

CITY OF BISHOP  
CITY COUNCIL MINUTES  
December 12, 2005

CALL TO ORDER Mayor Henderson called the meeting to order at 7:30 p.m.

INVOCATION The invocation was given by Rock Baker, an elder from the Grace Lutheran Church followed by the Pledge of Allegiance led by Councilmember Connolly.

COUNCIL PRESENT Crom, Connolly, Cullen, Young, Henderson

COUNCIL ABSENT None

OTHERS PRESENT Richard Pucci, City Administrator  
Denise Gillespie, Assistant City Clerk  
Peter Tracy, City Attorney  
Jim Barnes, Community Services Director  
Ray Seguire, Fire Chief  
Joe Pecs, Police Chief  
David Grah, Public Works Director  
Gary Schley, Public Services Officer

PUBLIC COMMENT The Mayor announced the public comment period. She presented City Administrator Richard Pucci with a 25-year pin in recognition of his service to the City of Bishop.

No further public comment was given.

CONSENT CALENDAR A motion was made by Councilmember Cullen to approve the  
(1) Consent Calendar as presented:

Motion/Cullen FOR APPROVAL AND FILING  
(a) Council Minutes 11/28/05  
(b) Fund Transactions - 7/1/05-11/30/05  
(c) Warrant Register – 11/05

FOR INFORMATION AND FILING  
(d) Parks and Recreation Commission Agenda – 11/30/05  
(e) Planning Commission Meeting Cancellation Notice  
(f) Planning Commission Meeting – 11/29/05  
(g) Public Works Report – 11/05  
(h) Public Works Permit Report – 11/05

Motion passed on a 5-0 vote.

## PUBLIC HEARINGS

### HOME FUNDS - Proposed Workforce Housing Project Willow Plaza Apartments (2)

Mayor Henderson opened the public hearing to receive input on the recent award of federal HOME funds to partially finance the construction of a 12-unit workforce housing project (Willow Plaza Apartments) located on Willow Street (APN 01-141-02).

Councilmembers Connolly and Cullen declared a conflict of interest due to their ownership of property located within 500 feet of the property to be discussed. They left the Council Chambers for the duration of the public hearing.

The developer of the proposed project, Caleb Roope, Principal and Chief Executive Officer of Pacific West Communities based in Nampa, Idaho, stated his company specializes in the development and ownership of workforce housing. This proposed project will meet City standards and will not require waivers. Handouts were provided outlining this project as well as a history of the company's past projects. This would be the first workforce housing project in Inyo County.

City Administrator Rick Pucci stated he will be visiting some of the projects completed by Pacific West Communities first hand before the January 9<sup>th</sup> meeting and provide a report to Council at that time.

Roland Gerbracht, Senior Legislator for the Inyo Mono Area Agency on Aging (I.M.A.A.A.) Advisory Council, asked if workforce housing eliminates retired or senior citizens.

Mr. Roope responded that it does not but this project is designed for families needing 2-3 bedrooms. He indicated that other retirees live in other workforce housing projects.

Mr. Gerbracht questioned if universal design concepts are a consideration in making living easier and more flexible – wider doorways and halls, handles in bathrooms, etc.

Mr. Roope responded:

- Federal regulations, ADA and Fair Housing Act require 5% of the units in every development be fully handicapped accessible.
- One of the units will be designed for sensory impaired individuals.
- His projects are evaluated by his brother who is confined to a wheelchair.

Mike Johnston, local realtor, inquired when the City would see a return on the money loaned to the project.

Roope clarified the State regulations:

- Funds are given to the City for perpetuity and do not need to be repaid to the State.
- It is required that developers leave profits on the table based on what the allowed profit is. Workforce housing projects are restricted and, as an example, on this project a \$400,000 potential profit could be allowed. It is only allowed for \$20,000 per unit to be funded in the project and the rest is deferred long term. The developer is allowed to recapture the profit left on the table before the City receives any repayment of the loan.
- Interest still accrues on the loan and the City has a long-term asset with being a lender on the project. Although Pacific West Communities as a practice does not sell their properties, the City would have complete power and authority to control who the new owner would be in that situation.
- Projections show a 20-year repayment before the development profits are repaid depending on how well the asset performs. The note would be due in 55 years.
- In order for a workforce housing project to work, it takes so much financial help that the loan from the City functions like a grant. It serves like a tool and the money repaid to the City can be used for other workforce housing. Because the Bishop project is small, it is at a disadvantage especially relative to the amount of subsidies received.

Johnston questioned if the money could be used for existing housing or is it strictly for new construction.

Roope responded HOME Funds can be used for acquisition/rehabilitation for workforce housing rentals or single family units for first-time home buyers' assistance. Funds can also be used as rent subsidies for lower wage earners where rents are high.

