUTION 01-778** 2011 Railroad Avenue Purchase

Adopted Resolution 01-778.



**CITY OF PITTSBURG**  
**City Council Minutes**  
**June 18, 2001**

Mayor Frank Quesada called the meeting of the City Council to order at 8:14 P.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California.

**MEMBERS PRESENT:** Aiello, Beals, Lewis, Rios, Quesada

**MEMBERS ABSENT:** None

**STAFF PRESENT:** City Manager, Willis Casey  
City Attorney, Linda Daube  
Assistant City Attorney, Carol Victor  
City Clerk, Lillian Pride  
Director of Community Development, Nasser Shirazi  
Planning Manager Randy Jerome  
Assistant Planner Ken Strelo  
Director of Economic Development, Garrett Evans  
Administrative Analyst, Michelle Fitzer  
Administrative Analyst, Jill Haynes  
Director of Finance, Jim Holmes  
Director of Leisure Services, Paul Flores  
Director of Public Services, John Fuller  
Police Chief, Aaron Baker

Vice Mayor Aiello requested a moment of silence in memory of City resident 18-year old *Greg Ashford*, who had recently passed away.

**AUDIENCE REMARKS**

ROBERT AMARAL, Pittsburg, a Ridgecrest resident, sought information on what he understood was a no interest loan program for home improvements available to qualified residents. He noted his understanding that he lived on the wrong side of Dover Way to qualify for the program and he sought clarification from the City Council.

Economic Development Director Garrett Evans referenced the Housing Rehabilitation Loan Programs that had initially been established for the downtown area, Eighth to Tenth Streets to Santa Fe Avenue. When the loans had not been used in that area, he explained that the program had been expanded, which expansion had occurred on more than one occasion. He reported that there was currently a waiting list of 58 residents for the program, although the City was always looking for more ways to be able to provide the necessary funding, when available.

Mayor Quesada directed staff to work with Mr. Amaral to pursue the availability of appropriate loan opportunities through the program. He emphasized that the Council had been very specific to target the blighted areas of the City. As the funds remained available, the program had been expanded to accommodate other areas of the City.

MICHAEL KEE, Pittsburg, stated that his term as Chairman of the Planning Commission was coming to an end. He commended the Planning staff and their extensive work in preparing the General Plan. He noted that the Planning Commission had been meeting nearly every week for the last couple of months to evaluate the plan. He urged the Council to draw up a Proclamation of Appreciation to Planning staff in recognition of their efforts and stated that in his professional capacity having dealt with many planning staff, the City of Pittsburg's planning staff were some of the best.

BEN JOHNSON, Pittsburg, reported that he had been working with the Director of Public Services regarding the water pressure in the Zone 1 area. He inquired whether or not new water lines would be installed as part of the Stoneman III project. He noted that Stoneman I and II had the same issues where pumps had to be installed to increase the water pressure. He added that he also represented the Community Presbyterian Church on behalf of their water pressure concerns.

Mr. Johnson also referred to the street work proposed for the Mariposa Avenue area and inquired of the status of that project. In response, Community Development Director Nasser Shirazi advised that the project had commenced.

Mayor Quesada also noted that the budget presentation had addressed the water pressure situation.

Mr. Fuller explained that the water pressure problem that had been raised related to Zone I, which was the old downtown neighborhood that extended a short distance south of the freeway. He stated that area was the high end of Zone I, which was all gravity fed and the only thing that would provide more pressure to Zone I was additional mains that were planned to run down Crestview Drive to the East Bay Municipal Utility District (EBMUD) right of way and over to Railroad Avenue, which should provide better pressure to Zone I when the \$1 million cost was available. There was a similar problem in the Heights area and roadwork and main work would have to be coordinated. An alternative would be to put in smaller mains and do some miscellaneous work in the immediate area.

Mr. Johnson also inquired of the contingencies for State Route 4 (SR4) traffic. He noted that Railroad Avenue was seriously congested now and he was concerned for the situation when the roadway was opened. He inquired of the City's contingency for getting around the traffic given the current backups and the fear of gridlock. He also inquired of the contingency related to Harbor Street.

Vice Mayor Aiello explained that the Harbor Street work had been delayed one year. He suggested that the Contra Costa Transportation Authority (CCTA) be approached and that Range Road be considered as an alternative exit.

RON RIVES, representing the Seecon Financial and Construction Company, submitted a letter that had previously been submitted in protest of the closure of the public hearing on the draft Environmental Impact Report (EIR) for the City's General Plan update. He stated that Seecon had participated heavily in the General Plan process and their plan was to comment fully and participate in the public process when the Planning Commission had completed its revision.

