



City of Covina/Covina Successor Agency/  
Covina Public Finance Authority/  
Covina Housing Authority  
Mayor John King – Mayor Pro Tem Kevin Stapleton  
Council Members Walt Allen, III – Peggy Delach – Bob Low

REGULAR MEETING AGENDA  
125 E. College Street, Covina, California  
Council Chamber of City Hall  
**Tuesday, February 7, 2012**  
7:30 p.m.

- As a courtesy to Council/Agency/Authority Members, staff and attendees, everyone is asked to silence all pagers, cellular telephones and any other communication devices.
- Any member of the public may address the Council/Agency/Authority during both the public comment period and on any scheduled item on the agenda. Comments are limited to a maximum of five minutes per speaker unless, for good cause, the Mayor/Chairperson amends the time limit. Anyone wishing to speak is requested to submit a yellow Speaker Request Card to the City Clerk; cards are located near the agendas or at the City Clerk's desk.
- Please provide 10 copies of any information intended for use at the Council/Agency/Authority meeting to the City Clerk prior to the meeting.
- **MEETING ASSISTANCE INFORMATION:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (626) 384-5430. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.
- **DOCUMENT AVAILABILITY:** Any writings or documents provided to a majority of the Council/Agency/Authority regarding any item on this agenda will be made available for public inspection at the City Clerk's Office counter at City Hall located at 125 E. College Street and the reference desk at the Covina Library located at 234 North Second Avenue during normal business hours. In addition, such writings and documents are available in the City Clerk's Office and may be posted on the City's website at [www.covinaca.gov](http://www.covinaca.gov).
- Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the City Council/Successor Agency/Public Finance Authority/Covina Housing Authority unless listed on agenda, which has been posted not less than 72 hours prior to meeting.
- If you challenge in court any discussion or action taken concerning an item on this Agenda, you may be limited to raising only those issues you or someone else raised during the meeting or in written correspondence delivered to the City at or prior to the City's consideration of the item at the meeting.
- The Deputy City Clerk of the Covina City Council hereby declares that the agenda for the **February 7, 2012** meeting was posted on **February 2, 2012** near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2(a) of the California Government Code.

*February 7, 2012*

**CITY COUNCIL/SUCCESSOR AGENCY/  
COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY  
JOINT MEETING—CLOSED SESSION  
6:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Council/Agency/Authority Members Allen, Delach, Low, Mayor Pro Tem/Vice Chairperson Stapleton and Mayor/Chairperson King

**PUBLIC COMMENTS**

*The Public is invited to make comment on Closed Session items only at this time. To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each.*

**The City Council/Successor Agency/Covina Public Finance Authority/Covina Housing Authority will adjourn to Closed Session for the following:**

**CLOSED SESSION**

- A. G.C. §54956.8(b) – CONFERENCE WITH REAL PROPERTY NEGOTIATOR –Negotiations to include both price and terms  
Property: Southwest corner San Bernardino Road and Hollenbeck Avenue  
(APN 8432-023-012)  
Negotiating parties: Sartaj M. Arora  
Agency negotiator: Daryl Parrish, City Manager

**RECESS**

**CITY COUNCIL/SUCCESSOR AGENCY/  
COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY  
JOINT MEETING—OPEN SESSION  
7:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Council/Agency/Authority Members Allen, Delach, Low, Mayor Pro Tem/Vice Chairperson Stapleton, and Mayor/Chairperson King

## **PLEDGE OF ALLEGIANCE**

Led by Council Member Allen

## **INVOCATION**

Led by Covina Police Chaplain Dave Truax

## **PRESENTATIONS**

- Proclamation – Boy & Girl Scouts Ten Commandments Hike
- Presentation of Yellow Ribbon Banner

## **PUBLIC COMMENTS**

*To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk/Agency/Authority Secretary. Your name will be called when it is your turn to speak. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed. Those wishing to speak on an item NOT ON THE AGENDA will be heard at this time. State Law prohibits the Council/Agency/Authority Members from taking action on any item not on the agenda. Individual speakers are limited to five minutes each.*

## **COUNCIL/AGENCY/AUTHORITY COMMENTS**

*Council/Agency/Authority Members wishing to make any announcements of public interest or to request that specific items be added to future City Council/Successor Agency/Public Finance Authority/Housing Authority Agendas may do so at this time.*

## **CITY MANAGER COMMENTS**

## **CONSENT CALENDAR**

*All matters listed under consent calendar are considered routine, and will be enacted by one motion. There will be no separate discussion on these items prior to the time the Council/Successor Agency/Public Finance Authority/Housing Authority votes on them, unless a member of the Council/Agency/Authority requests a specific item be removed from the consent calendar for discussion.*

- CC 1.** City Council to approve the minutes from the January 11, 2012 special meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 2.** City Council to approve the minutes from the January 17, 2012 special joint meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority with the Covina Planning Commission.
- CC 3.** City Council to approve the minutes from the January 17, 2012 regular meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 4.** City Council to receive and file the report on the Disaster Preparedness Fair.
- CC 5.** City Council to award a bid for city sewer system replacements – Project No. S-1112.

- CC 6.** City Council to approve the Community Development Block Grant (CDBG) 2011-2012 funding allocation through the Special Economic Development Program for Harmon Physical Therapy Inc., 360-364 E. Rowland Street, Covina.
- CC 7.** City Council to approve the Community Development Block Grant (CDBG) 2011-2012 funding allocation through the Special Economic Development Program for the business, “William S. Crawford, D.D.S., A Professional Corporation, David J. Stewart, D.D.S., A Professional Corporation and Gary W. Lee, D.D.S., A Professional Corporation”, 596 and 598 S. Grand Avenue, Covina.

### **NEW BUSINESS**

- NB 1.** City Council to discuss options regarding development of a demonstration project on City-owned property celebrating Covina history.

### **ADJOURNMENT**

The Covina City Council/Successor Agency/Covina Public Finance Authority/Covina Housing Authority will adjourn to its next regular meeting, **Tuesday, February 21, 2012** at 6:30 p.m. for closed session and at 7:30 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.



**MINUTES OF THE JANUARY 11, 2012 SPECIAL MEETING OF THE COVINA CITY COUNCIL/COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA**

**CALL TO ORDER**

Mayor King called the Special City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting to order at 7:32 p.m.

