MEETING MINUTES

DATE: September 20, 2011
CALLED TO ORDER: 6:00 P.M.

MEETING LOCATION: City Council Chambers
450 East Latham Avenue
Hemet, CA 92543

1. CALL TO ORDER:

PRESENT: Chairman John Gifford, Vice Chairman Sharon Deuber, and
Commissioners Vince Overmyer, David Rogers and Chauncey
Thompson

ABSENT: None

Invocation and Flag Salute: Commissioner Overmyer

2. INTRODUCTION OF NEW PRINCIPAL PLANNER – MR. EMERY PAPP –
CDD Deanna Elliano

CDD Elliano welcomed Mr. Papp to the Planning Staff, and provided a synopsis of his
background as working with the cities of Placentia, Banning, Temecula, and Desert Hot
Springs, as well as ten years with the Eastern Municipal Water District.

3. APPROVAL OF MINUTES

A. Minutes for the Planning Commission Meeting of August 16, 2011

It was MOVED by Vice Chairman Deuber and SECONDED by Commissioner
Overmyer to APPROVE the August 16, 2001 minutes as presented, with the notation
that Commissioner Rogers abstained from the Minutes concerning the Tres Cerritos
East Specific Plan Amendment.

The MOTION was carried by the following vote:

AYES: Chairman Gifford, Vice Chairman Deuber, and Commissioners Overmyer
and Rogers

NOES: None

ABSTAIN: None

ABSENT: Commissioner Thompson

4. PUBLIC COMMENTS (None)
5. **TRES CERRITOS EAST SPECIFIC PLAN AMENDMENT** – It should be noted that this item is NOT a public hearing and no new action will be taken. The Resolution noted below is simply an affirmation of the Planning Commission’s recommendation of denial that was imposed at the August 16, 2011 meeting.

Commissioner Rogers recused himself because of the proximity of his residence to the project.

City Attorney Jex reminded the Commission that this is not a public hearing, but merely a time to verify that the resolution reflects the action that was voted upon at the prior meeting.

Planner Running corrected Page 1 of the resolution, deleting the word "Bill" from the title. He also explained that it was staff's understanding of the Commission's decision that because of the intensity of the proposal and because it was not compatible with the surrounding development due to small-lot subdivision courtyards and townhome development, they were recommending denial. He also wanted to clarify that the Commission recommended Council consideration of “reduced intensity alternative three,” as mentioned in the EIR.

Vice Chairman Deuber noted that the correct number for acreage should be 162.8 rather than the 140 acres indicated.

It was **MOVED** by Vice Chairman Deuber and **SECONDED** by Commissioner Overmyer to uphold the recommendation of denial of the Tres Cerritos East Specific Plan Amendment No. 06-001, titled Resolution No. 11-014, with the change to acreage on Line 43, Page 2 of the Resolution, to 162.8 acres.

The **MOTION** was carried by the following vote:

**AYES:** Chairman John Gifford, Vice Chairman Sharon Deuber, and Commissioner Vince Overmyer

**NOES:** None

**ABSTAIN:** David Rogers

**ABSENT:** Chauncey Thompson

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**B. Verbal Update on Tres Cerritos East Specific Plan Amendment No. 06-001 – Ron Running**

Planner Running notified the Commission that the applicant was considering some revisions to the proposal, so Planning staff had not yet determined the date that the denial would be presented to the City Council. He noted that it may come back to the Commission as a modification of the amendment.
6. WEST COURT VILLAS (Formerly CUP 06-014)

APPLICANT: Empresa Construction, LLC
AGENT: Nader Khoshniyati · ASAN, Inc.
LOCATION: West side of Sanderson Avenue, north of Devonshire Avenue and South of Menlo Avenue
PLANNER: Carole Kendrick
DESCRIPTION: A work study session with discussion and possible direction to staff regarding a proposed conditional use permit for construction of the second phase of an existing four-plex condominium project, adding 12, two-story buildings that will house 48 units located on Delapp Drive.

Commissioner David Rogers recused himself because he owns rental property that is within close proximity to the proposed project.

The staff report was presented by Assistant Planner Kendrick, who provided a Powerpoint presentation, including various graphics. She outlined the staff’s concerns as product type, setbacks, parking, and incomplete improvements required under Phase 1.

