

**MINUTES  
CITY COUNCIL REGULAR MEETING  
JUNE 8, 2021**

**CALL TO ORDER**

The regular meeting of the City Council of the City of Highland was called to order at 6:15 p.m. by Mayor McCallon at the Donahue Council Chambers, 27215 Base Line, Highland, California.

The invocation was given by Pastor Grant Reader, Community Cross Church of the Nazarene, and the Pledge of Allegiance was led by Council Member Solano.

**ROLL CALL**

Present: Lilburn, McCallon, Solano, Timmer  
Absent: Chavez

**REPORT FROM CLOSED SESSION**

None

**SPECIAL PRESENTATIONS**

None

**PUBLIC COMMENT (ITEMS NOT ON THE AGENDA)**

Michael Davidson spoke regarding his concerns for group homes for the mentally disabled.

City Clerk Hughes read public comment from Dave Saran regarding appreciation from the residents of Emmerton Lane for addressing their safety concerns.

**CITY COUNCIL CONSENT CALENDAR**

**A MOTION** was made by Council Member Solano, seconded by Mayor Pro Tem McCallon, to approve the consent calendar as submitted. Motion carried on a roll call vote, 4-0, with Council Member Chavez being absent.

1. Waive the Reading of All Ordinances  
Waived the reading of all Ordinances in their entirety and read by title only.
2. Minutes – May 25, 2021 City Council Regular Meeting  
Approved the Minutes as submitted.

3. Warrant Register  
Approved Warrant Register No. 725 for June 8, 2021, in the amount of \$1,692,796.82 and Payroll of \$104,214.65.
4. Resolution No. 2021-016 Confirming the Authority of the City Treasurer Pursuant to Government Code Section 53607  
Adopted Resolution No. 2021-016 confirming the authority of the City Treasurer pursuant to Government Code Section 53607.

RESOLUTION NO. 2021-016  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, CONFIRMING THE AUTHORITY OF THE CITY TREASURER,  
PURSUANT TO GOVERNMENT CODE SECTION 53607

5. Resolution No. 2021-017 Rendering the Annual Statement of Investment Policy for Fiscal Year 2021-2022  
Adopted Resolution No. 2021-017 rendering the Annual Statement of Investment Policy for Fiscal Year 2021-2022.

RESOLUTION NO. 2021-017  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, ADOPTING THE ANNUAL STATEMENT OF INVESTMENT  
POLICY FOR FISCAL YEAR 2021/2022

6. Resolution No. 2021-018 Establishing the Appropriations Limit for Fiscal Year 2021-2022 for the City of Highland in Accordance with the Provisions of Division 9 of Title 1 of the California Government Code  
Adopted Resolution No. 2021-018 establishing the Appropriations Limit for Fiscal Year 2021-2022 for the City of Highland in accordance with the provisions of Division 9 of Title 1 of the California Government Code.

RESOLUTION NO. 2021-018  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, ESTABLISHING THE APPROPRIATIONS LIMIT FOR  
FISCAL YEAR 2021-2022 FOR THE CITY OF HIGHLAND IN ACCORDANCE  
WITH THE PROVISIONS OF DIVISION 9 OF TITLE 1 OF THE  
CALIFORNIA GOVERNMENT CODE

7. Resolution No. 2021-019 Amending the City of Highland Premium Only Plan  
Approved Resolution No. 2021-019 amending the City of Highland Premium Only Plan.

RESOLUTION NO. 2021-019  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, AMENDING THE CITY OF HIGHLAND PREMIUM ONLY PLAN

8. Resolution No. 2021-020 Implementing on July 1, 2021, a 2% Across-the-Board Adjustment for All Employees and Implementing on July 1, 2022, a 2% Across-the-Board Adjustment for All Employees and Other Adjustments  
Approved Resolution No. 2021-020 implementing on July 1, 2021, a 2% across-the-board adjustment for all employees (except interns) and implementing on July 1, 2022, a 2% across-the-board adjustment for all employees (except interns) and other adjustments.

RESOLUTION NO. 2021-020  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, ESTABLISHING EMPLOYEE SALARIES

9. Resolution No. 2021-021 Amending Resolution No. 2021-006 Establishing Personnel System Rules  
Approved Resolution No. 2021-021 amending Resolution No. 2021-006 establishing personnel system rules.

RESOLUTION NO. 2021-021  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, AMENDING RESOLUTION NO. 2021-006  
ESTABLISHING PERSONNEL SYSTEM RULES

10. Agreement with the San Bernardino County Auditor-Controller/Treasurer/Tax Collector for the Collection of Special Taxes, Fees and Assessments for Fiscal Year 2021-2022  
Approved the Agreement with the San Bernardino County Auditor-Controller/Treasurer/Tax Collector for the Collection of Special Taxes, Fees and Assessments for Fiscal Year 2021-2022.

**CITY COUNCIL PUBLIC HEARING**

11. Specific Plan Revision (SPR) No. 06-01A is an amendment to the Greenspot Village & Marketplace Specific Plan (SPR No. 06-001) to adjust the boundaries of Planning Area No. 1 (Highland Marketplace) and the boundaries area of Planning Area No. 2 (Residential Village), eliminate the Village Paseo from Scenario No. 1 and eliminate the requirement of private open space for studio units; Design Review Application (DRA) No. 20-012 for the construction of approximately 85,316 square feet of commercial uses (Greenspot Crossings) and a 200 attached residential unit complex with a 6,214 square-foot clubhouse; Conditional Use Permit (CUP) No. 20-006 (ABC License) for the establishment of three (3) off-sale alcohol licenses (ABC Type 20 and 21) and five (5) on-sale alcohol licenses (ABC Type 41 and 47) for a commercial retail center; Conditional Use Permit (CUP) No. 20-007 for the construction of gas station with eight fuel pumps, convenience store, and carwash; Tentative Parcel Map No. (TPM) No. 20-002 to increase the number of parcels from four (4) parcels to eight (8) parcels; and Accessory Sign Review (ASR) No. 20-013 (Sign Program) to establish a Sign Program for the commercial and residential development within the Greenspot Village & Marketplace Specific Plan (GVMSP).

Mayor Lilburn opened the public hearing.

