

---

done and proposed a 90-day continuation with a minimal stipulation of reimbursement that might expire on a certain date.

Ms. Lyons responded that the School District is well-aware of the stipulation and willing to continue the matter if 90 days is better. The School District felt it could be accomplished in 60 days.

MPT/Tye felt there had been enough progress on the matter to move forward but he believed the School District was the same as any other applicant who might wish to postpone. He would support the District's request for a 60 day continuance and if at the end of 60 days the District needed more time the District could request additional time. As for the number of meetings, one meeting is one more meeting than there would have been if the request for continuance had not been offered.

M/Herrera asked if the Council allowed 90 days and the School District concluded its study in 60 days could the Council come back in 60 days.

CA/Jenkins responded "No."

CM/DeStefano also replied that the plan as stated by the School Board President is evolving and staff is not aware of how many meetings are planned and what the results of those discussions will be and how those results might affect the current or future plan if proposed which may cause the current documents to be changed. 60 days is a bit aggressive in terms of a community dialogue, providing results of that dialogue to the City's staff in order for further analysis to be undertaken so that an appropriate report can be provided to Council. 90 days or longer is a bit more likely for these actions to take place.

CA/Jenkins stated that a third alternative would be not to set a date so that the only constraint on the District would be to bring the matter back and for staff to then to re-notice the Public Hearing. If the matter were tabled, it could be re-noticed for a Public Hearing at any time which would give Council a bit more flexibility.

MPT/Tye said he concurred with the last option to table the matter to provide for more flexibility.

C/Chang said she agreed.

MPT/Tye said he wanted to be very clear for the public's edification that the matter would be re-noticed.

C/Tanaka commented that he was pleased the School District decided to engage the community to a greater extent because in his opinion, more public discourse would allow questions and misconceptions to be answered and addressed. He asked the School District to be as clear as possible on what direction they wished to take for the site and the exact purpose of the MOU because many residents were under the impression that the site actually belonged to the City of D.B. Additionally, there may have been several alternatives considered but only one plan was presented. The plan stressed 50% residential and 50% commercial even though there was considerable input for other options from residents. He felt the Specific Plan was too limiting for attracting potential developers by restricting it to 50/50 residential and commercial because it lacked inclusion of modern elements in sustainable areas. If a park space is considered it should be a desired element as expressed by the residents and should be planned in advance and not seen as an item that would fit into the project. He felt there were ways to protect some of the age old trees on the property with proper planning. In his opinion, the most important component is the community's input and there has to be some evidence of consideration of input from the residents. He felt there was an opportunity for development of a project that would be acceptable to the community and for which the community could be proud. He also believed there was an opportunity to consider different elements such as open space, pedestrian-friendly element, inclusion of a water feature, etc. because this is a point of entry for D.B. With respect to housing, even though there was an opportunity for higher density housing there should be a consideration for senior housing in the area. Commercial development should be viable with goods and services offered benefiting the community as a whole giving consideration to the numerous empty store fronts that currently exist in the City. There is an opportunity to slow down this project in order to do it right.

C/Everett said he was interested in flexibility; however, communication was critical and would rather have a date certain so that everyone present including the media will be aware of the date. While it is true that the appropriate public notice will be given (if the matter is tabled) he doesn't want to wait for a public notice because too often folks say they were not notified of various items.

MPT/Tye said that whatever date is set it is important that members of the public have an opportunity to speak this evening and would prefer to leave it open.

C/Chang stated that over the past 30 days she has been able to gather a lot of great input from residents about Site D and was very pleased that the School District requested a continuance in order to continue a dialogue with the community. She would prefer the flexible option because she did not know how long it would take to gather information.

MPT/Herrera reopened the Public Hearing at 7:22 p.m. and asked for Public Comment. She asked that the speakers recognize that this project may change and that their comments might be based on this proposal, it may go through revision and that speakers may wish to withhold their comments until the next Public Hearing. She reminded speakers that there is a five minute limit.

Helen Hall, WVUSD Board Member, said she had not been able to attend previous meetings regarding Site D. Thirty years ago she and her family moved to Diamond Ridge and like most parents, one of the main reasons was a quality school district. Walnut had and continues to have a reputation for a quality school district. She has now served on the Board for 24 plus years. The School District bought Site D because it was starting to grow very rapidly at the middle school level and needed to pool students from both Walnut and D.B. At that time it did not make sense to put a middle school at that corner so the school bought the South Point property for its middle school. Over the years there have been various projects proposed for Site D but those projects did not pan out. The School District has challenges and to continue to provide a quality school district with the current and ongoing state of its budget and the State's budget the School District needs to think outside the box. She thanked everyone who sent letters and emails. The Board does not intend to stock the coffers with money but want to do the best it can for the students and the community.

Terry Meyer was glad that the applicant was considering other options and liked what C/Tanaka said about the possibility of low density residential, senior housing and a park. He is not interested in seeing a business going into that little section and does not want to see a transient community in an apartment complex next to Diamond Ridge where he has lived for 30 years.

Larry Smith stated that when he and his family moved to D.B. he felt that one of the best things about D.B. was its school districts. It was not the restaurants and shops but the school districts that held up the City's property values. He thanked CM/DeStefano, ACM/Doyle and Council Members for their vision to improve the Diamond Bar Library because it is the quality of education that is paramount to the City's quality of life. Site D holds a similar challenge. In the tough California economic climate the City needs to support its school districts and allow them to use their assets to their highest and best value in order to continue the high level of education they provide. From a reliable source he learned that the City has about 25% vacancy in its commercial sector and it may not be viable to put more commercial space at Site D. Obviously, no one wants low income housing but believed that was a scare tactic. Good quality affordable housing could be very saleable and add school-aged families to the community and thus ensure the continuation of the schools and the districts.

Denis Paul thanked the Council for presenting him a plaque commemorating his 30-years of service to the WVUSD. As he listens to the discussions about budget and projections about the future of WVUSD he shares the concerns of his colleagues about the ability to continue to preserve and present a world class education. Council and staff have worked with the community to resolve many issues and he sees that happening now. The bottom line is that the District needs to get revenue from Site D and believes it that can be done in a way that is sensitive to community needs as well as environmental and traffic congestion concerns.

Benjamin Yep has two young children and came here looking for a place to raise his family and educate his children with a world class education. He got involved with the School Board because he was frightened by what he saw coming. Currently, the School Board is cutting teachers and teacher's salaries and closing schools. If the community does not come together to help the schools there will be a lot of fall out. There is a petition being passed around in this auditorium right now from people who are saying "No" to development. While he respects their position as a Walnut homeowner he hopes that they will look at this as an opportunity for dialogue. He has attended School Board meetings for over a year and believes the members will listen and do what they can to make a difference.

Sherry Babb moved to D.B. in 2000. Her eldest daughter graduated from DBHS and her younger daughter is a senior at

DBHS. She has a board member of the Chinese American Association for the past three years and is also involved in other community service organizations. She believes the community should support its public schools to achieve the highest possible education for its children.

Gary Chow, Walnut resident, hoped the Council would find a way to resolve this issue because WVUSD is going through very, very difficult economic times attempting to produce a balanced budget. The budget crisis was so severe that this past March the District had to make a painful decision to cut the elementary school music program. When he found out that this wonderful and very valuable program was about to be cut he and his friend made a decision to fund the music program. They both felt it was time to step up and ensure that future D.B. and Walnut children would have the same opportunities that were afforded to their children. As a result, they have committed to paying the School District \$168,000 a year for the next three years so that the music program at the elementary school level can continue. Tonight and in 60-90 days from now the City will be in the same position and while the City will not be writing checks to the School District like he and his friend are doing, the Council's decision will ultimately accomplish the same thing. The Council's approval of whatever change it ultimately agrees upon will allow the District to sell the property at a significantly higher value so that it can use the proceeds to provide the level of education children deserve. The children of the future need to have the same opportunities as the children of the past.

Debbie Dobson, President, Coordinating Council for WVUSD, supports the School District because whatever happens, the Council Members know that the District has the best interest of the kids at heart. The Coordinating Council consists of parent representatives from every school in D.B. and Walnut and during the past month the Coordinating Council has been trying very hard to come up with fundraising and moneymaking ideas to help the District. Parents are beginning to see that a lot is being taken away from the kids and they also know that the School District is doing the best that it can under the circumstances. Parents believe that music for 4<sup>th</sup> graders and sports programs for high school students are just as important as the academic classes. Parents do not want to see any programs cut from their children and they are now seeing that their children's educational opportunities are being cut which is very upsetting. Parents are trying to do their part but know that these drastic budget cuts offer little opportunity for fundraising

events to provide any amount of money close to what is needed to preserve these programs.

Girish Roy stated that he doesn't like to see the School District going through these tough budget times; however, he would not like to see high density and commercial components at Site D because there is already a severe problem with traffic issues and transients. He would like for Site D to be turned into a park and requested that the City purchase the property and turn it into a park.

David Busse said he had children who graduated from local schools and attended a regional college. He supports the schools but is a bigger supporter of a sense of community. He said he had 300 more signatures of people who represent a broad range of ideas and thoughts in D.B. who wanted a say in this matter. If the City is going to make what could be a profound change to the south end of D.B. it has to be right. He presented the petition to the City Clerk and said he would be one of the first to sign up for a working group to discuss this matter.

