



ECONOMIC DEVELOPMENT COMMITTEE

Meeting Minutes
Tuesday, October 11, 2017
1:00 pm
City Council Chambers
150 S. Palm Avenue

I. CALL TO ORDER / ROLL CALL

1:00 PM

Meeting called to order at 1:05 p.m.

EDC MEMBERS PRESENT:

Deborah Robertson, Mayor
Ed Scott, Mayor Pro Tem

CITY/AGENCY STAFF PRESENT:

Mike Story, City Administrator
Robb Steel, Assistant City Administrator/Director of Development Services
John Dutrey, Project Manager
Robert G. Eisenbeisz, P.E., Public Works Director/City Engineer
Gina Gibson-Williams, Planning Manager
Fred Galante, City Attorney, Aleshire & Wynder, LLP

II. Review and Approval of Minutes – July 24, 2017

Motion by Mayor Robertson to approve the minutes as written for record, second my Mayor Pro Tem Scott. Motion carried.

III. Review/Modification of Agenda Items for Discussion

None.

IV. Presentations

A. Renaissance Marketplace Leasing/Development Update

LHR

The LHR team presented an update on the progress related to the marketing, leasing and construction of the development.

Mr. Rick Manner of LHR presented a down view slideshow on the construction progress and tenants for the site. Mr. Manners indicated that new tenants to the site include, Carter's, Tuesday Morning, Old Navy and Chop Stop.

LHR also presented an overall update on the residential aspect of the project. LHR indicated that the 108 acres have been parceled out; and the title and easement requirements have been determined. They have also hired an engineer to work exclusively on the residential aspect.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Robertson questioned why the EDC had not received anything in writing prior to the EDC meeting, to provide a written update on the site and leased tenants. LHR indicated that they would get her the list requested.

Mayor Robertson also indicated that she heard about a signed lease with Grocery Outlet, and inquired about the status with this store as well as Norm's restaurant and Panera Bread.

Mayor Pro Tem Scott questioned the Cities authority in approving or disproving tenants for the site; and if September's restaurant is a qualifying restaurant for the site. Mr. Steel indicated that the Cities only authority is to constitute an approved restaurant, adding that September's is on the list of approved restaurants.

Mayor Robertson inquired about the housing element of the area. She requested a meeting between her, Mayor Pro Tem and LHR to discuss the development as a whole before the end of October.

B. Renaissance Parkway East Center Update

Fernando Acosta

Mr. Fernando Acosta presented an update on the project and leasing efforts. Mr. Acosta indicated that Cracker Barrel has indicated their commitment to the property, and intend to close escrow by March 2018 and complete construction within six months of closing. Mr. Acosta also indicated that the site plan and elevations continue to change.

Staff member Gibson-Williams added that the design originally submitted, did not meet City standards, Planning requested the design in their Arizona store, and Cracker Barrel obliged.

Staff member Steel indicated that he and staff have meet with Mr. Acosta and his team weekly to address the issues that arise. He explained that the developer and City have gone back and forth to come to an agreement that satisfies both parties. He noted that the agreed upon site plan is now scheduled to be presented to Planning Commission on October 24th and City Council on November 14th.

Kimley-Horn indicated that they have worked to overcome some of the parcel issues encountered. The property is a bit under 8 acres, which is proposed to be split up into 4 parcels for construction. Kimley-Horn indicated intent for parcel conveyance to Sonic and Cracker Barrel by March/April 2018; and vertical construction by September 2018.

Kimley-Horn also noted that the offsite plans have been re-submitted to Engineering for second plan check, and will be presented to Planning Commission on October 25, 2018 for approval.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Pro Tem questioned why there has been such a high number of site plan revisions. Staff member Steel noted that this is common amongst developers and the City; working together to meet each party's requirements.

Mayor Robertson inquired about what can be done to assist in moving up the project timeline. Mr. Acosta's team (Kimley-Horn) indicated that there are a number of offsite and infrastructure improvements that can be done in advance to aid in continuing the project and eliminating barriers for project completion. Mayor Robertson added that her desire is to shorten the timelines for this project, along with all others construction projects throughout the City.