Mr. Rives stated that the Planning Commission had closed the public comment period on May 22, 2001. He expressed concern that the public hearing had been closed without notice and that the public comment period had been cut off. He requested that the City Council place the issue on its agenda to allow a full discussion and direction to the Planning Commission on adequate closure and on the public hearing regarding the EIR.

Councilmember Rios requested that the item be included on the next meeting agenda for discussion.

CHARLES SMITH, Pittsburg, commended the Council for its recognition of Greg Ashford. He also noted that at the last public meeting he had referred to environmental laws and had noted with respect to the National Environmental Policy Act (NEPA) that when incidents could be accumulated, the cumulative effect would have to be considered. He also noted that prior to the comment section the community speakers had been limited to three minutes, which he suggested might not have been proper given that the other speakers had not been limited to three minutes at that time.

Speaking to the issue of water, primarily related to Kirker Creek, Mr. Smith stated that standing water and ponding water from Railroad Avenue to the Southern Pacific Railroad tracks was flowing very slowly. He referred to artificial dams and inquired whether or not the City would conduct any maintenance in the Kirker Creek area prior to the next rains given that the situation could exacerbate flooding. He supported an annual maintenance program to keep the creek clear of the debris that could create flooding in the area north of SR4. Mr. Smith added that 35 years ago he had worked for the Pittsburg Water Treatment Plant. He referred to water funds and rate increases and suggested that if a rate increase was considered, equipment to better purify the water should be provided. He sought tertiary treatment and an improvement of the water quality for Pittsburg residents.

Councilmember Beals requested a report on the maintenance of Kirker Creek and the issues that had been raised by Mr. Smith.

## **COUNCIL REPORTS**

Councilmember Rios reported that she had attended the joint ECCRFFA meeting and the Mayors Conference. She also noted that the City Council had been asked to meet with the Ledger Dispatch to discuss some changes, such as a Wednesday, Thursday and Friday publishing day and that the Ledger had expressed a desire to evaluate cities in the County. She noted that she and Mayor Quesada had been the only Councilmembers who had attended that meeting with the Ledger Dispatch. She added that when they had been asked at that meeting what they wanted to see, there was a consensus of more positive and less negative in the community.

Councilmember Rios also reported that the Audit Committee had met this date to discuss outsourcing payroll. Updates on new purchasing procedures had been discussed and would be sought. She also noted that janitorial services for the City Hall had been discussed where possibilities for a Request for Proposal (RFP) to decrease some of the costs had been sought. Currently three janitorial services were being used and the City was providing its own supplies.

Vice Mayor Aiello congratulated the Class of 2001 from Pittsburg High School, which had graduated on June 14. He urged the City Council to reflect positively on the youth in the community in that the graduates had attended their all night party and had gotten up early the next morning to attend the funeral of Greg Ashford. He commended the students.

With respect to the ECCRFFA, Vice Mayor Aiello highlighted the June 5 joint meeting, stated that the consultant's report had shown that 34,500 units were anticipated to be built east of Pittsburg, and noted that the proposal for the Buchanan Road Bypass called for the City of Pittsburg to fund the full \$31 million cost. He highlighted some of the particulars of the report and questioned the lack of regional cooperation. On the alternatives, he stated that if the \$31 million was not used for the Buchanan Road Bypass, it should be used on the alternatives, which he suggested had already been funded.

Mayor Quesada advised that he had attended the Mayors' Conference at which time the Educational Revenue Augmentation Fund (ERAF) had been discussed at length and its economic impact to cities past, present and future had been enumerated. Efforts to lobby local Legislators had been discussed to seek a restitution of the ERAF funds for cities. Mayor Quesada also highlighted the meeting with the Ledger Dispatch that had included a tour of City Hall, the very successful Ice Cream Social, and a meeting in San Francisco with the newly appointed Mexican Consul General.

The Mayor also took this opportunity to thank Mr. Holmes and his staff for the two-year budget, the City Departments for all their cooperation, and the Council for its deliberations.

### **CONSENT CALENDAR**

On motion by Vice Mayor Aiello, seconded by Councilmember Rios to adopt the Consent Calendar, as shown.

- a. **DISBURSEMENT LIST**                      Periods Ending: June 1 and June 14, 2001

Approved Disbursement List periods ending June 1 and June 14, 2001.

- b. **MINUTES**                                      Dated: June 4, 2001

Approved Minutes dated June 4, 2001.

- c. **CLAIMS**    #1395 Ramon Munoz

Denied Claim #1395 Ramon Munoz.

- d. **RESOLUTION 01-9405**                      Appropriations Limit for Fiscal Year 2001-2002

Adopted Resolution 01-9405.

- e. **RESOLUTION 01-9406**                      JPA Contra Costa Clean Water Program for Golf Course

Adopted Resolution 01-9406.