Richard Yeh, Country Hills Holding, readily admitted that what he was about to say was probably very self-serving based on his commercial interest in the center but felt his points were valid and should be considered. Based on his experience of owning the center if the City was able to find a commercial developer to build the center, it would likely be difficult to attract the type of tenant the City would want. D.B. is a "tweener" location and to MPT/Tye's point, by the time drivers were able to see the commercial shops it would be too late to exit the SR57 to reach the location. In addition, there is already a large amount of vacancy throughout the area with some vacancy in his center. He feels good about the center as things stand today he feels the situation would be very different if the City were to build a center just down the road from his. While the City has a plan to raise extra sales tax dollars to help the City, it may not see that particular footage raise the amount of sales tax dollars it seeks because it will take sales from other centers in the City. He said that he ultimately questioned whether such a project would be successful and whether the City had considered that its gateway to the City could be a half-empty center. He felt the best economic compromise to maximize revenues to the District would be to go all residential and park space.

Carolyn Elfelt, WVUSD Board Member and 30 year resident, said that while both of her sons went through the Walnut Valley schools she spent many hours at each school raising money to help support the school programs. She now serves on the School Board and was not present to talk about the Specific Plan, but rather just the site in general. The District's job is to educate and the nearby street named Fallow Field speaks to Site D. It is a passive asset. It generates nothing that helps the District educate kids: In these difficult economic times the District needs to turn this passive asset into a revenue generating asset that can be used to help educate the students. The District needs to have this idle land entitled so that it can be transformed into some kind of a revenue stream to help provide the educational tools that the children need in order to survive in this highly competitive global economy.

Clark Rucker, DBHS Brahma Foundation member, WVUSD Coordinating Council member and Vice President, past member of the Chaparral Community Club, member of the DBHS Magnificent Seven, and parliamentarian for the Council of African/American Parents, said he was in favor of the sale of Site D. This year is a kind of perfect storm. District enrollment has declined, State funding has decreased and dollars per student has declined. Currently, D.B. and the WVUSD are facing severe detriments. Over the past three years the WVUSD State revenues have been reduced by \$19,000 or about 17.4% and in 2007/2008 the revenues were about \$110 million and in 2010/2011 the revenues are down to about \$91 million so that as the District looks to the 2010/2011 it faces further reductions including a possible reduction in teaching staff of 60 plus, \$600,000 in administrative reductions, salary reductions, loss of custodial positions, K through 3 class size increases to 31, loss of academic programs, loss of extra-curricular and after-school programs, loss of school bus transportation and possible closure of schools altogether and shortening of the 2010/2011 school year. Furlough days are being considered and encouraged. In 2007/2008 the per-student allocation was \$15,316. In 2010/2011 the per-student allocation is \$4,970 and that is essentially why this project is in front of the City Council. He hopes that this City Council will assess what the sale of Site D means to the City of D.B., to the WVUSD and most important to the students who have grown, learned and enriched their lives in this school district and in this City.

Christopher Chung said he was pleased to learn that the School District was interested in having further discussions about Site D. As residents of D.B. he is pro-WVUSD but opposed to the

process under which this project developed which he believed offered inadequate input from the residents and ignored comments. Some of the comments raised were not appropriately responded to by the City such as the issue of whether or not any of the housing would be low income. The document allows for that and a 25% density bonus. The response from the City should have been that that was not correct and that it should have been excluded. If the money is going to WVUSD he hoped there was a guarantee that some of the money would be spent in D.B. versus the City of Walnut. There are fundamental issues that have to be addressed in order to get to an approval of a Specific Plan such as, the General Plan is outdated and in the General Plan the Resource Management Element which is the City's Open Space Element indicates there are deficiencies in Open Space. So the elimination of open space is not consistent with that element and therefore, there is no way the Specific Plan can be consistent with the General Plan. He hoped that some of the impacts of this project would be addressed and reanalyzed such as traffic and the time when grading can commence. He asked the Council to step back and consider the right process. He thanked C/Chang for talking with him and for the rest of the City Council for taking a step back and further discussing the proposal.

Judy Liang, D.B. resident said she felt the majority of residents supported the School District but asked them not to forget their mission and their slogan. "Kids first, every student, every day". She wanted to know what more commercial and high density residential had to do with kids first, every student, every day. Residents are not opposed to development but there are a lot of problems with this process such as why other alternatives were never presented to the residents and why there are no bids going out and the City has only one consultant. Residents are not opposed to a project that will generate more money but if the City has to do that please do it in the right way by doing a thorough study.

Mercedes Garrett thanked the City Council and the School District for the opportunity to discuss the Site D Plan. She was concerned about only three access streets to Diamond Bar Blvd. in the area of Site D and related an incident on Castle Rock Rd. which caused delays for everyone in the southern part of town leaving their homes. Now traffic is even worse on Brea Canyon Rd. and the idea of building more homes in that area that would cause more traffic in the area concerns her for the safety of the residents in the event of a disaster. More families

with children are coming into the area because homes are now more affordable so she wondered if it was true that enrollment was down because she is seeing an increase of families with young children moving to D.B. If the plan is to build more homes it seems to her that with the number of foreclosures that have occurred there will be even more empty homes because of the economy.

Vinod Kashup, a 25-year resident wondered why the Council is talking about a development at this time. Eight months ago everyone was talking about a stadium and now we are talking about a development. The sign advertising this public hearing was so hidden that he did not see it. He learned later that the City has an obligation to inform all residents living within 1000 ft. of the development and have no obligation to report to others directly. He may live within 1500 ft. of the projects but no one took the time to write him a letter to tell him there are only three ingress and egress points in his neighborhood and this project would impact him. He thinks there is a total lack of communication here. If the City can talk about the stadium at such great lengths and not talk about something that impacts D.B. he thinks there is a fundamental flaw in the thinking at the City. He served on the Diamond Bar Community Foundation and on the Traffic and Transportation Commission. When Bob Zirbes was mayor his dream was to have playing fields and a sports center and if there is an area which is crying out to be developed as a sports center what better way to honor Bob Zirbes than to come off of the freeway which was named after him to a sports center which could also be named after him instead of having homes built in a time when homes are not selling. We are selling this land at a time when prices are rock bottom. There are businesses in the immediate area that will suffer. What are we doing here, how did we get here, why are we here and how do we get out of this.

Gregory Shockley said he has heard this referred to as a perfect storm with declining enrollment, lost tax dollars and so on and so forth. This is not the perfect storm. The reason the School District is successful is because of the people who work for it. Money will go up and money will go down. Selling this lot right now – maybe something should be done with it. He would like to see it developed but doesn't want to see one hundred percent houses or one hundred percent park or one hundred percent commercial. He felt that C/Everett, C/Tanaka and MPT/Tye had fantastic ideas that were expressed at the last public hearing. He said he was disappointed and discouraged about the proposed plan. He expected things would get worse before

they got better but he believed that the sun would come up within the next four or five years and the School District will be full again and will have more money. Site D has nothing to do with the success or lack of success of the School District. Success has to do with the administrators, teachers and parents and not from money.

Joyce Tweed, Running Branch Rd. is an elementary school teacher in another school district and has learned that starting this fall her school might be closed and having had the school board vote to close two schools she is currently in the process of moving her teaching tools to another school site. Everyone is sad to see a community school close but if we make a mistake wanting to take care of the students of D.B. it will be a mistake that the residents will dread for a long time. She has not been present for every meeting but she has not heard anything but that it is important to think of the students and young people in the community. What about the older folks in the community who are in retirement and want to downsize to lodging in a place they have grown most accustomed to. As people get older they do not like change. They like to be able to go to their church, not have to face major traffic or major travel to shop and, if the property has to be sold, she would like to have the District and City give thought to provide residences to retired folks. There is no location that provides assisted living for people who are retired. She would love to see a park in that location but could D.B. at least get something new that would continue to serve its citizens.

With no further public comments being offered, M/Herrera brought it back to the Council for comment.

MPT/Tye asked staff to address comments referring to the General Plan being outdated, that the Specific Plan for Site D is inconsistent with the General Plan because the General Plan says D.B. does not have enough open space and by falling in the splash zone calling this site open calling it open space when it is not open space, it is undeveloped private property. He would also like staff to address the notification issue, and what it would mean to the City if the City were to go outside of the set notification parameters.

CM/DeStefano reiterated that staff has answered those comments and they are in the written record. He agreed that if someone raises an issue enough times they are doing so deliberately in an effort to ensure that it sticks. It is a bit disingenuous to say the least. The General Plan is not an

outdated document. One of the speakers works for another municipality and is active in community development in that municipality including the creation of affordable low income housing units. That particular City has a General Plan that is older than D.B.'s General Plan. The property being labeled as open space is not an accurate statement. This is simply vacant land and there is no inconsistency between what the General Plan says regarding Site D or what it says with respect to open spaces on that particular piece of property. D.B.'s noticing is three times the State's requirement. D.B. has always provided for more aggressive public notice and provided notice to the public in ways that go well beyond what many communities do. Public noticing for this project according to State law is 300 ft. D.B. has a requirement of 1000 ft. D.B. requires noticing via signage whether it is this project or similar projects. D.B. posts public notices on its City Website, posts its agendas and agenda materials on the City's Website and that is not required by law. Everything that the Council received tonight is available to the general public not only at the traditional locations of City Hall and the Diamond Bar Library but online for review and download. Stated simply, Yes, attempts continue to be made to misstate the facts to string together things that should not be strung together in order to create controversy or to try to generate support for one's view. Those are inaccurate statements and staff has elaborated in more detail in the staff report and will likely do so again in order to ensure the record is correct at the next public meeting when this is discussed.