Good evening Madam Mayor and members of the City Council, I am Salvador Quintanilla project planner for this project. The project site is located north of Greenspot Road and east of the 210 freeway. The project site is composed of four vacant parcels of approximately 19.81 acres. The surrounding land uses include City Creek to the north, Lowes Center to the south, the 210 freeway to the west, and vacant parcels to the east. The proposed mixed-use project requires seven entitlement applications as shown here and as mentioned in your staff report. The applicant is proposing several amendments to the Greenspot Village & Marketplace Specific Plan. The first amendment will be to reduce the acres of commercial retail from 43.6 acres to 39.7 acres in Planning Area No. 1 and increase the residential area from 29.8 acres to 33.7 acres in Planning Area No. 2, however, the overall density will not change and will remain the same. The second amendment to the specific plan is the elimination of the Village Paseo within the project site only. The development of the residential complex within the Paseo will provide the various amenities that meet the intent of having the Paseo. The last amendment that is being proposed is to eliminate the requirements for private open space for studio units only. The other units, the one bedroom, the two bedroom and three bedrooms will remain the same. The commercial portion of the development is approximately 11 acres. The commercial will have two major tenants, a gas station, three drive-thru buildings, and three multi-tenant buildings. The main entrance will be from Greenspot Road. The proposed project has met the requirements for parking, access, landscaping, and setbacks. At this time not all the tenants are secured, therefore, the design review is for Pads 4, Shop 1, and the plaza area which is circled in red. The aesthetics for the other buildings will be approved by the Planning Commission through a separate Design Review application at a later time. The applicants are proposing a Spanish Craftsman style architecture for the commercial. The design of the buildings is consistent with the design guidelines of the specific plan. The residential portion of this development will have various buildings that are two to three stories in height. The residential buildings will have units that range from studios to 3-bedroom units. The market rate units range from 448 square feet to 1,567 square feet. Access to the residential complex will be through the commercial property. The main entrance and exits of the complex will be gated to separate the commercial and the residential. The Applicant has provided amenities, garages, carports, and trash enclosures throughout the whole site. The two-story buildings will have an architectural style of Spanish Craftsman and the three-story buildings will have a Monterey style of architecture. Both of these architectural styles are consistent with the design guidelines of the Specific Plan. The Applicant is requesting the establishment of eight Alcohol Beverage Control (ABC) Licenses for the commercial center. The project site is in Census Tract 76.04 which allows for three off sale and on sale licenses. There are currently seven off & on-sale licenses in this tract. The Applicant is requesting the approval for the three off-sale licenses which could be used for a convenience store or grocery store or other similar uses. The five on-sale licenses for restaurant uses will be allowed if approved. Due to the over concentration of ABC licenses on this tract, the City Council will need to make a finding of public convenience and necessity to allow the additional licenses

within this tract. The Applicant is proposing to construct a new gas station, which is 5,700 square feet of convenience store, a fuel canopy with eight fuel pumps and an 1,800 square foot automatic drive-thru car wash. The applicant is proposing a sign program for the commercial and residential development. This shows the conceptual locations of the wall signs, the freeway signs, monument signs, and residential gateway signs. However, the Planning Commission will approve the location and height of the freeway sign through a flag test at a later time. Staff and the Applicant spent a great deal of time working together to bring this project forward to the Planning Commission as well as the City Council. The Planning Commission reviewed the project for approximately five hours going over this particular project. The Planning Commission provided the Applicant with directives as mentioned on page 20 and are in Attachment 11, not 7. Additionally, Staff received two letters of support for the project. The letters have been placed at the dais for your review. Now I will turn it over to Community Development Director Mainez for some additional information.

Community Development Director Mainez stated Mayor, Members of the City Council, it has been a long journey getting up to this point. This journey started back in 2008 during the redevelopment period. In 2014, the City Council entered into an Exclusive Negotiation Agreement with TREH Partners, and we appreciate that. In January 2020, the County and the City approved what is called a K-Rat Mitigation Agreement to address the endangered K-Rat on that property. A very expensive venture and we appreciate the County stepping up and providing support to mitigate that issue. We have also closed our double escrow on the southerly portion of the property, the commercial part, and he believes this was done back in February. TREH now owns that portion. We are still in a double escrow on the northern parcel for the housing and that will only close after we address the K-Rat. As indicated in the staff report before you this evening, the Applicant - TREH Partners, LLC, will be requesting the City Council to eliminate Planning Condition No. 75 & 76. He would like to spend a minute summarizing the purpose of these two conditions and answer your questions so at the end of this public hearing the City Council will feel confident making their decision on the Applicant's request. These conditions are related to the Temporary Fire Service Contracts (TFSC) and the Annual Fire Fund Shortfall Payment (FFSP) in the amount of \$550,000.00. In short, these two conditions are intended to complement each other, and they technically focus on a worst-case scenario. That worst-case scenario being San Manuel Band of Mission Indians (SMBMI) termination of their Aerial Ladder Truck Agreement currently in place with the City of Highland. It should be noted that TREH Partners also has a separate/private Aerial Ladder Truck Agreement with SMBMI. He would like to introduce a new acronym. ISO is Insurance Service Organization. It is a company that provides ratings for local fire department and fire agencies. The rating is used by local insurance companies to set the rate for fire insurance for residents. Typically, that company will issue a rating from one to ten based on equipment, training, number of fire stations to service population and the timing of response. They typically score from one to ten, one being the best, ten being the worst. It is very hard to get a one. He read a study that said less than 1% of cities get a one rating. Typically, cities get a three to four to five rating. Now, not all insurance companies use the ISO. For example,

State Farm does not use an ISO and they come up with their own formula, but in general each insurance company has some formula to rate their fire insurance. As noted in the Staff Report and Conditions, the Service Contracts for the Aerial Ladder Truck are triggered by three main ISO criteria: 1) the fourth structure that is either 28 feet high or three stories in height; or 2) the fourth structure in the project that would require water flow of 3,500 gallons per minute or greater; or 3) the fourth structure of any combination of four such structures. Staff approached these conditions from a fiscally responsible perspective but also from a public safety perspective. Staff recognizes that it is highly unlikely SMBMI will terminate their Aerial Ladder Truck Agreement with the City. In fact, SMBMI is currently obligated to provide Aerial Ladder Truck service to their San Manuel Village development located at Boulder and Highland Avenue. That development includes the Bear Springs Hotel and a multi-story office building. That being said, in the rare chance that the San Manuel Agreement is terminated, TREH Partners, as stipulated in the conditions will be required to pay the City an Annual Fire Fund Shortfall Payment in the amount of \$550,000. To clarify, this payment is to cover the cost of adding one additional fire personnel required to operate a city owned ladder truck apparatus 24 hours a day, 365 days a year. These personnel would be added to the current staffing of an engine. The current engine would be replaced with a ladder truck or quint that would also respond to medical and fire calls in the City. Also stipulated in the conditions, should the Annual Fire Fund Shortfall Payment be triggered, the amount will be reduced annually as a revenue to the City is generated in the project or other qualifying projects in the Specific Plan area and within the City. The revenues include, property tax, sales and use tax, and transit occupancy tax. Again, staff recognizes that it is highly unlikely San Manuel will terminate their Aerial Ladder Truck Agreement with the City. Mayor, I hope this summary was helpful and this concludes staff's presentation. The Planning Commission is recommending approval. We are available to answer any questions. The Applicant is also available to address the City Council.

