

**ANTIOCH CITY COUNCIL
ANTIOCH DEVELOPMENT AGENCY
PUBLIC FINANCING AUTHORITY**

**Adjourned Regular Meeting
7:00 P.M.**

**June 29, 2004
Council Chambers**

6:00 P.M. - CLOSED SESSION

- 1. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL; EXISTING LITIGATION.** City of Antioch vs. E.I. DuPont, et al., Contra Costa Superior Court #C99-02197. This Closed Session is authorized by Government Code §54956.9.

Mayor Freitas called the meeting to order at 7:03 P.M., and Deputy City Clerk Chalk called the roll.

Present: Council Members Kalinowski, Davis, Conley, Simonsen and Mayor Freitas

PLEDGE OF ALLEGIANCE

Mayor Pro Tem Davis led the Council and audience in the Pledge of Allegiance.

ANNOUNCEMENTS OF CIVIC AND COMMUNITY EVENTS

Bob Oliver, Antioch resident, announced he had secured a place for the handicapped in the Antioch 4th of July parade and invited the public to participate. He reported there was an alleyway running parallel to 10th Street, adjacent to the old 76 Gas Station, which had no sidewalk. He requested the City Council consider a sidewalk project for the area.

Mayor Freitas stated the City Council had considered closing the area off and requested staff comeback with further details on the project.

Mr. Oliver stated anyone with a handicap wishing to participate in the parade could show up at 3rd and E Streets at 4:00 p.m. on July 4, 2004.

PUBLIC COMMENTS - None

COUNCIL REGULAR AGENDA

- 1. DISCUSSION OF ENCROACHMENT FOR MODIFICATION OF CITY OWNED PARKING LOT, IMMEDIATELY WEST OF 611 W. 3RD STREET (BEDFORD CENTER)#1001-04**

Assistant to the City Manager Gegg presented the staff report dated June 23, 2004 recommending the City Council provide direction to staff regarding issuance of an encroachment agreement for modification of the City-owned parking lot, immediately west of 611 W. 3rd Street.

Craig King, representative of Bedford Center, reported at Councils' request, he explored an alternative location for the patio and had spoken with Mr. Rigetti, the owner of the property immediately adjacent to the building. He noted Mr. Rigetti felt the location would be an awkward place for a patio due to the fact it was currently used as a fire exit and garbage storage for the existing businesses. He added Mr. Rigetti is open to discussion with regards to providing use of the space. He requested the City Council support the encroachment permit to allow modification to the City-owned parking lot for the patio.

Hilda Newell discussed the importance of the patio to the participants of the Bedford Center.

Mr. King added the patio plans would have quality architecture and reflect positively on the City.

City Attorney Galstan reported the planning department had determined a use permit would be required for the use of the building. He added the Bedford Center could file an application to the State prior to obtaining the use permit. He stated typically the city engineer would issue the encroachment permit, however due to the unusual nature of the project staff was requesting Council direction.

Councilmember Simonsen expressed concern regarding the elimination of the commercial space and the impact on parking in the downtown area. He supported the Bedford Center although he felt the location for the facility was not appropriate. He noted he was not in favor of the encroachment permit.

Councilmember Conley and Kalinowski stated they did not support the encroachment permit, noting the location.

Councilmember Davis stated he supported the encroachment due to the fact he understood the difficulty in finding a suitable location for the Bedford Center and the ability to double their clientele was needed in the City.

Mayor Freitas stated he was in favor of the encroachment, although the Council majority would not permit an easement with regards to the patio. He noted as a non-profit organization the

dollars were limited and the need for the services provided was extraordinary. He further noted he felt the location was the most workable alternative.

Councilmember Kalinowski stated it did not preclude the Bedford Center from using the building with a secondary site for the recreation program.

2. REVIEW OF PROPOSED 2004/05 BUDGET #410-02

**A. RIVERTOWN RESTAURANT INCENTIVE PROGRAM
RECOMMENDATION FOR IMPLEMENTATION#901-01**

Economic Development Consultant Netter presented the staff report dated June 23, 2004 recommending the City Council approve tentative funding under the Rivertown Restaurant Incentive Program for the following projects:

1. Karp's Sports-Themed Restaurant & Bar (\$250,000) Applicant's: Terry Karp/Michael Stricker
2. Brand N Iron Steakhouse (\$230,000) Applicant: Susan Pederson

Mayor Freitas declared a recess at 7:36 p.m. The meeting reconvened at 7:42 p.m. with all Councilmembers present.

Terry Karp, representing Karp's Sports-Themed Restaurant reviewed his proposal and provided details for the Sports-Themed Restaurant & Bar.