Staff member Steel made note that the County Cactus Basin is located adjacent to this property, and requested the advice of the EDC on moving forward with street improvements. Mayor Robertson requested that a meeting be set to discuss this with the County Supervisor, for a plan to move forward. She also indicated that the improvements can be added to a proposal for the next "Safe Routes to School" program submission.

C. Pacifica – Renovation of the Former Wal-Mart Update

Pacifica

Mr. Pankaj Mahajan of Pacifica, presented an updated proposal for possible retailers of the former Wal-Mart store. Mr. Mahajan included a list of retailers that they were interested in securing for the site; and amongst these retailers Ross Dress 4 Less, DD's Discounts and AutoZone were proposed for the site. Mr. Mahajan indicated that a letter of intent has been received from each of the proposed tenants.

Mr. Mahajan indicated that the AutoZone store is 40,000 square feet, the retail component being 7,000 square feet. Mr. Mahajan presented representatives from AutoZone to provide the EDC with more information on the store. Mr. Joe Arce of AutoZone indicated that the proposed store would be the mega hub for Rialto and surrounding areas. Mr. Arce indicated that his company operated a 25,000 square foot store in Gardena, CA that operates similarly. Mr. Arce clarified that the proposed store will not be a distribution warehouse, but will actually be serviced by their distribution stores. Mr. Arce noted his belief that this store will draw more people to shop in Rialto, because of the amount of product that can be held and sold. The store will be open 24 hours per day.

Mr. Mahajan also indicated that there is another 5,000 square foot building for retail, 6,000 square foot for retail as well as another 10,000 square foot building for both a retail and fast food vendor. He added that his team has engaged with the same developer as the Wal-Mart store to complete this project. Verizon Wireless and Panera Bread are proposed for one of the available spaces.

Entitlements will be submitted by the end of the year, and construction completion may be expected for August/September 2018 for DD's Discount Store and Ross Dress 4 Less, and December 2018 for AutoZone.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Pro Tem Scott inquired if any other stores were closed as a result of the larger store in Gardena, CA. Mr. Arce responded that no other stores were closed or negatively affected.

Mayor Robertson inquired about the number of new jobs that will be created with the new proposed store. Mr. Acre indicated that they anticipate having over 170 employees in Rialto, once the proposed store is opened.

Mayor Robertson noted her concern for the benefactor of the point of sale for the store.

Mayor Robertson also requested that AutoZone provide the EDC with written data, including the sphere of areas that the “mega hub” will service.

Mayor Robertson made note of her concern on the upkeep and maintained for the proposed DD’s Discount store; indicating that the current DD’s Discount store is not well kept. Mr. Mahajan suggested that the City execute a maintenance and care escrow agreement, where the City is given an amount up front to cover any maintenance required that is not reasonably performed by the retailer.

Mayor Robertson inquired about the timeline for completion.

D. Rialto Bioenergy Facility Project Update

ED/Planning

Mr. Yaniv Scherson of Anaergia, presented an update on the Rialto Bioenergy Facility. Mr. Yaniv indicated that the his team has received grant letters from the California United States Department of Energy, as well as the California Energy Commission, and are on schedule for the entitlement process (halfway through the CEQA process).

Mr. Yaniv also presented a refresher on the location, site plan and function of the facility. He indicated that the City of San Francisco purchased a smaller machine to comply and exceed requirements mandated by the state.

Mr. Yaniv noted that the project is following the Department of Energy’s schedule, where the first digesters will be fed by first quarter of 2020.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Robertson requested a timeline and schedule for the project electronically.

Mayor Robertson inquired about the hours of operation. Mr. Yaniv confirmed that the operation would run 24 hours.

E. RBV Investment Group, LLC - SFR Project

Planning

RBV Investment Group, LLC (RBV) presented information on the updated proposal for a housing community on the corner of Bonnie View Drive and Willow Avenue, as indicated in the staff report. RBV explained that the project would consist of 56 detached single-family homes, ranging from 1400-2000 square feet in one and two story units. The site would also include a 7,000 square foot common open space (including a swimming pool, hot tub, open grass area and landscaping); as opposed to the high density apartment complex previously proposed. RBV presented a site map, all applicable floor plans and elevations.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Robertson advised the developer to take a look at adding a floor plan that provides a first floor bedroom, on a two story home.

Mayor Robertson advised the developer to move forward with presenting the concept at a community meeting, and then to return to the EDC for zone change approval.