Tom Robinson stated we do not have a formal presentation, but he can give the background of TREH Partners. They came here in 2006 and developed the Lowe's center and they were very excited to do that. They subsequently bought the center next door and brought the In-N-Out and we just finished the last phase in that last year and they are happy about that. They own Dicky's Barbeque in the center, and they have been operating that for five years, so they have been in the community and they like the community. They want to do more in the community, and they think it is a great place to live, a great place to do business, and they like it. So, they went about this project in a little different way. They are not apartment builders, per se, they are starting to shift there a little bit more with all the demand for it and retail supposedly going completely away, which it is not. They went through three or four architects and what was happening was that they were designing typical apartment complexes that they have seen in the past in the Inland Empire. What they told them was no, we do not want that, what we want and not to knock anything in the Inland Empire, but we want somewhere that is going to be timeless. That someone will want to go there and live for five, six, seven, ten years and even more he would want to live there, and Ed has got to want to live there. They both have different tastes, so they finally ended up at AO Architects with a

planner and architect that they like, and they think they came up with a plan that has a lot of amenities. It is different from what Rexco is doing up the street, and he likes Rexco's project a lot too, but it is different. They are a little more spread out and a little higher which allows them to do more amenities and bigger amenities. There is a lot of walking areas through here and that is what they wanted to do. They put the pickle ball court in the back and the basketball in the back. No one wanted to do the basketball because it was going to be a problem, but they said they are going to have cameras back there and if it is a problem, they will take the hoops out, but he thinks its going to be an amenity that is great for the complex. They did one building, which is the first building when you come into the project, the units are a little smaller. The studio units, and they are not low income, and he knows that is the key word and workforce and all that stuff. They are market rate apartments, and it is needed out here. The income level in the east inland empire is high and he knows there is a need for low-income housing, but this is not the place for it. This is a higher end apartment complex that they look to build and own. He knows Rexco, and they are very happy with Rexco up the street because they build and own their own apartments also. He thinks whatever gets approved here after them tonight just has to be quality and long-term quality. They are really concerned with that. The retail upfront that is what their forte is, and he thinks he is the boy that cried wolf because he has been to the retailers so many times and the projects get put on hold or something happens, and they are at the point he thinks they are just about there. They have some really good tenants. He talks weekly with Community Development Director Mainez as to who the tenants are, and he cannot tell him, and he tells him why. He will give you an example, they did a deal with Kaiser in Yucaipa, three story medical regional office building and it was a very sought-after tenant, and the City Manager was putting out a press release. The Mayor called him and asked if this is okay? He almost fell off his chair. He is going no; we have not closed escrow with them yet and if it gets out, including himself, if he were in Highland, he would call them and say come to Highland and say I will do this, I will do that. So, they get inundated with offers and it is the same thing if someone preannounces something that he does not know about on a tenant, he is on the phone calling the tenant going you should be here instead. He can say one tenant that they have signed a lease with, they are in, and they have been waiting seven years for a good project on Greenspot, it is Starbucks. They are going to go on the end cap right on the corner and they wanted to go right on the entry, and we would not put them on the entry, and it was a big battle. They had to walk away from the deal, and they walked away for a day. They came back immediately which they knew they would because all these parcels, everyone wants drive-thru now but there is a problem with drive-thru. In the old centers, they were not set up for stacking. So, you get these tenants that never anticipated having forty cars stacking or twenty-five and their dining room is closed. So, where we put Starbucks, you will notice there is a very, very long queuing line around the building. We wrapped it around a complete building. We lost a little square footage in the overall center, but it will work really well and the other tenants that we are working with, and we have dealt with are not pure drive-thru retailers. One calls it, he will not say the tenant, lane and you cannot order your food in line you have to preorder it on your phone or online and basically it is a glorified pick-up window. The anchor tenants, we do not have anchor tenants right now. We are

competing for a few anchor tenants. There is another project to the south of us across the freeway, south of San Bernardino, where the Walmart was going to go, there is another 48 acres right next to that. We like our chances on some of those if we get the project going. What he has told everyone, and he will keep saying we have to start off here and see the project and then the other retail down the road, up Greenspot and the Walmart site, retail will come. It might not be the exact same retail we have today because Amazon but there are boxes down there still working. Dick's Sporting Goods, that is not one of the tenants that he is going to say he is talking to, but they are not in the trade area. There are a number of tenants still not in the trade area and for him, he just thinks Highland is such a natural spot for them. Their anchor tenant, Lowe's does tremendously well. Staples does okay, but they are excited about the opportunity. The one thing that he saw happen on Greenspot Road about six months ago, maybe three and half months ago. When Mediterra started and then Rexco got approved, he literally got traction where he never had before, and he said you can go see the grading. He is not kidding, they are grading, so that got people back interested in Greenspot. When nothing has happened for so many years and he has done it, he said it is going to happen and it does not, it is a hinderance. So tonight, hopefully we can agree on a couple of things and get a project going and add to the dimension. It helps with our project across the street too. A couple years ago Staple's lease was up, and they did not want to renew. They accepted a greatly reduced rent which did not make any sense to them whatsoever. He scoured the market, every anchor tenant you can image, but everyone said the same thing, we do not have the synergy and we need one or two more tenants in there just to make it work. So, they had a grocer and at the eleventh hour they pulled out of the deal and said there just is not enough homes yet. They had to go, tail between his legs, back to Staples and you might remember this, they had announced they were leaving, shutting down. Two days later he cut the deal with one of their Senior VP's and convinced them. He took a great rent reduction but kept them in the center. He thinks with putting the housing across the street, Rexco, ours, and the future in between its really going to help us. So long as it is quality, it is going to greatly help everyone. Good things start to happen when you build quality stuff with a retailer. Whether its Starbucks or whether it is one of these other tenants. It shows when you are going to Mediterra to look at a house, oh wow there is a Starbucks, it is a nice building. That is what they hope to accomplish. As you know they are not merchant builders. They are not here selling the project.

Mayor Lilburn stated we appreciate it. We have had this partner, not really a partner, but kind of partner relationship when we put the \$11 million in the infrastructure down there. You guys kept your word and built on it and that plaza is flourishing. She just wants to say thank you for coming to Highland and she is glad we are sitting here today and hopefully we get some business done.

Mayor Pro Tem McCallon stated you said you were not a builder of homes or housing, are you going to build these.

Tom Robinson stated we probably will build the apartments themselves or take a general contractor who has a lot of experiencing in building, but their intention is to own the apartments long term.

Mayor Pro Tem McCallon stated so you will own them, and you will manage them.

Tom Robinson stated yes, that is their intention.

Mayor Lilburn called for any speakers in favor or in opposition of the item.

City Clerk Hughes stated she has three emails in favor of the proposal.

City Clerk Hughes read public comment received from Camille Bahri in favor of the proposal.

City Clerk Hughes read public comment received from Patrick Tritz, Rexco Development, in favor of the proposal.

City Clerk Hughes read public comment received from Mike Stoffel in favor of the proposal.

Glenn Elssmann spoke in favor of the proposal.