**ROLL CALL**

**Council Members Present:** ALLEN, KING, LOW, STAPLETON

**Council Members Absent:** DELACH

**Elected Members Present:** MANNING

**Staff Members Present:** City Manager, City Attorney, Police Chief, Public Works Director, Human Resources Director, Community Development Director/CRA Deputy Director, Finance Director, Police Captain, Sr. Redevelopment Manager, City Planner, Redevelopment Manager, Senior Administrative Technician, Finance Manager, Human Resources Analyst, Sr. Management Analyst and Deputy City Clerk

**AGENDA POSTING DECLARATION**

The Deputy City Clerk of the City of Covina hereby declares that the agenda for the January 11, 2012 special City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting was posted on January 10, 2012 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

**PLEDGE OF ALLEGIANCE**

Mayor Pro Tem Stapleton led the pledge of allegiance.

**PUBLIC COMMENTS**

None.

**COUNCIL/AGENCY/AUTHORITY COMMENTS**

Council Member Allen expressed appreciation to the Covina Police Department regarding their investigation of several residential burglaries.

Mayor King invited everyone to attend the Habit for Humanity House grand opening on Saturday, January 14, 2012.

Mayor Pro Tem Stapleton announced the free E-waste collection would take place Saturday, January 14, 2012 and Sunday, January 15, 2012 at the Home Depot parking lot.

### **CITY MANAGER COMMENTS**

City Manager Daryl Parrish noted that on Tuesday, January 17, 2012 the Joint Special Council meeting with the Covina Planning Commission would begin at 6:00 p.m. for closed session and 6:30 p.m. for open session. The regular meeting will begin at 7:30 p.m.

### **NEW BUSINESS**

**NB 1.** City Council/Redevelopment Agency to consider adopting a Resolution of the City of Covina, electing to become the Successor Agency pursuant to Part 1.85 of Division 24 of the California Health and Safety Code and Resolution of the Covina Redevelopment Agency, approving and adopting an amendment to the Enforceable Obligation Payment Schedule pursuant to Part 1.8 of Division 24 of the California Health and Safety Code.

City Manager Daryl Parrish reported that Council would need to make a decision to serve as the successor agency by January 13, 2012. The decision to maintain the housing authority, with limited funding, has to be made by January 31, 2012. City Manager Parrish stated that staff would like to wait and see if changes are made in California legislation and return before Council with a special meeting on January 30, 2012.

City Attorney Elizabeth Hull reported the California Supreme Court issued their ruling, invalidating AB 27 and validating AB 26. The Supreme Court found that the legislature had the power to create and to dissolve redevelopment agencies. City Attorney Hull reported the impact of the decision is that redevelopment agencies dissolve by February 1, 2012. If Council chooses to become the successor agency, there is a series of duties under the statute. City Attorney Hull explained the successor agency is required to make sure all enforceable obligations are paid, maintain all of the bond reserves, monitor the administrative duty, submit all unencumbered redevelopment funds to the County Auditor-Controller and facilitate the disposition of all redevelopment assets. The successor agency would enforce the redevelopment agency rights under existing agreements and funds are turned over to the County Auditor-Controller. City Attorney Hull stated all agency actions are overseen by an Oversight Board, scheduled to be in place by May 1, 2012. The successor agency would prepare an administration budget to cover the costs of all activities and prepare a Recognized Obligation Payment Schedule (ROPS) for consideration by the Oversight Board.

Mayor Pro Tem Stapleton suggested a Study Session to allow additional time for Council to review.

Council Member Allen stated he would like to see the City try to preserve some sort of redevelopment agency and supports asking legislation for an extension to April 15, 2012.

Council Member Low stated he read an article in the Los Angeles County Times regarding the City of Los Angeles opting out. He inquired why Covina's staff report does not have similar costs.

City Attorney Elizabeth Hull responded that Los Angeles redevelopment agency is dramatically different than the City of Covina. She stated that Covina has enough tax increment to cover the administrative cost. City Attorney Hull reported by not bringing these items before City Council, and allowing the option to opt-out, staff was making the decision for Council.

Community Development Director/CRA Deputy Director Robert Neuber reported the redevelopment agency owns three commercial properties, the Kia Dealership, VW Dealership and where Enterprise is located.

Following a brief discussion and on a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Allen, the City Council adopted **City Resolution No. 12-7041**, electing to become the Successor Agency of the Covina Redevelopment Agency pursuant to Part 1.85 of Division 24 of the California Health and Safety Code. **Motion carried 3-0, with Council Member Low abstaining and Council Member Delach absent.**

On a motion made by Council Member Allen, seconded by Mayor Pro Tem Stapleton, the Covina Redevelopment Agency adopted **Agency Resolution 12-697**, approving and adopting an amendment to the Enforceable Obligation Payment Schedule pursuant to Part 1.8 of Division 24 of the California Health and Safety Code. **Motion carried 4-0, with Council Member Delach absent.**

- NB 2.** City Council to waive further reading, read by title only, and introduce **Ordinance No. 12-2005**, to repeal Urgency Ordinance No. 11-1998, which was approved to comply with the Voluntary Alternative Redevelopment Program pursuant to AB 1X 27 in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina.

Community Development Director/CRA Deputy Director Neuber provided a brief summary report of the item before City Council.

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Allen, the City Council waived further reading and read by title only, introducing **Ordinance No. 12-2005**, to repeal Urgency Ordinance No. 11-1998, which was approved to comply with the Voluntary Alternative Redevelopment Program pursuant to AB 1X 27 in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina. **Motion carried 4-0, with Council Member Delach absent.**

**NB 3.** City Council to consider adoption of **City Resolution No. 12-7042**, in support of Senate Bill No. 654 and Senate Bill 659 and similar legislation that protects local redevelopment funds.

Following a brief discussion and on a motion made by Council Member Allen, seconded by Mayor King, the City Council adopted **City Resolution No. 12-7042**, in support of SB 654 and SB 659, and similar legislation that protects local redevelopment funds. **Motion carried 3-1, with Council Member Low voting no and Council Member Delach absent.**

Council Member Low stated he has been concerned about the performance of the redevelopment agency. He stated that for 20 years he has taken pride at looking at the Olmec Head that was located in front of the Covina police station. The Olmec Head represents the work of many to build better relations between the United States and Mexico. Council Member Low stated he takes issue with the fact that the Olmec Head would be relocated to Jalapa Park and he feels that it is out of the way and few people visit Jalapa Park.

