

I N D E XTorrance City Council - April 9, 1985

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Adjournment at 11:25 p.m.

#

Peggy Laverty
Minute SecretaryCity Council
April 9, 1985

Prepared by Office of City Clerk
DONNA M. BABB, CITY CLERK

April 9, 1985

MINUTES OF A REGULAR MEETING
OF THE TORRANCE CITY COUNCIL

OPENING CEREMONIES:

1. CALL TO ORDER:

The Torrance City Council convened in a Regular Meeting on Tuesday, April 9, 1985, at 7:00 p.m., in the Council Chambers at Torrance City Hall.

2. ROLL CALL:

Present: Councilmembers Applegate, Geissert, Mock, Nakano, Walker, Wirth and Mayor Armstrong.

Absent: None.

Also present: City Manager Jackson, City Attorney Remelmeyer, and staff representatives.

3. FLAG SALUTE AND INVOCATION:

Boy Scout Troop #310, James Gordon, Scoutmaster, led in the salute to the flag.

The invocation was provided by Reverend Lloyd Newlin, First Baptist Church.

STANDARD MOTIONS:

4. APPROVAL OF MINUTES:

MOTION: Councilman Applegate moved to adopt the City Council minutes of March 5, 1985, and March 12, 1985, as recorded. His motion was seconded by Councilwoman Geissert, and roll call vote was unanimously favorable.

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5. MOTION TO WAIVE FURTHER READING:

Councilman Applegate MOVED that after the City Clerk has assigned a number and read title to any resolution or ordinance on tonight's agenda, the further reading thereof be waived, reserving and guaranteeing to each Councilmember the right to demand the reading of any such resolution or ordinance in regular order. His motion, seconded by Councilwoman Geissert, carried unanimously by roll call vote.

6. WITHDRAWN OR DEFERRED AGENDA ITEMS:

Item 20c. - Award of Contract for water meter purchases
WITHDRAWN.

7. COUNCIL COMMITTEE MEETINGS:

Community Planning and Design Committee:
April 11, 1985, 4:30 p.m.
Subject: Hillside Ordinance

* * *

At this time Mayor Armstrong extended a special greeting to members of the YMCA Indian Guides, Chippewa Tribe of the Cheyenne Nation who were present in the audience.

* * *

8. COMMUNITY MATTERS:8a. AWARDS TO RETIRED COMMISSIONERS:

Mayor Armstrong presented, on behalf of his colleagues on the Council and members of the community, plaques in recognition of their dedicated service to the following retired Commissioners:

William C. Johnson (Traffic)
Ernest C. Prevost (Airport)
Helen E. Rodgers (Library).

8b. RESOLUTION HONORING NORMAN BAILEY:

At the request of Mayor Armstrong, City Clerk Babb read title to --

RESOLUTION NO. 85-80

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE HONORING NORMAN LEES BAILEY FOR HIS YEARS OF DEDICATED SERVICE TO THE TORRANCE AREA YOUTH BAND AND TO THE COMMUNITY

MOTION: Councilwoman Geissert moved for the adoption of Resolution No. 85-80. Her motion, seconded by Councilman Nakano, carried unanimously by roll call vote.

The above resolution was accepted, with gratitude, by Mr. Bailey's widow and members of his family.

- 8c. PROCLAMATION PROCLAIMING WEEK OF APRIL 14 THROUGH 20, 1985, "BUILDING AND SAFETY WEEK":
- 8d. PROCLAMATION DECLARING APRIL 14 THROUGH 20, 1985, "NATIONAL LIBRARY WEEK":
- 8e. PROCLAMATION PROCLAIMING MAY 1, 1985, "LAW DAY U.S.A.:"
- 8f. PROCLAMATION PROCLAIMING WEEK OF APRIL 14 THROUGH 21, 1985, "THE DAYS OF REMEMBRANCE OF THE VICTIMS OF THE HOLOCAUST":
- 8g. PROCLAMATION PROCLAIMING WEEK OF APRIL 15 THROUGH 20, 1985, "EARTHQUAKE PREPAREDNESS WEEK":

So proclaimed by Mayor Armstrong.

- 10. TRANSPORTATION/PUBLIC WORKS MATTERS:
- 10a. HANGAR RENTAL PROCEDURES:

RECOMMENDATION OF DIRECTOR OF TRANSPORTATION:

The Department of Transportation recommends approval of the hangar procedural guidelines as contained in the Hangar Rental Agreement and Hangar Registration form, and that a monthly rental rate of \$225 for hangars without electricity and \$235 for hangars with electricity be established.

AIRPORT COMMISSION RECOMMENDATION:

The Airport Commission recommends approval of the monthly rental rates and the Hangar Rental Procedures subject to the following amendments:

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Point #1 under the USE section of the Hangar Rental Agreement shall read: "Hangar is to be used primarily for the purpose of storage of aircraft and other reasonably related aviation equipment and materials."; and,

Point #2 under the INSPECTIONS section shall read: "The City shall have the right to re-enter the hangar, for the purpose of inspecting the hangar or enforcing the conditions of the Agreement, upon giving 24 hours written notice by certified mail, and with the consent of the tenant."

MOTION: Councilman Wirth moved to concur with the STAFF recommendation as stated. His motion was seconded by Councilman Nakano, and carried unanimously by roll call vote.

10b. APPROPRIATION FOR CONSTRUCTION OF SANITARY SEWER:

RECOMMENDATION OF CITY ENGINEER:

It is recommended that the City Council:

- 1) Appropriate \$9,000 from the Sewer Revolving Fund for construction of a public sewer in and adjacent to Monterey Street east of Maple avenue.
- 2) Authorize the City Clerk to accept a public sewer easement in the Park Del Amo site between Monterey Street and Toledo Street.