Tom Robinson stated there is one issue he needs to speak about. It is item #75 and #76 the fire issue. So, this is the big elephant in the room. He knows it has been an issue before with the overall project when it was going through. So, the history of it is from what they remember, it has been a long time. It was a development agreement was being negotiated and with a development agreement you can ask for a number of things and the developer gets a number of things. They are not looking for a development agreement here. With a development agreement you can lock in fees, you can lock in your entitlement for an indefinite amount of time. So, they are not asking for that. One of the important things for them, in any project, is safety. Buildings you can repair, but you cannot repair an injured fireman or injured civilian so all that they have looked at and we look at the amount of money that they are putting in to the City on their development fees which are about \$6.1 plus the \$750,000 for the lower income housing subsidy and that is \$6.8 million plus their other fees and our sales tax, our property tax remember that used to be a county property so there is no property tax there. All the things that they are doing in creating revenue with a \$6.8 million, Rexco is probably around \$4 million, the next project in, if they build the maximum number of houses, is probably going to be \$12 million. So, in the development impact fee there is two-line items for fire equipment, and they think, they always want to pay our fair share in this city and we never will not do that. They think with all the potential sales tax and everything coming, that is a fair share. The hook and ladder truck which is probably already needed in the city is not just used for a three-story building or four-story building. It is used in the whole city, so it is a city-wide use. All of the city should be paying for it, they want to pay their fair share for everything that has to do with fire also and police. There is a nexus, which he knows they

have some three-story buildings but there has to be some proportionality here too. One of the things they looked at, they went to a fire consultant just to make sure they were, they never want to negotiate against themselves and start saying silly things and he knows Council Member Timmer has fire experience, so he went to a fire consultant. His brother is a fireman. They wanted to make sure they were not asking or doing something that was not appropriate. When they look at these new modern buildings if they are over three stories, four stories you are not seeing the fires. He will not quote what the consultant said but there virtually is no deaths and injuries to firefighters and civilians in these modern code complaint buildings. He thinks their number one thing is always safety. Whether it is a person renting there or a firefighter going into the building. So, in their building, they are three stories, but they are NFPA13 rated. All their buildings will be completely sprinkled, the clubhouse will be NFPA13 for full commercial, everything sprinkled, everything smoke alarmed. In their day when they were growing up, you know you had to call on the phone and then the dispatch would dispatch the fire department and they would get there pretty quick because there are less people. Now in these apartments, in these buildings, it is immediate. You have smoke alarms, and you have fire detection, you got the sprinklers, and the fire detection is 24 hours, 365 a year monitoring. It immediately goes to dispatch. They are building safe buildings and he thinks with all the stuff they are putting in and what they would do is if there was not enough pressure from the street or something they would put fire pumps in the buildings. If you get to somewhere in the building and you got the fire sprinklers, it does not matter if you do not have the pressure, it does not get to the third story, so it burns up there. So, if there is not adequate pressure, we will have fire pumps at each of the buildings. They will do all the necessary things. The architect these days, including their own, they design with the fire in mind with all the fire-resistant products, not that they are going to burn but it is a whole different thing in an old building. In an old building or residence, it is a lot more likely to catch on fire without sprinklers and without everything. Back to the monetary part, even if he wanted to say yes to the \$550,000 his lender will tell him no and he is not unique to that. They will look at it and say it is never going to happen. They have an agreement. San Manuel is never going away but if he has that as a condition, they are going there is \$550,000 off your net operating income at the end of the day and they must do that. Its debt service coverage, they cannot make a loan without it. They all do it, it is not unique, it does not matter if he is Lewis Homes or if he is Tom Robinson and Ed. They will deduct for that so it will be very hard to finance a project with that large of amount of money coming out of one project. So, they would ask that the #75 and #76 be stricken and the City, which you have the power to do, is to keep your agreement with San Manuel. They are not in control of that. They cannot go and negotiate with them. They do have a separate agreement with San Manuel but the City holds a little more clout than Tom and Ed so they think there is very low risk that is going to happen. They think eventually once their project gets going and the financial benefit to the City and the other projects get going along the street, that will get to that 550 but it devastates a project and that is why Rexco came in with two story buildings. They did not want to deal with it, and they just wanted to build. He said it earlier, it is a really nice product but if you look at it, it is more condensed and it does not have the amenities that they have. They designed it where they would want to live there

and there is lots of amenities. There is tot lots, there is pools, there is basketball, there is eight different areas that you can walk around. If we had to go back and redesign and take the three story out to meet this, there is one thing you do. You shrink the units to get the density to make it pencil because you have to make it pencil to build something or you go higher. So, if we go lower, we are going to have to spread our buildings out to two story or lower the units. They do not want to do any of those because they think it affects quality of the project long term and they are not just building for this year, they are building for ten, twenty years and something that will be a quality project. They would request Council to take those two items out.

Mayor Pro Tem McCallon stated just a couple of comments and a question. Residential property tax does not pay for the additional services that the City must provide for residential. They always take more services than they generate funds for. That is why we need commercial. The other thing is the 550 in there is not there to buy any fire truck at all. It is to provide the one fire person that would be needed extra, so it is not an equipment purchase at all. He noticed in the Planning Commission staff report, they had proposed substitute language and made some changes that you would agree to, and you have not talked about that.

Tom Robinson stated he asked Community Development Director Mainez to take that out because in reading it over, if you read through all the conditions, if the City lost your San Manuel, we really still do not pay. There is a catch in it, they pay up to \$25,000 a year if you ever lose it so it is really not that 550 and he thought it was misleading, so he asked for it to be removed.

Mayor Pro Tem McCallon asked is there any negotiating room.

Tom Robinson stated well he is a retail broker too, so he always negotiates. If we had to go back to what he wrote, he would agree to do that, but he goes back to instead of a 550 hit he could convince a bank on the \$25,000 because that is what their agreement is with San Manuel. He knows the City's agreement is free. They went and did their independent, so he guesses he is not a very good negotiator. They wanted to have that, and this was years ago and so they thought they were solving a problem and it does not solve the problem that we are encountering now because if it goes away then the 550 comes up and no one is going to lend them money. They are going to look and see the 550 is there.

Mayor Pro Tem McCallon stated well he personally is of the mind that if there is something that can be negotiated, he would be willing to continue this to allow that negotiation to take place and bring something back.

Tom Robinson stated that is fine and we continue this, but he really needs, for the commercial side, he really needs to get going on this. He does not have a lot of flexibility in it, and it is something you guys control. The bottom line is you guys control this agreement and San Manuel is probably not going anywhere but the negotiating power of the City of Highland is great with their great neighbor San

Manuel. So, he thinks we are also negotiating over something that is negative to all the projects along there and if you were to agree to it tonight, and that San Manuel agreement does not go away, you are not negatively affected at all. If it does go away, he thinks Community Development Director Mainez was trying to make the point with the ISO, his insurer does not look at those fire rates that they come out with. His insurer is USAA, his is state farm, they do not look at residential, they would look at his building and say you are four stories, it is three stories, they would raise the rate on that. Maybe he is off on that but that is what he has heard. So, you guys are in control, they want to bring something that is going to be bring a lot of revenue into the city and you mentioned the apartments, you are correct in that, but the laws have changed a little on getting the penny out of Amazon so when they are ordering online at three in the morning the City of Highland is getting something out of that resident there. So, there is a benefit to having a residence there, and it benefits for us across the street too.