Mayor King stated that relocating the Olmec Head to Jalapa Park, would give it a place of honor and solidify the relationship between the City of Covina and the City of Xalapa, Mexico. He stated the City is working towards having a fallen officer memorial placed in front of the Covina police station. Mayor King suggested a resolution to formalize the placement of the Olmec Head.

#### **ADJOURNMENT**

At 8:14 p.m., Mayor King adjourned the Covina City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority to the special joint meeting with the Covina Planning Commission to be held on **Tuesday, January 17, 2012** at 6:00 p.m. for closed session and at 6:30 p.m. for open session in the Council Chamber of City Hall, 125 E. College Street, Covina, California, 91723. The next regular meeting of the City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority will be held on **Tuesday, January 17, 2012**, at 7:30 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.

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Catherine M. LaCroix  
Deputy City Clerk/Agency/Authority Secretary

Approved this 7th day of February 2012.

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John C. King, Mayor/Chairperson



**MINUTES OF THE JANUARY 17, 2012 SPECIAL JOINT MEETING OF THE COVINA CITY COUNCIL/COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY WITH THE COVINA PLANNING COMMISSION HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA**

**CALL TO ORDER**

Mayor King called the Special Joint City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting with the Covina Planning Commission to order at 6:04 p.m. City Attorney Marco Martinez announced the closed session item listed on the special meeting agenda. There was no public comment.

**ROLL CALL**

**Council Members Present:** ALLEN, DELACH, KING, LOW, STAPLETON  
**Council Members Absent:** NONE  
**Elected Members Present:** KAY MANNING  
**Planning Commission Present:** HODAPP, MCMEEKIN, CONNORS, MANNING, PATTERSON  
**Staff Members Present:** City Manager, City Attorney, Community Development Director/CRA Deputy Director, Sr. Planner, Associate Planner, Redevelopment Manager and Deputy City Clerk

**AGENDA POSTING DECLARATION**

The Deputy City Clerk of the City of Covina hereby declares that the agenda for the January 17, 2012 special joint City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting with the Covina Planning Commission was posted on January 12, 2012 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

**CONVENED THE MEETING AND RECESSED TO CLOSED SESSION**

- A. G.C. §54956.9(b)(3)(A) – CONFERENCE WITH LEGAL COUNSEL  
 Significant Exposure to Litigation  
 Number of cases: one (1)

**CONVENE THE MEETING**

The City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting reconvened at 6:32 p.m.

City Attorney Marco Martinez reported the City/Agency/Authority met in closed session to discuss the item listed on the agenda with all members present. City Attorney Martinez stated there was no reportable action related to Closed Session Item A.

### **PLEDGE OF ALLEGIANCE**

Council Member Low led the pledge of allegiance.

### **PUBLIC COMMENTS**

Leonard Rose Jr. spoke about Covina Assembly of God Church group, Starting Point that meets on Wednesday evenings.

Pat and Norm Klemz invited the City Council and members of the public to the 50th Birthday of the Friends of the Covina Public Library on June 23, 2012 at the Covina Public Library.

David Rivera, Chief Business Owner of the Covina-Valley Unified School District requested that the City Council not change the current residential zoning assigned to the district facilities. Mr. Rivera submitted a letter to the City Council.

### **COUNCIL/AGENCY/AUTHORITY COMMENTS**

None.

### **CITY MANAGER COMMENTS**

None.

### **NEW BUSINESS**

**NB 1.** Joint City Council/Covina Planning Commission study session discussion regarding comprehensive zoning code and zoning map update.

Director of Community Development/CRA Deputy Director Robert Neiuber reported that staff is providing a working draft of the update to the Zoning Code and request discussion and input as we move forward.

David Rivera, Chief Business Officer of the Covina-Valley Unified School District, requested that the City Council not change the current residential zoning assigned to district facilities and expressed that keeping the current residential zoning assigned would ensure higher property values. Mr. Rivera submitted a letter to the City Council.

Discussion took place on the following:

- That staff bring similar zoning use applications to the Planning Commission and/or City Council for approval determination.

- Restricting the amount of shelf space for tobacco products in a convenience store or liquor store.
- Restricting the sale of food, candy or drinks and the amount of space for ancillary products in a tobacco shop.
- Considering adding a Hookah or Cigar Lounge to the Zoning Code and incorporating the necessary regulations for the City.
- That staff keep the current zoning requirements regarding dental or medical use in a commercial shopping center.
- Staff will take a clear look at all the City's parking requirements and provide the optimal use that do not impact residential and business owners.
- That staff be given the ability to have additional administrative leeway on minor variances, currently 10%, to promote streamlining review.
- That staff considering permitting pervious or permeable hardscape in the front yard areas.
- Review changing the limits on building coverage, limit on maximum accessory building area relative to first story and bring back different scenarios to how it to address permitting larger accessory dwelling units.
- Address the issue regarding permitting certain types of thrift stores, consignment businesses or second-hand stores in the Zoning Code.
- That staff address possibly permitting straight office type of uses in the M-1 (Light Manufacturing) zoning district.
- The Planning Commission and City Council agreed that the current temporary signage usage period is tolerable, which is currently 90 days per year.
- The Planning Commission and City Council were supportive of the possibility of allowing a business to have signs on a greater number of building sides of appurtenant structures if ascetically pleasing.

### **ADJOURNMENT**

At 7:37 p.m., Mayor King adjourned the Special Joint Covina City Council/Redevelopment Agency/Covina Public Finance Authority with the Covina Planning Commission to the regular meeting on **Tuesday, January 17, 2012** at 7:30 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.

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Catherine M. LaCroix  
Deputy City Clerk/Agency/Authority Secretary

Approved this 7th day of February 2012.

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John C. King, Mayor/Chairperson



**MINUTES OF THE JANUARY 17, 2011 REGULAR MEETING OF THE COVINA CITY COUNCIL/COVINA REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCE AUTHORITY/COVINA HOUSING AUTHORITY HELD IN THE COUNCIL CHAMBER OF CITY HALL, 125 EAST COLLEGE STREET, COVINA, CALIFORNIA**

**CALL TO ORDER**

Mayor King called the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting to order at 7:45

**ROLL CALL**

**Council Members Present:** ALLEN, DELACH, KING, LOW, STAPLETON

**Council Members Absent:** NONE

**Elected Members Present:** MANNING

**Staff Members Present:** City Manager, City Attorney, Fire Battalion Chief, Police Chief, Public Works Director, Human Resources Director, Community Development Director/CRA Deputy Director, Finance Director, Police Captain, Police Lieutenant, Sr. Redevelopment Manager, Assistant Director of Public Works, City Planner, Associate Planner, Human Resources Analyst and Deputy City Clerk

**AGENDA POSTING DECLARATION**

The Deputy City Clerk of the City of Covina hereby declares that the agenda for the January 17, 2012 City Council/Redevelopment Agency/Public Finance Authority/Housing Authority meeting was posted on January 12, 2012 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the California Government Code.