CA/Jenkins said that several speakers during the course of the last couple of hearings have suggested that the City simply turn this entire site into a park or open space. That would be a choice that only the School District as owner of the property could make. The City is not legally able to simply turn this entire site into a park or open space.

Under the California Government Code the City must treat an unused surplus school site as though it were private property and as everyone knows, if it were private property, turning private property into a park or open space would constitute a "taking" on the part of the City and no municipality can take a person's property and simply declare it to be open space and of no value. People in this country and state have a right to make some beneficial use of their property under the Constitution. Under Government Code §65852.9 that right is extended to school districts to the extent that they have unused school sites that they have no intention of using for school purposes. Consequently, to assert that it is inconsistent with the City's

General Plan Open Space Element not to convert this into some sort of park or open space is legally erroneous and simply a misstatement of the law which has no merit whatsoever. The truth is that the City cannot do that. That is not to say that State law dictates what type of use must go on the property but it does dictate that the City must treat the school district as though it were a private property owner and allow them the beneficial use of their property. It would be beneficial for everyone to know that the City is not in a position to impose a park or an open space over the entire parcel. Further, in the interest of clearing the record and eliminating a misconception that may be in the airwaves, it has been asserted over and over again that the density of this parcel could be exceeded due to density bonuses that are available under State law and that the City has not accurately represented what the actual maximum allowable density could be. One of the speakers suggested the City "should take it off the table." He has two observations. One is the City cannot take it off the table because the City is preempted from taking it off the table. State law simply provides that private property owners, whether it is the school district or a private owner, has a right to seek density bonuses. That is not to say the property owner will or they would and in fact, most property owners do not. It is very unusual to find a developer who is interested in using the density bonus law. However, the City cannot legally take it off the table. It is a matter of State law and the City has to abide by State law and there is nothing that can be done about it. The School District has made it clear it is not interested in seeking density bonuses and he thinks that should be taken at face value. But it is not a correct thing to say that the City should simply eliminate that possibility because the City does not have that power. He also noted that the EIR traffic consultant has looked at the traffic impacts associated with such a hypothetical increase in density and has concluded that it is de minimis. To the extent there is an argument floating around that the addition of these hypothetical density bonus units which will likely never be built will have a significant traffic impact is simply wrong. Finally, there is California Case law that says that the possibility that a developer might utilize something like a density bonus is so speculative at this stage when all the City is doing is adopting a Specific Plan is so speculative that it need not even be addressed in the EIR. Nonetheless, the City asked the traffic consultant to take a look at it and again, the consultant determined that the affect was de minimis. He hopes his additional statement further contributes to putting aside some of the erroneous statements that have been made.

CM/DeStefano stated that the speaker who discussed the point about apartments to which CA/Jenkins was just referring should know by nature of the profession that the speaker is in and the municipality that the speaker works in that the statements that he made is trying to generate concern and support for a particular position. He hopes the individual knows that his municipality is required as is every municipality in the state of California, to provide such a density bonus based upon certain characteristics and certain requirements. It is not unusual and it is speculative at this point as to whether any project would come forward along that line. None have ever come forward in the City of D.B. But to try to imply that low income apartment units are coming or that they are improper is seriously flawed. As to the other comment that senior housing might be appropriate for that site maybe it is. Of course a group that is typically housed in an apartment complex and who is typically at low income levels – seniors. So is the City precluding by that statement a senior project that some residents believe is appropriate? Again, he believes it is unfortunate that comments were made in an attempt to solicit support based upon a flawed representation of the facts and what State law requires. That is why that provision is listed in the document, because it is required to be listed in the document. He only hopes the same type of provisions would be listed in the speaker's City's documents for the projects they work on.

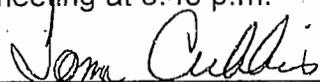
Following discussion, M/Herrera moved, C/Everett seconded, to continue the Public Hearing to the City Council meeting of October 19, 2010. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Everett, Tanaka, M/Herrera
NOES:	COUNCIL MEMBERS:	Chang, MPT/Tye
ABSENT:	COUNCIL MEMBERS:	None

C/Chang and MPT/Tye stated their reason for voting "No" was their wish to have the matter tabled indefinitely in order to allow the School District to set the time for the next public hearing.

8. **COUNCIL CONSIDERATION:** None

**ADJOURNMENT:** With no further business to conduct, M/Herrera adjourned the Regular City Council meeting at 8:45 p.m.

  
 \_\_\_\_\_  
 TOMMYE CRIBBINS, CITY CLERK

The foregoing minutes are hereby approved this 3rd day of August,  
2010.



---

CAROL HERRERA, MAYOR

## Grace Lee

---

**From:** Ling-Ling Chang (Off-Site)  
**Sent:** Friday, July 16, 2010 3:21 PM  
**To:** James DeStefano; David Doyle; Greg Gubman  
**Subject:** Fw: Site D Specific Plan

-----Original Message-----

**From:** Ron Clark <rclark@ci.la-verne.ca.us>  
**Date:** Fri, 16 Jul 2010 15:18:27  
**To:** <jack.tanaka@ci.diamond-bar.ca.us>; Steve Tye<Steve.Tye@ci.diamond-bar.ca.us>;  
<ron.everett@ci.diamond-bar.ca.us>; <ling.ling-chang@ci.diamond-bar.ca.us>;  
<carol.herrera@ci.diamond-bar.ca.us>; <cityclerk@ci.diamond-bar.ca.us>;  
<citymanager@ci.diamond-bar.ca.us>  
**Subject:** Site D Specific Plan

Honorable Mayor and Council Members,

My wife and I have lived at 20940 Ambushers St, adjacent to Site D, since 1984. A number of us in the area are not against development of Site D, however we do want something that would add to our community not detract.

Many people are asking for a park, but they forget about the high costs to develop and maintain and then there are the - lights, soccer games, big parties, a hangout for individuals not living in the community, lots of cars and traffic if it is an "Active Park".

Do we really need 200 more homes in Diamond Bar? The word spreading around my tract is that the proposal is for low income housing. Is this true? How about senior housing town houses/condos that would result in far less traffic problems and create ownership of property instead of rental units.

We understand that a commercial component is proposed at the South end.

Do we need another strip mall that may only end up having a dry cleaner, nail salon, learning center, coffee house and other similar companies that will not generate any significant sales taxes or resources that can help fund the City's operating budget. Certainly big name restaurants like - Mimi's, El Torito, Outback, Black Angus, P.F. Changs, Applebees, Red Robin coupled with volume electronic/appliance stores would help the City's sales tax base, but are these companies realistically going to come into Diamond Bar?

The proposed main traffic entrance across from Cherry Dale may result in a nightmare for the residents trying to get into their homes along Diamond Bar Blvd. Possibly, all traffic should instead be coming from the South end of the parcel.

In closing, the desire for the Walnut Valley School District to achieve maximum land sales potential to a developer needs to be viewed with a clear eye as to what is best for our community on a long term basis. The developer comes in, builds, and then leaves us with the potential for problems that will last for decades.

Yours truly,

Janet & Ron Clark

## Grace Lee

---

**From:** Ling-Ling Chang (Off-Site)  
**Sent:** Sunday, July 18, 2010 4:02 PM  
**To:** James DeStefano; Greg Gubman; David Doyle  
**Subject:** Fw: NO ON SITE D DEVELOPMENT!!!!

---

**From:** "Paul Wong" <pwwong@roadrunner.com>  
**Date:** Sun, 18 Jul 2010 15:50:49 -0700  
**To:** <lingsquared@gmail.com>; <carol.herrera@ci.diamond-bar.ca.us>; <steve.tye@ci.diamond-bar.ca.us>; <ling.ling-chang@ci.diamond-bar.ca.us>; <ron.everett@ci.diamond-bar.ca.us>; <jack.tanaka@ci.diamond-bar.ca.us>  
**Cc:** <nlyons@walnutvalley.k12.ca.us>; <cruiz@walnutvalley.k12.ca.us>; <celfelt@walnutvalley.k12.ca.us>; <lredinger@walnutvalley.k12.ca.us>; <hhall@walnutvalley.k12.ca.us>  
**Subject:** NO ON SITE D DEVELOPMENT!!!!

Dear Council Member:

I am writing to urge your "NO" vote on the Site D specific plan.

I've been a South Diamond Bar resident since January 1980. I'd told my relatives and friends how much I enjoy living here and I still do. I have seen Diamond Bar transformed from a quiet country type living unincorporated area into a congested city. The 57 and 60 Freeways were wide opened back then. They have become parking lots and accidents are being reported almost every day during rush hours. How much more development is enough? Diamond Bar is still fine as is. It doesn't need anymore changes. Look what changes in Washington are doing to our country! Please don't ruin the city and our ways of life here.

I am a Diamond Bar resident who appreciates the natural beauty of Diamond Bar. Site "D" represents the last undeveloped piece of land in our city, and simply cannot be approved for sale to developers without a great deal of discussion and citizen input.

When this matter has been discussed in various public forums, the overwhelming majority of residents believe that Site D should be zoned for some kind of public use. May I remind you that a School Board committee found that 62.5 percent of residents surveyed said Site D should be saved for some kind of public use like a park. It should not be rezoned for commercial and high-density residential and all the traffic and environmental issues that such zoning entails.