Mr. Larry Schmidt, 2716 Ocean Park Boulevard, Santa Monica, was present to represent the Torrance Investment Company and Watt Industries, and requested Council consideration of the following:

- ° Acceptance of all of the sewers of this development as a public sewer system;
- ° Construction by their contractor of the sewer system within their property and the area just northerly of the existing curblin.

Responding to the first point raised by Mr. Schmidt, Sr. C.E. Associate Perkins reviewed the City's policy in this regard and recommended that the sewers within the subdivision which are not directly downstream from the new parcel remain private.

The matter of the contractor was addressed by City Attorney Remelmeyer, who outlined problems involving the public bidding process, and recommended that the matter be continued should the Council wish to consider this question further.

MOTION: Councilwoman Geissert moved to continue Agenda Item 10b for a period of two weeks (City Council meeting of April 23, 1985). Her motion was seconded by Councilman Wirth, and roll call vote was unanimously favorable (Councilman Applegate ABSTAINED).

10c. VACATION OF PORTION OF VAN NESS AVENUE AND ADJACENT WALKWAY:

RECOMMENDATION OF CITY ENGINEER:

- 1) That the City Council approve and adopt the attached resolution summarily vacating a portion of the 10-foot wide walk.
- 2) That the City Council approve and adopt the attached resolution summarily vacating the portion of Van Ness Avenue.

At the request of Mayor Armstrong, City Clerk Babb read title to --

RESOLUTION NO. 85-81

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ORDERING THE VACATION OF A PORTION OF THE 10 FOOT WIDE WALK ADJACENT TO LOT 29, TRACT NO. 4956

MOTION: Councilwoman Geissert moved for the adoption of Resolution No. 85-81. Her motion was seconded by Councilman Walker, and roll call vote was unanimously favorable.

City Clerk Babb then read title to --

RESOLUTION NO. 85-82

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE ORDERING THE VACATION OF A PORTION OF VAN NESS AVENUE IN LOT 29, TRACT NO. 4956

MOTION: Councilwoman Geissert moved for the adoption of Resolution No. 85-82. Her motion, seconded by Councilman Walker, carried unanimously by roll call vote.

15. HEARINGS:15a. PARTICIPATION AGREEMENT WITH AMERICAN HONDA MOTOR COMPANY, INC:

Considered in joint session with the Redevelopment Agency - see Pages 9-29.

17. ADMINISTRATIVE MATTERS:17a. SALE OF CITY-OWNED PROPERTY ON DEL AMO BOULEVARD:RECOMMENDATION:

The City Manager and Land Management Team recommend that your Honorable Body adopt the attached Resolution declaring Lots 29 and 32 and portions of Lots 42 and 43 on Del Amo Boulevard surplus and that the lots be sold to Capellino Investment Company for the agreed price per lot as follows:

Lot 29 -	\$ 49,000
Lot 32 -	\$ 52,000
Lot 42 -	\$ 25,000
Lot 43 -	\$ 25,000
	<u>\$151,000</u>

At the request of Mayor Armstrong, City Clerk Babb read title to --

RESOLUTION NO. 85-83

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE DECLARING CITY OWNED LOTS #29 AND #32 OF TRACT 4956 AND PORTIONS OF LOTS #42 AND #43 OF TRACT 9901 ON DEL AMO BOULEVARD BETWEEN CRENSHAW BOULEVARD AND VAN NESS AVENUE AS SURPLUS AND SELLING OF SAME TO CAPELLINO INVESTMENT COMPANY

MOTION: Councilman Applegate moved for the adoption of Resolution No. 85-83. His motion, seconded by Councilman Mock, carried unanimously by roll call vote.

17b. EXECUTIVE SESSION:

See Page 30.

20. CONSENT CALENDAR:

- 20a. COUNCIL AWARD OF CONTRACTS - To Furnish the City's Annual Requirements of Crushed Rock, Gravel and Washed Plaster Sand.
 Ref. Bid No. B85-21
 Anticipated Expenditure: \$42,992.44, including tax.

RECOMMENDATION OF PURCHASING AGENT/BUYER:

It is recommended that Council award the following twelve (12) month contracts to the low responsible bidder for each item of crushed rock, gravel and washed plaster sand.

1. Recommend an award be made to BLUE DIAMOND MATERIALS of Long Beach, California to furnish 2,430 tons washed plaster sand and 400 tons 3/4"-1" gravel, in the anticipated amount of \$27,922.80.
2. Recommend an award be made to OWL ROCK PRODUCTS of Arcadia, California to furnish 1130 tons No. 3 crushed rock and 500 tons #5 gravel in the anticipated amount of \$15,069.64.

- 20b. COUNCIL AWARD OF ANNUAL CONTRACT - To Furnish Miscellaneous Stationery and Office Supply Items for City Departments
 Ref. Bid No. B84-74
 Anticipated Expenditure: \$34,990.29, including tax.

RECOMMENDATION:

It is, therefore, recommended that Council award seven (7) annual contracts to the low bidders of each of the 260 bid items, with the understanding that firm prices were bid by each of the bidders for only the first six months of the contract. Thereafter, price adjustments shall be authorized under the following conditions:

1. The companies provide substantiated price increases by the manufacturer whenever a price increase is sought.
2. That the amount of the increase shall be limited to the amount of the increase received by the company from the manufacturer.

It is recommended that Council award the following contract:

1. A contract be award to the low bidder of 61 bid items, the Eastman Inc., Company of Long Beach, for the anticipated total amount of \$7,316.15 including tax.