**PLEDGE OF ALLEGIANCE**

Council Member Delach led the pledge of allegiance.

**INVOCATION**

Covina Police Chaplain David Truax gave the invocation.

**PRESENTATIONS**

Mayor King and Police Chief Kim Raney invited Lieutenant Patrick Buchanan to the lectern and presented him with a Covina plaque and badge shadow box for his 32 years of service to the Covina Police Department.

## **PUBLIC COMMENTS**

Dora Gomez, Covina Assembly of God, expressed appreciation to Council and Staff for their support during the Community Christmas Party. She spoke about how well attended the event was and that they gave out over 1,350 gifts and 120 food baskets. Ms. Gomez thanked the 170 volunteers that assisted during the event.

Annette Macias, Citrus Valley Health Partners, spoke on a new program called, "Lighten Up SGV." She stated the comprehensive program is to help people in the community lose weight and get healthy. There is a community weight-loss challenge, with the kick-off taking place on Saturday, January 28, 2012 from 9:00 a.m. to 1:00 p.m., at the Citrus Valley Medical Center, Queen of the Valley Campus. For additional information, visit the free website, [www.lightenupsgv.com](http://www.lightenupsgv.com).

Kommah McDowell, Kommah Seray Inflammatory Breast Cancer Foundation, invited City Council and the Community to the Cancer Walk 2012 on Saturday, April 7, 2012 at Toyota Speedway, Irwindale, with proceeds going directly towards cancer patients and treatment. Additional information can be found at [www.ksibcf.org](http://www.ksibcf.org).

Mark Staidl, Covina, spoke regarding residents saving their recyclables for him to collect. Mr. Staidl explained that residents put out bags of recyclables for him to pick up. He stated that he has been arrested four times, received tickets and paid court fines. Mr. Staidl feels he is being singled out.

Mayor King suggested Mr. Staidl to speak with Police Captain Webster regarding the matter.

## **COUNCIL/AGENCY/AUTHORITY COMMENTS**

Council Member Low stated that he was disappointed that someone would steal the 1975 National Pony League Champion Team plaque from Hollenbeck Park. He referenced two donated trees that were planted in honor of Dorothea Hawkins at Covina Park, where shortly after the planting one tree was vandalized. Council Member Low stated a former colleague refreshed his memory as to why the Olmec Head was placed in front of the Covina Police Department. Council Member Low explained that there was a concern that Jalapa Park was isolated and that there would be maximum protection in front of the police department.

Council Member Delach wished everyone a Happy New Year. Council Member Delach stated she attended the grand opening of the Covina Habitat for Humanity House on Saturday. She stated the family is looking forward to becoming Covina residents.

Mayor Pro Tem Stapleton reported that the Habitat for Humanity representatives presented a plaque for the City. He inquired about the speed limit change on Barranca Avenue between Rowland Street and Puente Street. Mayor Pro Tem Stapleton would like to remind the community to be mindful of the safety for residents and children. Council Member Stapleton would like to look at traffic speed and timing of lights in order to keep a steady flow of traffic through the City.

Council Member Allen stated that yesterday was Martin Luther King Jr. Holiday and last year there was a ceremonial event with a local high school. Council Member Allen stated that it

would be nice to have a display at City Hall or the Covina Library and would like to look at some sort of ceremony next year.

Mayor King wished everyone a Happy New Year.

### CITY MANAGER COMMENTS

City Manager Daryl Parrish reported the primary challenge of 2012 is the abolishment of redevelopment. City Manager Parrish stated some of the law is not clear and staff is studying the ramifications and issues regarding the future of the housing program. He reported there would most likely be a special meeting the last week in January to discuss the challenges.

### CONSENT CALENDAR

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority approved Consent Calendar items CC1, CC2, CC3, CC4, CC5, CC6, CC8, CC9 and CC10. **Motion carried 5-0, with Council Member Delach abstaining on Consent Calendar Item CC2.** Consent Calendar item CC7 was removed from the agenda for further discussion and consideration.

- CC 1. City Council approved the minutes from the December 6, 2011 regular meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 2. City Council approved the minutes from the December 20, 2011 regular meeting of the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority.
- CC 3. City Council approved payment of demands in the amount of \$3,632,041.94.
- CC 4. City Council received and filed the water utility billing and automated meter reading projects quarterly status update.
- CC 5. City Council received and filed the Public Works Department monthly activity report.
- CC 6. City Council rejected all bids for the Cypress Reservoir Renovation, Project No. W-1102.
- CC 7. City Council to adopt **Resolution No. 12-7030**, authorizing the Finance Department to write-off certain delinquent accounts as of December 1, 2011 and authorizing the City Manager and City Attorney to draft, negotiate and approve a settlement agreement with Athens Services for unbilled services.

Council Member Low inquired as to why 342 people could receive refuse service for three years without being charged.

City Manager Parrish reported the results of the audit surprised staff. He explained the audit presented that past issues of accounts that were being serviced and not being billed and going back to re-bill customers could create further challenges. City Manager Parrish stated staff had a series of discussions with the contractor trying to

work something out and thought the best way to handle the situation would be a settlement and move on with the new billing system.

Following a brief discussion, City Council requested further information and details of the audit.

On a motion made by Council Member Delach, seconded by Mayor King, the City Council/Redevelopment Agency/Public Finance Authority/Housing Authority approved Consent Calendar item CC7, thereby adopting **Resolution No. 12-7030. Motion carried 3-2, with Mayor Pro Tem Stapleton and Council Member Low voting no.**

- CC 8.** City Council approved **Resolution No. 12-7038**, to accept reprogrammed grant funding from the California Emergency Management Agency (CalEMA) 2008 State Homeland Security Grant Program (SHSGP) (CFDA# 97.067) in the amount of \$150,030.00 for the purchase of UHF portable radios; and adopted **Resolution No. 12-7039**, which authorizes an increase in the 2011-2012 Police Department budget.
- CC 9.** City Council approved **Resolution No. 12-7040**, amending the City of Covina fiscal year 2011-2012 Parks & Recreation Department's operating budget for plaques and signage at Heritage Park.
- CC 10.** Redevelopment Agency approved payment of demands in the amount of \$482,653,01.