Diamond Bar is a city of country living. It's also a place where smart people can have an open, intelligent conversation about the future of a very unique piece of land. Please say NO to the rushed campaign of bulldozers, developers, and traffic congestion. Vote "NO" and send this plan back to the City Planning Commission for further review and citizen input.

Sincerely,

Paul and Irene Wong

CONFIDENTIALITY NOTICE:

Grace Lee

---

**From:** Greg Gubman  
**Sent:** Tuesday, July 20, 2010 7:34 AM  
**To:** Grace Lee; Mark Rogers; JoAnne Sturges; lkosmont@kosmont.com; Peter Lewandowski; Michael Jenkins  
**Subject:** FW: Site D Specific Plan and EIR

Greg Gubman  
(909) 839-7065

---

**From:** Ling-Ling Chang [mailto:lingsquared@gmail.com]  
**Sent:** Monday, July 19, 2010 8:00 PM  
**To:** James DeStefano; Greg Gubman  
**Subject:** Fw: Site D Specific Plan and EIR

---

**From:** Christopher Chung - Roadrunner <cchung1263@roadrunner.com>  
**Date:** Mon, 19 Jul 2010 19:58:50 -0700  
**To:** <carol.herrera@ci.diamond-bar.ca.us>; <steve.tye@ci.diamond-bar.ca.us>; <ling.ling-chang@ci.diamond-bar.ca.us>; <ron.everett@ci.diamond-bar.ca.us>; <jack.tanaka@ci.diamond-bar.ca.us>  
**Subject:** Site D Specific Plan and EIR

Madam Mayor and Members of the City Council:

I am writing you to again urge you to listen to your community and to not approve the Specific Plan and EIR for Site D. Please put aside your own interests and the interests of a small number of people, and represent the interest of the majority people who elected you into office.

By now, you must be aware that there is an organized effort to oppose Site D. The residents who are opposed and organized are not radical, uneducated individuals, but highly educated and intelligent professionals who are vested in OUR community and are committed to make future changes if necessary. You have unfortunately lost touch with your community which is evident by the growing number of residents who have voiced concern, chagrin, disappointment and anger towards the City Council. Many residents are saying the same thing, that the City (Council) doesn't care about its residents and will do whatever they want. It's not too late to change that perspective.

Although you may be under the misconception that upon approval of the Specific Plan and EIR that this issue would go away and be put to rest, that would be furthest from truth. The decision to move forward would be one of the biggest mistakes you can make in your political career as you being a councilmember would forever be defending your actions either in court or future elections. This issue will not be forgotten by the residents if approved by the City. As more residents learn of the City Council's desires, the more residents that are upset with the City Council. We are also talking about residents north of Grand Avenue, which we too were surprised about. You don't have to believe me as sooner or later, you will find out for yourself.

The City of Diamond Bar needs to stop ignoring concerns and comments of Diamond Bar residents. The City also needs to understand that defending your actions and a questionable documents would be a waste of time and taxpayer dollars. It will be an easy argument for the residents to fight this and the results would ultimately lead to the same result that the City would have to start over again, but would have less money to do so.

The facts are as follows:

1. The City's General Plan is outdated and internally inconsistent. The General Plan itself identifies deficiencies in open space and recreation park land;
2. The proposed Specific Plan cannot be consistent with the General Plan as the General Plan itself is inconsistent;
3. The proposed Specific Plan cannot be consistent with the General Plan as it is eliminating open space in which the General Plan itself identifies deficiencies of open space;
4. The Traffic Study is outdated, incomplete, incorrect and flawed. It does not take into consideration new known information of current adjacent developments, traffic generated from the total number of potential housing units of 253 units, and does not include nearby key intersections. The traffic report also does not reflect a true picture of actual and projected traffic impacts;
5. As the Traffic Report is flawed, the EIR is also flawed;
6. The City needs to update the General Plan before it can consider any Specific Plan on Site D;
7. Residents are opposed to the current plan.

Ask yourself if any of the above arguments can be successfully made (except for 7). If the answer is yes to just one of the above arguments, you would lose in court and have to pay for all legal expenses, not to mention future elections.

Forcing the residents to fight this and dividing our community, is not in the best interest of the welfare of the community and your future being a Councilmember. I respectfully urge you to consider the above.

Sincerely,

Chris Chung

---

Confidential Communications

The information contained in this e-mail message is intended only for the use of the individual or individuals named above. If the person actually receiving this message or any other reader of the message is not the named recipient or the employee or agent responsible to deliver it to the named recipient, any use, dissemination, distribution, or copying of the communication is strictly prohibited. If you have received this communication in error, please immediately destroy AND notify us by telephone at 909.839.7058.

Grace Lee

---

**From:** Greg Gubman  
**Sent:** Tuesday, July 20, 2010 7:35 AM  
**To:** Grace Lee; Michael Jenkins; Mark Rogers; JoAnne Sturges; Peter Lewandowski; lkosmont@kosmont.com  
**Subject:** FW: Site D Housing

Greg Gubman  
(909) 839-7065

---

**From:** Ling-Ling Chang [mailto:lingsquared@gmail.com]  
**Sent:** Monday, July 19, 2010 8:01 PM  
**To:** James DeStefano; Greg Gubman  
**Subject:** Fw: Site D Housing

---

**From:** Christopher Chung - Roadrunner <cchung1263@roadrunner.com>  
**Date:** Mon, 19 Jul 2010 19:58:49 -0700  
**To:** <steve.tye@ci.diamond-bar.ca.us>  
**Cc:** <carol.herrera@ci.diamond-bar.ca.us>; <ling.ling-chang@ci.diamond-bar.ca.us>; <ron.everett@ci.diamond-bar.ca.us>; <jack.tanaka@ci.diamond-bar.ca.us>  
**Subject:** Site D Housing

Councilmember Tye:

I hope by now you have had the opportunity to review the Specific Plan and EIR. I also hope that you have been able to verify that in fact, the Specific Plan and EIR does allow a density bonus of 25% if the housing is developed for affordable housing. Furthermore, it states that the development of apartments are allowed and that the number of units can exceed what is allowed under the Specific Plan.

Below is the actual language provided for in Page 2-12 of the EIR  
(<http://www.cityofdiamondbar.com/Modules/ShowDocument.aspx?documentid=7035>).

As a result, it is a true statement that the City of Diamond Bar is considering to allow up to 253 units of affordable housing units which could be apartments. If not, the Specific Plan and EIR should eliminate such language and should restrict the development of housing to be owner-occupied only. Wouldn't you agree?

You made the statement that we should be genuine in our statements. I agree and I am being genuine, but I hope that the City and Councilmembers are also genuine as well.

*Chris Chung*

Excerpts from Page 2-12:

The specific plan does not preclude the development of any of a variety of housing product types, such as single-family attached, single-family detached, and multi-family attached units, condominiums, townhomes, and apartments.

Similarly, the specific plan neither precludes the development of age-restricted (senior) housing nor prohibits the incorporation of affordable housing<sup>10</sup> into the proposed residential development. The affordable housing incentive and density bonus provisions provided in Chapter 22.18 (Affordable Housing Incentive/Density Bonus Provisions) of the Municipal Code continue to apply to the proposed project.

<sup>10/</sup> Sections 65915 through 65918 of the CGC requires local governments to grant a density bonus of at least 25 percent or provide other incentives of equal value to a developer in exchange for an agreement that the extra units in excess of existing zoning be affordable. As authorized therein, when a developer of housing agrees or proposes to construct at least 20 percent of the total units for "lower income" households (as defined in Section 50079.5 of the Health and Safety Code [H&SC]), 10 percent of the total units for "very low income" households (as defined in Section 50105 of the H&SC), or 50 percent of the total dwelling units for "qualifying residents" (as defined in Section 51.3 of the Civil Code), a city and/or county shall either grant a density bonus and at least one additional concession or incentive unless the city and/or county makes a written finding that the additional concession or incentive is not required in order to provide for affordable housing costs (as defined in Section 50052.5 of the H&SC) or for rents for the targeted units to be set as specified or provide other incentives of equivalent value based upon the land cost per unit. In exchange, the developer shall agree to and the city and/or county shall ensure continued affordability of all lower income density bonus units for 30 years or a longer period if required by the construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program. Those units targeted for lower income households shall be affordable at a rent that does not exceed 30 percent of 60 percent of area median income. Those units targeted for very low-income households shall be affordable at a rent that does not exceed 30 percent of 50 percent of the area's median income. If a city and/or county does not grant at least one additional concession or incentive, the developer shall agree to and the city and/or county shall ensure continued affordability for 10 years of all lower income housing units receiving a density bonus.

Since these provisions are applicable to all properties within the City, should subsequent developers of master builders elect to avail themselves of these provisions, the actual number of dwelling units that could be constructed on the project site could exceed the number of units indicated in the specific plan.

---

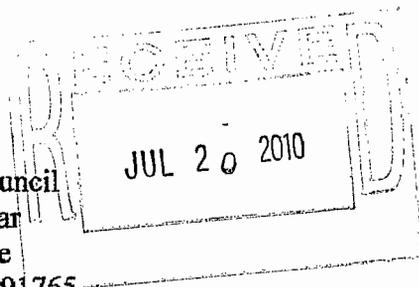
#### Confidential Communications

The information contained in this e-mail message is intended only for the use of the individual or individuals named above. If the person actually receiving this message or any other reader of the message is not the named recipient or the employee or agent responsible to deliver it to the named recipient, any use, dissemination, distribution, or copying of the communication is strictly prohibited. If you have received this communication in error, please immediately destroy AND notify us by telephone at 909.839.7058.