- f.     **RESOLUTION 01-9407**                     Consultant Contract for Golf Course Runoff
- Adopted Resolution 01-9407.
- g.     **RESOLUTION 01-9408**                     Agreement to Pool 1959 Survivor Benefits  
Assets and Liabilities Between CalPERS and the  
City of Pittsburg
- Adopted Resolution 01-9408.
- h.     **RESOLUTION 01-9409**                     Authorizing the City Manager to Execute a  
Grant Funding Contract with the California  
Department of Water Resources for the Save Our  
Delta Surveys Water Use Efficiency Project
- Adopted Resolution 01-9409.
- i.     **RESOLUTION 01-9414**                     Terminating Active Participation of the  
Miscellaneous and Safety Employees in the Contra  
Costa County Employees' Retirement Association
- Adopted Resolution 01-9414.
- j.     **RESOLUTION 01-9415**                     Memoranda of Understanding for the  
Management/Professional/Confidential Unit
- Adopted Resolution 01-9415.
- k.     **RESOLUTION 01-9416**                     Memoranda of Understanding for the  
Miscellaneous A Unit
- Adopted Resolution 01-9416.
- l.     **RESOLUTION 01-9417**                     Memoranda of Understanding for the  
Miscellaneous Unit
- Adopted Resolution 01-9417.

**Mayor Quesada declared a recess at 8:50 P.M. The Council reconvened with all members present at 9:05 P.M.**

**CONSIDERATION**

Councilmember Beals clarified with respect to the reported meeting with the Ledger Dispatch that all Councilmembers had not been informed of that meeting due to the Brown Act and that she would have willingly participated in the meeting had she been informed.

Mayor Quesada explained that the Ledger Dispatch had offered very short notice and the meeting had been held as fast as it had with those Councilmembers available in order to accommodate the Ledger Dispatch.





He emphasized that the Department supported funding for all teams, but offered priority funding for City youth and organizations that supported youth in the City. With that in mind, he recommended funding support for the Cooperstown Indians.

CARLA DiMAGGIO, Antioch, representing the California Baseball Club, reiterated an earlier request for \$1,000 for the team to be able to play in the Hall of Fame Tournament in Cooperstown, New York in a once in a lifetime opportunity. She explained that while all members of the team were not from Pittsburg, they played in Pittsburg and the parents paid dues to Pittsburg. She also noted that the team had been placed in a difficult position in that while they had been urged to approach the City Council of the City of Antioch, since the team was playing in Pittsburg the City of Antioch would have the same local concerns as did the City of Pittsburg, placing the team in an awkward situation.

In response to the Mayor as to whether or not both teams would be competing in the tournament, Ms. DiMaggio explained that the tournament would be a week-long event where 48 teams would be involved. She stated that the Cooperstown Indians and the California Baseball Club would compete at different times. She also explained as far as funding that the team had gone to private businesses, had distributed contribution letters, had conducted car washes, bake sales, a spaghetti dinner, and had worked at Pac Bell park, among other fundraising efforts.

When asked, Mr. Flores explained that as noted in the staff report, if funding was offered by the City Council and the team did not attend the tournament, the awarded funding would have to be returned to the City for other uses.

Vice Mayor Aiello did not want to see children caught in the middle. In the interest of regionalism, he recommended that the \$1,000 donation be split between the two teams, with \$500 offered to each team with some recognition that the teams were from Pittsburg.

On motion by Vice Mayor Aiello, seconded by Councilmember Rios and carried unanimously to approve \$500 for each team, the Cooperstown Indians and the California Baseball Club, with the recommendation that if either one or both of the teams did not attend the tournament the money would revert back to the City, and if one team only was to attend, that team would receive the full \$1,000 donation.

Councilmember Lewis supported the motion and urged that the California Baseball Club approach the City of Antioch to seek funds from that City since the team members were from Antioch.

1. **RESOLUTION 01-9412** Code Enforcement Hearing Appeal - Ken  
Leffle

Assistant City Attorney Carol Victor spoke to the Code Enforcement Appeal by Ken Leffle, who she noted was not present at this time. She recommended that the City Council open the public hearing, confirm that the appellant was not available, note that the notice had been provided by the City Clerk and that the City Council adopt the appeal and proceed with enforcement.

Mayor Quesada opened the item for public comment. There was no one to speak. The item was closed to public comment.



She suggested that the City should clean up that mess prior to adding other projects. She had thought there should have been more investigation into the type of units being proposed in the neighborhood prior to taking any action. She commented that she had been offended in that she had gotten a lecture on her comments that the apartments were not wanted and neither were those who would occupy the apartments. She explained that those who would build the apartments had not specified whether or not Section 8 housing or other subsidized type of housing would be involved. Ms. Randazzo expressed a concern with rental units in the area proposed as well as with the number of units proposed. She lived two blocks away from the proposal but she suggested that the Planning Commission had not considered what the residents had to say. She supported the appeal.