## **PUBLIC HEARING**

- PH 1.** City Council to hold public hearing to consider adopting an Ordinance amending Section 7.04.010 of Title 7 of the Covina Municipal Code.

At 8:48 p.m., Mayor King opened the public hearing and took public testimony.

Police Chief Raney provided a brief summary of the report before Council.

At 8:49 p.m., Mayor King closed the public hearing.

On a motion made by Council Member Allen, seconded by Mayor Pro Tem Stapleton, the City Council had second reading, passing and adopting **Ordinance No. 11-2003**, amending Section 7.04.010 of Title 7 of the Covina Municipal Code to adopt by reference amendments to Chapter 10.37 of Title 10 of the Los Angeles County Code, in order to update the City's animal control ordinance pertaining to potentially dangerous and vicious dogs. **Motion carried 5-0.**

- PH 2.** City Council to hold public hearing for the consideration of the 2012-2012 Community Development Block Grant (CDBG) Program Budget.

At 8:50 p.m., Mayor King opened the public hearing and took public testimony.

Community Development Director/CRA Deputy Director Robert Neuber provided a brief summary of the report before Council.

Kommah McDowell, Kommah Seray Inflammatory Breast Cancer Foundation (KSIBCF), stated that the program offers assistance to any type of cancer patient from seniors to pediatrics. Ms. McDowell explained they often assist those individuals on limited income and offer assistance while they are going through the treatment process. Ms. McDowell stated the funding requested would go directly to the program and outreach to Covina residents.

Amber Chavez, Covina, stated she is here as a testimony of what the KSIBCF program has done for her since being diagnosed with breast cancer last year. Ms. Chavez stated that KSIBCF has been there to assist her in many ways and wanted to let Council know the importance of the program.

Council Member Low stated he would like to see incorporated with CDBG funding a moratorium on tavern assistance.

There was a brief discussion regarding supporting viable organizations and the ability to use CDBG funding to support organizations.

At 9:11 p.m., Mayor King closed the public hearing.

On a motion made by Council Member Delach, seconded by Council Member Low, the City Council approved the fiscal year 2012-2013 Community Development Block Grant Program budget as recommended selecting Column C of the Table on Exhibit A with the provisions that allocations be adjusted based on the final allocation as determined by the Community Development Commission, with a maximum of 15% of funding allocated for public service programs; and authorized the City Manager, or his designee, to execute documents related to the fiscal year 2012-2013 Community Development Block Grant. **Motion carried 5-0.**

**PH 3.** City Council to hold public hearing to approve Police Chief's proposal for expenditure of State COPS grant funds – 2011.

At 9:12 p.m., Mayor King opened the public hearing and took public testimony. There was no speakers.

At 9:12 p.m., Mayor King closed the public hearing.

On a motion made by Council Member Allen, seconded by Mayor Pro Tem Stapleton, the City Council approved the Police Chief's recommendations for use of the State's Citizens' Option for Public Safety (COPS) grant funds. **Motion carried 5-0.**

### **CONTINUED BUSINESS**

**CB 1.** City Council to hold second reading and consider adoption of an Ordinance repealing Urgency Ordinance No. 11-1998, determining that the City would comply with the Voluntary Alternative Redevelopment Program pursuant to AB 1X 27, in order to permit

the continued existence and operation of the Redevelopment Agency of the City of Covina.

City Manager Daryl Parrish provided a brief summary of the report before City Council.

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council had second reading, passing and adopting, **Ordinance No. 11-2005**, repealing Urgency Ordinance No. 11-1998 determining that the City would comply with the Voluntary Alternative Redevelopment Program pursuant to AB 1X 27, in order to permit the continued existence and operation of the Redevelopment Agency of the City of Covina. **Motion carried 5-0.**

### **NEW BUSINESS**

**CB 1.** City Council to review the citywide pedestrian crossings.

Public Works Director Steve Henley provided a brief summary of the report before City Council.

On a motion made by Mayor Pro Tem Stapleton, seconded by Council Member Delach, the City Council received and filed the review of citywide pedestrian crossings report. **Motion carried 5-0.**

### **ADJOURNMENT**

At 9:19 p.m., Mayor King adjourned the Covina City Council/Redevelopment Agency/Covina Public Finance Authority/Covina Housing Authority to next regular meeting, **Tuesday, February 7, 2012** at 6:30 p.m. for closed session and at 7:30 p.m. for open session in the Council Chamber of City Hall, 125 East College Street, Covina, California, 91723.

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Catherine M. LaCroix  
Deputy City Clerk/Agency/Authority Secretary

Approved this 7th day of February 2012.

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John C. King, Mayor/Chairperson

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** February 7, 2012

**ITEM NO.:** CC 4

**STAFF SOURCE:** Kim J. Raney, Chief of Police 

**ITEM TITLE:** Disaster Preparedness Fair

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**STAFF RECOMMENDATION:**

Receive and file the report on the Disaster Preparedness Fair.

**GENERAL FUND IMPACT:**

This event is a great opportunity to utilize the Department Volunteers and Explorers for most of the event staffing needs. Any staffing and materials cost to the department will be minimal and limited to the existing Crime Prevention and Disaster Preparedness budget.

**BACKGROUND:**

One of the City of Covina's goal under the Strategic Plan is to provide efficient, visible and responsive public safety. One way to accomplish this is to find opportunities where the community and public safety experts can interact and have a serious discussion on Disaster Preparedness. With this in mind, the Police Department and the Los Angeles County Fire Department will be hosting a Disaster Preparedness Fair on Saturday, June 9, 2012 from 10:00 am to 2:00 pm. at the renovated Heritage Park, 400 North Citrus Ave. This free family event will provide public education activities, equipment demonstrations, displays, entertainment, information booths and refreshments. The goal of this event is to encourage the public to prepare for the common types of disasters and emergencies here in Southern California which include earthquakes, windstorms, fires, power outages, flooding, etc. Approximately 500 to 1,500 individuals are expected to attend based on similar events that have taken place in the region. Food and beverages will be sold with the proceeds benefiting Police and Fire Explorer programs. Some of the participants and activities may include, County Fire Urban Search and Rescue; Hazardous Materials Teams; the Public Works Department including the Water and Sewer divisions; Southern California Edison; Community Emergency Response Teams (CERT); fire extinguisher demonstration and an earthquake simulator.