Mr. Nader Khoshniyati, CEO of Empresa, acknowledged the City’s concerns, including outdated four-plexes, absent landlords, lack of maintenance, and security. He advised that his team had, therefore, devised a new plan that includes two-car garages so that cars would be less likely to be parked outside, a residential scale that is compatible with surrounding neighborhoods, the view corridor, multiple elevations and colors, common areas with a green space for children to play, walking and open spaces, multiple barbecue areas, and adequate lighting. He explained that they had spent a great deal of time with Police Department representatives, trying to ensure security and safety for the residents. They are installing front gates, more lighting, and large walking spaces. For the issue of low maintenance, he offered an improved Home Owner’s Association, an on-site manager, and repainting of the older units to improve the appearance at the entrance.

Chairman Gifford asked for further explanation regarding the on-site manager, and whether the manager would have authority under the HOA to enforce the rules, or if it would merely be a reporting position.

Mr. Khoshniyati wasn’t sure about the legal implications, but wanted eyes on the grounds. The company will have a majority position in the HOA, to ensure that it would be enforced.

Mr. Bart Crandell, Pekarek Crandell Architects, San Juan Capistrano, remarked that the eight existing units were part of a master association that does not take care of the property; but mainly deals with the road. The company is proposing to establish a sub-association for the remaining units, and hopefully the independent owners of the eight units would join for maintenance of common open areas, the road, and even the exterior of the buildings. The manager would be the eyes and ears, but the association would vote on the action, if such were needed.
Chairman Gifford asked what their plans were in regards to parking issues, which was one of staff's concerns.

Mr. Crandell advised that the original association owns the road, so this company cannot widen or change it without the HOA’s approval. There will be improvements to it, and compliance with any parking standards that have changed since the original units were constructed. There will also be additional parking by the green belt, and the recreation area can be utilized.

Vice Chairman Deuber asked what the intended price points per unit would be, moving forward, and if there was a plan to have a leasing agent be part of the on-site management, since housing of this nature would ultimately become rental property.

Mr. Khoshniyati said he could not predict what the market would be five years down the road, but that a leasing on-site management option would definitely be part of it.

Mr. Crandell noted that a statement of operations was required, in which that issue could addressed.

Assistant Planner Kendrick reported that there were representatives from public works and the police department present and available to answer questions from the Commission and the applicant.

Commissioner Overmyer asked about ownership of the existing eight four-plexes and the remaining 12 that are proposed.

Mr. Khoshniyati indicated that the existing units were independently owned, and the proposed 12 would be largely owned by Empresa, with some units available for sale.

Commissioner Overmyer expressed concern with how an HOA/manager system would work, how increased maintenance would affect rents or abandonment in existing units, how more four-plexes would be accepted by surrounding homeowners, and whether other types of products could be put in there.

Mr. Khoshniyati stated that the company’s commitment was to keep all units, above and beyond what the existing HOA was doing; explaining that this was part of their investment. He stated that Empresa was committing to paint the exterior of the existing units.

Mr. Crandell stated that they had looked at many product types, but that the four-plex concept allowed them more flexibility, with only one unit facing the residential areas and the others facing the side yards or parking area, with 32 feet between each building.

Commissioner Thompson was asked to join the Commission, as he had arrived late and had been listening to the discussion from the audience. He asked for further clarification about the HOA and the property management company working together.

Mr. Crandell explained that throughout Orange and Riverside counties, HOA's are run by property management companies, whose job it is to maintain the CC&Rs, make sure the property is maintained, and ascertain that the correct funds are put in reserve to guarantee that the project is in compliance with state standards. This is a provision
that can be worked out with the city attorney and written into the CC&Rs, and actually recorded on the deeds, listing the fact that there has to be a property management company.

Vice Chairman Deuber, having read the 2007 minutes, noted several concerns that have reappeared, such as setbacks and land use compatibility.

Mr. Crandell indicated that this project was similar to Villa Madrid, a townhouse project with far reduced setbacks. He stated that the present project has a 30-foot setback from existing residences and is in compliance with the setbacks.

Vice Chairman Deuber mentioned the patio-type homes which allow for setback, safety, and no view obstruction to the west and north. She brought up the Wolf Creek project in Temecula as an example.

Mr. Crandell stated that with the four-plex units, they actually have less density, with 30 feet between the units. The safety issues are mitigated by making it a closed project that is gated, and screening tenants as much as possible.

Mr. Khoshnıyati indicated that the police department had asked for a project design that would allow police to get between the units; therefore, they designed the project so police could go all the way around every building. Also, the on-site manager would be trained by the city to report to the appropriate departments.

Mr. Crandell further explained that if a policeman visits the community, they can drive down the parking areas and see the back of the buildings without getting out of their cars. Also, site lighting could be turned up in areas where there might be a gathering. He added that the garages are positioned so that there is no place for anybody to hide or lie in wait.