City Attorney Galante noted that Multi-Family Residential is the correct zoning for the proposed project. He added that this zone change may require a General Plan Amendment depending on the density.

V. Reports/Discussion Items

A. RC Hobbs Conceptual Plan for SFR Subdivision

Planning

Staff member Casey presented background information on the project as indicated in the staff report. Mr. Casey indicated that 8 local residents attended the community meeting held on August 30, 2017. The project was well received overall, however, the community noted the main concern of the existing traffic issues in the area and near the school. He added that RC Hobbs also

Mr. Casey introduced Mr. Hobbs of RC Hobbs, to further present an update on the proposed development. Per the EDC on July 24, 2017, Mr. Hobbs noted that he was advised to consider adding single story homes to appeal to all buyers. Mr. Hobbs added that the location of the project would remain at the northeast corner of Randall Avenue and Acacia Avenue; including 50 single-family homes, ranging from 1,600 to 2,300 square feet in size, 3-5 bedrooms and two car garage. Pricing for the development is anticipated to be in the mid-\$300,000's.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Robertson indicated that she met with the City of Colton regarding a new market rate single family development they are building on San Bernardino Avenue and Pepper Avenue. She noted her desire to share these types of projects with our community cities, so that everyone is aware of the projects to come.

Mayor Pro Tem Scott inquired about the egg ranch in the area. Mr. Hobbs indicated that it is a brooder ranch, and that his company has tried to purchase this facility. Mr. Scott advised staff to look into the legalities of this ranch.

The EDC advised staff and RC Hobbs to move forward with this project.

B. Scope of Work for the Public Facilities Master Planning RFP

Lynn Merrill

Mr. Lynn Merrill of Lynn Merrill & Associates presented information on the public facilities master planning as indicated in the staff report. Mr. Merrill requested comments and approval to move forward with releasing a Request for Proposals (RFP) in effort to prepare a financial plan for reconstruction of the Civic Center.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Robertson suggested that staff to look at the City of Long Beach and the City of Napa for a model/example of how to prepare financially for developing a new Civic Center. Mayor also suggested that staff look into possible financing options.

Mayor Pro Tem Scott advised that staff come up with a plan and move forward. Mr. Scott indicated his belief that hiring a consultant would not be financially responsible. He also advised staff to look at Alliance and Rialto Water Service and how they accomplished development.

Pro Tem Scott also indicated that the fund should not be generated by increasing fees paid by the residents and business owners within the City.

The EDC provided direction to gather information from other municipalities and present back to the EDC. Mr. Merrill requested an additional 30 days to conduct further research and present back to the EDC. He indicated that he would determine how much the new Civic Center will cost and how much of the cost can be financed.

C. Temporary Sewer Impact Fee Reduction for Hotels

Econ Dev

Mr. Lynn Merrill of Lynn Merrill & Associates presented information on a request to temporarily reduce sewer impact fees for hotels, as indicated in the staff report. Staff indicated the recommendation to temporarily reduce the fees to \$768 per room to be in the median and more competitive with surrounding cities. Staff indicated that Facilities Supervisor, Mr. Tom Crowley is currently working with his team in completing a sewer rate study and anticipate its completion by December 2018.

EDC COMMENTS/RECOMMENDATIONS:

The EDC advised staff to move forward with charging the temporary fee of \$500 per room.

D. Development Services Modular

Building

Per the direction of the EDC at the July 2018 meeting, staff members James Caro and Robb Steel presented an update on the designs, locations and costs for an addition to the Development Services Department Building, as well as a new modular building for the Development Services Department, as written in the staff report. The EDC previously indicated favor toward the new modular building option, however, Mr. Steel explained that the only 50-65% of the funding for a modular building can be met by Development Impact fees (DIF), while 100% may be met by the fund for an addition to the existing building.

Mr. Steel added that the new Fire Station 205 and Community Center currently have a \$1.5 million claim on funds in the General Facilities account. Staff would look at the upcoming development projects and forecast funding from those developments.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Robertson inquired about added public restroom access to the addition design. Mr. Caro responded that the changes in design have been made to provide public restrooms.

The EDC inquired about the timeline for the project. Mr. Caro indicated that staff would move forward with the project and that he would be the project manager. Mr. Steel added that staff would prepare a report to present to council for approval of financing.