Mayor Pro Tem McCallon stated he has been with USAA for sixty years and it is the best insurance company in the world.

Council Member Timmer stated a couple of comments but first to the ISO rating; that particular organization has lost a lot of credibility over the years. That is why a lot of insurance companies are setting their rates independently of what they suggest. There is a lot of politics in that ISO rating system. Mayor Pro Tem McCallon talked about the fire engines and all that. The two biggest components in ISO ratings, if he remembers correctly, one is the dispatch system for the resources and then whatever considers that and the other one is the water system in place to provide fire flows. Those are the two big components and whether you have this type of truck or that kind of hose those are pretty much negligible. The ISO is still used by some folks, but he does not give as much credibility anymore. He really likes the term Community Development Director Mainez talked about, the highly unlikely, he said it several times that San Manuel could terminate this agreement and he has some agreement with that. We have, in the past, a pretty good working relationship with San Manuel. However, we still have to be conscious as a Council if for whatever reasons they cancel it, we as a city are going to have to make some pretty significant decisions on service reductions because we will not have the wherewithal anymore. We are going to have to provide a ladder truck. A ladder truck is different than a fire engine. If San Manuel goes away that means the City is going to have to buy a fire truck and provide the personnel in addition so that could be a major hit to our City long term. Again, highly unlikely that would happen, but he thinks we have to recognize as a Council that could happen. This year, next year, ten years from now. He looks at this whole thing, he has in the past he has some strong feelings about multi-story high density projects he has not been a fan of those at all. However, he thinks times are changing, technology is changing, construction is changing, all the things you mentioned. He sees, as a Council, we have four different options to address the ladder truck issue. One is we approve it as presented including condition 75 and 76; second option is we eliminate all three story and strictly two story and you talked about the pros and cons of doing that or not doing that; and the other is at this point because of time frames we could look at approving the commercial at this time and continue

negotiating on the other issues. That might not be palatable but it is an option. The other one is we delete 75 and 76 all together and go with deleting those two conditions because Community Development Director Mainez convinced him that it is very unlikely that that is going to happen. He just wants the Council to be aware if the San Manuel contract is ever terminated, we as a Council, whoever that may be, will have to make some really tough decisions on where the money is going to come from to buy a fire truck, the personnel involved and so forth. It could be significant. We already know the fire budget has problems to begin with so just be aware there will be tough decisions.

Mayor Lilburn stated just for clarification are you speaking of the contract that the mutual aid that the City has with San Manuel or the fire contract that San Manuel has with the applicant.

Council Member Timmer stated he does not think we as a City are concerned with a developer has with San Manuel. We currently have a service agreement, as he understands it, with San Manuel if they respond and we request them to respond we call it mutual aide.

City Manager Hughes stated actually just a point of clarification, it is not a mutual aid agreement. We have an actual agreement for that ladder truck to come into the City over and above our mutual aid agreement with San Manuel, so we have a specific agreement for that piece of apparatus. It is an hourly cost, and he wants to say it is around \$1,700 an hour and we have never had to use it. We have had it in place now, he wants to say for five years.

Mayor Pro Tem McCallon stated could we finish asking the questions and then have our discussion.

Mayor Lilburn stated she has some questions and she kind of has a kink in the deal because we normally close this public comment, and we have our discussion so she is not sure if she leaves it open because she has a number of questions and thanks to the Planning Commission after reading a lot of it, but she will save this for the staff. If she closes the public hearing, can she always go back to the applicant if she needs to.

City Attorney Marroquin's response was inaudible.

Mayor Lilburn stated she will go ahead and close the public hearing. She will open it up for Council discussion.

Mayor Pro Tem McCallon stated the gas station, is there going to be a DC fast charger there? You must have it.

Mayor Lilburn stated she believes there will be.

Assistant Community Development Director Stater stated it will meet all the requirements of the code and it will come back in the future with its own design review application and we will make sure to show it on the plans when it comes back.

Mayor Pro Tem McCallon stated as he has said before, any new gas stations in the city needs to have at least one DC fast charger.

Assistant Community Development Director Stater stated understood.

Mayor Pro Tem McCallon stated the wall separating the residential from the wash, that is an eight-foot wall?

Mayor Lilburn stated it is planned for six feet but you guys said you would go to seven feet if she recalls.

Tom Robinson stated yes, they were at six feet and then back at the basketball hoop and pickle ball he thinks they were going to go to eight and he had a conversation yesterday with Federal Fish and Wildlife and they like it to go to seven. So, seven is fine.

Mayor Pro Tem McCallon stated his main concern is we need to have some protection to the residents from the wash area, from people that maybe, it is a security issue. Six feet is certainly not enough.

Tom Robinson stated also on top is going to be a little contraption that is going to be where you cannot climb over it. If you are a coyote or a cat which also prevents people, it is hard to get over the thing. They are concerned with that also.

Ed Horovitz stated their intention was to do the six feet with that, it is almost like a thing so a cat cannot jump and go over the back end. It is very difficult for a human to get over it so that is on top of the six-foot wall.

Mayor Pro Tem McCallon stated and there will be something on the wall that will, some treatment or something, or graffiti is not going to be attractive.

Tom Robinson stated the wall will have anti-graffiti paint originally on it.

Mayor Pro Tem McCallon stated because that will be a long wall and if it is tagged it is going to be an eyesore.

Tom Robinson stated we agree.

Mayor Lilburn stated what is our ordinance on the height for walls right now?

Assistant Community Development Director Stater stated the ordinance allows alternatives to address security and/or environmental mitigation. There is a directive from the Planning Commission to go to eight, but you can overturn that.

Mayor Pro Tem McCallon stated the LMD's, is there an escalation clause included?

Assistant Community Development Director Stater stated yes.

Mayor Pro Tem McCallon stated okay, he just wants to make sure that escalations are included in any of those. What is the schedule in terms of potentially building housing, what year?

Tom Robinson stated we are trying to do it concurrently with the commercial so when we start the project, doing the overall grading, everything at the same time. So, if you want a timeline, they would like to start construction next year.

Mayor Pro Tem McCallon stated now one of my favorite subjects, the freeway sign.

Tom Robinson stated they left the freeway pylon sign off going to Planning Commission because the height, they want the height as low as possible because as it goes higher it costs tremendously a lot more. Every three feet adds exponentially the cost. So, when they do sign flag test, they will have it high enough to get the panels on there right above the freeway, so they are visible and no higher. They do not need it higher. They would propose, this is what they intend to do. They would build one sign without the reader board because they are not 100% convinced on the reader board and that is something they will look for the City's input on it. If the City really wants the reader board, we do not know.

Mayor Pro Tem McCallon stated that is the digital one?