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2. A contract be awarded to the low bidder of 31 bid items, the Bayless Stationers, Inc. Company of Inglewood, for the anticipated total amount of \$2,320.89 including tax.
3. A contract be awarded to the low bidder of 49 bid items, the Paramount Stationers, Inc. Company of Paramount, for the anticipated total amount of \$11,281.45 including tax.
4. A contract be awarded to the low bidder of 21 bid items, the Bevco Office Products Company of Carson for the anticipated amount of \$5,075.69 including tax.
5. A contract be awarded to the low bidder of 20 bid items , the Harbor Office Supply of La Mirada, for the anticipated amount of \$3,568.27 including tax.
6. A contract be awarded to the low bidder of 58 bid items, the Datamation Stationers Inc. of Santa Ana, for the anticipated amount of \$3,657.04 including tax.
7. A contract be awarded to the low bidder of 24 bid items, the Boise Cascade Office Products of Rancho Dominguez for the anticipated amount of \$1,770.80 including tax.

20c. WITHDRAWN.

- 20d. COUNCIL AWARD OF CONTRACT - Purchase of Budgeted-Replacement
Equipment Steam Cleaner
Ref. Bid #B85-22
Expenditure: \$6,682.87.

RECOMMENDATION OF PURCHASING AGENT:

It is recommended that Council accept the sole bid received and authorize the awarding of a contract for the required specified steam unit to the C&W Enterprises Company in the total amount of \$6,682.87, including tax.

FUNDING: Funding for this purchase is from the Garage Department's 1984/85 Equipment Revolving Fund.

- 20e. COUNCIL AWARD OF CONTRACT - For the Lease Purchase of a Xerox 9900 Copier and the Authorization to Trade-in a City Owned Xerox 9200.

Annual Expenditure: \$39,125.76 based on a 60-month special lease purchase plan including full maintenance service.

RECOMMENDATION OF PURCHASING AGENT/BUYER:

It is recommended that Council authorize the trade-in of the City's existing Xerox 9200 copier (presently being purchased on a lease purchase contract with the Xerox Corporation) and authorize the purchase of a new Xerox 9900 copier, likewise utilizing Xerox standard lease purchase program (as identified in staff material on this Agenda Item) for the lease purchase of the new model 9900 copier. The amount to be financed will be \$119,701.79 at 11.5% for a period of 60 months (payable in 60 monthly installments). To this amount would be added an amount for full maintenance service, \$628.00 per month, for a grand monthly total due of \$3,260.48.

MOTION: Councilman Applegate moved to concur with staff recommendations on Agenda Items 20a, 20b, 20d, and 20e. His motion was seconded by Councilwoman Geissert, and roll call vote was unanimously favorable.

* * *

At 7:36 p.m., the City Council/Redevelopment Agency of the City of Torrance convened in joint session. At 7:38 p.m., a brief recess was called.

At 7:55 p.m., the Agency/Council reconvened, and Mayor Armstrong called the meeting to order, announcing that this is a joint meeting of the City Council of the City of Torrance and the Redevelopment Agency of the City of Torrance. The members of the City Council also sit as members of the Redevelopment Agency.

The Mayor then requested roll call as follows:

ROLL CALL OF MEMBERS OF THE CITY COUNCIL:

Present: Councilmembers: Applegate, Geissert, Mock, Nakano, Walker, Wirth and Mayor Armstrong.

Absent: Councilmembers: None.

ROLL CALL OF MEMBERS OF THE AGENCY:

Present: Members: Applegate, Geissert, Mock, Nakano,
Walker, Wirth and Chairman
Armstrong.

Absent: MEMBERS: None.

4. HEARINGS:

Considered together --
Redevelopment Agency Agenda Item

4a. PARTICIPATION AGREEMENT WITH AMERICAN HONDA MOTOR COMPANY,
INC:

City Council Agenda Item

15a. PARTICIPATION AGREEMENT WITH AMERICAN HONDA MOTOR COMPANY,
INC:

Mayor Armstrong announced that the purpose of this joint public hearing is to consider the proposed sale and development of land as provided for in the proposed Participation Agreement between the Redevelopment Agency of the City of Torrance and American Honda Motor Company, Inc., the proposed Participant.

After outlining the procedure to be followed in conducting this public hearing, Mayor Armstrong invited City Manager Jackson to proceed with the staff presentation.

* * *

Following an outline of the format to be followed in staff's presentation at this hearing, City Manager Jackson entered the following into the record:

1. Notice of public hearing and proof of publication -- available through the City Clerk;
2. Letters to property owners and businesses, and proof of service -- included in agenda packets;

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3. The proposed Participation Agreement as submitted here tonight;
4. The Section 33433 Report;
5. Copies of the two Environmental Impact Reports previously completed and certified;
6. The Agency's relocation policy statement;
7. The proposed Loan Agreement between the Agency and the City of Torrance; and,
8. Staff reports and comments that will be made by staff tonight.

Prefacing his introductory remarks by recommending the Agency's consideration of a Participation Agreement between the Redevelopment Agency and American Honda Motor Company; a Loan Agreement between the Redevelopment Agency and the City of Torrance; and a Relocation Policy Statement, Agency Executive Director Jackson provided a brief history of the property upon which the recommended purchase and Redevelopment action is focused (25 acres bounded by Torrance Boulevard, Van Ness and Santa Clara).

Mr. Jackson noted that this 25 acres is located just south of the proposed American Honda Motor's Corporate facilities, and was designated for major redevelopment, being one of the most blighted areas in the industrial project.