TOM LEWIS, Pittsburg, commented that he considered himself a visionary. He explained that the proposal was in his backyard and he suggested that the first priority should be whether or not the project was in the City's best interest and whether or not it was in the neighborhood's best interest. He stated that the neighborhood had made clear that a home ownership based project was preferred. He referenced examples of a preferred type of housing and stated that the City and the neighborhood did not need more apartments. Mr. Lewis referenced apartments on Santa Fe Avenue and described some of the problems associated with them. He noted his disagreement with some of the comments from the Planning Commission at the time of the initial Commission review. He added that a community meeting that had been scheduled had been complicated by the fact that the City had locked the doors to City Hall keeping the residents from attending the meeting.

Mr. Lewis urged the Council to have vision. He stated that the proposal was similar to too many other projects in the City, sought to attract a white collar work force and to create a socio-economic balance in the City.

MICHAEL KEE, Pittsburg, speaking as the Chairman of the Planning Commission, explained that some time ago it had been determined by the Planning Commission that with any appeal to the City Council the Chairman would describe the proposal. Mr. Kee advised that the initial project had been modified in response to concerns and the initial proposal had been reduced and was ultimately proposed for market rate housing. Everything else about the project complied with the City's zoning and General Plan guidelines. He noted that public comment had indicated that the proposal would exacerbate current problems in the community. One member of the audience had spoken in favor of the project. After the close of the public hearing, each Commissioner had an opportunity to speak and express views. He explained that the prime topic of discussion had focused on the residents and on affordable housing. While many problems in the area had been described, the source of the problems had not been identified.

Mr. Kee explained that by a vote of 4-2, the project had been approved by the Planning Commission. He had not voted on the project. Noting the comments that some of the speakers were rude and unprofessional, he stated that everyone had been allowed to speak their mind as had been encouraged as part of the public debate.

Vice Mayor Aiello inquired why Chairman Kee had not stepped down, to which Mr. Kee stated that he had been approached by the applicant to provide architectural services and to present a proposal. He had done that. The applicant did not accept his proposal. To avoid any potential conflict he stated that he did not vote on the project but it was his responsibility as Chair to chair the proceedings. He had absolutely no financial conflict of interest, although he stated that he had not voted to ensure no perception of conflict of interest.

ALLEN MOORE, Walnut Creek, representing the applicants, sought the ability to make a 15 to 20 minute presentation to the City Council. He stated that they were present on the appeal of the Planning Commission's earlier approval of the project. He distributed a packet of information to the City Attorney. Mr. Moore listed the public hearings that had occurred since the presentation of the proposal to the City on September 26, 2000, and explained that as a result of those hearings and in response to the concerns, primarily related to noise, traffic and density, the project had been revised at the direction of the Commission. As part of the lengthy process, a noise study had been submitted, which had concluded that there were no impacts associated with the proposal. Regarding traffic, staff had confirmed that there were no traffic impacts associated with the project.

With respect to density, Mr. Moore stated that while the proposal was on the high density range and if density was the sole issue, the applicants were willing to reduce the density to a medium range where seven units would be eliminated. He emphasized if that was the issue, the reduction would be made to address the concern

With regards to the appeal, Mr. Moore noted that the appeal was for single family homes, not apartments, although the site was zoned RM, intended to provide opportunities for duplex and multi-family units. He emphasized that the proposal was consistent with the City's zoning and the granting of the appeal on that basis would be invalid according to the law. He added that the Mitigated Negative Declaration approved by the Planning Commission had indicated that there was no significant impact to the project. He emphasized that no significant impacts had been shown in the record and that no negative impacts were associated with the project.

Mr. Moore explained that the project had been studied for two years. He commented that what they would really like was a specific plan for the area to protect the neighborhood in the future. He stated that would allow a rezoning, although the project was now zoned for multi-family and was zoned for what had been proposed. He stated that the project should be approved unless a public health safety impact had been found. He suggested that the item should not be deferred. For the record, he advised that all of his materials had been submitted to the City Attorney.

City Attorney Daube marked the materials offered by Mr. Moore as Applicant's Exhibits 1 and 2, a traffic and parking review completed by Abrams and Associates, which placed those documents into the administrative record.

CHARLIE ABRAMS, President of Abrams Associates, Traffic Engineers, Walnut Creek, advised that staff had reviewed the proposal and the proposal did not meet the threshold to require a study. He added that the threshold was also below what the Traffic Safety Committee would become involved. With respect to traffic safety and the location of the driveway on Solari Drive, Mr. Abrams stated that the project would generate 25 vehicle trips during the peak hour.