E. Street Light Maintenance Services for City-Owned Street Lights

Public Works

Staff member Eisenbeisz presented information on the issue of street light maintenance as indicated in the staff report. Mr. Eisenbeisz indicated his recommendation to move forward without a contract and to pay for maintenance as needed. He also noted the option to enter into an agreement for only certain items.

Mr. Eisenbeisz explained that St. Frances Electric is currently taking care of any street light maintenance issues and the City is responsible for any timing issues.

Contract staff provided the pros and cons of moving forward with a contract, as well as the proposals presented by St. Frances Electric versus Siemens Industry, Inc. Siemens has a local service provider in Riverside, a 24-hour on-call center and outage/inventory management. Staff requested the EDC to advise of whether or not to proceed with a contract with Siemens or pay as required. Staff also noted that the lights currently remain on warranty; however, staff is working for a plan for moving forward when the warranty period ends (June 2018).

EDC COMMENTS/RECOMMENDATIONS:

Mayor Pro Tem Scott indicated that St. Frances does not do a great job on maintaining traffic signals. Staff member Eisenbeisz indicated that they have not had any issues working with St. Francis.

Mayor Pro Tem also noted the extended length of the traffic signal at Willow Avenue and Valley Boulevard.

Mayor Pro Tem inquired about how residents will be notified of who to call in the case that there is a street light issue, and the light is no longer with Edison. Staff indicated that the resident could reach out to Edison and be re-routed to the City.

Mayor Robertson inquired about who the responsibility party is for street lights that are malfunctioning and that go out. Mr. Eisenbeisz indicated that St. Frances will handle traffic signals that have gone out or any after-hours issues and Public Works will handle any malfunctioning issues during business hours.

Mayor Pro Tem Scott inquired about how often a call from Police and Fire is received for a malfunctioning street light. Staff indicated 2-3 times a week.

Staff member Story inquired if there are companies that can provide both signal maintenance and lights. Mr. Story recommended that the RFP be packaged to include both items. Mayor Pro Tem added that the bid can be advertised as Mr. Story advised, as well as separately. The EDC also requested that staff draft a letter to Edison for the residents to make note of the street light changes. The EDC also requested to review and approve the letter prior to sending it out, that the Mayor or representative sign it and that it be broadcasted through all City outlets.

(City Attorney Galante excused himself from the meeting toward the end of the presentation of this item)

F. Removal of Uncontrolled Marked Crosswalks

Public Works

A presentation of findings was given to the EDC as indicated in the staff report. It was explained that in 2014, Willdan Engineering prepared a report identifying 41 locations of uncontrolled

marked crosswalks, and in March 2016 the Transportation Commission recommended removal of 18 of the 41 identified.

Staff member Eisenbeisz indicated that there are three groups of crosswalks in the analysis; 18 to be removed, 14 to be enhanced/improved and other. He added that this recommendation is not in conflict with Safe Routes to School.

Mr. Eisenbeisz noted that if the EDC would like to keep the crosswalks, the City must place a plan of action of how to improve them.

EDC COMMENTS/RECOMMENDATIONS:

Mayor Pro Tem Scott inquired about the purpose of removal. Mr. Eisenbeisz indicated that the goal is to eliminate the risk to the City.

Mayor Pro Tem inquired about any data that analyzing the number of collisions and accidents at the unmarked crosswalks. Mr. Eisenbeisz indicated that there is data and that he would deliver to the EDC for review.

The EDC indicated concern with removing crosswalks in the areas where there are schools as well as where there are no other near street crossing options.

Mayor Pro Tem recommended that the speed limit be changed at some of these locations to help address the issue. Mr. Eisenbeisz noted that state law will only allow the speed limit to be set within 85% of what people are driving in the area. He added his belief that if the crosswalks are removed in these area, vehicles will begin to drive faster.

Mayor Robertson indicated her desire to have a conversation on this item with the Transportation Commission.

Staff member Story recommended that the 18 crosswalks be analyzed to determine ways to make them safer to the public without removal. The EDC concurred.

VI. Agency Updates

None.

VII. Upcoming Meetings (Day & Time)/Other Discussion Items

None.

VIII. Adjournment

Meeting adjourned at 5:15 p.m.