Tom Robinson stated yes, and they are not sold on it. So, when they come back, it is part of the specific plan that was approved but they are not, themselves, who maintains it, who is doing all the ads on it. It is a whole job to do that.

Mayor Pro Tem McCallon stated his concern is the refresh rate, in his view, would need to be a minimum of 15 seconds and also the brightness, you know you are going to have residential right there and at night, unless you control the brightness of that thing, it is going to be a real visual pollution.

Ed Horovitz stated those are some concerns they had also.

Mayor Pro Tem McCallon stated so it would not break his heart if the digital part went away.

Tom Robinson stated they will take the Council's direction on that, and they will come back with the signs to Planning Commission, aren't we?

Assistant Community Development Director Stater stated yes.

Mayor Lilburn stated are you guys going to be the owner of the gas station?

Tom Robinson stated they are not sure right now. What they did on the gas station across the street, they did not want to own the land with the gas station there just because the environmental reasons, but the environmental reasons are not a reason not to do that because they are almost nonexistent now with all the technology. They had between 30 – 40 offers for gas stations there and it took them almost a year to pick the right operator and he has done a pretty good job. He has maintained the quality, sometimes, he is sure there are things he could do better but overall, he has done a pretty good job. There are operators that they just would not do a deal with so that is still up in the air.

Mayor Lilburn asked is your potential operator an owner of a gas station in our city already?

Tom Robinson stated no.

Mayor Pro Tem McCallon stated good.

Mayor Lilburn stated this signage, she remembers we had some issues with the signage on the prior project. Do we have any potential of running into those disputes again?

Tom Robinson stated he can answer that, he does not think, they are dealing with a very difficult situation because the truth was never coming out on one side. So, if Mayor Lilburn recalls the meeting on site with us and others, that came completely different at the next Council meeting, and it was just disingenuous. In fact, one of the people were fired from their company because of that whole interaction. The other one admitted what he had done so he kept his job. They have the right to the sign, they have the right not to put competing uses on it, they have the right to rent to other uses up and down the street. The sign is going to be each one, the reader board will be more but just the sign without the panels will be approximately \$600,000. So, normally what they do is will rent the sign out to a tenant, LA Fitness is renting the sign. When that whole thing took place and then the people, they got a new, the company got a new president in which happened to know them, and he called for a meeting with him. He went to downtown LA and sat down with them for lunch and literally in three minutes they had the sign agreement worked out. Three minutes, then they had lunch. It is not what everyone is thinking, they want to have other tenants on that sign. If they have Starbucks up there, they are not putting Peet's Coffee up there. They already have an agreement with Starbucks not to do it. So, they want to have other tenants up there, they look forward to other anchors going up there and he does not think they will have any problems.

Mayor Lilburn stated she is glad they addressed the basketball courts with the wall and so on. She loves that they are putting in pickle ball courts, it is great for a community. She does worry about the graffiti with what they see on the washes these days. Seems to be a pastime for some of the people that hang out there. She is glad they have addressed that. She noticed in the studio apartments that there are not any garages for the studio apartments. What was that reasoning behind that because she thought we had a rule for the apartments that we had, was that just a concession that we made?

Mayor Pro Tem McCallon stated there is parking, he thinks, right?

Tom Robinson stated we have to have covered parking and he thinks they have met all the criteria on that. It is either off-site where they are enclosed but they are not directly under the units, or they are covered parking. So, he is 99.9999% sure they met all the requirements.

Assistant Community Development Director Stater stated yes, absolutely. They met all the requirements. There was some confusion in the past, our code is different between R3 and R4 standards. R3 is almost even more restrictive, each unit everyone had, this is not like that. Specific plan parking standards are not adopted like that, they have met all the requirements and exceeded them.

Tom Robinson stated one other thing they did on the parking, on the garages that are not tucked under, they made them a little wider some of them, so you can put a contractor, if he wants to rent in here, he has got his big truck with all his tools and everything and he does not want to leave it out, so he can put it in a garage and pull it in and have everything safe in his garage.

Mayor Lilburn stated on the inclusionary housing, she does not know if she did her math right, what do we charge per unit for the inclusionary?

Assistant Community Development Director Stater stated each project has the opportunity to either construct 15% of their units affordable or to pay the in-lieu fee, \$3,750 a unit.

Mayor Lilburn stated the property that is in escrow right now, is part of this entire master plan is that correct?

Tom Robinson stated correct.

Mayor Lilburn stated the liquor licenses does that take away, they are asking for eight, does that take away from project two, Planning Area No. 2.

Tom Robinson stated that is not his understanding.

Assistant Community Development Director Stater stated so they are looked at individually and even with more scrutiny when we have exceeded what ABC considers the allowable number. That is why Associate Planner Quintanilla mentioned the finding of public convenience and necessity. So, it does not take away from somebody else, but we do have a more critical, the more and more number, the greater number of licenses issued in a census tract the greater the concern, the more scrutiny each of those undergoes.

Tom Robinson stated on that one, they have that circumstance right now that they messed up on the ABC licenses on their phase. Every time they would come in, if they do get a grocery store across the street, Staples goes out, they have to come back in front of the Council for an ABC license which is uncertainty for the tenant. Even though they are pretty certain they are going to get it, it is still uncertainty which makes all the tenants really jittery. So that is why the number up front.

Mayor Lilburn stated she is a Facebook person, so she watches Facebook and all the people that say we need some restaurants in Highland, she thinks we all agree that we need some quality, and she hopes this is something you are really going to take into consideration. She is really tired of going to other cities and spending my tax dollars on a nice restaurant. What people do not understand they do not want us to put more housing because they moved here, and they want to keep it like this. What they do not understand is these developers or these restaurant owners are not going to come in without rooftops. We know with our RHNA numbers that this is something we are forced to do by the State. We know you guys are great builders, but we also are trying to do a happy balance with our community with the housing, the great restaurants so just keep in mind we need some really, really good restaurants in the city.

Tom Robinson stated he thinks Mayor Lilburn hit it on the head. There is a certain density that you have to get to and financial density too. So, you can afford to go out to a nice restaurant. That is why the Mediterra, Rexco, our units are really important because when you start adding those up and go, we are having these new units in here and that makes a difference.

Mayor Lilburn stated she heard you guys are going to be the owners of the project...of the apartments?

Tom Robinson stated yes.

Mayor Pro Tem McCallon stated he does not have any additional questions, but he is of the same mind he believes Council Member Timmer is in, that with the assurances of that we represented of the San Manuel thing not going away, he is willing to consider deleting those.

Council Member Solano stated she agrees with Mayor Pro Tem McCallon, and she would like to echo that concern and she does not have any further questions or comments.

City Manager Hughes stated there was kind of some going back and forth on the wall height, the Planning Commission recommended eight and it sounds like the Applicant said they met out there with Fish and Wildlife who wanted seven.

Tom Robinson stated it was on a phone conversation and where the Planning Commission wanted the eight was just around the basketball so the balls would not be going out into the wash.