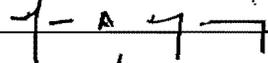
**EXHIBITS:**

None.

**RELEVANCE TO THE STRATEGIC PLAN:**

This event is part of the City's goal to provide visible public safety through community involvement

**REVIEW TEAM ONLY**

City Attorney:  \_\_\_\_\_

Finance Director:  \_\_\_\_\_

City Manager:  \_\_\_\_\_

Other: \_\_\_\_\_

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** February 7, 2012

**ITEM NO.:** CC 5

**STAFF SOURCE:** Steve Henley, Director of Public Works  
Kalieh Honish, Assistant Director of Public Works  
Laura Lara, Assistant Civil Engineer



**ITEM TITLE:** Award of Bid for City Sewer System Replacements – Project No. S-1112

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**STAFF RECOMMENDATION**

That the City Council:

- a. Approve the construction drawings for the project; and
  
- b. Award the bid for city sewer system replacements, Project No. S-1112, to Vasilj, Incorporated as the lowest responsive and responsible bidder in the amount of \$3,798,105.00.

**FISCAL IMPACT**

The construction project and all ancillary activities, i.e. inspection, quality control and assurance, material testing, survey, compaction testing, etc., will be funded entirely by the proceeds of the City's 2009 Wastewater Revenue Bonds; which are budgeted within Account No. 6300-2700-55350. Accordingly, awarding the bid for the project will have no negative fiscal impact.

**BACKGROUND**

Project No. S-1112 consists of the upgrading of approximately 5.9 miles of sanitary sewer mains comprised of eleven (11) project site groupings within the City, as follows:

- Arrow Highway/Grand Avenue
- Covina Boulevard east of Barranca Avenue
- Edna Place – Cummings Road to Barranca Avenue
- Citrus Avenue/Rowland Street
- San Bernardino Road/Second Avenue
- San Bernardino Road/Third Avenue
- Hollenbeck Avenue south of Badillo Street
- Azusa Avenue south of Badillo Street
- Cypress Street/Lark Ellen Avenue
- Cypress Street – Park Avenue to Azusa Avenue
- Grondahl Street – Citrus Avenue to Fenimore Avenue

The project bid documents were designed and prepared in a manner to encourage the maximum level of participation and competition by the contracting community in that the bid specifications



**BID SUMMARY - PIPE BURSTING**

**City Sewer System Replacements Project**

**Project No. S-1112**

**January 17, 2012**

ITEM NO	DESCRIPTION	QTY	UNIT	UNIT COST	1)	2)	3)	4)	
					Vasilj Inc.	MNR Const.	Re-Pipe California	Spiniello Companies	
1	Mobilization (not to exceed 5%)	1	L.S.	50,000.00	50,000.00	83,340.00	217,000.00	212,000.00	
2	Construct 8" HDPE or PVC Sewer (open trench)	1,392	L.F.	140.00	194,880.00	192,096.00	139,200.00	265,872.00	
3	Construct 10" HDPE or PVC Sewer	10,932	L.F.	71.00	776,172.00	962,016.00	1,038,540.00	808,968.00	
4	Construct 12" HDPE or PVC Sewer	14,759	L.F.	80.00	1,180,720.00	1,446,382.00	1,475,900.00	1,210,238.00	
5	Construct 15" HDPE or PVC Sewer	2,203	L.F.	103.00	226,909.00	240,127.00	374,510.00	218,097.00	
6	Construct 18" HDPE or PVC Sewer	684	L.F.	113.00	77,292.00	83,448.00	136,800.00	85,500.00	
7	Construct 10" HDPE or PVC Sewer (open trench)	223	L.F.	200.00	44,600.00	33,896.00	27,429.00	49,060.00	
8	Construct 12" HDPE or PVC Sewer (open trench)	69	L.F.	400.00	27,600.00	11,592.00	8,901.00	14,904.00	
9	Construct 15" HDPE or PVC Sewer (open trench)	912	L.F.	250.00	228,000.00	202,464.00	191,520.00	170,544.00	
10	Construct Precast Concrete Manhole	7	EA.	7,500.00	52,500.00	43,400.00	45,500.00	32,200.00	
11	Modify MH Base & seal enlarged pipe opening	130	EA.	1,250.00	162,500.00	227,500.00	104,000.00	370,500.00	
12	Modify CSD MH per detail	8	EA.	2,500.00	20,000.00	24,000.00	9,600.00	24,000.00	
13	Reconnect sewer lateral	284	EA.	2,000.00	568,000.00	156,200.00	426,000.00	610,600.00	
14	Construct protection	34	EA.	2,000.00	68,000.00	51,000.00	23,800.00	57,800.00	
15	Construct double brick and mortar seal	4	EA.	2,000.00	8,000.00	4,000.00	6,000.00	2,000.00	
16	Construct trap MH	1	EA.	10,000.00	10,000.00	8,800.00	7,000.00	12,500.00	
17	Perform CCTV inspection (Initial & final)	62,932	L.F.	1.00	62,932.00	75,518.40	62,932.00	62,932.00	
18	Install Sewer Bypass System w/backup	1	L.S.	40,000.00	40,000.00	38,000.00	58,000.00	340,000.00	
<b>CONSTRUCTION COST</b>					<b>\$ 3,798,105.00</b>	<b>\$ 3,883,779.40</b>	<b>\$ 4,352,632.00</b>	<b>\$ 4,547,715.00</b>	<b>\$</b>