Continuing, Executive Director Jackson advised that American Honda is willing, with the commitment of a very substantial amount of resources, to participate in this redevelopment, thus strengthening its commitment to the City of Torrance; enhancing employment opportunities; substantially enhancing the City's sales tax revenues; and, substantially increasing the property value in the project by purchase of the land and by development according to the agreed-to plan.

* * *

A summary of the Owner Participation Agreement was then provided by Agency Special Counsel Joe Coomes, who advised that the Agreement provides for the timing of acquisition of the 25-acre area and its purchase by American Honda; development of the site; method of financing and source of funds; and remedy provisions in the event either party fails to timely perform.

Mr. Coomes noted that under the proposed Agreement the Agency would undertake the acquisition of the properties comprising the 25 acres as well as the relocation of occupants -- American Honda would then purchase the property for \$12.00 per square foot and would be obligated to develop same along with Honda's existing 76 acre site to the north.

Financing provisions were outlined by Mr. Coomes with note of the substantial financial assistance to be afforded the Agency by American Honda and provisions for the repayment thereof.

Mr. Coomes pointed out that the financing plan and the remedy provisions have been carefully negotiated to limit the liability of the Agency to funding resources from the site itself or the redevelopment project as a whole, and does not constitute a general obligation of either the Agency or the City of Torrance -- no taxpayers' funds are pledged as a result of this financing.

Summarizing his presentation, Mr. Coomes stated that, by virtue of its substantial ownership of property within the project area American Honda is a qualified Owner Participant -- this Owner Participation Agreement is designed to accomplish the primary Agency objectives in redevelopment of the affected area and uniquely provides the Agency with the opportunity and the financing to do this.

* * *

Next to speak was economic consultant, Mr. Gary Jones, of Katz, Hollis, Coren & Associates, who summarized the economic report known as the "Section 33433 Report", an analysis of the Owner Participation Agreement prepared by his company. Mr. Jones advised that an analysis with respect to the land valuation and a comparison to fair market value was concurrently prepared by Keyser Marston Associates, Inc., a Real Estate Economic Consultant firm .

A summary of the cost factors and the findings and conclusions necessary under Section 33433 of the California Community Redevelopment Law was provided by Mr. Jones as shown in the Tables following.

Table 1

Torrance Redevelopment Agency
Industrial Redevelopment Project
American Honda Development Site
ESTIMATED COSTS OF THE AGREEMENT

	<u>Estimated Costs</u>	<u>Total</u>
<u>Site Assembly Costs</u>		
Site Acquisition:		
Land	\$10,102,000	
Buildings	4,432,600	
Fixtures/Equipment	6,142,200	
Total Site Acquisition	<u>\$20,676,800</u>	\$20,676,800
Relocation	\$3,403,450	
Administration	428,000	
Loan Interest	2,466,000	
	<u>\$6,297,450</u>	<u>6,297,450</u>
Total Costs		<u>\$26,974,250</u>

Table 2

**Torrance Redevelopment Agency
Industrial Redevelopment Project
American Honda Development Site
NET COST OF AGREEMENT TO THE AGENCY**

AGENCY REVENUES

Participant Advance (Sales Property Purchase Price)	\$13,100,000	
Participant's Loan	3,000,000	
City Loan	3,000,000	
Participant's Additional Loan	5,000,000	
Tax Increment ⁽¹⁾	<u>2,974,500</u>	
Total Agency Revenues		\$27,074,500
Total Agreement Costs (See Table 1)		<26,974,250>
Surplus Revenues Available⁽²⁾		<u>\$100,250</u>

- (1) Estimated amount of tax increment proceeds accruing to the Agency in first four years of the Project. The total estimated tax increment revenues to be realized over the life of the Project is \$40,452,000.
- (2) Exclusive of interest on tax allocation bonds which is payable solely out of tax increment and is estimated at approximately \$23,100,000.

Continuing, Mr. Jones advised that the conclusion of the analysis accomplished by Keyser Marston as to the reuse value of the site indicated that the highest and best use of the site is industrial park use and that the value of the site based on this use is \$10.26 per square foot -- the American Honda sales price is \$12.00 per square foot in the Owner Participation Agreement, with additional demolition and site clearance costs to be incurred as well as costs in terms of loans to the Agency.

Mr. Jones noted, therefore, the conclusion of the report in terms of land valuation in accordance with Section 33433, that the purchase price is, and in fact exceeds, the fair market value of the land to be conveyed at its highest and best use under the Redevelopment Plan.

* * *

Planning Director David Ferren addressed the Environmental Impact Reports for the project which were certified May 4, 1983, and July 12, 1983. No changes having been proposed in the project and no substantial changes having occurred involving significant environmental impacts not already considered in the EIR's, Mr. Ferren advised that no additional Environmental Assessment is required.

As part of the City's Planning approvals for development of the site, Mr. Ferren advised that appropriate mitigation measures will be imposed addressing such matters as traffic and circulation, noise, air quality and aesthetics.

* * *

Planning Associate Mike Bihn addressed the Redevelopment Plan for the Industrial Redevelopment Project of the City of Torrance, noting that this plan was adopted to eliminate blight in the project area and, for this purpose, set forth the following goals and objectives:

- ° Elimination of environmental deficiencies;
- ° Assembly of land into parcels suitable for modern, integrated development;
- ° Replanning, redesign and development of undeveloped areas;
- ° Strengthening of the economic base of the project area and community;
- ° Establishment and implementation of performance criteria to provide unity and integrity to the entire project.

The elements of the Action Plan were then reviewed by Mr. Bihn, and a slide presentation was provided illustrating the general characteristics of the 25 acres.