In response to a question posed by Vice Chairman Deuber regarding a breezeway in the center of the building, Mr. Crandell explained that private owners want private entrances, and this design would allow for that.

Chairman Gifford asked Assistant Planner Kendrick to approach the lectern and address crime issues in the existing units.

Assistant Planner Kendrick reported that there have been approximately 50 police call-outs to the existing eight units within the past year.

Chairman Gifford also asked about the success of this type of HOA in the city, to which City Planner Running responded that there were not many successful ones because of the extensive difficulty with so many different owners.

Chairman Gifford also stated that with Hemet’s efforts to reduce crime, the City was looking very carefully at any multi-family housing, largely because of the correlation between low-income housing and crime statistics. Therefore, he urged the applicant to understand why the Commission and staff would ask for enough tools to make this work well for the city.
Commissioner Overmyer asked for assistance in understanding what is fair, considering that this project received approval originally.

CDD Elliano responded that staff had done quite a bit of research, and that there was a recorded subdivision on the property. The project is substandard by today’s requirements when it comes to width of the private drive and various other things. There were improvements that were required by conditions which were never constructed, so before anything could move forward those conditions would have to be complied with. As far as approval of additional four-plexes, approval had been granted for the first phase, but there’s no vesting of that entitlement, which is why CUP’s, tract maps, and various other projects, expire after two years, unless granted extensions, because conditions, circumstances, standards and codes change over time. Unless there is a true development agreement or a vested tentative map that would entitle the product, there is no long term guarantee that they can build the project. In this case there is only an existing subdivision, and staff is trying to work within those parameters; however, there are turning radiuses and other aspects that aren’t consistent with city standards. The project site has an R-3 zoning which allows up to 17 units per acre. However, the individual ownership of the units makes the maintenance of the HOA and property management difficult unless there is something like a condominium map so that the common areas are truly common and maintained in common. The issue is what guarantees can be obtained with CC&R’s and the property manager.

Vice Chairman Deuber explained that the Department of Real Estate has made changes in the past six years. Property management has its own category within the DRE regulations. She posited the possibility of selling each of the units within the four-plexes individually so that there would be pride of ownership, and suggested that the location and its proximity to downtown Hemet would make it more viable for young couples and bring an upscale urban feel to the neighborhood, as well as more revenue to the builder and the city.

(Brief recess.)

Mr. Crandell advised the Commission that it was their intention to set this up so they could all be sold as individual units, rather than as a building. Therefore, they would commit to hold the development for five years under their control to make sure it was established and operating properly. When the economy turns around and single-family prices go up and pass the price point of these units, then they would be sold out individually. It’s also their intention to not have any police calls on the new units and reduce the calls on the old.

Chairman Gifford thanked the applicant and stated that it was his hope that the project could be developed and managed in such a way that it would be an asset to the community.

Commissioner Thompson expressed concurrence with Chairman Gifford’s comments, adding that he felt the main concern for the project was security as well as ascertaining that it was developed as a viable project and not one that would sit empty for years after construction. He suggested that Vice Chairman Deuber had brought up a good point with her thoughts on selling the units individually, noting that in a good economy each building could be worth over a million dollars in that scenario. He stated that
while he did not know if that would work in Hemet, it was something he would be willing to consider if it were proposed.

CDD Elliano asked for clarification regarding the Commission's recommendation for staff in moving forward to work with the applicant. She noted that the obvious understanding was the Commission's concern with maintenance, management, the HOA, and security issues, and suggested that the most successful solution to address these issues would be via a condominium map and configuration as opposed to individual four-plex lot sell-off.

Chairman Gifford agreed that this was a good suggestion that he was not opposed to, and that he would like to see what it would entail and bring forward as an option. He recognized that there were still setback disagreements and issues with other details and nuances, and referred to the Commission's suggested changes to the elevations. He expressed his confidence that staff would work with the applicant to resolve outstanding issues.

Vice Chairman Deuber suggested that it was all in the marketing. She felt that this was an opportunity to raise the bar, put a footprint on the ground, and clean up an issue that was put there ten years ago.

Commissioner David Rogers was invited back into the Council chambers.

7. OVERVIEW OF ENVIRONMENTAL IMPACT REPORT PROCESS, STATEMENTS OF OVERRIDING CONSIDERATIONS, FINDINGS, AND FINAL EIR – Verbal presentation by CDD Deanna Elliano / City Attorney Tom Jex

CDD Elliano gave a presentation stating the purpose of an EIR: To disclose to the decision makers and public the significant effects of a project and possible ways to minimize or mitigate those effects and the reasonable alternatives to the project. She also outlined the steps in the process as being (1) determination of EIR as opposed to the NEGDEC; (2) preparation of the Draft EIR; (3) public review period of 45 days or 30 days; (4) preparation of responsive comments, additions or modifications to the Draft EIR; (5) preparation and distribution of the Final EIR, mitigation monitoring programs; (6) certification of the Final EIR and Adoption of Findings and Statement of Ovverriding Considerations; (7) final action on the project after CEQA review.