July 20, 2010

Mary E. Rodriguez  
3419 Pasado Drive  
Diamond Bar, Ca 91765

Mayor and City Council  
City of Diamond Bar  
21825 Copley Drive  
Diamond Bar, CA 91765



**SUBJECT: OPPOSITION TO SITE D SPECIFIC PLAN AND EIR**

Honorable Mayor and City Councilmembers:

This letter is to voice my opposition to the Site D Specific Plan and EIR. The preparation of the Specific Plan was completed without community input and the residents should have a voice regarding the vision of the City. Master planning of the community is for the community and by the community. Much of the public facility improvements conducted to date have been along the north of Grand Avenue. The southern part of Diamond Bar does not have a quality park. Site D is a perfect space for a community park which will be enjoyed and treasured by all residents of Diamond Bar. The proposed project is not what the residents of Diamond Bar need or want.

For the benefit of the City Council person who implied, during the City Council meeting on June 15, 2010, that the residents of Diamond Bar that live on the north end don't really care what happens at the southern end of Diamond Bar, let me say that you are wrong about your assumption. Your assumption is indicative of your personal feelings about the residents who live in the southern end of the City. This is most unfortunate for all the folks that live on the southern end of town that may have voted for you. When its election term for you I'm sure we are all one **Diamond Bar** then.

A City Council person has stated in public that.... "It **will** be developed". This statement appears to relay that a decision has already been made to proceed with the plan without public input. Is there a chance that this City Council person would be open to different information, visions, and requests from constituents that want an alternative plan for Site D?

Isn't there an appearance of conflict of interest if a City Council person also serves on a Commission of the Walnut Unified School District?

In these two instances mentioned above shouldn't these council members recuse themselves when the issue of Site D is raised?

The Specific Plan is a poorly conceived plan that proposes high-density housing in a single-family residential area. Commercial retail and office development is also not needed as the City already has an abundance of vacant buildings. If developed, the project will create negative

impact to our community, which includes increased traffic, noise, crime, and lower air quality. Most importantly, the negative impact of the project will lower property values. Is it your opinion that this project will not lower our property values? Will you, your staff, the school district's board of trustees, the district's superintendent, and consultants, make up the dollar difference in the value to my property if you go forward with the project and my property value goes down? These are real concerns for my neighbors and myself. How close are your homes to the project? Will the council member's home environment be disturbed by the proximity of this project?

It has been stated and shown that this project would have an emergency exit at Pasado Drive, and also a walking entrance to the retail/commercial portion of the project. By having these portals through Pasado Drive you are inviting an unknown element to my front door, and to the front doors of my neighbors on Castle Rock Road, Crooked Creek Drive, Ambushers Street, and Golden Springs Lane. Have you considered that this is opening a Pandora's Box to crime in our neighborhood? Mr. Rogers and Mr. Gubman have a very simplistic way of describing how this walking entrance could be used by the neighborhood residents. It is probably true that occasionally residents would walk in through that "walk-in entrance". Isn't it a more realistic scenario, that since there will not be ample parking at the new apartments/condos for the 600 to 800 residents of the project, that they will be parking on Pasado Drive, and on Ambushers Street? As it is now the street parking on these streets is quite heavy, making it difficult for two cars to fit on the street as they cross each other without one car having to "step aside" while the other car goes through.

The result of having many people coming and going from our streets to the proposed project and visa versa creates a dangerous situation. In a typical neighborhood, which is what we now have, people know one another or at least recognize one another. It is easy to spot if there is an unfamiliar car or person hanging around. A walk-in entrance at Pasado Drive puts us in unnecessary danger. Do you think that you would feel safe living in a neighborhood where hundreds of strangers are parking on your street's and walking by your house, checking it all out as they walk in and out of an area with hundreds of apartments/condos and shops? We won't know whether they are going in there because they have legitimate business in there or if they are casing your house or your neighbor's house, or a car parked in the driveway. Isn't it part of your duty and responsibility as city council to make our city and neighborhoods a safe place to live? When crime starts to rise in this area, is it possible that it could be considered negligent on your part by having created a dangerous and unsafe place?

I recall that at one of the Planning Commission Meetings it was discussed that a massive amount of dirt is expected to be removed from Site D to bring it to the street level of Diamond Bar Blvd. What were the exact mentioned tons, or however the earth removal is measured, of dirt did they say it would take to destroy the hills, and trees, and wetland, and animals, and plant life of Site D? I'd like to know because grading can lead to landslides, and there will be a lot of dust and mud on my street and on my property, also there is the possibility of earthshaking by the huge machinery used to pound Site D out of existence. There may be broken windows or who knows what kind of damage could be caused by such a project. Will the City, or the School District, or the Developer, or all three be responsible for the damages incurred on my property?

Council members have commented that they can't tell a property owner what to do with his/her property. You have said that a property owner has the right to sell his/her property or whatever they want with their property. Isn't the city always telling property owners what they can or cannot build on the owners' property? Is the city, and the school district forgetting that Site D is "public property"? It was originally going to be the site of a **public school**. The property belongs to the people whose tax dollars made that original purchase. However, the school district then sells .093 of an acre for \$950,000.00 to the city which in turn has purchased it with money collected from the same people that have already paid for this land. Does this sound like the residents of Diamond Bar have paid twice for Site D? Is the city not telling the rightful owners of Site D, the residents of Diamond Bar, what they can and cannot do with their property? Since Site D is public property how is the city council going to make sure that the public has sufficient input into its future uses even if that differs from the preferences of the city council and the school board?

It has been suggested to me and I'll pass this on to you. The city council should wait until the US Census results are available in January 2011. The Census should show that families in the cities of Alhambra, San Gabriel, Temple City, and Monterey Park, will continue to seek out less congested communities and look eastward to Diamond Bar. Can the city council envision Valley Blvd. between Rosemead and Fremont? Does this represent Diamond Bar Blvd. or Golden Springs in a few years?

My personal experience in soliciting signatures against developing Site D has been that people from all of Diamond Bar, north and south, are consistently against your proposed project. Your constituents are asking me, "Why don't they leave it alone"? So, City Council of Diamond Bar, here is your chance to tell them. Your people want to know why, if you can spend their money to buy a New City Hall for yourselves, why can't you spend their money buy something for them, something they want.

The City did not give **NOTICE** to all the residents that will be impacted by this project, that is, all the residents of Diamond Bar. Every one of us travels up and down Diamond Bar Blvd every day. And every day we know, as we sit there in all that traffic that the one thing we do not need in our City is more traffic congestion. For your consultants to sit there and tell us "no significant impact" is insulting. Does the City Council actually believe that there will not be a drastic negative impact on all residents of Diamond Bar as a result of the project going forward? The City did not notify all of the residents that would be impacted by this project. As Diamond Bar Boulevard is a main thoroughfare used to bypass traffic along the 57 Freeway, all residents in the City will be impacted by this development.

I urge you to represent the residents of Diamond Bar and not approve the Site D Specific Plan and EIR.

I have asked several questions in this letter to the Diamond Bar City Council.  
I expect that I will receive answers, in writing, to all the questions that I pose in my letter.

Sincerely,

Mary E. Rodriguez

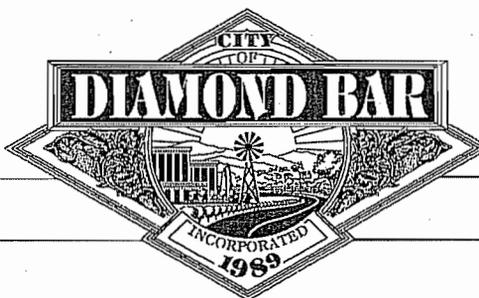
NAME

MARY E. Rodriguez

ADDRESS

3419 PASADO DRIVE

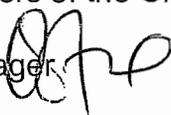
Diamond Bar, Ca 91765



CITY COUNCIL

AGENDA REPORT

**TO:** Honorable Mayor and Members of the City Council

**VIA:** James DeStefano, City Manager 

**TITLE:** General Plan Amendment No. 2007-03, Zone Change No. 2007-04, Specific Plan No. 2007-01 ("Site D Specific Plan"), Tentative Tract Map No. 70687, and Environmental Impact Report 2007-02 (SCH No. 2008021014).

**PROJECT**

**APPLICANT:** Walnut Valley Unified School District and City of Diamond Bar

**LEAD AGENCY:** City of Diamond Bar, Community Development Department

**PROJECT LOCATION:** Site D is comprised of approximately 30.36 acres located at the southeast corner of Brea Canyon Road and Diamond Bar Boulevard (Los Angeles County Assessor's Parcel Numbers 8714-002-900, 8714-002-901, 8714-002-902, 8714-002-903 and 8714-015-001).

**SUMMARY:**

On July 20, 2010, the City Council continued the public hearing for the Site D Specific Plan to the October 19, 2010 meeting at the request of the Walnut Valley Unified School District to allow for additional time to obtain input and feedback from the community.

The District hired RJM Design Group, a firm specializing in public facilitation, to lead the community outreach effort. A half-day community workshop has been scheduled to take place on Saturday, October 16, 2010 from 8:30 a.m. to 12:30 p.m. The purpose of the workshop is to solicit public input, identify underlying concerns and site issues, and build consensus. Staff will provide a brief verbal recap of the workshop at the City Council meeting.