Mr. Bihn set forth staff's recommendation that the Agency enter into an Owner Participation Agreement with American Honda to expand their National Headquarters development to the south, and also that the Agency adopt a Resolution of Necessity to acquire property by eminent domain.

In addition to the interest of the Agency/City in purchasing property through eminent domain, Mr. Bihn noted their consistent interest in helping existing businesses to relocate and continue their businesses.

* * *

The Agency's Relocation Policy was addressed by **Redevelopment Specialist Elinor Aurthur**, who advised that the Agency is making every effort to ensure that the businesses involved obtain the relocation benefits and assistance to which they are entitled and, further, that as many businesses as possible relocate within the City of Torrance. Ms. Aurthur advised that the firm of Port and Flor, relocation consultants, have been employed by the Agency to assist in the relocation process.

The basic relocation benefits as required by State law were reviewed by Ms. Aurthur as follows:

1. Relocation advisory assistance;
2. Moving and related expenses;
3. Expenses in search for new location; and,
4. Payment in lieu of moving expenses.

Supplementary relocation benefits as recommended by Agency staff were then outlined as shown below:

1. Business supplement payment --
 For renters
 For purchasers; and,
2. Physical improvements payment for alterations required by Code or user's operation.

* * *

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Concluding staff's presentation, City Manager Jackson stressed the Agency's dedication to efforts of relocation which will be acceptable to owners involved. Mr. Jackson specifically reviewed efforts to date involving the Harbor Animal Hospital, and pledged on-going pursuit of these efforts for ALL owners and tenants within the 25 acres.

Referencing evidence produced by the staff presentation indicating that there is a need for substantial redevelopment of the 25-acre site, and the presence of a participant owner who is financially able to assist the Agency in such an effort, Mr. Jackson recommended that the Agency --

- ° Adopt a Resolution of the Redevelopment Agency of the City of Torrance approving and authorizing the execution of a Participation Agreement between the Redevelopment Agency of the City of Torrance and American Honda Motor Company, Inc.
- ° Adopt a Resolution of the Redevelopment Agency of the City of Torrance approving and authorizing the execution of a Loan Agreement between the Redevelopment Agency of the City of Torrance and the City of Torrance amending the Agency budget for the Industrial Redevelopment Project.
- ° Adopt a Resolution of the Redevelopment Agency of the City of Torrance approving and adopting a Relocation Policy Statement.

* * * * *

Mayor Armstrong invited question of staff from the Council/Agency members. There were no questions at this time.

The Mayor then inquired regarding written communications concerning the subject matter of the hearing, and was advised by City Clerk Babb that written communications, copies of which have been distributed to members of the Agency, have been received from the following:

Hodge L. Dolle, Jr., Meserve, Mumper & Hughes Law Offices,
representing Solvent Coating Co.

Dr. Bruce Smith, Harbor Animal Hospital

Dr. Rollin Smith, Harbor Animal Hospital

Lynn Benedict, Fadem, Berger & Norton, appearing on behalf
of Harbor Animal Hospital and both doctors above

Joseph Weiss

Michael B. Margolis, on behalf of Donna Leasing Company

Ralph L. Bernstein, J. S. Enterprises, Inc.

Donald R. Cucci

Elizabeth Mason, Pacific National Transportation Co.

Thomas J. Eadie

Albert Avoian, South Bay Disposal Service, Inc.

Alice F. Keeney

Ms. Babb advised that numerous petitions and letters relating to the Harbor Animal Hospital were received and were transmitted to Council/Agency members. No additional written communications have been received that have not been transmitted to the Council/Agency, per Ms. Babb.

* * * * *

Mayor Armstrong then invited audience comments either in relation to the proposed Participation Agreement with American Honda or the eminent domain proceedings regarding property within the 25 acres. The Mayor advised that the record of this joint public hearing will be incorporated within the hearing on the Resolution of Necessity, and first extended an invitation to speak to those who had indicated a desire to do so by written communication.

* * *

The first audience speaker was Mr. Tom Eadie, 620 Paseo de la Playa, owner of property within the 25 acres for 12 years, who stated his opinion that the proposed acquisition by Honda is not in the best public interest and that such development should be left to the free enterprise system.

Mr. Eadie stated that, in his analysis, there will not be more jobs created within the 25 acres (as set forth in staff's presentation). It was Mr. Eadie's further contention that by the City selling Honda the 25 acres for \$12.00/square foot, they are giving Honda a free \$10 million -- additionally, per Mr. Eadie, the figure offered by the City to compensate him for his land and buildings is grossly insufficient.

Mayor Armstrong advised this speaker that the matter of price agreement is an item for the courts to determine. City Attorney Remelmeyer provided clarification as to the appraisal process, noting that professional appraisers were hired and their determination of fair market value was made available to Mr. Eadie and other property owners. Mr. Remelmeyer pointed out that the property owners are free to contest the appraisal should they choose to do so.

Mr. Eadie then continued his remarks, proposing that any action on the subject proposal be delayed for at least 60 days in order that the number of employees proposed for the area might be discussed. It was Mr. Eadie's stated opinion that the City's offer to him is "unfair, unjust and completely unacceptable."

* * *

Mr. Ralph L. Bernstein, 52 Calle Regina, Rancho Mirage, was present to speak on behalf of J. S. Enterprises, Ltd., and first addressed his remarks to cost figures, maintaining that the figure of \$12.00/square foot is inaccurate.

Following his review of personal unsuccessful efforts to improve his property some five years ago because of the unavailability of sufficient water flow, Mr. Bernstein questioned that the public interest and necessity would require the taking of the J. S. Enterprises property so that the redevelopment project may go forward.