Gary Colbert, Bishop, asked for clarification when the City would start receiving a return on the loan and what the interest rate would be.

Roope responded that the City will receive \$100,000 up front for administrative costs and the repayment schedule as set by State regulations would begin once the development profits are repaid projected for 18-22 year period. Interest rate is three percent.

Colbert questioned if the owner/developer pays the same property tax rate on affordable housing.

Roope responded that workforce housing is mandated to be assessed on an income approach.

Colbert suggested the City look at that because it could mean a loss of revenue.

Roope responded that the City needs to look at the value of the housing that would be provided and the revenue share with the County.

Andrea Clark, Executive Director of Mammoth Lakes Housing, spoke about the need for workforce housing in Bishop verified in the Regional Housing Needs Assessment completed this year. According to the report there are currently 88 units needed for unfilled jobs in the City. She stated the City would decide the local preferences for eligibility for renting.

In response to questions from Bob Mayhugh, Willow Street resident, Mr. Roope stated that the grant money comes from United States tax payers' dollars. The National Association of Home Builders has studied the local economic impact of these types of projects from the stand point of the taxes generated, local construction wages generated and the operation of the project.

Regarding Mayhugh's parking concerns Roope stated the project will comply with City parking requirements by providing two spaces for each of the 12 units and visitor parking which has been an adequate ratio on the 50 projects he has developed. If the City determines that parking issues are a concern, it has the ability to restrict the number of vehicles for each household in the lease. The developer stated he is committed to working with the parking situation and will certainly comply with City ordinances and is very willing to entertain ideas to help alleviate the problem.

In response to a question on his personal history with workforce housing, Roope's oldest project is almost six years old. The history of workforce housing in general goes back to 1986 when private investments became involved with 99% of the projects showing good performance levels.

Belinda Scott asked who decides who gets to live in the apartments. Roope responded that a professional property management firm familiar with workforce housing is hired. Advertising is done and a list is established on a first come-first served basis with consideration given to the local preferences mentioned earlier.

The City Administrator pointed out that this type of project allows the City to be in control in determining parking solutions which would not be the case if a private developer were involved.

Another concern he addressed was the number of residents that would be allowed in each unit. This is a prerogative that the Council will maintain in order to set standards for how many

people will be able to live there to avoid overcrowding.

Another concern raised in early discussions was if illegal workers would be able to live in these units. Because of the laws regulating these projects and with the City having control over the eligibility process, the City Administrator stated residents will be required to be documented workers with proof of employment over a stated amount of time. This is not a low-income housing project but there will be a cap on how much income a person earns.

In response to a question from Mike Johnston on senior housing projects, Mr. Roope responded that the workforce housing project would be evaluated and looked at favorably if the City applies for other types of grants for housing projects.

In response to a question from Ryan Dermody, Roope stated there are no uniform building code exemptions allowed and it is required to meet Title 24 guidelines.

Mayor Henderson asked about the income range that would apply for workforce housing. Roope stated there is no minimum income guideline but residents must be able to pay the rent and someone who does not make enough money would not be approved. The general standard used is 30% of a person's income is allowed for housing. But a 30-50% range is allowable.

Councilmember Crom was concerned about abandoned vehicles. Roope responded that it is not a new issue and the lease allows for possible eviction or towing of abandoned vehicles with the cost being deducted from security deposits. As it is now this is a standard minimum requirement in the current lease with the City having the ability to make it more specific.

In response to Crom's question on how community input is provided, Roope is available for contact at any time. He has spoken to some of the neighbors and surveyed backyards to see what their concerns are. The Willow Street lot is small and there is not a lot of room for flexibility. Landscaping and screening are possibilities to resolve privacy issues.

Roope stated there will be an on-site resident manager with regular office hours who will meet the workforce housing guidelines. The City Administrator noted that the on-site manager is very important from the City's point of view in order for neighbors or the City to deal with any site problems.

Mike Johnston asked if local contractors will be used and if it would be a site-built facility or factory built units. Roope stated workers will not be imported to work on this facility. Discussion is ongoing at this point whether it will be stick-frame or factory

built construction but local workforce will be hired.

At 8:45 p.m. Mayor Henderson continued the public hearing to the January 9<sup>th</sup> Council meeting. Anyone with suggestions on what should be included in the rental agreement for the benefit of the community should submit them to the City Hall.

Councilmembers Connolly and Cullen returned to the dais.

