

CALL TO ORDER

The regular meeting of the City Council of the City of Highland was called to order at 6:00 p.m. by Mayor Lilburn at the Donahue Council Chambers, 27215 Base Line, Highland, California.

The invocation was given by Pastor Al LeBrun, Immanuel Baptist Church, and the Pledge of Allegiance was led by Councilmember Solano.

ROLL CALL

Present: Chavez-Cordova, Lilburn, McCallon, Solano, Timmer
Absent: None

REPORT FROM CLOSED SESSION

None

SPECIAL PRESENTATIONS

Battalion Chief Brown from the Highland Fire Department gave a brief update on the Line Fire.

Mayor Lilburn presented a Proclamation proclaiming the month of September 2024 as Childhood Cancer Awareness Month.

Bryan Anderson, Supervising Analyst from the County of San Bernardino Community Development & Housing Department (CDH), gave a brief presentation regarding the Community Development Block Grant (CDBG) 5 Year Consolidated Plan.

PUBLIC COMMENT (ITEMS NOT ON THE AGENDA)

Chris Nielsen and Jane Bouch representing the Highland Chamber of Commerce spoke regarding upcoming events.

Chris Carrillo, Board of Directors from East Valley Water District expressed gratitude to the Highland Emergency Response Team for their prompt response during the Line Fire.

Fatima Rahman thanked the Highland Emergency Response Team for their response during the Line Fire.

CITY COUNCIL CONSENT CALENDAR

A MOTION was made by Mayor Pro Tem McCallon, seconded by Councilmember Chavez-Cordova, to move Item No. 17 from the City Council Legislative Calendar to the City Council Consent Calendar. Motion carried 5-0.

A MOTION was made by Mayor Pro Tem McCallon, seconded by Councilmember Solano, to approve the consent calendar, with Mayor Lilburn abstaining from Item No. 12. Motion carried on a roll call vote, 5-0.

1. Waive the Reading of All Ordinances

Waived the reading of all Ordinances in their entirety and read by title only.

2. Minutes - August 13, 2024 City Council Regular Meeting

Approved the Minutes as submitted.

3. Minutes - August 22, 2024 City Council Special Meeting

Approved the Minutes as submitted.

4. Minutes - August 29, 2024 City Council Special Meeting

Approved the Minutes as submitted.

5. Warrant Register

Approved Warrant Register No. 769 for September 10, 2024, in the amount of \$2,388,770.99 and Payroll of \$239,213.02.

6. Treasurer's Report for July 2024

Received and filed Treasurer's Report for July 2024.

7. Year-End Budget Adjustments for Fiscal Year 2023/2024

Approved the Fiscal Year 2023/2024 Year-End Budget Adjustments for Expenditures and Revenues.

8. Second Reading of an Ordinance to Amend Title 5, Chapter 5.04 Sections 5.04.160 and 5.04.240 of the City of Highland Municipal Code (Business License)

Conducted the second reading of Ordinance No. 465, amending sections 5.04.160 (License Fee-payment Due Dates) and 5.04.240 (Penalty for Delinquency-Action to Collect) of Title 5 (Business Licenses and Regulations) of the Highland Municipal Code establishing a single annual business license fee renewal date and amending penalties and procedures for collecting penalties for delinquent business license fees and approving an environmental exemption.

ORDINANCE NO. 465

AN ORDINANCE OF CITY OF HIGHLAND, CALIFORNIA, AMENDING SECTIONS 5.04.160 (LICENSE FEE - PAYMENT DUE DATES) AND 5.04.240 (PENALTY FOR DELINQUENCY - ACTION TO COLLECT) OF TITLE 5 (BUSINESS LICENSES AND REGULATIONS) OF THE HIGHLAND MUNICIPAL CODE ESTABLISHING A SINGLE, ANNUAL BUSINESS LICENSE FEE RENEWAL DATE AND AMENDING PENALTIES AND PROCEDURES FOR COLLECTING PENALTIES FOR DELINQUENT BUSINESS LICENSE FEES AND MAKING A FINDING OF EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