Mr. Bernstein further questioned whether the project is planned and located in a manner compatible with the greatest public good and least private injury. After reviewing the financial effect on himself and his tenants, Mr. Bernstein submitted that this project may not be in the greatest public good, nor would the financial figures indicate the least private injury, and he would question the accuracy of the financial figures presented.

As to the question of the property being necessary for the project, this speaker submitted that it may not be a necessary addition to the 75 acres owned by Honda, the acquisition of which made Honda owner participants -- "a good way to come within the statutes", per Mr. Bernstein.

* * *

An attorney with the law firm of Fadem, Berger and Norton, Mr. Keith W. Douglas, was present to represent Drs. Rollin and Bruce Smith and the Harbor Animal Hospital.

Mr. Douglas requested that the Agency consider the important and traumatic impact represented by the subject proposal, not only to the Dr. Smiths, but also to the members of the community who have been served by the Harbor Animal Hospital for the past 40 years.

As to the subject of blight, Mr. Douglas referenced staff's statement that the animal hospital is one of the best maintained properties in the entire project area, as well as architectural awards received by this facility.

The Harbor Animal Hospital's request for owner participation in the project and the City's denial of same, were noted by this speaker, as was the inability of the Agency to offer a comparable site which would meet the public's, as well as the hospital's, needs.

Mr. Douglas requested that the Agency give careful thought before proceeding with the possible adoption of a Resolution of Necessity to take land from this private animal hospital to give to another private developer.

* * *

Mr. Hodge Dolle, Jr., attorney, 333 South Hope Street, Los Angeles, was present to represent Solvent Coating Company, and went on record as objecting to the Resolution.

Mr. Dolle pointed out that the Solvent Coating Company deals with materials which require environmental permits with the attendant delays inherent therein, and, while going on record as putting forth their best efforts, it was requested that the City realize the grave implications involved. Mr. Dolle advised that this is the type of business that is out of business if it is down for one week.

Mayor Armstrong assured this speaker that the Agency will "go the extra mile" to accommodate these concerns.

* * *

Next to speak was Mr. Don Cucci, 1001 Engracia, who read aloud a prepared statement reviewing the history of the City's actions and proposals concerning the subject site, and his contention that this was a well planned maneuver to acquire private property at the lowest possible price.

After reviewing his personal holdings in the 25 acre area, Mr. Cucci deemed the Agency's action as "immoral, unethical, and in some cases almost criminal," and alluded to "devious" methods employed and an alleged relationship between political contributions and development in the City of Torrance.

Mr. Cucci maintained that, rather than additional employment from the proposed project, the City will derive additional traffic on already congested streets and the need for more housing in the form of apartments and condominiums. As to increased revenues to be derived from the project, Mr. Cucci deemed this a way to make the Redevelopment Agency more powerful. Relocation assistance was also questioned by this speaker, who opined that deceit was used to get the project to its present stage.

Quoting from the California Code of Civil Procedures, Mr. Curcci pointed out that the exercising of eminent domain requires establishment of the following:

1. The public interest and necessity requires the project;
2. The project is planned or located in a manner that would be most compatible with the greatest public good and the least private injury; and,
3. The property sought to be acquired is necessary for the project.

Reviewing this requirements individually, Mr. Cucci offered his conclusion that the right to take requirements have not been met.

Mr. Cucci then stated his opinion that in order to be a participant, Honda would have to own property within the subject 25-acre site, rather than across the street where their 76 acres is located.

In closing, Mr. Cucci formally requested that the Redevelopment Agency halt all further proceedings until some of the questions can be clarified, and noted that in his case he would appreciate more time to present the Agency with a formal appraisal of property that would reflect its realistic business and property values.

Mr. Cucci advised that copies of his statement are currently being forwarded to the State and Federal Representatives, as well as to Honda International Headquarters in Japan.

* * *

Mr. Joe Weiss, 500 Paseo Del Mar, Palos Verdes Estates, recounted his many years of business in the City of Torrance, and expressed his opinion that "all the agreements have been made; all has been signed and sealed."

Mayor Armstrong interjected an assurance that such is not the case -- the Agency is not conducting a charade.

Mr. Weiss requested that appraisal of the property be "at what it is really worth." He also requested that he be allowed to participate in the redevelopment process.

* * *

Dr. Rollin Smith, 34 Harbor Site Drive, Rolling Hills Estates, owner and director, along with Dr. Bruce Smith, of the Harbor Animal Hospital, advised that their institution, an active member of the American Animal Hospital Association since 1948, can best serve the health needs of the animals of Torrance at its present location. Awards received from the Chamber of Commerce and from the City of Torrance for this building were displayed by Dr. Smith.

* * *

Next to speak was Mr. Cool, owner of 1/2 acre within the 25 acres, who stated, for the record, his concurrence with the earlier remarks of Mr. Bernstein.

* * *

Dr. Bruce Smith, 1855 Torrance Boulevard, noted his understanding some two years ago that there would be a good chance for owner participation in this redevelopment project, and his subsequent knowledge less than one month ago that Honda would be taking all of the properties.

Their thus far unsuccessful efforts at finding an alternate location were noted by Dr. Smith, who displayed a map showing the location of Harbor Animal Hospital's clients within the City -- essentially 90% of those served within two miles of their present location. Dr. Smith also voiced his concern that they cannot relocate into an area presently being served by other animal hospitals, which represents an additional hardship to the strict zoning regulations and growth of this City.

* * *

Ms. Vera Holcomb (no address given), stated that she had been contacted by some 200 people who desire that the industrial area be allowed to remain in its present state.