A detailed report on the community input from the workshop is scheduled to be presented at a special meeting of the Walnut Valley Unified School District Board meeting on November 9, 2010. The report, along with recommended changes (if any) to the Site D Specific Plan is tentatively scheduled for the November 16, 2010 City Council meeting.

**NOTICE OF PUBLIC HEARING:**

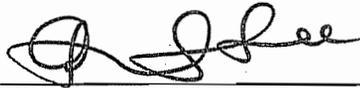
The project was continued to this date at the July 20, 2010 meeting. Although not legally required to renotice, on October 8, 2010, staff mailed a notice to all property owners within 1,000 feet of this property, including all speakers who testified at previous meetings.

The June 15 and July 20, 2010 City Council staff report, attachments to the report, draft Specific Plan and Environmental Impact Report were also posted on the City's website, and hardcopies are available for review at City Hall and the Diamond Bar Branch of the Los Angeles County Library.

**RECOMMENDATION FOR THE OCTOBER 19, 2010 MEETING:**

Take public testimony, and continue the matter to November 16, 2010.

Prepared by:



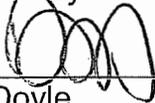
Grace S. Lee  
Senior Planner

Reviewed by:



Greg Gubman, AICP  
Community Development Director

Reviewed by:



David Doyle  
Assistant City Manager

## Grace Lee

---

**From:** Bertha Pimentel [bpimentel@walnutvalley.k12.ca.us]  
**Sent:** Tuesday, October 19, 2010 3:38 PM  
**To:** James DeStefano; Greg.Grubman@ci.diamond-bar.ca.us; Grace Lee  
**Cc:** cmccully@walnutvalley.k12.ca.us; 'Nancy Lyons'; 'Mark Rogers'; 'JoAnne Sturges'  
**Subject:** City Council Meeting - Site D Item

Greetings:

The Walnut Valley Unified School District respectfully requests a continuance of the Site D Specific Plan from tonight's City Council Meeting to November 16, 2010. The District needs "follow-up" time regarding input received at our Community Outreach held on Saturday, October 16.

Thank you.

Charles McCully  
Interim Superintendent

---

Bertha Pimentel  
Administrative Assistant to the Superintendent  
Walnut Valley Unified School District  
909/444-3422

**MINUTES OF THE CITY COUNCIL  
REGULAR MEETING OF THE CITY OF DIAMOND BAR  
OCTOBER 19, 2010**

**CALL TO ORDER:** Mayor Herrera called the Regular City Council meeting to order at 6:32 p.m. in The Government Center/SCAQMD Auditorium, 21865 Copley Drive, Diamond Bar, CA.

**CLOSED SESSION:** 5:15 p.m., Room CC-8

Public Comments on Closed Session Agenda

▶ Government Code Section 54956.8

Property Address: 21825 Copley Drive  
Diamond Bar, California

Agency Negotiator: City Manager

Negotiating Party: AQMD/Government Center  
21865 Copley Drive  
Diamond Bar, CA 91765

Under Negotiation: Price, Terms and Payment

▶ Government Code Section 54957

Public Employee City Manager Performance Evaluation

**STUDY SESSION:** 5:47 p.m., Room CC-8

▶ Lemon Avenue Update – Discussion and Action

M/Herrera asked for CM/DeStefano to report on the Closed and Study Session this evening.

CM/DeStefano reported that during tonight's Closed Session two items were considered by Council: 1) Performance evaluation of the City Manager and 2) Discussion of terms related to the use of the AQMD Auditorium. There were no reportable action taken and no public comments were offered.

CM/DeStefano stated that tonight's Study Session included a Lemon Avenue project update. The City has been working with Caltrans toward the development of on and off ramps at Lemon Avenue for the past few years. There have been previous updates as well as, this evening's report provided to the Council regarding the status of that project. There were no decisions made by the Council and no action was taken.

**PLEDGE OF ALLEGIANCE:** Mayor Herrera led the Pledge of Allegiance.

**INVOCATION:** Pastor Jeanne Farreau-Sorvillo, United Church of Christ, gave the invocation.

**ROLL CALL:** Council Members Ling-Ling Chang, Ron Everett, Jack Tanaka, Mayor Pro Tem Steve Tye and Mayor Carol Herrera.

**Staff Present:** James DeStefano, City Manager; David Doyle, Assistant City Manager; Michael Jenkins, City Attorney; Ken Desforges, IS Director; David Liu, Public Works Director; Bob Rose, Community Services Director; Linda Magnuson, Finance Director; Greg Gubman, Community Development Director; Ryan McLean, Assistant to the City Manager; Grace Lee, Senior Planner; Rick Yee, Senior Civil Engineer; Kimberly Molina, Associate Engineer; Raymond Tau, Building Official; Patrick Gallegos, Management Analyst; Christian Malpica-Perez, Associate Engineer; Anthony Santos, Management Analyst; Marsha Roa, IS Director; and Tommye Cribbins, City Clerk.

**APPROVAL OF AGENDA:** As Presented.

**1. SPECIAL PRESENTATIONS, CERTIFICATES, PROCLAMATIONS:**

- 1.1 MPT/Tye proclaimed October 24, 2010 as "World Polio Day" and presented the Proclamation to President Cyndy Simms and Representatives on behalf of the Rotary Club of Walnut Valley.
- 1.2 M/Herrera proclaimed October 17 through 23, 2010 as Los Angeles County Sheriff's Department "Eyes on the Road" week.

**BUSINESS OF THE MONTH:**

- 1.3 C/Chang presented a City Tile to owner, Mr. Gibani, owner of Aljibani Halal Market, 23385 Golden Springs Drive, as Business of the Month for October 2010.

**2. CITY MANAGER REPORTS AND RECOMMENDATIONS:** None

**3. PUBLIC COMMENTS:** None

**4. RESPONSE TO PUBLIC COMMENTS:** None

**5. SCHEDULE OF FUTURE EVENTS:**

- 5.1 Planning Commission Meeting – October 26, 2010 – 7:00 p.m., AQMD/Government Center Auditorium, 21865 Copley Drive.

- 5.2 Parks and Recreation Commission Meeting – October 28, 2010 – 7:00 p.m., AQMD/Government Hearing Board Room, 21865 Copley Drive.
- 5.3 Hall of Horrors – October 30 and 31, 2010 – 6:00 p.m. to 9:00 p.m., Heritage Park, 2900 S. Brea Canyon Road.
- 5.4 Fall Fun Festival – October 31, 2010 – 4:30 p.m. to 8:00 p.m. - Heritage Park, 2900 S. Brea Canyon Road
- 5.5 Election Day – November 2, 2010 – Polls open 7:00 a.m. to 8:00 p.m.
- 5.6 City Council Meeting – November 2, 2010 – 6:30 p.m., AQMD/Government Center Auditorium, 21865 Copley Drive.
- 5.7 Eco Expo – November 6, 2010 – 10:00 a.m. to 2:00 p.m. – Pantera Park, 738 Pantera Drive.

6. **CONSENT CALENDAR:** MPT/Tye moved, C/Tanaka seconded, to approve the Consent Calendar as presented. Motion carried by the following Roll Call:

AYES: COUNCIL MEMBERS: Chang, Everett, Tanaka, MPT/Tye, M/Herrera  
NOES: COUNCIL MEMBERS: None  
ABSENT: COUNCIL MEMBERS: None

- 6.1. CITY COUNCIL MINUTES - REGULAR MEETING OF OCTOBER 5, 2010 – Approved as submitted.
- 6.2 PLANNING COMMISSION MINUTES:
  - 6.2.1 Regular Meeting of July 27, 2010 - Received and filed.
  - 6.2.2 Regular Meeting of August 10, 2010 – Received and filed.
  - 6.2.3 Study Session of August 24, 2010 – Received and filed.
- 6.3 RATIFIED CHECK REGISTER DATED SEPTEMBER 30, 2010 THROUGH OCTOBER 13, 2010 TOTALING \$1,326,110.36.
- 6.4 APPROVED NOTICE OF COMPLETION FOR THE DIAMOND BAR BOULEVARD RAISED MEDIAN MODIFICATION PROJECT.
- 6.5 APPROVED CONTRACT WITH RKA CONSULTING GROUP TO PROVIDE BUILDING AND SAFETY SERVICES THROUGH JUNE 30, 2011 AT A COST NOT TO EXCEED \$210,000.

- 6.6 ADOPTED RESOLUTION NO. 2010-36: CORRECTING A CLERICAL ERROR IN RESOLUTION NO. 2010-33 BY MEMORIALIZING THE SUBSTITUTION OF CORRECTED PAGES AS AN ATTACHMENT TO SAID RESOLUTION.
- 6.7 APPROVED \$2,720 APPROPRIATION OF PARK DEVELOPMENT FUNDS FOR SYCAMORE CANYON PARK TRAIL PHASE III PROJECT.

**Due to the time, Council Consideration was brought forward.**

**8. COUNCIL CONSIDERATION:**

- 8.1 APPROVE FIRST READING - ORDINANCE NO. 04(2010): AMENDING IN ITS ENTIRETY CHAPTER 8. OF TITLE 8 OF THE DIAMOND BAR MUNICIPAL CODE REGULATING SOLID WASTE AND RECYCLABLE MATERIAL COLLECTION AND AMENDING THE DIAMOND BAR MUNICIPAL CODE.