He added that sight distance was sufficient to see a vehicle coming at a speed of 40 MPH or more from either direction. As such, traffic sight distance was not an issue. He otherwise acknowledged that there was a steady stream of traffic on Solari Avenue during the peak hour although there would be more than enough gaps to allow people to enter the roadway. He stated that a traffic signal was not required at that intersection.

With respect to parking, Mr. Abrams stated that 2.5 spaces per apartment unit were being required, which he described as a premium. He suggested that the applicant leave sufficient area for 40 parking spaces and that area be landscaped and ultimately used for parking if it should be needed.

Mr. Abrams stated that while the project would add traffic to State Route 4, since the project was within the City's General Plan and zoning requirements that would not be a factor involved. He also clarified that there were bus routes within easy walking distance of the proposal. Mr. Abrams reported that he had concluded that no traffic problem would be associated with the project.

Vice Mayor Aiello clarified with Mr. Abrams that for 63 units, 157 parking spaces would be provided, and of that total only 25 trips were expected to leave the project during the peak hour. He suggested that the proposal, even if it was below the threshold, would have a cumulative effect particularly given the 7,000 to 8,000 cars per day that utilized Solari Avenue.

Mr. Abrams explained that while there would be a change in traffic patterns, there would be no detrimental change. He emphasized that the project was not within the measurable impact by all the standards utilized by the City. He was not aware of other cumulative projects in the immediate area. He stated that the street was primarily used for overflow from the freeway.

Vice Mayor Aiello inquired whether or not the truck bypass had been taken into consideration, to which Mr. Abrams stated that had not been done since it was not necessary and staff had also not considered the truck bypass in their analysis of the traffic associated with the project.

MAGDY HANNA, Irvine, explained that he and the other co-applicants had expended a great amount of money to create a viable project. He advised that he built and owned projects, managed them and retained them. He highlighted the efforts taken to present the plan and to modify that plan to meet the concerns and issues raised by staff, the Commission and the adjacent neighborhood. He explained how their efforts to meet with the public had been stymied by the fact that the doors to City Hall had been locked.

Mr. Hanna emphasized that traffic associated with the project would not create an impact, that the City itself had indicated that there would be no traffic impact, and that the CEQA finding had shown no impact at all on the project. He offered copies of a proposal and he requested a denial of the appeal and the approval of the project based on fairness and equity. He emphasized that the project had been designed to be in compliance with the zoning for the site. He suggested that there was no basis to deny the project and he had complied with everything that had been required. He added that he had done a public notice on a 1,000 foot radius, and had done everything as requested. He urged Council support for the project and the denial of the appeal.

City Attorney Daube entered the material provided by Mr. Hanna into the administrative record.

The applicant's exhibit list, a several page color document/architectural design was entered as Applicant's Exhibit 3; a seven-page summary dated March 5, 2001 from G. Kirby Miller to Magdy Hanna was entered as Applicant's Exhibit 4; and a copy of the City of Pittsburg Notice of Intent to adopt a Mitigated Negative Declaration was added as Applicant's Exhibit 5.

BEN JOHNSON, Pittsburg, stated that he had attended the meeting of the Planning Commission when the project had been submitted. He supported single family units in the area as opposed to multifamily apartments. He questioned how the proposal had complied with CEQA requirements without a traffic study. He suggested that there were more than 8,000 cars going through that area and he recommended that a stop light be installed at that site. Mr. Johnson added that one of the other issues was that Chairman Kee was to have stepped down from the meeting at the time the Commission had considered the issue. He noted that Chairman Kee had abstained, which he suggested was a vote.

ALLEN VALENTINE, Pittsburg, a member of the Planning Commission although speaking as a private citizen, suggested that every comment he had heard was invalid. He suggested that 30,000 plus cars traveled along Leland Road that he had to deal with. He also noted that far more cars were going on Buchanan Road than would travel past the proposed project. He suggested that the placement of single family homes would not guarantee owner occupancy and he commented that the issues related to low income and potential occupancies could create a liability situation for the City.

Mr. Valentine emphasized that the applicants had complied with every single thing that they had been asked to do. He stated that everyone should be concerned with his/her own neighborhood. He supported the project, suggested that the corner was an eyesore that should be developed, and he inquired why 15 people could dictate something with which the remaining 616 people in the neighborhood had no problem.

ROSEMARY TUMBAGA, a resident of Pittsburg and a member of the Planning Commission requested that the City Council uphold the vote of the Planning Commission. In response to a comment that she had lectured, she disagreed and stated that she had made a statement that every citizen in the City was entitled to safe, decent and sanitary housing, which was a U.S. Department of Housing and Urban Development (HUD) requirement. She disagreed that there had been sound reasons offered for overturning the Commission's approach, stated that the applicant had made revisions to the proposal to comply with the Commission's concerns and public comments, and clarified that the proposal was not low income in that it was market rate housing.