* * *

A petition containing some 22 signatures was submitted by Ms. Elizabeth Pagan, 623 Pine Drive. Ms. Pagan stated that she had learned of the proposed action earlier this date, and expressed her opinion that additional time would have resulted in a greater number of signatures on the petition.

The following petition statement was then read into the record.

It seems that in order to accomplish a "necessary" change for the "public good", against the impending and serious danger to the citizens of Torrance of gross unattractiveness, the City Council feels compelled to remove 42 (forty-two) other local services, more than one of which are small businesses begun and built up over many years by World War II veterans who, for their governmental patriotic demands, fought the same factions for which the Torrance City Council now "patriotically" demands by eminent domain that they be erased for a Japanese corporation.

Contrary to the Council's beliefs, I and many of my neighbors in that area have definitely been "attracted" to that so-called "blighted" area for many years, and have had excellent services, prices and results, from the Veterinarians at Harbor Animal Hospital, Crown Auto Body, Shamrock Roller Skating Rink, the muffler repair shop; should I list them all? And, since I began using every one of these services based on emphatically satisfied neighbors' recommendations, I must seriously question which "public" the Council is serving ultimately. "Looks" can be fixed without removing these businesses. We, who live in this area and patronize these businesses and benefit from their services, strongly protest and object to the proposed redevelopment which would erase them and replace them with Honda, a Japanese corporation.

* * *

Mr. Peter Bunch(?), 219 South Helberta Avenue, Redondo Beach, urged that the Agency allow property owners to participate in appropriately beautifying and upgrading the subject area, rather than displacing the dreams and lives of so many people.

* * *

President of Pacific National Transportation Warehousing Systems located at 908 Van Ness, Mr. Ray Mason, 209 Via Buena Ventura, advised that the projected growth of his company would reflect a substantial amount of new employment for the subject area of Torrance -- they are being forced to relocate outside the Torrance area because of the unavailability of suitable property for their operation.

Mr. Mason advised that it is impossible for his company to be moved by September, 1985, the projected date for beginning construction by Honda on that site, and advised that nine months to one year will be required for their relocation -- any less time would be extremely detrimental to the company's survival.

Mayor Armstrong urged Mr. Mason to work with the City in order to obtain the maximum time possible.

* * *

Mr. Dick Cahill, 1004 Sierra Place, stated that some 50 individuals have contacted him with regard to the Harbor Animal Hospital. On behalf of these individuals, Mr. Cahill urged that the animal hospital be allowed to remain at its present location, or, failing that, that the Agency meet and confer further with the owners in an effort to find an appropriate alternate site.

* * *

At this point there was no one else in the audience who indicated a desire to speak.

Mayor Armstrong inquired if there were any final questions by members of the Council or Agency. There was no response.

Councilman Applegate MOVED to close the hearing. His motion was seconded by Councilman Walker, and roll call vote was unanimously favorable.

The hour being 9:36 p.m., Mayor Armstrong called a brief recess. The joint Agency/Council session reconvened at 9:50 p.m., at which time Mayor Armstrong invited comments from Agency/Council members.

Councilman Walker addressed the need for rehabilitation in the eastern area of the City, a need which was visualized some years ago as requiring the redevelopment process. It is important for the survival of the entire City, in Mr. Walker's opinion, that the east side be redeveloped and the infrastructure be improved.

As to the question of relocation, Councilman Walker pointed out that the City will be expending hundreds of thousands of dollars for the purpose of relocating the people who utilize the subject area to a location as nearby as possible.

Mr. Walker further pointed out, in response to certain misconceptions voiced this evening, that Honda did not come to the City with an agenda regarding the subject acreage, but, rather, met with the city after a committee and City staff had looked at the redevelopment of the infrastructure in the area.

Addressing an inference relative to political contributions, Mr. Walker stated that, to his knowledge, no member of the Council has received any political contributions from Honda.

The Redevelopment Agency is working for the betterment of the total community and the business community on the eastern side of the City, per Councilman Walker, and, in his opinion, by working together, the area can be upgraded without displacing or removing the present business residents from the community.

Councilman Wirth expressed his opinion that the subject process, if approved, would benefit tenants as well as the community as a whole. Mr. Wirth assured those present that the Council/Agency is committed to just treatment of those presently in the area, and emphasized that everything possible will be done to relocate the animal hospital in the vicinity.

Councilman Applegate recalled that more than three years ago the then City Manager approached the concept now under consideration and Mr. Applegate's concerns at that time regarding the needs of the small businessman -- needs which all parties concerned with this project share.

Referencing remarks voiced at tonight's hearing, Councilman Applegate suggested that anger and hatred expressed by Ms. Pagan and allegations voiced by her have no place in these Chambers and have no relevancy to the item being discussed. A corporate resident is being considered, per Mr. Applegate -- nationality is not an issue.

Continuing, Mr. Applegate stated that he was personally insulted by Mr. Cucci's innuendos and insinuations -- fair treatment and the solving of problems at hand are of the utmost concern, per Mr. Applegate.

Appraisal requirements were next reviewed, it being pointed out by Mr. Applegate that the total cost to the City will be in the area of \$1 million per acre.

Councilman Applegate disputed the allegations that American Honda came to the City of Torrance to take advantage of a situation, and stated that all involved in the subject consideration are attempting to do the best possible job for all who will be affected by the proposal.

Noting her support of this significant undertaking by the City, Councilwoman Geissert compared the vital posture of the City of Torrance with that of certain other cities across the nation that have experienced grave economic hardships as the result of the closure of steel mills, etc.

Mrs. Geissert confirmed Councilman Applegate's comments that it was the suggestion of the City of Torrance -- not American Honda -- that perhaps Honda might be interested in participating with the City in expanding their operation on the old U.S. Steel property into the subject area for purposes of upgrading the area to the benefit and total good and progress of the community.