PWD/Liu presented staff's report on seven major divisions and key features of the Ordinance which will enable the City to effectively enforce standards and requirements under the franchise agreement as well as, addressing modern solid waste issues such as collection of electronic waste, composting, recycling, construction and demolition materials.

PWD/Liu elaborated on each of the major divisions - (1) Purpose of regulating collection and disposal of solid waste, and purpose of regulating recycling activities; 2) Franchise provision; 3) Solid waste collection; 4) Limited collection permits; 5) Solid waste activities and exclusions; 6) Construction and demolition permits; and, 7) Enforcement authority and legal remedies. The State mandates that it is the city's responsibility to ensure the proper disposal and recycling of refuse and hazardous waste in the community. Staff believes the new ordinance would not only reflect the City's new residential and commercial franchise agreement, it would also more effectively regulate the other aspects of the solid waste system. This new ordinance brings the collection and disposal of solid waste activities into the mainstream and represents a significant milestone toward increasing the diversion rates in the future.

There was no one present who wished to speak on this matter.

C/Tanaka moved, C/Everett seconded, to approve for First Reading by Title Only, Waive Full Reading of Ordinance 04(2010) and set the date for Second Reading for November 2, 2010. Motion carried by the following Roll Call vote:

AYES: COUNCIL MEMBERS: Chang, Everett, Tanaka,  
MPT/Tye, M/Herrera  
NOES: COUNCIL MEMBERS: None  
ABSENT: COUNCIL MEMBERS: None

7. **CONTINUED PUBLIC HEARINGS:** 7:07 p.m.

7.1 CONTINUED PUBLIC HEARING – A PUBLIC HEARING TO CONSIDER VARIOUS ACTIONS PERTAINING TO SITE D (A SITE COMPRISED OF APPROXIMATELY 30.36 ACRES LOCATED AT THE SOUTHEAST CORNER OF BREA CANYON ROAD AND DIAMOND BAR BOULEVARD, DIAMOND BAR, CA (ASSESSORS PARCEL NUMBERS 8714-002-900, 8714-002-901, 8714-002-902, 8714-002-903 AND 8714-015-001) INCLUDING GENERAL PLAN AMENDMENT NO. 2007-03, ZONE CHANGE NO. 2007-04, SPECIFIC PLAN NO. 2007-01 ("SITE D SPECIFIC PLAN"), TENTATIVE TRACT MAP NO. 70687, AND CONSIDERATION OF CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT 2007-02 (SCH NO. 2008021014). (Continued from the July 20, 2010 City Council Meeting).

CDD/Gubman updated the City Council on the progress of this project including the School District's workshop held on October 16 which was intended to guide the participants through a series of exercises intended to identify and discuss concerns and then present their own ideas and solutions for developing Site D. Bob Meuting, consultant and workshop coordinator, is compiling the community input and preparing a detailed report on the community outreach effort. The report is scheduled to be presented to the School Board at a special meeting on November 9, 2010. It is expected that following this special meeting, the School District will make a formal request to the City Council regarding the framework under which the Site D planning process should proceed. The School District has asked that the City continue this matter to November 16 and staff concurs with the recommendation to continue the matter to November 16, 2010. Since the Public Hearing is still open, it is appropriate to take additional public comments this evening before making its decision to continue this matter.

M/Herrera re-opened the Public Hearing at 7:11 p.m.

Nancy Lyons, WVUSD Board President, stated that the community outreach was held at Castle Rock Elementary School on October 16 and was scheduled for 8:30 a.m. to 12:30 p.m. However, due to the amount of input by residents, the meeting lasted until about 2:00 p.m. About 80 individuals attended the workshop and 67

offered feedback regarding a variety of issues about Site D. The session began with an overview of Site D and a history of the property after which, those who were able to do so, toured the site. Following the tour, the participants broke into groups of seven to eight individuals. Each group answered a series of questions which were tabulated with a spokesperson from each group presenting answers to their questions. At the end of the exercise, participants' questions were answered to the best of the facilitator's ability. WVUSD believes that the community overview and workshop went very well with much information being shared. The facilitator is compiling all of the information that was received from the workbooks, poster pages and questions for a follow up meeting during which the facilitator will provide a summary of the information to the School Board and participants. As a result, the School Board is requesting a continuance of the Site D Specific Plan to November 16, 2010.

Mary Rodriguez felt it was important to get an official and independent outside biological assessment for Site D and read a letter written by John Harbough to C/Chang.

With no further testimony offered, M/Herrera continued the public hearing. MPT/Tye moved, C/Chang seconded, to continue the Site D Specific Plan Public Hearing to November 16, 2010. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Chang, Everett, Tanaka, MPT/Tye, M/Herrera
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

9. **COUNCIL SUBCOMMITTEE REPORTS/COUNCIL MEMBER COMMENTS:**

C/Tanaka spoke about the recent WCCA meeting he attended; the Site D outreach meeting, and the Haunted House meeting. He also thanked the Boy Scouts in attendance at tonight's meeting as well as other students attending as part of the Civics classes.

C/Everett spoke about the October 5 Pomona Unified Trustee Board meeting and the annual CALA meeting.

C/Chang thanked Site D outreach workshop participants. She reported on the LA County Division League of California Cities general meeting and about a story she heard on ESPN about a D.B.H.S. graduate, Alex Morgan who was deemed a heroine for the US Women's National Soccer team on October 6. Ms. Morgan scored the lone goal for the US in a 1-1

tie with China and the match against China was a final exhibition for the US before entering the Women's World Cup qualifying tournament being held October 28 in Mexico. She asked that the Council recognize Ms. Morgan at a future Council meeting.

MPT/Tye felt the Site D outreach workshop was very productive and while lengthy there was a lot of good give and take. He hoped that individuals would take the time to go to the WVUSD meeting on November 9 and address any further concerns to the School Board. He asked M/Herrera to adjourn tonight's meeting in memory of Don Chamberlain who lost his battle with Cancer on Sunday. Don was 84, a WWII veteran and never complained during a very lengthy and trying physical time. The City extends its thoughts and prayers to his wife Betty and family.

M/Herrera missed the last City Council meeting while working on transportation issues, a major concern for the City. She thanked her colleagues for all of the work they do to improve D.B. She is the City's representative for Foothill Transit and Foothill Transit has the only total electrical buses that are now running between Pomona and LaVerne. Foothill Transit had those buses designed and built through ARRA funds and it is hoped that should more funds become available they can have more totally green buses constructed. Foothill Transit is proud to have a complete fleet of over 200 buses running on clean, natural gas.

**ADJOURNMENT:** With no further business to conduct, M/Herrera adjourned the Regular City Council meeting at 7:34 p.m. in memory of Don Chamberlain.



TOMMYE CRIBBINS, CITY CLERK

The foregoing minutes are hereby approved this 2nd day of November, 2010.



CAROL HERRERA, MAYOR



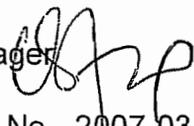
---

CITY COUNCIL

AGENDA REPORT

---

**TO:** Honorable Mayor and Members of the City Council

**VIA:** James DeStefano, City Manager 

**TITLE:** General Plan Amendment No. 2007-03, Zone Change No. 2007-04, Specific Plan No. 2007-01 ("Site D Specific Plan"), Tentative Tract Map No. 70687, and Environmental Impact Report 2007-02 (SCH No. 2008021014).

**PROJECT**

**APPLICANT:** Walnut Valley Unified School District and City of Diamond Bar

**LEAD AGENCY:** City of Diamond Bar, Community Development Department

**PROJECT LOCATION:** Site D is comprised of approximately 30.36 acres located at the southeast corner of Brea Canyon Road and Diamond Bar Boulevard (Los Angeles County Assessor's Parcel Numbers 8714-002-900, 8714-002-901, 8714-002-902, 8714-002-903 and 8714-015-001).

**SUMMARY:**

The City Council continued the Site D Specific Plan from the July 20, 2010 Council Meeting to the October 19, 2010 Council Meeting at the request of the Walnut Valley Unified School District to allow for additional time to obtain input and feedback from the community. On October 19, 2010, the City Council continued the public hearing to the November 16, 2010 meeting at the request of the School District to allow for additional time to conclude the community outreach efforts.

**ANALYSIS:**

The following tasks were completed since the July 20, 2010 City Council meeting:

## 1. Community Workshop:

A half-day community workshop was held on Saturday, October 16, 2010 from 8:30 a.m. to 1:30 p.m. Approximately 79 people were in attendance. The purpose of the workshop was to solicit public input, identify underlying concerns and site issues, investigate site constraints and opportunities, and build consensus. The workshop included the following series of interactive activities that provided design and programming input from the community:

- Site Awareness Tour: A 90-minute walking tour of the site was conducted to educate the participants on the existing features, constraints and opportunities of the site. Participants were provided with a workbook to record their observations of the physical environment at 12 stations situated along the walking path;
- Group Activities: After the site tour, participants were divided into seven working groups. Two topics/questions were presented regarding the site, land use, opportunities, program and priorities. Participants were asked to individually respond on forms and then discuss within their group. Each group listed the top five issues and concerns from the two topics asked and reported their summary to all groups. The top five issues and concerns from these topics are listed below:

***Topic 1) What do you believe are the most important issues related to the development of Site D?***

- ❖ Traffic
- ❖ Park Space
- ❖ Residential Density
- ❖ Fiscal
- ❖ Property Value

***Topic 2) What suggestions can you think of to improve the Site D Specific Plan?***

- ❖ Low Density Housing
  - ❖ Park
  - ❖ Do Over
  - ❖ Access/Traffic
  - ❖ Better Communication/Dissemination
- **Planning/Design Charrette:** Each group was then asked to develop a conceptual plan and design what they envision for the site on a topographic map, and presented their plan. Most groups had some consistent design elements for the site. The workshop facilitator prepared a summary chart which identified the top five suggested design elements for the site, listed below:

1. Low Density Homes;
2. Neighborhood/Community Park;
3. Trail;
4. Focal Point such as Windmill or Monument; and
5. Entry at Crooked Creek Drive

The workshop summary report is attached to this report as Attachment 1. A summary of the community input from the workshop was presented at the Walnut Valley Unified School District Board Special Meeting on November 9, 2010. The School Board will be making a recommendation regarding the land use of the site to the City Council at the School Board Meeting on November 17, 2010. The School Board's recommended changes (if any) to the Site D Specific Plan is tentatively scheduled for the December 7, 2010 City Council meeting.