ENVIRONMENTAL  
REVIEW – Requested Zone  
Change on the East Side of  
the 100 & 200 Block of  
Sneden Street from R-2000  
to R-2000-P  
(3)

The Mayor opened the public hearing to receive citizen input for the environmental review on the initial study and a negative declaration for a requested zone change on the east side of the 100 and 200 block of Sneden Street which includes Assessor Parcel Numbers 01-184-24, 01-184-16, 01-184-12, 01-184-29, 01-184-11, 01-184-10, 01-084-26, 01-184-25, and 01-184-8. The proposed zone change would be from the present R-2000 medium high density residential district to R-2000-P medium high density residential district and/or professional and administrative offices.

The City Attorney announced that due to the ownership of property within 500 feet of the proposed zone change, Councilmember Cullen is disqualified under the rules of the Fair Political Practice Commission.

The Public Works Director provided a map of the proposed zone change area indicating the various zone designations.

Andrea Shallcross, 2413 Choctaw Drive, proponent of the zone change, stated she owns a house on Sneden Street and the accounting business, Shallcross and Associates, on Home and West Line Streets. Her goal is to move the business to the home on Sneden Street where she can accommodate clients at ground level and have adequate parking which are not possible at her present location. There is room for 4-5 parking spaces on the Sneden property. She has studied the issue of increased traffic and stated she feels there would be no negative impact on traffic with the zone change. She feels the change from R-2000 to R-2000-P professional and administrative offices would create a buffer for the residential to commercial current zoning.

Melinda Scott, 2721 Glenbrook Way, and owners of the property on the corner of Sneden and Short Streets, stated she felt the business would be an asset to the neighborhood.

Motion/Young

A motion was made by Mayor Pro Tem Young to close the public hearing. Motion passed 4-0 with Councilmember Cullen disqualified.

CONSIDERATION OF A  
NEGATIVE  
DECLARATION – Sneden

The Mayor Pro Tem made a motion to approve the negative declaration with a de minimus finding and authorize the filing of a notice of determination that the project would not have a

Street Zone Change Request (4)  
Motion/Young

significant adverse impact on the environment for the following reasons:

- Requested change is consistent with City’s General Plan land use designation and description of R-2000-P;
- Proposed project will not require the expansion of existing public or private utilities and services;
- Project involves no potential for adverse effect, either individually or cumulatively, on wildlife, native plants, streams, water courses, scenic or historic resources and human beings.

Motion passed 4-0 with Councilmember Cullen disqualified.

Council requested a public hearing be scheduled for January 9<sup>th</sup> and gave direction to staff to bring back a draft ordinance for the requested zone change.

DISCUSSION ON RECENT AWARD OF HOME FUNDS FOR WILLOW STREET WORKFORCE HOUSING (5)

Councilmember Connolly declared a conflict of interest due to his ownership of property within 500 feet of the proposed project and left the Council Chambers to join Councilmember Cullen who is also disqualified on this agenda item.

There being no further discussion or direction to staff on this item the Council members returned to the dais. It is scheduled for a second public hearing and action on January 9<sup>th</sup>.

REQUEST TO SURPLUS FIRE DEPARTMENT VEHICLE (6)  
Motion/Connolly

A motion was made by Councilmember Connolly to surplus the 1997 Ford Expedition, Vehicle Identification Number 1FMFU18L1VLB56455, and to authorize the City Administrator to dispose of the vehicle in the best interest of the City. Motion passed 5-0.

SET INTERVIEW COMMITTEE – Planning Commission Vacancy (7)

It was reported that Councilmembers Cullen and Connolly will serve on the interview committee for the Planning Commission position that will expire on January 24, 2006. Crom will serve as alternate if needed.

CANCELLATION OF DECEMBER 26, 2005 COUNCIL MEETING (8)  
Motion/Young

A motion was made by Mayor Pro Tem Young to cancel the second regularly scheduled Council meeting in December due to the holidays. Motion passed 5-0.

COUNCIL REPORTS

Congratulations were offered for the successful Street of Lights sponsored by the Bishop Chamber of Commerce with happy holiday wishes extended to everyone.

PRESENTATIONS

The Council made a presentation to Jim Barnes upon his retirement as Community Services Director. Mr. Barnes served two terms with the City totaling almost 24 years of service. He was presented with a City tile and a commemorative watch. He

will be returning as a part time annuitant until the position is filled. Refreshments were served following the meeting.

ADJOURNMENT

The Mayor adjourned the meeting at 9:20 p.m. to the next Council meeting scheduled for Monday, January 9, 2006 at 7:30 p.m. in the City Council Chambers.

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KATHRYN HENDERSON, MAYOR

Attest: Richard F. Pucci, City Clerk

By: \_\_\_\_\_  
Denise Gillespie, Assistant City Clerk

*Approved by City Council on January 9, 2006*