**BID SUMMARY - OPEN TRENCH**

**City Sewer System Replacements Project**

**Project No. S-1112**

**January 17, 2012**

ITEM NO	DESCRIPTION	QTY	UNIT	UNIT COST	1)	2)	3)	4)	Engineer's Estimate
					Gentry Brothers	Steve Bubalo	Vido Artukovich & Sons	Ramona Inc	
1	Mobilization (not to exceed 5%)	1	L.S.	240,000.00	240,000.00	250,000.00	275,000.00	150,000.00	278,680.00
2	Construct 8" VCP Extra Strength Sewer	1,392	L.F.	95.00	132,240.00	174,000.00	215,760.00	222,720.00	1,312,994.00
3	Construct 10" VCP Extra Strength Sewer	8,471	L.F.	110.00	931,810.00	1,185,940.00	1,355,360.00	1,609,490.00	1,565,120.00
4	Construct 12" VCP Extra Strength Sewer	9,782	L.F.	122.00	1,193,404.00	1,516,210.00	1,662,940.00	2,103,130.00	545,109.00
5	Construct 15" Extra Strength Sewer	3,115	L.F.	141.00	439,215.00	482,825.00	560,700.00	887,775.00	143,632.00
6	Construct 18" VCP Extra Strength Sewer	684	L.F.	165.00	112,860.00	136,800.00	136,800.00	242,820.00	45,000.00
7	Construct 10" HDPE or PVC Sewer by Pipe Bursting	2,874	L.F.	110.00	316,140.00	339,132.00	258,660.00	474,210.00	330,510.00
8	Construct 12" HDPE or PVC Sewer by Pipe Bursting	5,116	L.F.	120.00	613,920.00	639,500.00	486,020.00	895,300.00	624,152.00
9	Construct Precast Concrete Manhole	7	EA.	6,000.00	42,000.00	45,500.00	28,000.00	91,000.00	38,500.00
10	Modify MH Base & seal enlarged pipe opening	130	EA.	1,500.00	195,000.00	143,000.00	130,000.00	130,000.00	247,000.00
11	Reconnect sewer lateral	8	EA.	5,000.00	40,000.00	28,000.00	28,000.00	40,000.00	26,400.00
12	Construct protection	284	EA.	800.00	227,200.00	170,400.00	227,200.00	269,800.00	255,600.00
13	Construct double brick and mortar seal	34	EA.	200.00	6,800.00	34,000.00	10,200.00	17,000.00	34,000.00
14	Construct trap MH	4	EA.	200.00	800.00	6,000.00	4,000.00	6,400.00	3,600.00
15	Modify CSC Manhole	1	EA.	10,000.00	10,000.00	11,000.00	6,000.00	18,000.00	201,840.00
16	Perform CCTV inspection (Initial & final)	31,434	L.F.	0.50	15,717.00	31,434.00	47,151.00	78,585.00	36,149.00
17	Install Sewer Bypass System w/backup	1	L.S.	317,000.00	317,000.00	50,000.00	100,000.00	100,000.00	200,000.00
<b>CONSTRUCTION COST</b>					<b>\$ 4,834,106.00</b>	<b>\$ 5,243,741.00</b>	<b>\$ 5,531,791.00</b>	<b>\$ 7,336,230.00</b>	<b>\$ 5,888,286.00</b>

# CITY OF COVINA

## AGENDA ITEM COMMENTARY

**MEETING DATE:** February 7, 2012

**ITEM NO.:** CC 6

**STAFF SOURCE:** Robert Neuber, Director of Community Development <sup>AN</sup>  
Dilu De Alwis, Director of Finance  
Nuala Gasser, Senior Redevelopment Manager <sup>AN</sup>

**ITEM TITLE:** Approval of use of funds from the Community Development Block Grant 2011-2012 funding allocation through the Special Economic Development Program for Harmon Physical Therapy Incorporated, 360-364 E. Rowland Street, Covina.

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### **STAFF RECOMMENDATION**

Approve the Community Development Block Grant award of \$50,000, between the City of Covina and Buford (Bick) Harmon, III, doing business as Harmon Physical Therapy Incorporated contingent upon execution of a Guarantee of Note and Deed of Trust by the owners, and in compliance with other requirements, authorize the City Manager or his designee to execute the documents necessary to complete the grant/loan transactions when all conditions are met.

### **FISCAL IMPACT**

This project is funded through the federal Community Development Block Grant program. Funds have been budgeted in the CDBG cost center for the Economic Development Program Number 600525-11, account number 2100-4750-07-53751.

### **BACKGROUND**

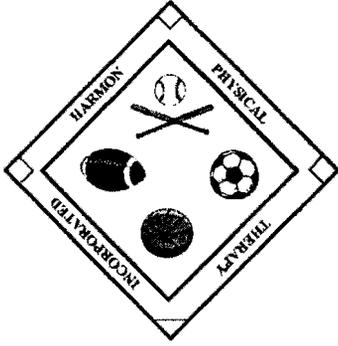
The Economic Development Loan/Grant Program ("Program") is funded through the federally funded Community Development Block Grant (CDBG) program. The Program provides financial assistance to for-profit entities to carry out economic development and job creation or job retention activities in our community.

The program has received an application from Buford (Bick) Harmon, III, doing business as Harmon Physical Therapy Incorporated. Harmon Physical Therapy has been in business since 1973, and is currently located in West Covina. The business is moving to Covina to larger facilities allowing for more therapy programs and continued growth. The new facility has 3,200 square feet and the ability to expand if needed. A copy of the application letter is attached as Exhibit A.

### **Requested Funding**

The applicant has requested funding in the amount of \$50,000, to cover a financing gap in the amount of funds available for this project, and the cost to bring the project to fruition. A loan/grant of \$50,000 is recommended by staff.





## Harmon Physical Therapy Incorporated

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1250 South Sunset Ave., Ste. 204  
West Covina, CA 91790  
(626) 960-2853  
FAX (626) 856-5512

October 31, 2011

City of Covina  
Attn: Nuala Gasser  
125 E. College St.  
Covina, CA 91723

Dear Ms. Gasser

The purpose of this letter is to introduce you to my company, Harmon Physical Therapy, Inc., which has been providing physical therapy services in the in the San Gabriel Valley for over 37 years.

We are moving to the City of Covina and are interested in participating in your Grant Program. Our proposed project would bring to the City of Covina, four full time positions, two of which meet the low-and moderate-income criteria. We are requesting \$50,000.

Harmon Physical Therapy, Inc, a physical therapist owned practice, is a Physical Therapy Provider Network (PTPN) provider. Clinics associated with PTPN have the highest level of physical therapy standards. Clients are assured of excellent quality of care, treatments monitored to assure charges are real and substantiated, and outcomes are cost-efficient, through the outcome program, FOCUS. At every visit, all clients are seen by myself and are evaluated for progress. The Doctorate in Physical Therapy I earned from Western University for Health Sciences, enables me to develop and provide enhanced physical therapy programs based on the latest research and evidence for clients whose care has been entrusted to me. As sole owner of my physical therapy practice, I am able to pursue new and innovative ways to assist my clients in their rehabilitation recovery, while keeping their costs at a minimum.