The public review process includes (1) sending large projects such as general plans to the State Clearing House; (2) issuing a notice of availability; (3) publishing a notification in the newspaper indicating the public review period, the public hearing dates, and the location where the Draft EIR can be viewed or accessed; (4) receipt of written comments concerning environmental issues; (5) preparation of written responses to comments, which could be in the form of mitigation measures, modifications or additions, with a 10-day comment period; (6) introduction of the Final EIR, which includes the Draft EIR, the comments and responses and the addenda to the Draft EIR; (7) certification of the Final EIR by the City Council.

Legal requirements for EIR adequacy are outlined in CEQA. The document needs to be an objective, good faith effort of disclosure on environmental impacts, meaning it doesn't have to be an exhaustive treatment of the effects. It is also clear in case law
that perfection is not required and minor technical defects are not fatal, but must have sufficient information to make an informed decision.

City Attorney Jex further explicated that the key word is "sufficient." CEQA requires "substantial evidence to support whether or not it is sufficient." What the Court looks at, if the EIR is challenged, is not the conclusion, i.e. "air quality impacts not significant," but the evidence to support that conclusion. So one must look not at the conclusion, but at the evidence to get there.

CDD Elliano stated that there are certain "thresholds of significance" which are set by varying agencies or programs, such as air quality management plans. Those thresholds determine what mitigation is required or if there are overriding considerations. She then outlined the steps for determining mitigation measures, and if that is not possible, statements of overriding considerations. Agencies can also adopt project alternatives but are not required to adopt the most environmentally superior alternative if it does not meet project objectives.

City Attorney Jex further explained that if they do not agree with the statement of overriding considerations, they can say no, we don't think the benefits of this project outweigh the impacts. But that discussion should be after the public hearing is completed.

After further discussion, Chairman Gifford outlined his understanding of the process as consideration of the project being brought forward by the environmental documents, which describe the project, the alternatives and the impacts. So first, pass on the adequacy of the environmental documents. Then pass some entitlement to actually do the project, such as CUP's. What staff is looking at is when we get the EIR, it's describing the project, and if the Commission doesn't like some of the impacts or mitigation measures, we stop at the EIR and discuss it with them so they can go back to the drawing board, redo it and come back. We don't certify the EIR and then say, no, go change the project. There can be nuances in the entitlement part or legal part, but not to the concept of the project.

CDD Elliano reminded the Commission that they are only recommending actions to the City Council, which is the ultimate deciding body certifying the EIR.

**8. DISCUSSION REGARDING APA PLANNING COMMISSION WORKSHOP OF AUGUST 19, 2011** — Commission and staff comments regarding the workshop.

CDD Elliano handed out a document and commented that four Commissioners had attended the workshop. She also mentioned that the Commission is closely following the guidelines that were outlined. Page 40 of the document is a checklist for general plan adequacy and will be useful to the Commission when that time comes.

Vice Chairman Deuber, who attended, was appreciative of the seminar, even though she felt it was too short. She applauded Hemet Planning Commission because of its adherence to the guidelines presented. She was also happy that this Commission is not afraid to voice opinions and was diverse in its stances.
Commissioner Overmyer analogized the process to a very complicated board game, one which will become more apparent after playing it for awhile.

Commissioner Rogers also would have liked a longer meeting, but he learned a great deal about negative declarations and CUP's. A lot of basics were brought up that reinforced what they have been learning from Planning staff.

DEPARTMENT REPORTS

9. INTRODUCTION AND PREVIEW OF THE DRAFT COMPREHENSIVE UPDATE TO THE GENERAL PLAN – Verbal presentation by CDD Deanna Elliano

CDD Elliano told the Commission they were the first people to actually get a copy of the Draft General Plan, as printing was literally finished up today. It will also be available on CD and on the City's website. She outlined the schedule as finishing the EIR within next week and having the public review period start on September 30, which would mean it would end on November 14th. At the next Planning Commission meeting on October 18th, the first public hearing will be scheduled with an opportunity for comment on the EIR. She indicated that there would be one more public hearing before the end of November, when the Commission makes a recommendation to the City Council. Hopefully the document would be approved by the end of the year in December.