In response to Mayor Freitas, Mr. Karp stated the latest business plan indicated the total costs of \$1.2M - \$1.6M. He noted they did not believe financing would be an issue due to the fact they own the lot and have capital.

Councilmember Conley commended the applicant on the design of the restaurant.

Gary Wheeler, architect for the project, gave a brief overview of the exterior restaurant design.

Mr. Karp stated employees would be parking offsite.

Tom Banis gave a brief overview of the interior restaurant design along with noting detailed information was available for Council review.

Susan Pedersen reviewed her proposal for the Brand N Iron Steakhouse outlining the architecture and design for project plans A, B and C. She stated there was no onsite parking and employees would be parking offsite.

Councilmember Conley stated he preferred Option A, which would create a first class restaurant. He felt the next step would be to address the parking in downtown.

In response to Councilmember Simonsen, Ms. Pedersen stated she would discuss the proper placement of the kitchen with the architect and City staff.

In response to Mayor Freitas, Director of Community Development Brandt stated if the City Council were to encumbered the funds for 2004-05, the applicants would bring their proposals forward for approval.

In response to Councilmember Simonsen, Director of Community Development Brandt stated the issue of meeting ADA requirements would be addressed under approval of the project.

City Attorney Galstan stated the next step would be to draft an agreement with the terms and conditions of the loan specified, and to come back to the Council for approval.

Mayor Freitas stated he is cautiously excited with the proposals, noting they would be a catalyst for the recreation of the downtown area. He noted parking was an issue although he felt the City could be creative and move forward as expeditiously as possible with a parking structure considered in the downtown master plan. He voiced his support for encumbering \$250,000 for Karp's Sports-Themed Restaurant and Bar, as well as \$230,000 for the Brand N Iron.

In response to Councilmember Conley, Ms. Pedersen and Mr. Karp indicated they planned to construct and operate in 2004-05.

Ms. Pedersen stated she would like to move forward with plan A, although the project may be financial unfeasibility.

Following discussion the City Council agreed they would support plan A, and if the applicant could not fund the project she could come back to the City Council.

On motion by Councilmember Conley, seconded by Councilmember Simonsen, the City Council unanimously approved tentative funding under the Rivertown Restaurant incentive

Program for 1) Karp's Sports-Themed Restaurant & Bar \$250,000; and 2) Brand N Iron Steakhouse (option A) for \$230,000 in the 2004-05 Fiscal Year, with the understanding agreements would be arrived at between the various parties and there was no entitlement with regards to the motion.

B. ADOPTION OF FINAL BUDGET FOR 2004-2005, CAPITAL IMPROVEMENT BUDGET FOR 2004-05, AND CAPITAL IMPROVEMENT PROGRAM (2004-2009)..... #410-02

City Manager Jakel presented the staff report dated June 23, 2004 recommending the City Council adopt the proposed Fiscal Year 2004-2005, and the 2004-09 Capital Improvement Program and Appropriating the funds Necessary to meet the Expenditures Set Forth therein and Revising the 2003-04 Operating Budget for the City of Antioch.

Vehicle Equipment Replacement Fund

Finance Director Tasker gave a brief overview of the Vehicle Equipment Replacement Fund. Councilmember Conley proposed staff develop a program to reduce the management staff vehicles by 50% by the end of the year and replace the program with a mileage program.

City Manager Jakel stated staff would bring forward a policy with regards to the non-police vehicles in the fall.

Councilmember Conley requested staff provide the financial benefits to the General Fund with the development of the mileage program.

Councilmember Simonsen stated he felt the City was not overburdened with management staff vehicles and discussed the importance for official City vehicles appearing at job sites. He voiced his support for eliminating take home vehicles and developing a program for mileage reimbursement if staff was called out from home for city business.

Mayor Freitas stated the City Council was requesting a full overall view of assigned vehicles and discussion on spreading out the replacement program evenly in the coming years.

Budget Detail

Councilmember Kalinowski expressed concern the \$1.5M decrease for project 7007, Antioch Landfill Clean-up was not reflected in the budget documents. Finance Director Tasker

clarified \$750,000 was in the CIP fund although it would not occur until Fiscal Year 05-06.

Councilmember Conley stated he felt the waterfront plan would include the promenade and requested the funds for the project be reallocated to a project more viable. Finance Director Tasker clarified the promenade project was a placeholder.

Director of Community Development Brandt reviewed the June 16 and 24, 2004 memorandum pertaining to the Additional Revisions to FY 04-05 Capital Improvement Program.

Following discussion, the Council agreed to add Project 7276-D Community Park - Landscape Auxiliary Parking Lot back into the project list.