Thank you for taking the time to consider Harmon Physical Therapy, Inc. for your grant program.

Sincerely,

Bick Harmon, D.P.T., M.S., P.T.

# CITY OF COVINA

## AGENDA ITEM COMMENTARY

**MEETING DATE:** February 7, 2012

**ITEM NO.:** CC 7

**STAFF SOURCE:** Robert Neiuber, Director of Community Development *RN*  
Dilu De Alwis, Director of Finance  
Nuala Gasser, Senior Redevelopment Manager *NG*

**ITEM TITLE:** Approval of use of funds from the Community Development Block Grant 2011-2012 funding allocation through the Special Economic Development Program for the business "William S. Crawford D.D.S., A Professional Corporation, David J. Stewart, D.D.S., A Professional Corporation, and Gary W. Lee, D.D.S., A Professional Corporation", 596 and 598 S Grand Avenue, Covina.

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### **STAFF RECOMMENDATION**

Approve the Community Development Block Grant award of \$100,000, between the City of Covina and William S. Crawford, David J. Stewart and Gary W. Lee, doing business as "William S. Crawford D.D.S., A Professional Corporation, David J. Stewart, D.D.S., A Professional Corporation, and Gary W. Lee, D.D.S., A Professional Corporation," contingent upon execution of a Guarantee of Note and Deed of Trust by the owners, and in compliance with other requirements, authorize the City Manager or his designee to execute the documents necessary to complete the grant/loan transactions when all conditions are met.

### **FISCAL IMPACT**

This project is funded through the federal Community Development Block Grant program. Funds have been budgeted in the CDBG cost center for the Economic Development Program Number 600525-11, account number 2100-4750-07-53751.

### **BACKGROUND**

The Economic Development Loan/Grant Program ("Program") is funded through the federally funded Community Development Block Grant (CDBG) program. The Program provides financial assistance to for-profit entities to carry out economic development and job creation or job retention activities in our community.

The program has received an application from the three partners in the dental practice which is moving to Covina: "William S. Crawford D.D.S., A Professional Corporation, David J. Stewart, D.D.S., A Professional Corporation, and Gary W. Lee, D.D.S., A Professional Corporation." The dental business, currently located in West Covina, has been in existence since 1964, and the three current partners have been working together since the 1980s. The business is moving to Covina to 596-598 South Grand, close to the northeast corner of Covina Hills Road and Grand. The 4,780 square foot building has been vacant for approximately one year, and will be

renovated to accommodate the dental practice. It is anticipated that the prominent location will contribute to the growth of the business. A copy of the application letter is attached as Exhibit A.

**Requested Funding**

The applicant has requested funding in the amount of \$100,000, to cover a financing gap in the amount of funds available for this project, and the cost to bring the project to fruition. Funds will be used mostly for working capital. A loan/grant of \$100,000 is recommended by staff, contingent upon execution of a lease for the premises at 596-598 South Grand, Covina, and execution of the Personal Guarantee of Note and a second deed of trust on residential property.

**Fund availability**

In Fiscal Year 2011-2012, funds are available in this program. Any costs incurred by the applicant prior to the execution of the loan/grant documents cannot be reimbursed.

**Job Creation Requirement**

Program participants are required to create one full-time equivalent position for every \$25,000 granted. The dental business operates on a 36 hours per week policy. Created positions will be held by qualifying persons after advertising the opening in the community. Positions will be held by persons unrelated to the business. The business states that it will be able to meet the job creation requirements. A minimum of fifty-one percent (51%) of the created positions must be held by employees from low- to moderate-income households.

The business will be required to maintain records and report on a quarterly basis on the low-to moderate-income positions. Program participants shall provide copies of the DE9 form, the State of California Quarterly Wage and Withholding Report, to the CDBG Division on a quarterly basis. These positions must be maintained for a minimum of one year.

**Staff Review/Collateral**

Staff has reviewed the application materials and is recommending funding in the amount of \$100,000 through the CDBG Special Economic Development Program. Staff recommendation of grant award is based on the need outlined in the application and the evaluated ability of the business owner to repay the loan in case of default.

Collateral for the loan will be provided by a second deed of trust on residential property. A Personal Guarantee of Note and a Business Guarantee of Note for the amount of the loan/grant, executed by the partners and their spouses will be executed. The business shall comply with all federal, state and local laws applicable to conducting this business. Underwriting guidelines reveal that the project proposed above is a financially viable project, meeting the requirements as outlined in Appendix A to Part 570 of the Code of Federal Regulations.

**RELEVANCE TO THE STRATEGIC PLAN**

This action will assist the City to reach the goal of enhancing financial stability, as the loan/grant will assist the business to expand and become a viable partner in the community and to provide employment in the city.





**William S. Crawford, D.D.S.**

**David J. Stewart, D.D.S.**

**Gary W. Lee, D.D.S**

126 S. Glendora Ave.

West Covina, CA 91790

Telephone: (626) 918-8513

City of Covina  
125 E. College Street  
Covina, CA 91723-2199

January, 24, 2012

City of Covina,

We have submitted an application for the CDBG Economic Development Loan/Grant Program and this letter is to introduce ourselves to the City of Covina, its employees and the City Council. We are a dental practice that has been in existence since 1964. The existing three partners, William Crawford, David Stewart and Gary Lee have been working together in the same dental practice since the early 1980's. All three of the dentists are graduates of The University of the Pacific School of Dentistry, and have ties to the San Gabriel Valley. The practice consists of the three dental partners, two hygienists, six full time, and one part time office staff members. We currently are practicing dentistry in the City of West Covina and are in the process of moving our practice to 596-598 South Grand Avenue, at the corner of Grand Avenue and Covina Hills Road in the City of Covina.

Our practice pulls patients primarily from the San Gabriel Valley, but services patients from as far away as Arizona, Kentucky, South Carolina and Colorado. Some of our patients have been with us for as long as 32 years. We pride ourselves in performing excellent dental care and for treating our patients as if they are family. Our patients, our staff and our partnership are looking forward to our move and look forward to a long and prosperous relationship with the City of Covina.

Sincerely,

William S. Crawford, D.D.S.

David J. Stewart, D.D.S.

Gary W. Lee, D.D.S.