CDD Elliano explained that the General Plan Update was a plan for the next 20 years. There are ten elements that cover the seven mandatory topics required by state law, as well as four optional elements. The existing city boundaries are 28.3 square miles, but the planning area examined in both the EIR and General Plan, plus all the maps and policies, is a total of 97.4 square miles.

The plan provides a total build-out population for the city in this 20-year horizon of 112,000 people; the city is at about 78,000 as of the 2010 census. For the total planning area, the build-out population was proposed to be 167,850. Anything over 100,000 is considered a big city.

The plan includes 10 community vision statements, 85 goal statements, 642 policies, and 239 implementation programs. The latter are the action items to accomplish the policies and goals in the General Plan. She further outlined the various parts of the document, encouraging them to read as much of it as possible. It is a substantial rewrite of the preliminary draft documents that the GPAC looked at in 2009.

Other topics discussed in the plan include community design, revitalization of neighborhoods, circulation, including rail line potential, airport, electric vehicle network, and bicycle networks.

Chapter 5 discusses community services and infrastructure, including water, sewer, waste, drainage systems, telecommunications, solid waste and community facilities, including education, healthcare, library, senior, community and government centers.
Public safety includes fire, police, wildfire conditions, flooding potential, potential seismic events, and dam inundation.

Open space and conservation elements contain discussion on agricultural lands, sustainability, conservation of air, water, and energy resources.

An optional element which was included is recreation and trails, presenting an inventory of all city parks, recommendation for a park master plan, trail network, as well as more for off-road trails and their connectivity to other trail systems. Chapter 9 includes an historic resources element, emphasizing Hemet's 100-year history, the Native American influence, and the paleontological prehistory.

Art and culture is also an optional element that was added as a result of the involvement of various stakeholder groups. The housing element, organization and requirements are updated every eight years, while the rest of the General Plan is updated every 10 to 20 years.

Chapter 12 outlines 239 implementation programs for the elements of the General Plan. Appendix A includes policies within the plan that relate to sustainability. Some of the other appendices are background information on other elements in the plan.

Chairman Gifford urged the Commissioners to read the entire document because it is their marching orders.

10. COMMUNITY DEVELOPMENT DIRECTOR REPORTS:

A. Report on City Council actions from the September 13th meeting

CDD Elliiano noted that the amendment to the Development Agreement for Stoney Mountain Ranch was approved, as were two urgency ordinances – one related to smoke shops and hookah lounges, the other relating to the conversion of large retail buildings requiring CUP's.

B. Cancellation of the October 4, 2011 Planning Commission meeting

CDD Elliiano explained that since there were no public hearing items pending for October 4th, the meeting would be canceled with the next meeting being scheduled for the 18th of October.

11. CITY ATTORNEY REPORT: (None)

12. PLANNING COMMISSIONER REPORTS: Commissioner reports on meetings attended or other matters of Planning interest

A. Chairman Gifford complimented Planning staff on their efforts in preparing the General Plan documents.

B. Vice Chairman Deuber stated that she was anxious to read the General Plan because she felt like she was part of it, having attended the meetings for a year. She was also pleased to have attended the
C. Commissioner Overmyer expressed his excitement to be a part of the Commission that is in place at the time of the General Plan's approval, as Hemet is dear to his heart.

D. Commissioner Rogers commended the staff on the General Plan, and also inquired regarding the status of the shopping cart issue. CDD Eliiano responded that with the new Principal Planner on board, they would be able to bestow more focus on code issues.

E. Commissioner Thompson compared the General Plan arrival to a high school student's excitement regarding the SAT's. He felt the document appeared very interesting.

13. FUTURE AGENDA ITEMS: Items to be scheduled for upcoming Planning Commission Meetings

A. Report on "Human Signs" and other temporary signage
B. Zoning Ordinance Amendment for Special Housing Classifications
C. Status report on Hemet ROCS
D. Status report on foreclosure activity
E. Downtown Facade Improvements
F. MedCity Project Status Report
G. Report on Industrial Development Opportunities

CDD Eliiano noted that these backlogged items are listed so that they can be kept on the radar and will be brought before the Commission as staff is able deal with them, the focus recently being the General Plan and EIR.

Chairman Gifford suggested that just giving a 90-second update or a paragraph on the agenda would suffice.

14. ADJOURNMENT: To the regular meeting of the City of Hemet Planning Commission scheduled for October 18, 2011 at 6:00 p.m. to be held at the City of Hemet Council Chambers located at 450 E. Latham Avenue, Hemet, California 92543.

John Gifford, Chairman
Hemet Planning Commission

ATTEST:

Nancie Shaw, Records Secretary
Hemet Planning Commission