City Manager Hughes stated okay, he just wants to make sure the Council is clear on the height. So, the Council is good with this?

Ed Horovitz stated so the perimeter wall by the channel is six feet with this anti-cat deviation on top of that, the wall around the basketball court is eight feet. That is where they kept the eight feet, not consistent across the entire property line.

Mayor Pro Tem McCallon stated he would like to see seven feet because he is six foot and if I can look over, you know.

Ed Horovitz stated we are okay with seven feet along there.

Mayor Lilburn stated there were a lot of conditions of approvals in this and they are met?

Assistant Community Development Director Stater stated they are currently or will be. In addition to the directives so she is not sure if Mayor Lilburn is referring to the conditions to which there a lot of and the directives as well, both will be met prior to any permit issuance or final approval.

Mayor Lilburn stated again she knows we have some Planning Commissioners here; they spend four hours and forty minutes on this. She wants to say thank you for doing that for the Council because they did a fantastic job. Going through all the minutes and details, so many questions were asked, it was nice.

**A MOTION** was made by Council Member Timmer that we go forward with the project, deleting condition #75 and #76 and changing the wall to seven feet maximum height, seconded by Mayor Pro Tem McCallon, to:

- 1) Find under Public Resources Code Section 21166 and the corresponding CEQA Guidelines Section 15162 that there are no substantial changes or new information of substantial importance that would trigger the preparation of a subsequent EIR and further finding that the project is exempt from further environmental review under Government Code Section 65457;
- 2) Introduce Ordinance No. 447, to Amend the Greenspot Village & Marketplace Specific Plan (SPR No. 06-01A), to adjust the boundaries of Planning Area No. 1 (Highland Marketplace) and the boundaries of Planning Area No. 2 (Residential Village), eliminate the Village Paseo from Scenario No. 1 and eliminate the requirement of private open space for studio units;
- 3) Adopt City Council Resolution No. 2021-022, to approve Design Review Application (DRA No. 20-012) for the construction of approximately 85,316 square feet of commercial uses (Greenspot Crossings) and a 200 attached residential unit complex with a 6,214 square-foot clubhouse, subject to the Conditions of Approval and Findings of Fact;
- 4) Adopt City Council Resolution No. 2021-023 for associated Alcohol Beverage Control licenses, to approve Conditional Use Permit (CUP No. 20-006) for the establishment of three (3) off-sale alcohol licenses (ABC Type 20 and 21) and five (5) on-sale alcohol licenses (ABC Type 41 and 47) for a commercial retail center, subject to the Conditions of Approval and Findings of Fact;
- 5) Adopt City Council Resolution No. 2021-024, to approve Conditional Use Permit (CUP No. 20-007) for the construction of gas station with eight fuel pumps, convenience store, and carwash, subject to the Conditions of Approval and Findings of Fact;
- 6) Adopt City Council Resolution No. 2021-025, to approve Tentative Parcel Map (TPM No. 20-002) to increase the number of parcels from four (4) parcels to eight (8) parcels, subject to the Conditions of Approval and Findings of Fact; and
- 7) Adopt City Council Resolution No. 2021-026, to approve Accessory Sign Review (ASR No. 20-013) to establish a Sign Program for the commercial and residential development within apportion of the Greenspot Village & Marketplace Specific Plan, subject to the Conditions of Approval and Findings of Fact. Motion carried, 4-0, with Council Member Chavez being absent.

City Clerk Hughes introduced Ordinance No. 447:

ORDINANCE NO. 447

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, AMENDING THE GREENSPOT VILLAGE & MARKETPLACE SPECIFIC PLAN (SPR 06-001) AND MAKING A DETERMINATION THAT THE ADOPTION OF THIS ORDINANCE IS EXEMPT FROM FURTHER CEQA REVIEW UNDER CEQA GUIDELINES SECTION 15162, PUBLIC RESOURCES CODE SECTION 21666 AND GOVERNMENT CODE SECTION 65457

which title was read.

RESOLUTION NO. 2021-022

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, TO APPROVE DESIGN REVIEW APPLICATION (DRA NO. 20-012) PROPOSING THE CONSTRUCTION OF AN 85,316 SQUARE FOOT COMMERCIAL RETAIL CENTER AND A 200-UNIT SINGLE-FAMILY ATTACHED AND MULTI-FAMILY RESIDENTIAL COMPLEX WITH A 6,214 SQUARE-FOOT CLUBHOUSE AT THE NORTHEAST CORNER OF GREENSPOT ROAD AND 210 FREEWAY IN PLANNING AREA NO. 1 AND 2 OF SCENARIO NO. 1 WITHIN THE GREENSPOT VILLAGE & MARKETPLACE SPECIFIC PLAN (APNS NO.: 1201-331-01, 1201-341-01, -08, and -09)

RESOLUTION NO. 2021-023

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT NO. 20-006 TO PERMIT THE ESTABLISHMENT OF STATE OF CALIFORNIA ALCOHOL BEVERAGE CONTROL (ABC) LICENSES INCLUDING FIVE (5) ON-SALE ALCOHOL LICENSES AND THREE (3) OFF-SALE ALCOHOL LICENSES FOR A COMMERCIAL RETAIL CENTER, NORTH OF GREENSPOT ROAD AND EAST OF 210 FREEWAY AND MAKING A DETERMINATION THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW UNDER CEQA GUIDELINES SECTION 15162, PUBLIC RESOURCES CODE SECTION 21666 AND GOVERNMENT CODE SECTION 65457. ASSESSOR'S PARCEL NUMBERS: 1201-331-01, 1201-341-01, -08, AND -09

RESOLUTION NO. 2021-024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, APPROVING A CONDITIONAL USE PERMIT (CUP NO. 20-007), TO CONSTRUCT AN APPROXIMATELY 11,877 SQUARE FOOT GAS STATION, CONVENIENCE STORE, CAR WASH AND GAS CANOPY WITH EIGHT FUEL PUMPS WITHIN PLANNING AREA NO. 1 OF THE GREENSPOT VILLAGE & MARKETPLACE SPECIFIC PLAN, LOCATED AT THE NORTHEAST CORNER OF GREENSPOT ROAD AND 210 FREEWAY, AND MAKING A DETERMINATION THAT THE PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW UNDER CEQA GUIDELINES SECTION 15162, PUBLIC RESOURCES CODE SECTION 21666 AND GOVERNMENT CODE SECTION 65457. (APNS NO.: 1201-331-01, 1201-341-01, -08, and -09)

RESOLUTION NO. 2021-025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, APPROVING A TENTATIVE PARCEL MAP APPLICATION (TPM NO. 20-002) FOR TENTATIVE PARCEL MAP NO. 20382 TO INCREASE THE NUMBER OF PARCELS FROM FOUR TO EIGHT PARCELS WHICH INCLUDE SEVEN COMMERCIAL PARCELS AND ONE RESIDENTIAL PARCEL IN ASSOCIATION WITH SPECIFIC PLAN REVISION APPLICATION (SPR NO. 06-01A), LOCATED ON THE NORTHEAST CORNER OF GREENSPOT ROAD AND 210 FREEWAY WITHIN THE GREENSPOT VILLAGE & MARKETPLACE SPECIFIC PLAN (APNs: 1201-331-01, 1201-341-01, -08, and -09)