City Manager Jakel presented the staff report dated June 23, 2004 recommending the City Council review and provide direction with regards to the policy for filling vacant positions and the current listing of vacancies by Department.

Councilmember Conley stated with the concerns of the budget and payments of outstanding debts owned of FUA#1, he suggested reallocating resources in Community Development and stop working on FUA#1.

Mayor Freitas added as a result of the referendum, FUA#1 Specific Plan was dead and directed staff to address issues with that perspective.

Director of Community Development Brandt stated he appreciated the Council's direction and noted he could consume the vacant positions in other areas productive for the City.

Discussion ensued regarding the vacancies by Department with direction for the following changes:

- Deputy Director of Leisure Services - frozen
- Eliminate 3 vacancies for Landscape Maintenance Worker
- Landscape Leadworker - unfreeze
- Add three vacancies from Landscape Maintenance Worker to General Laborer

The Council directed staff to continue to bring all vacancies to the Council prior to filling positions.

In response to Councilmember Kalinowski, Finance Director Tasker stated he would reconcile the police equipment fund and provide a list of the equipment being replaced.

Maureen Miller, Antioch resident and volunteer at the Antioch Animal Shelter expressed concern for the elimination of the Shelter Manager position. She suggested freezing the volunteer coordinator position and eliminating the pet data contract to reduce the budget, which could allow for Mr. Pena to retain his position with the City. She reported that Mr. Pena had indicated he would be interested in taking a pay cut from his current salary. She urged the Council to find a way in the budget process to retain the services of Mr. Pena.

Councilmember Simonsen expressed concern the Contra Costa County Library system was requesting to increase the amount from \$123,450 to \$132,620 to keep the same number of hours for the Antioch Library. He felt the Board of Supervisors were burdening the cities in an attempt to balance their budget.

A motion made by Councilmember Simonsen to fund the Antioch Library Hours from the Contra Costa County Library system for the amount of \$123,450, died for a lack of a second.

On motion by Councilmember Conley, seconded by Councilmember Davis, the City Council adopted the proposed Fiscal Year 2004-2005, and the 2004-09 Capital Improvement Program and Appropriating the funds Necessary to meet the Expenditures Set Forth therein and Revising the 2003-04 Operating Budget for the City of Antioch with amendments as agreed to by the City Council that evening. The motion carried by the following vote:

RESOLUTION NO. 2004/76

Ayes: Davis, Conley, Simonsen, Freitas

Noes: Kalinowski

Council Member Simonsen requested the budget message be changed to reflect Council direction.

Mayor Freitas adjourned to the Antioch Redevelopment Agency with all Agencymembers present.

AGENCY REGULAR AGENDA

- 3. ADOPTION OF THE ANTIOCH DEVELOPMENT AGENCY BUDGET FOR 2004-05 AND REVISING THE 2003-2004 BUDGET #410-02**

City Manager Jakel presented the staff report dated June 25, 2004 recommending the

Agency adopt the resolution adopting the 2004-05 Agency Budget and revising the 2003-2004 Agency Budget.

RESOLUTION NO. ADA-396

On motion by Agencymember Conley, seconded by Agencymember Davis the Agency unanimously adopted the resolution.

Chairperson Freitas adjourned to the Public Financing Authority with all Finance Authority members present.

PUBLIC FINANCING AUTHORITY REGULAR AGENDA

**4. ADOPTION OF THE CITY OF ANTIOCH PUBLIC FINANCING AUTHORITY
2004-05 ANNUAL #410-02**

Finance Director Tasker presented the staff report dated June 25, 2004 recommending the Financing Authority members adopt the resolution adopting the 2004-2005 Budget.

RESOLUTION NO. 2004/77

On motion by Authority Member Conley, seconded by Authority Member Davis, the Public Financing Authority Members unanimously adopted the resolution.

Chairperson Freitas adjourned to the City Council meeting with all Councilmembers present.

PUBLIC COMMENTS - None

COUNCIL COMMUNICATIONS

Mayor Freitas announced he participated in the American Cancer Society Relay for Life, which was an extraordinary event. He thanked Denise Skaggs and Tammy Leech for co-chairing the event and recognized everyone who participated. He reported they expect to exceed the goal of \$300,000.

STAFF COMMUNICATIONS

City Manager Jakel stated on July 13, 2004 the City Council could discuss the meeting schedule for August.

With no further business, Mayor Freitas adjourned the meeting at 10:10 p.m. to the next regular Council meeting on July 13, 2004.

Respectfully submitted:

JANET CHALK, Deputy City Clerk

Approved

DONALD P. FREITAS, Mayor

Attest

JANET CHALK, Deputy City Clerk