Ms. Tumbaga suggested that the project was just as attractive as it was when it was an affordable housing project and just as attractive as other projects currently under construction in the City. Because it would be market rate, she did not believe it would create any less of an apartment in the neighborhood than the apartments under construction on Atlantic Avenue.

Ms. Tumbaga noted her understanding that rents for the apartments were anticipated in the \$1,000 per month range and that those who would occupy the apartments would be the young families who were currently priced out of the market. She added that the proponents had worked to meet the concerns of the neighborhood and were seeking no special considerations other than to develop their property as the law allowed.

GEORGE HARRIS, Pittsburg, inquired of the attorney whether or not Ms. Tumbaga was speaking on behalf of the Planning Commission. When requested by George Harris, Ms. Tumbaga stated that she was a member of the Planning Commission and she was speaking as a resident of the City and as an individual in support of the Planning Commission's vote. She urged the City Council to uphold the Planning Commission's vote.

Mr. Valentine commented for the record that the project had initially been proposed as a low income project, at which time staff had recommended approval. As a market rate apartment, he explained that staff had recommended denial of the project.

With no further comments from members of the public, Mayor Quesada closed the public hearing.

City Attorney Daube clarified that the issue was because the appeal raised by Mr. Harris had raised other issues for a denial of the project. In order to do that, she stated that findings of fact would have to be made, that public health, safety and other issues were of a concern. She stated that if the Council did not have enough information, the Council could direct staff to return with a review and further information on the issues to then allow a determination to be made.

Vice Mayor Aiello commented that he had seen no traffic studies on the project and if a noise study had been conducted it had not come to the Council for review. He did not believe that the train coming by the site would not create a public nuisance. He emphasized that he had no feasibility study to show that had ever been done and he wanted to see a study that showed that the site could meet the 60 dBA noise requirements of the City's General Plan. Acknowledging that a multifamily use was allowed on the subject site, Vice Mayor Aiello sought a density ratio of 5.1 for the site.

On motion by Vice Mayor Aiello to conduct a traffic study and noise study to be reviewed by the City Council on the basis of a 5.1 density.

Councilmember Beals commented that as of last month, she was a single individual earning \$60,000 a year and she could not afford a house by herself. As such, she suggested that even a \$60,000 annual salary was low income.

On motion by Councilmember Beals to deny the appeal and to move the approval of the Planning Commission.

Mayor Quesada seconded Vice Mayor Aiello's original motion to conduct a traffic study and noise study to be reviewed by the City Council on the basis of a 5.1 density.

There was no second to the motion by Councilmember Beals, which motion died for lack of a second.



Mr. Jerome described a conflict with the approved development plan for the Albertson's site. He identified the approved site and pointed out the area of concern, which had been approved for a junior box, small retail building, or some use smaller than a grocery store. The original proposal had access for the truck traffic for Albertson's around the back, although the original application would cut off that access. He noted that it had been directed that a traffic study be done to see if that was a possibility. With the proposal, he suggested that the traffic circulation worked quite well.

Mr. Jerome explained that staff had changed its direction and while opposed to the project when it had first been initiated, staff now recommended approval given that the site plan was superior to the original proposal. He commented that whether or not the Albertson's center was successful securing a proper retail user, staff was quite concerned that the site plan created a situation similar to the original Lido Square shopping center whereby there was a great deal of open area behind the building that was accessible to the apartments to the rear. He highlighted the problems that the police had with the site, such as cutting over the fence to access Railroad Avenue. Stating that the proposal would address that situation by blocking off the building up to the fence and the wall, Mr. Jerome explained that another reason why staff was supportive was that the retail component was far superior to what had been proposed. Given the configuration of the site, he suggested that the proposal was considered as the best usage of the land.

Mr. Jerome stated that staff was therefore supportive of the application and recommended approval. With agreement from the Council, he stated that the action would be to direct staff to prepare an ordinance for an overlay zone to allow self-storage on the Albertson's site. He stated that if the design review was approved, that would go with the future rezoning.

City Attorney Daube read into the record the exhibits that would comprise the Administrative record on the appeal.

The City Attorney delineated exhibits A through I included in the staff report dated June 18, 2001. In addition to those exhibits, additional exhibits had been submitted and entered into the administrative record. A one-page letter dated June 15, 2001 from a representative of Lido Square townhouse was entered as Exhibit J; a one-page letter of support from CBM Group, Inc. Property Management dated June 15, 2001 was entered as Exhibit K; a letter of support dated March 29, 2001 from Holly, Troxell, Ennis and Holly, attorneys at law to Randy Jerome was entered as Exhibit L; a two-page letter of support dated May 16, 2000 from Farallon Storage retail proposal from Development Consultants, Inc. in Concord was entered as Exhibit M; and a traffic study prepared by Fehr & Peers Associates dated January 18, 2001 regarding the Shurgard Storage project on Railroad Avenue was entered as Exhibit N.