RESOLUTION NO. 2021-026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, APPROVING ACCESSORY SIGN REVIEW (ASR NO. 20-013), TO ESTABLISH A SIGN PROGRAM, EXCLUDING THE HEIGHT AND LOCATION OF THE FREEWAY SIGNS, FOR THE FUTURE DEVELOPMENT OF THE GREENSPOT CROSSINGS COMMERCIAL SHOPPING CENTER AND RESIDENTIAL DEVELOPMENT AT THE NORTHEAST CORNER OF GREENSPOT ROAD AND 210 FREEWAY IN PLANNING AREA NO. 1 AND 2 OF SCENARIO NO. 1 WITHIN THE GREENSPOT VILLAGE & MARKETPLACE SPECIFIC PLAN (APNS NO.: 1201-331-01, 1201-341-01, -08, and -09)

12. Resolution No. 2021-027 Adopting a Biennial Budget for Fiscal Years 2021-2023

Mayor Lilburn opened the public hearing.

City Manager Hughes stated the resolution before you tonight is to adopt the budgets for the next two fiscal years. Expenditures of \$78,921,740.00 for fiscal years 2021/2022 and \$67,210,965.00 for fiscal years 2022/2023. As the Council is aware, we have spent a lot of time with the Finance Subcommittee, we had two meetings with the Finance Subcommittee to go over the budget in detail. We also had a study session with the City Council a few weeks ago. Any and all recommendations of the Subcommittee and/or the City Council were made to the budget that you are adopting tonight. Staff does recommend approval.

Mayor Lilburn called for any speakers in favor or in opposition of this item. Hearing none, the public hearing is now closed.

**A MOTION** was made by Council Member Timmer, seconded by Council Member Solano, to adopt Resolution No. 2021- 027 adopting a Biennial Budget for fiscal years 2021-2023. Motion carried, 4-0, with Council Member Chavez being absent.

RESOLUTION NO. 2021-027  
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,  
CALIFORNIA, ADOPTING A BIENNIAL BUDGET  
FOR FISCAL YEARS 2021-2023

**CITY COUNCIL LEGISLATIVE**

13. Community Park Facilities Improvements

City Manager Hughes gave a brief review of the staff report.

**A MOTION** was made by Mayor Pro Tem McCallon, seconded by Council Member Solano, to approve the following informal bid proposals:

1. Bid from CWFC, Inc., to install 182 lineal feet of 7' high wrought iron fence to close off access from the City Creek overflow wash at the east end of Lillian Lane to Community Park in the amount of \$12,980;
2. Bid from UC Fence to install 70' of wrought iron fencing to secure handicap exit ramp at the rear exit of the YMCA building in the amount of \$10,400;
3. Bid from Diamond Sheet Metal to install trash enclosure sheet metal roof enclosures with expanded metal mesh on sides and gates at the YMCA and Environmental Learning Center enclosures in the amount of \$28,850; and
4. Due to current material price volatility, authorize the City Manager to approve up to 10% increase for contingency to the above-mentioned bids, respectively. Motion carried, 4-0, with Council Member Chavez being absent.

14. City Manager Report and Comments (Work Program, Regional/Legislative/Development Issues, Subcommittees, etc.)

City Manager Hughes stated he wanted to bring the Council up to date on a few items. He wanted to let the Council know that construction of the Boulder Avenue, between San Manuel Village entrance and Greenspot Road is set to begin Monday, June 14. This project includes landscape medians, parkway landscaping, median drainage, sidewalks, ADA ramps, bus stops, ADA landing areas, trail entrances, and lighting, bridge lights, roadway streetlights, sound wall architectural enhancement, anti-graffiti coatings, pavement rehabilitation, and cap seal, bicycle detection systems, wayfinding signs, and striping. Project signs have already been installed on both ends of the project and the contractors are in the process of setting up their construction storage yard. The construction costs are \$3.4 million and is to be funded with a combination of Federal, AQMD, Cal-Recycle grants and local funds. We are anticipating completing the project in February 2022. We have received our first half allocation of the American Rescue Plan Act these are Federal

funds, and he is sure the Council is aware of. We received our first half which is approximately \$7.4 million, and we will get another \$7.4 million payment sometime next year. We are still waiting on guidance, on formal guidance, from the Department of Treasury. We have some written guidelines from them but then we listen in on some webinars and what they are saying on the webinars is different from what they are saying in some of the guidelines so we want to wait until we know for sure what we can expend the money on. We will then bring forward a spending plan to the Finance Subcommittee which will ultimately come back to the entire City Council for adoption. Some Police Department stats; total calls for the last two weeks were 1,936, 151 reports and 82 arrests. Last month the Fire Department responded to 591 calls for service, 407 were medical aids, 49 traffic collisions, 4 hazmat calls, 16 structure fires, 18 vegetation fires, and 28 other fires. Just a reminder we do have a Blood Drive scheduled for June 21, 11am to 4pm at the Highland Police Station. Just a quick Burrtec stat, they did have a computer outage, so we only have from May 1 to May 14, but they did 110 illegal dumping pickups just in that two-week timeframe. He is not going to go into detail any longer on COVID and go into all the stats anymore. It is not necessary, but he will let the Council know County did hit the yellow target for all three categories, but you have to stay in that for two weeks and by the time that two weeks expires, it is going to be June 15 and more than likely that whole rating system is going to go away. We are still waiting to hear on the formal OSHA guidelines for employees on masks and things of that nature. We will be working with our City Attorney's office as well as our insurance workers comp folks to come up with a policy after June 15 on masks. We will also be looking at whatever the State comes out with as far as social distancing in public meetings and if we are still going to have to maintain six feet or if we could go to three feet or something. So, it may be at the next Council meeting that we will be a little bit more back to normal as far as the Council being at the dais and staff being back in this area. Then he does not have to give all the staff presentations. We could also hopefully not have the audience social distance and we can allow more people to come in, but we have to follow whatever the guidelines are, so we have to wait to see what those are going to be.

15. Council Member Comments (Agency/Committee/AB 1234 Reports, District Updates, etc.)

Mayor Lilburn stated she would like to thank everyone for coming out to the Memorial Day event. The American Legion did a great job, thank you for sending the police to stand by. It was a great event. Also, do not forget about the 4th of July parade we are working on as well.

**ANNOUNCEMENTS**

None

**CLOSED SESSION**

None

**ADJOURN**

There being no further business, Mayor Lilburn adjourned the meeting at 7:50 p.m.

Submitted By:

Approved By:

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Betty Hughes, MMC  
City Clerk

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Penny Lilburn  
Mayor