9. Contract Renewal - 2022-06 Highland HVAC Systems Maintenance, Monitoring, and Repair Contract
 - 1) Extended the 2022-06 Highland HVAC Systems Maintenance, Monitoring, and Repair Contract with F.M. Thomas Air Conditioning, Inc. for one year; and
 - 2) Approved a 13.2% increase to the contract.
10. Community Development Block Grant (CDBG) Subrecipient Contract Between the City of Highland and Central Little League to Provide Youth Baseball and Softball Programs
 - 1) Approved the Contract; and
 - 2) Authorized execution by the Community Development Director.
11. Community Development Block Grant (CDBG) Subrecipient Contract Between the City of Highland and the Highland Family YMCA to Provide Health and Wellness Programs and Resources
 - 1) Approved the Contract; and
 - 2) Authorized execution by the Community Development Director.
12. Community Development Block Grant (CDBG) Subrecipient Contract Between the City of Highland and Highland District Council on Aging, Inc. to Provide for Senior Programs, Activities, and Services to Improve Quality of Life, Physical Fitness, Social Programs, Daily Interaction, and Nutrition to Low-and Moderate-Income Seniors
 - 1) Approved the Contract; and
 - 2) Authorized execution by the Community Development Director.
13. Bid Award - Bid No. 2024-04, "Purchase of One New Vehicle" (HP-)
 - 1) Awarded Bid No. 2024-04 to Courtesy Chevrolet Center in the amount of \$65,187.67;
 - 2) Approved the quote from West Coast Lights and Sirens to perform the outfitting of the new vehicle in the amount of \$37,241.28 through our Sourcewell Cooperative Purchasing Program Contract No. 97402; and
 - 3) Approved a budget adjustment transfer of \$2,169.97 from 007.2100. (DIF Fund balance) to be expended from 007.8330.6060 (Vehicles).
17. Declare Two (2) Seats Vacant on the Community Trails Committee
 - 1) Declared two (2) seats vacant on the Community Trails Committee; and
 - 2) Directed the City Clerk to advertise the vacancy on the Community Trails Committee.

CITY COUNCIL PUBLIC HEARING

No public hearing.

CITY COUNCIL LEGISLATIVE

14. Measure I Capital Project Needs Analysis (FY 2025/2026 - FY 2029/2030)

Public Works Director/City Engineer Duran Jr. gave a brief review of the staff report.

A MOTION was made by Councilmember Timmer, seconded by Councilmember Solano to approve the Five-Year Capital Project Needs Analysis (FY 2025/2026 - FY 2029/2030) for the Measure I Major Street and Freeway Interchange Programs.

RESOLUTION NO. 2024-041

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, ADOPTING THE MEASURE I FIVE-YEAR CAPITAL PROJECT NEEDS ANALYSIS FOR FISCAL YEARS 2025/2026 THROUGH 2029/2030

15. Construction and Construction Management Services Contract Award - Bid No. 2024-02, "Highland Natural Parkland Trail Project" (City Project No. tra20001)

City Manager Zamano requested to pull the item. The project has been impacted by the Line Fire and staff would like the opportunity to re-evaluate the conditions of the project site. Staff will bring this item back to the City Council at a later date.

A MOTION was made by Councilmember Solano, seconded by Councilmember Chavez-Cordova to pull Item No. 15. Motion carried, 5-0.

16. Resolution of Intention to Establish City of Highland Community Facilities District No. 24-001 (Highland Park) Generally on Base Line East of Isabella Villa Court

Public Works Director/City Engineer Duran Jr. gave a brief review of the staff report.

A MOTION was made by Councilmember Timmer, seconded by Councilmember Solano to:

- 1) Adopt Resolution No. 2024-042, entitled: A Resolution of Intention of the City Council of the City of Highland to establish Community Facilities District No. 24-001 (Highland Park); and
- 2) Authorize the Levy of a Special Tax within City of Highland Community Facilities District No. 24-001 (Highland Park). Motion carried, 4-1 with Councilmember Chavez-Cordova dissenting.

RESOLUTION NO. 2024-042

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND, CALIFORNIA, TO ESTABLISH CITY OF HIGHLAND COMMUNITY FACILITIES DISTRICT NO. 24-001 (HIGHLAND PARK) AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX WITHIN CITY OF HIGHLAND COMMUNITY FACILITIES DISTRICT NO. 24-001 (HIGHLAND PARK)

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

City Manager Zamano stated the Highland Sheriff's Department for the period of August 5 through September 8 received a total 3,977 calls, made 424 reports, 154 arrests, 76 citations, 343 traffic enforcement stops, 64 traffic collisions, towed 21 vehicles, and 33 transient calls.

The Highland Fire Department for the month of August received 655 calls for service, some of which included: 514 medical aids, 18 traffic collisions, 14 structure fires, 10 vegetation fires, and 4 vehicle fires.