Mayor Quesada opened the public hearing.

DAVID SHIELDS, Concord, representing Newfoundland Investment Co. the owners of the property since 1998, stated that he had been effectively marketing that property and seeking a site plan. Noting that since the site had been located behind the Burger King, Unocal and now behind the Washington Mutual building, there was no visibility from the street and a serious security situation had been created. In discussions with the apartment complex, he stated that had become an increasing problem with them. He explained that during construction, there were passersby cutting through that area. He stated that now people were scaling the wall, which had become a security hazard and an eyesore.

As a consequence, Mr. Shields stated that the way the site had been set up, it would not play well to the Albertson's or to the adjacent retail. After a considerable period of trying to market the property, they had found a user who had made a proposal that would seem to solve all of the problems. He stated that in their view that was a site plan that represented the highest and best possible use of the particular piece of property.

Mr. Shields noted that in the new design, the entire area would be fenced and there would be 24-hour security. Because of the staff recommendation for a traffic study, he clarified that the new plan would have less impact from a traffic standpoint on the adjoining plan. The dominant feature of the center would be the retail component facing the center parking area and Shurgard would actually be to the rear and only be visible behind the Burger King. The concern was that if the development was not approved and allowed to go forward, they would continue to have the same lack of success and the security problems would continue into the future.

STEVE TANGNEY, Castro Valley, Northern California Development Representative for Shurgard, offered a presentation on the Shurgard operation, which had 400 locations in the U.S. and Europe. He presented illustrations of some Shurgard proposals throughout the Country.

Mr. Tangney also presented the original site plan to identify the proposed two-acre lot with a net developed portion of just over one-acre. He presented photographs of the vacant property and the areas where the walls had routinely been scaled and damaged. He stated that Shurgard would offer a safe and secure development at the location with security cameras, on site resident manager and the site would be monitored through a 24-hour alarm service. He suggested that would offer an excellent transitional buffer from the apartments, particularly since it would be closed at night. He added that the Pittsburg market had been studied and the average storage occupancy was 94%, with the demand growing.

Mr. Tangney emphasized that the property had been marketed to 49 major retail companies and all had declined. He noted that mixed use retail and self storage would enhance the buffer, be secure, and that multi-story construction would offer added security which was a benefit to storage customers. A portion of the building would be air conditioned. Comparing other self-storage locations, Mr. Tangney noted that Pittsburg had seven existing storage properties, two of which would likely be affected by the SR4 widening, creating a loss of storage space.

Mr. Tangney also referenced the four letters of support that constituted all four neighbors immediately adjacent to the property. He sought the Council's support on the overlay zone as the highest and best use of the property. He added that they agreed with all conditions except Condition No. 27, since Shurgard's signature element was the lighthouse and their icon across the country.

Mayor Quesada opened the public hearing.

TOM LEWIS, Pittsburg, suggested that Pittsburg had become the storage capital of Contra Costa County based on a survey that he had conducted. He suggested that the City had more than enough storage facilities. He urged the Council to consider the long term, to consider the possibility of a BART station in Pittsburg, and he suggested that the site would be more appropriate for a two-story office building or a bookstore that would bring more economic development to the City.

MICHAEL KEE, speaking as Chairman of the Planning Commission, advised that the applicant had come before the Planning Commission in April 2000, at which point there had been no formal proposal. It had been the unanimous decision of the Commission at that time that the site was not suitable for a self-storage facility, although the applicant had made a formal application anyway. Concern had been expressed for suitable uses that might occupy the site. Most of the public comment was in opposition to the facility. The opposition was also from many of the self-storage facilities in the area. Additional concerns focused on the proximity of the project to Railroad Avenue and the future BART station. Many felt that another location might be more appropriate.

Mr. Kee stated that one issue was the removal of the lighthouse element, which the applicant had opposed. By a vote of 6-1, the Commission had denied the request for rezoning and design review. While attractive, Mr. Kee stated that the proposal had been denied for a number of reasons, among them that the site was not suitable for a storage facility and that only 12 percent of the self-storage site was proposed for a retail use.

DAN SCHOENFELD, Fort Bragg, one of the owners of the Fort Knox Self Storage, clarified that there were 260 units that were being rented out and they planned on building out another 350 units. He stated that the units were climate sensitive and had been approved to solve a social problem and to create a use that would be acceptable between a retail and a residential area. If approved, he noted that the subject project would be available next year at a time when the Fort Knox occupancy could be at 75 percent occupancy. He added that his comments were simply to apprise the Council of their situation. He emphasized that they had cleaned up the area and had done a lot to improve the fabric of the area. If the project were to proceed, he suggested that it would have an impact on their ability to succeed.