Councilwoman Geissert renewed the strong commitment of the Council to absolute fairness in the relocation process.

There being no further Council comments forthcoming at this time, Mayor Armstrong requested the City Clerk to read title to --

RESOLUTION NO. RA 85-14

RESOLUTION OF THE REDEVELOPMENT AGENCY OF
THE CITY OF TORRANCE APPROVING AND ADOPTING
A RELOCATION POLICY STATEMENT

MOTION: Mr. Wirth moved for the adoption of Resolution No. RA 85-14. His motion was seconded by Mr. Mock.

Prior to roll call vote, Mayor/Chairman Armstrong reinforced the pledge of the Council and Agency members not to let downtown Torrance disintegrate -- in his opinion the subject program is a life-breathing one for that area.

Mr. Armstrong stressed that there was no "hidden agenda" involved in this process -- meetings have been publicly advertised and even publicly televised in more recent months.

Roll call on the above motion to adopt Resolution RA 85-14, was unanimously favorable.

Chairman Armstrong then requested Clerk Babb to read title to the following:

RESOLUTION NO. RA 85-15

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE APPROVING AND AUTHORIZING EXECUTION OF A PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND AMERICAN HONDA MOTOR CO., INC.

Special Counsel Coomes called attention to the revised copy of this resolution in the hands of the Agency.

MOTION: Mr. Mock moved for the adoption of Resolution No. RA 85-15, as revised. His motion was seconded by Mr. Walker, and roll call vote was unanimously favorable.

At the request of Chairman Armstrong, Clerk Babb then read title to --

RESOLUTION NO. RA 85-16

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE APPROVING AND AUTHORIZING EXECUTION OF A LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND THE CITY OF TORRANCE AND AMENDING THE AGENCY BUDGET FOR THE INDUSTRIAL REDEVELOPMENT PROJECT

MOTION: Mrs. Geissert moved for the adoption of Resolution No. RA 85-16. Her motion, seconded by Mr. Walker, carried unanimously by roll call vote.

Mayor Armstrong then requested that City Clerk Babb read title to two City Council Resolutions, as follows.

RESOLUTION NO. 85-84

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE APPROVING AND AUTHORIZING EXECUTION OF A PARTICIPATION AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND AMERICAN HONDA MOTOR CO., INC.

MOTION: Councilman Applegate moved for the adoption of Resolution No. 85-84. His motion, seconded by Councilman Mock, carried unanimously by roll call vote.

RESOLUTION NO. 85-85

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE APPROVING AND AUTHORIZING EXECUTION OF A LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF TORRANCE AND THE CITY OF TORRANCE AND APPROVING AN AMENDMENT TO THE AGENCY BUDGET FOR THE INDUSTRIAL REDEVELOPMENT PROJECT

MOTION: Councilwoman Geissert moved for the adoption of Resolution No. 85-85. Her motion was seconded by Councilman Wirth, and roll call vote was unanimously favorable.

* * *

At 10:58 p.m., the meeting of the Redevelopment Agency of the City of Torrance was adjourned upon a MOTION by Mr. Applegate which was seconded by Mrs. Geissert and carried unanimously by roll call vote.

The City Council agenda order was then resumed briefly, as is recorded below, the Agency/Council again convening in joint session at 11:00 p.m. for purposes of an executive session -- See Page 30.

* * *

22. ORAL COMMUNICATIONS:

22a. City Manager Jackson praised the efforts of all involved in the Honda matter considered under Redevelopment Agency/Council joint session this evening.

22b. Councilman Applegate provided information regarding the Armed Forces Day activities May 18, 1985.

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22c. Councilwoman Geissert congratulated staff members on a "JOB WELL DONE" on the Honda matter.

22d. Kudos were extended by Mayor Armstrong to all involved in the Honda item presentation.

The Council now returned to --

17b. EXECUTIVE SESSION:

At 11:00 p.m., the City Council/Redevelopment Agency reconvened in joint session, and Mayor Armstrong read the following statement into the record:

The City Council acting as the Redevelopment Agency will now recess to closed (executive) session for the purpose of conferring with and receiving advice from the Redevelopment Agency's counsel concerning the following:

Possible acquisition of the Roi Tan Hotel.

The City Council will also recess to closed session to confer with the City Attorney regarding the following:

1. Pending litigation concerning the Park Del Amo Project and the deed to the Madrona Marsh.
2. Possible acquisition of the Greenwood School property site.

This closed session is being held pursuant to Government Code Sections 54956.9(a) and 54956.8.

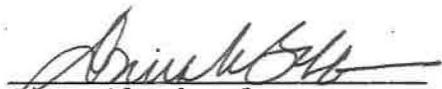
At 11:01 p.m., the Agency/Council recessed to executive session, returning at 11:25 p.m. No action was taken as a result of the joint executive session, and the meeting was formally adjourned to April 16, 1985, 5:30 p.m.

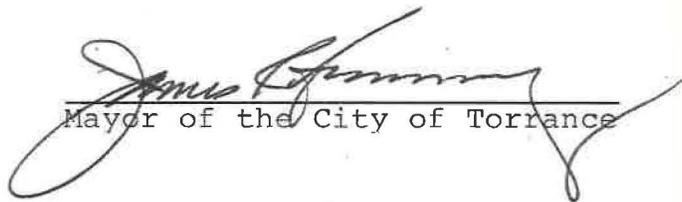
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Peggy Laverty
Minute Secretary

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City Clerk of Torrance


Mayor of the City of Torrance