Staff received approval from Caltrans to advertise the Highland Regional Connector Project, which is set to commence construction. This initiative aims to repair pavement conditions and upgrade various streets. Key improvements include enhanced curb ramps, installation of bicycle markings and signage to facilitate pedestrian and bicycle connectivity to Arroyo Verde Elementary School, Highland Grove Elementary School, and Beattie Middle School. The specific street segments involved in this project include Orange Street from Greenspot Road to Tonner Drive, Tonner Drive from Orange Street to Glenheather Drive, Streater Avenue/Glenheather Drive from Base Line to Church Street, and the cul-de-sac on Love Street, adjacent to Arroyo Verde Elementary School.

Staff submitted a Federal Grant Application for the Highway Safety Improvement Program (HSIP), requesting a total funding amount of \$1.7 million to enhance the safety of our citywide traffic signal system. The proposed improvements include the installation of a new traffic signal at the intersection of Glenheather Drive and Church Street, located adjacent to Arroyo Verde Elementary and the addition of yellow reflective backplates at various signalized intersections. We anticipate receiving notification regarding the grant award status by the end of this year.

For the month of August, Burrtec completed 147 illegal dumping work orders.

On Monday, September 30 from 12:00 p.m. to 5:00 p.m., a Blood Drive will be held at the Highland Police Station.

The Planning Department received a Design Review Application from Diversified Pacific for a proposed development on a 12-acre site located at the northeast corner of Greenspot Road and Alta Vista. The proposal entails the construction of 113 single-family detached homes on smaller lots with recreational facilities. Additionally, applicant Diversified Pacific requests a zone change from single-family zoning to plan development zoning, aimed at achieving increased density and enhanced flexibility in development standards.

The Finance Department's Annual Comprehensive Financial Report for fiscal year ending June 30, 2023 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association.

19. Councilmember Comments (Agency/Committee/AB 1234 Reports, District Updates, etc.)

Councilmember Timmer thanked the firefighters for their diligent efforts in safeguarding the City of Highland from the Line Fire.

Mayor Lilburn announced the grand re-opening of the Highland Senior Center will be held on October 5.

ANNOUNCEMENTS

None

CLOSED SESSION

None

ADJOURN CITY COUNCIL MEETING

There being no further business, Mayor Lilburn adjourned the meeting at 7:00 p.m.

JOINT CITY COUNCIL AND HOUSING AUTHORITY MEETING

CALL TO ORDER

The joint meeting of the Highland City Council and Highland Housing Authority of the City of Highland was called to order at 7:00 p.m. by Chair Lilburn.

ROLL CALL

Present: Chavez-Cordova, Lilburn, McCallon, Solano, Timmer
Absent: None

BUSINESS ITEMS

A MOTION was made by Vice Chair McCallon, seconded by Authority Member Solano, to approve the Minutes as submitted. Motion carried, 5-0.

1. Minutes - July 9, 2024 Special Meeting

Approved the Minutes as submitted.

CITY COUNCIL AND HOUSING AUTHORITY PUBLIC HEARING

2. Second Amendment of the Ground Lease with Housing Venture I, Enabling the Refinancing and Loan Funds to Make Repairs and Improvements Related to the Jeffrey Court Senior Apartments, and Extend the Ground Lease Term for an Additional Twenty-Six (26) Years, Enacting a New Fifty-Five (55) Year Term, and First Amendment of the Regulatory Agreement between the Housing Authority, the City of Highland, and Lessee to Extend the Term of the Affordability Covenant by an Additional Twenty-Six (26) Years

Chair Lilburn stated she would abstain from this item due to a conflict of interest; her property is 500' in proximity to the project site and asked Vice Chair McCallon to open the public hearing.

Vice Chair McCallon opened the public hearing for the Second Amendment of the Ground Lease with Housing Venture I.

Assistant Community Development Director Stater indicated the item involves an amendment to the Ground Lease and Regulatory Agreement pertaining to Jeffrey Court Senior Apartments and its lessee, Housing Venture I. In 1998, Housing Ventures I collaborated with the Highland Redevelopment Agency to finance and construct Jeffrey Court Senior Apartments and has served as the ongoing lessee and manager for the past twenty-six (26) years since the project's foundation.

Housing Ventures I approached the Highland Housing Authority to request refinancing of their primary loan on the project, seeking \$2.3 million to fund essential onsite repairs. These repairs will include re-piping units and restoring the fire sprinkler system.

The Highland Housing Authority is asked to extend the ground lease for an additional twenty-six (26) years, effectively renewing the project's original fifty-five (55) year term to provide affordable senior housing in the City of Highland. The established lease rate of \$120,000 per year will remain in effect for this extended period. This initiative represents a significant advancement for the city's housing strategy, and the state is expected to recognize the city's commitment to maintaining affordability covenants within the community. The program documents have been reviewed by the city's consultant TKE Engineering, Inc. and the City Attorney.