JOHN GARCIA, Pittsburg, opposed the proposal for what he described as a prime piece of property. He did not see how an overlay could be created for the site, he suggested that the proposal would impact other similar uses and that the proposal should be denied.

BARBARA PRICE, Alameda, was present with the applicant but had nothing further to add.

City Attorney Daube advised that the binder submitted by Mr. Tangney would become Applicant's Exhibit 1. The binder included letters of support, a rendering and the marketing retail efforts.

Mayor Quesada closed the public hearing.

Councilmember Lewis reported that he had opposed the last two storage facilities that had been proposed for the City given his opinion that the facilities were not appropriate on the City's main north/south arterial. He also disputed the population figures and suggested that the City's growth rate would result in an overall population of 65,000 people ten years from now. He suggested that the proposal was symptomatic of what the City had done for years, to take anything that came along.

Councilmember Lewis added that the positive response to the Albertson's shopping center, the possible location of a BART station and other economic development improvements in the City would mean that the prime site would be more suitable for another use. He opposed the self storage proposal.

Councilmember Beals inquired whether or not the City had been approached in recent years with interest on the property. She was advised that the City had not been approached with any interest in the property.

Councilmember Beals suggested that the project was feasible and viable. She suggested that it would represent a safe facility and a plus for the area. While she understood the argument of storage on Railroad Avenue, because the facility was offset, she stated it would not be visible and it would offset the number of storage units that would be lost with the widening of Highway 4. She did not believe that it would impact the existing storage centers. She further suggested that the proposal would complete the shopping center and address the City's retail needs. With the expansion of SR4, the development of Railroad Avenue and the entryway to the City, she did not believe that the area would be suitable for office use.

With respect to the area improvements, Councilmember Beals suggested that the proposal could represent one way to enhance the area. She also noted with respect to the lighthouse, that if there was any reason she would reject the project it would be because of the lighthouse. She requested that it be lowered to be level with the building in front. She noted that she also opposed any more auto parts stores. She would support a bookstore option but noted that over the past seven years the need for storage in the community had increased and that storage would always be a necessity in the area.

Vice Mayor Aiello stated with respect to the marketing effort in retail that a significant percentage of the companies identified were already in the City and were not necessarily uses that he would prefer to see at the site. He did not believe that more storage was needed on Railroad Avenue given the prime economic development area. He also did not believe an analysis had been done to identify the type of use appropriate for the area.

On motion by Vice Mayor Aiello, seconded by Councilmember Rios to uphold the Planning Commission's decision and direct staff to return with a resolution consistent with the findings and the testimony received during the public hearing on the Albertson's Shopping center retail and storage proposal. The motion carried by the following vote:

Ayes:	Aiello, Lewis, Rios, Quesada
Noes:	Beals
Absent:	None

### **ADJOURNMENT**

There being no further business, the City Council meeting adjourned at 12:22 A.M. to the next meeting scheduled for July 2, 2001.

Respectfully submitted,

Lillian J. Pride, City Clerk

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**CITY OF PITTSBURG**  
**Pittsburg Power Company Minutes**  
**June 18, 2001**

Chair Frank Quesada called the meeting of the Pittsburg Power Company to order at 12:23 A.M. in the City Council Chambers at City Hall, 65 Civic Avenue, Pittsburg, California.

**MEMBERS PRESENT:** Aiello, Beals, Lewis, Rios, Quesada

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Executive Director, Willis Casey  
Legal Counsel, Linda Daube  
Assistant City Attorney, Carol Victor  
Director of Community Development, Nasser Shirazi  
Planning Manager Randy Jerome  
Assistant Planner Ken Strela  
Director of Economic Development, Garrett Evans  
Administrative Analyst, Michelle Fitzer  
Administrative Analyst, Jill Haynes  
Director of Finance, Jim Holmes  
Director of Leisure Services, Paul Flores  
Director of Public Services, John Fuller  
Police Chief, Aaron Baker

**CITIZEN REMARKS**

There were no citizens remarks.

**MEMBERS REMARKS**

There were no Member remarks.

**CONSENT**

On motion by Vice Chairman Aiello, seconded by Member Rios and carried unanimously to adopt the Consent Calendar, as shown.

a. **MINUTES** Dated: May 7, 2001

Approved Minutes dated May 7, 2001.

**CONSIDERATION**

1. **RESOLUTION 01-057** Adopting Budget Revisions for Fiscal Year  
2001-2002

Chair Quesada advised that Resolution 01-507 had previously been adopted with the similar resolutions under the Redevelopment Agency agenda.

**ADJOURNMENT**

There being no further business, the Pittsburg Power Company adjourned at 12:24 A.M.

Respectfully submitted,

Lillian J. Pride, Secretary

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