Mark David, Secretary at JC GP, Inc. and Co-lessee partner stated Jeffrey Court Senior Apartments were built 26 years ago. They have made an effort to be good partners to the city by providing affordable housing for seniors throughout the years. The property has deteriorated over time and efforts to maintain it have been made by utilizing the cash flow available. The property is victim to a piping problem caused by a nationwide manufacturing flaw. It overwhelmed the ability to fix without financing.

The lender has stipulated that an extension of the lease is necessary to secure this financing, which will ultimately benefit residents by ensuring that all repairs are made, including upgrades to the fire sprinkler system and commit to maintain the property as affordable housing for an additional twenty-six (26) years.

Vice Chair McCallon expressed concerns regarding individuals residing in apartments who should not be there. He asked what measures would be implemented in response to this issue?

Co-lessee David stated if an individual over the age of 55 resides in the unit, they are entitled to have younger individuals living with them.

Authority Member Timmer indicated there are currently three loans, is this approach intended to consolidate all the loans into a single arrangement?

Co-lessee David responded, one loan is tied to the City of Highland, which is continuing to be repaid alongside the lease. The other loans pertain to bonds, as this is an affordable housing project. The lender responsible for enhancing the credit of these bonds has issued a letter of intent to increase the funding amount and will be utilized as previously mentioned.

Vice Chair McCallon asked if anyone from the public wanted to speak for or against the item.

Seeing none, Vice Chair McCallon closed the public hearing and brought it back to the City Council for questions.

A MOTION was made by Authority Member Chavez-Cordova, seconded by Authority Member Solano to:

- 1) Adopt City Council Resolution No. 2024-043 approving the First Amendment of Regulatory Agreement between the Housing Authority, the City of Highland, and Housing Venture I, and making a finding of exemption under the California Environmental Quality Act;
- 2) Adopt Housing Authority Resolution No. 2024-002 approving the Second Amendment of the Ground Lease with Housing Venture I, enabling the refinancing and loan funds to make repairs and improvements related to the Jeffrey Court Senior Apartments, and extending the Ground Lease Term for an additional twenty-six (26) years, and the First Amendment of the Regulatory Agreement between the Housing Authority, the City of Highland, and Lessee to extend the term of the affordability covenant by an additional twenty-six (26) years; and
- 3) Direct the Housing Authority Secretary/City Clerk to file a Notice of Exemption with the San Bernardino County Clerk of the Board of Supervisors. Motion carried, 4-0, with Chair Lilburn abstaining.

RESOLUTION NO. 2024-043

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND,
CALIFORNIA, APPROVING A FIRST AMENDMENT OF REGULATORY AGREEMENT
BETWEEN THE HIGHLAND HOUSING AUTHORITY, CITY OF HIGHLAND, AND
HOUSING VENTURE I, AND MAKING A FINDING OF EXEMPTION UNDER THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT

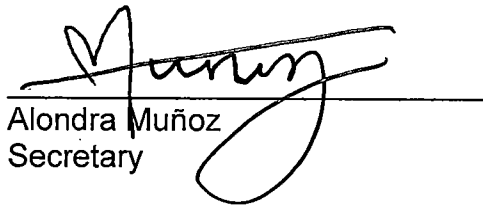
RESOLUTION NO. HA2024-002

A RESOLUTION OF THE HIGHLAND HOUSING AUTHORITY APPROVING A
SECOND AMENDMENT OF GROUND LEASE BY AND AMONG THE HIGHLAND
HOUSING AUTHORITY AND HOUSING VENTURE I, AND FIRST AMENDMENT TO
REGULATORY AGREEMENT BETWEEN THE HIGHLAND HOUSING AUTHORITY,
CITY OF HIGHLAND, AND HOUSING VENTURE I, AND MAKING A FINDING OF
EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

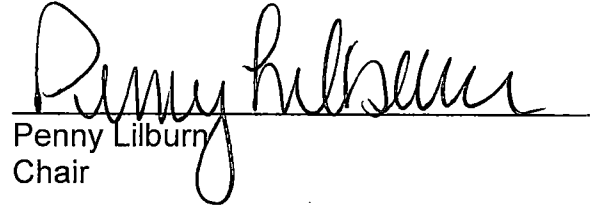
ADJOURN JOINT CITY COUNCIL AND HOUSING AUTHORITY MEETING

There being no further business, Chair Lilburn adjourned the meeting at 7:08 p.m. in memory of John Baker, Bill Annear, Sarah Culpepper, and Jim Stark.

Submitted By:


Alondra Muñoz
Secretary

Approved By:


Penny Lilburn
Chair