2. **Market Feasibility Analysis:** In response to questions raised regarding the feasibility of commercial development on Site D, staff contracted with Keyser Marston Associates (KMA) to update a previous market opportunities analysis prepared in April 2008, which stated at the time that Site D was appropriate for a shopping center. The updated report is provided in Attachment 2.

The attached updated 2010 report specifically evaluated the potential for Site D to attract commercial development in light of current economic conditions and the 10-acre limit set forth in the current draft of the Site D Specific Plan. The updated report concludes that Site D indeed remains viable for retail commercial development, but it could take another five to seven-plus years before the financial market would be able to facilitate such development.

The 2010 analysis finds that the near- to mid-term market opportunities for this site are limited due to the following:

- Credit crisis which has limited the funds available for new development;
- High vacancy rates; and
- Relatively low rents in the City

However, the City is losing retail sales to nearby jurisdictions and there is demand for food stores and dining establishments. KMA concluded that the viability of a 65-150K square-foot neighborhood to community-sized commercial center which includes retail and/or office will be much greater in five to seven-plus years. The report stated that tenancies could include food stores, office supply and clothing chain stores, and restaurant pads. (A follow-up conversation with KMA to clarify that a 65 to 100K square-foot shopping center is more likely given the acreage constraints reduced the palette of potential commercial uses to a grocery store and other service and restaurant uses.)

**ITEMS FOR DISCUSSION:**

As stated, the School Board is scheduled to consider recommending changes to the Site D Specific Plan land use framework at its November 17, 2010 meeting, which will then be formally presented to the City Council on December 7, 2010. To aid the Council in addressing any recommendations brought forth, staff suggests that the proposed commercial component of the Specific Plan be explored further in light of both the community input received thus far, and the most recent market feasibility considerations.

The participants at the October 16, 2010 workshop provided comments both in favor of and opposed to commercial development on Site D, but the time and program constraints of the workshop did not allow the opportunity to delve into the details of what the residents would like or dislike about commercial uses at this site. Given that the updated market feasibility study indicates that Site D is a viable location for a neighborhood retail center in the long term (5 to 7+ years), staff would like direction from the City Council as to whether the potential benefits of retaining the proposed 10-acre commercial site in the Specific Plan should be studied further.

If the Council believes that the pros and cons of commercial development on Site D merits further study, staff believes that a second community workshop, hosted by the City, should be conducted to focus on this issue. If land use compatibility issues can be articulated in greater detail, then solutions through design, development and performance standards could be explored to address those issues.

Such a workshop need not focus entirely on commercial development. The workshop could also be used explore in greater detail community preferences for the residential component (size, cluster, density, look and feel), and seek more details about the public amenities that should be included (walking trails, park location and amenities).

**NOTICE OF PUBLIC HEARING:**

The project was continued to this date at the October 19, 2010 meeting. Although not legally required to renotice, on November 5, 2010, staff mailed a notice to all property owners within 1,000 feet of this property, including all speakers who testified at previous meetings.

The June 15 and July 20, 2010 City Council staff report, attachments to the report, draft Specific Plan and Environmental Impact Report were also posted on the City's website, and hardcopies are available for review at City Hall and the Diamond Bar Branch of the Los Angeles County Library.

**RECOMMENDATION FOR THE NOVEMBER 16, 2010 MEETING:**

1. Take public testimony;
2. Discuss the desirability of retaining a commercial component in the Specific Plan in of the current and long-term economic outlook; and
3. Continue the matter to December 7, 2010.

Prepared by:

---

Grace S. Lee  
Senior Planner

Reviewed by:



---

Greg Gubman, AICP  
Community Development Director

Reviewed by:

---

David Doyle  
Assistant City Manager

Attachments:

1. Site D Concept Plan Report Dated November 10, 2010
2. Site Market Analysis Prepared By Keyser Marston Associates Dated October 14, 2010

## Grace Lee

---

**From:** Bertha Pimentel [bpimentel@walnutvalley.k12.ca.us]  
**Sent:** Monday, November 15, 2010 9:20 AM  
**To:** James DeStefano; Greg Gubman; Grace Lee  
**Cc:** cmccully@walnutvalley.k12.ca.us; 'Nancy Lyons'; 'Jack LeBrun'; 'Douglas N. Yeoman'; 'Mark Rogers'  
**Subject:** City Council Meeting 11/16 - Site D Item

Greetings:

The Walnut Valley Unified School District Board of Trustees respectfully requests a continuance of the Site D Specific Plan from tomorrow night's City Council Meeting to December 7, 2010. Please contact Assistant Superintendent Mr. Jack LeBrun if you require further information.

Thank you.

Charles McCully  
Interim Superintendent

---

Bertha Pimentel  
Administrative Assistant to the Superintendent  
Walnut Valley Unified School District  
909/444-3422

**MINUTES OF THE CITY COUNCIL  
REGULAR MEETING OF THE CITY OF DIAMOND BAR  
NOVEMBER 16, 2010**

**CLOSED SESSION:** 5:15 p.m., Room CC-8

Public Comments on Closed Session Agenda

- ▶ Government Code Section 54957

Public Employee

City Manager Performance Evaluation

**STUDY SESSION:** None

**CALL TO ORDER:** Mayor Herrera called the Regular City Council meeting to order at 6:30 p.m. in The Government Center/SCAQMD Auditorium, 21865 Copley Dr., Diamond Bar, CA.

M/Herrera reported that during tonight's Closed Session, the Council gave the City Manager his evaluation. She stated that the Council is very pleased and proud to have Mr. DeStefano as the City Manager and thanked him for his continuing service to the City.

**PLEDGE OF ALLEGIANCE:** Mayor Herrera led the Pledge of Allegiance.

**INVOCATION:** Darlene Jones, Pastor Outreach, Diamond Canyon Christian Church, gave the invocation.

**ROLL CALL:** Council Members Ling-Ling Chang, Ron Everett, Jack Tanaka, Mayor Pro Tem Steve Tye and Mayor Carol Herrera.

Staff Present: James DeStefano, City Manager; David Doyle, Assistant City Manager; Michael Jenkins, City Attorney; Ken Desforges, IS Director; Rick Yee, Sr. Civil Engineer; Bob Rose, Community Services Director; Linda Magnuson, Finance Director; Greg Gubman, Community Development Director; Ryan McLean, Assistant to City Manager; Grace Lee, Senior Planner; Kimberly Molina, Associate Engineer; Marsha Roa, Public Information Manager; Lauren Hidalgo, Public Information Specialist; Cecilia Arellano, Public Information Coordinator, and Tommye Cribbins, City Clerk.

**APPROVAL OF AGENDA:** As Presented.

**1. SPECIAL PRESENTATIONS, CERTIFICATES, PROCLAMATIONS:**

- 1.1 Mayor Herrera and City Council Members along with Community Foundation members Jody Roberto and Raul Galindo presented Certificates of Recognition to winners of the "*Diamond Bar Through My Lens*" Photo Contest. Prize money was also given by the Community Foundation to the winners along with Certificates of Recognition from

Assemblyman Hagman's office.

- 1.2 Leticia Pacias introduced LA County Assistant Fire Chief Angel Montoya who said he was looking forward to working with the Council and staff.
- 1.3 Captain Halm, Los Angeles Sheriff's Department, presented the Diamond Bar Crime Statistics from 2007 through 2009.

2. **CITY MANAGER REPORTS AND RECOMMENDATIONS:** None

3. **PUBLIC COMMENTS:**

Heidi Gallegos, Executive Officer, Regional Chamber of Commerce, congratulated Captain Halm and his staff on their hard work on behalf of the community and thanked the Council for its thoughtful consideration and community outreach on the Site D project. Ms. Gallegos went on to announce upcoming Chamber events.

Barbara Carrera, 1508 Arbury Drive, suggested that Council consider the addition of a dog park somewhere in the City.

4. **RESPONSE TO PUBLIC COMMENTS:** None

5. **SCHEDULE OF FUTURE EVENTS:**

- 5.1 Parks and Recreation Commission Meeting – November 18, 2010 – 7:00 p.m., AQMD/Government Center Hearing Board Room, 21865 Copley Drive.
- 5.2 Planning Commission Meeting – November 23, 2010 – 7:00 p.m., AQMD/Government Center Auditorium, 21865 Copley Drive.
- 5.3 Thanksgiving Holiday – November 25 and 26, 2010 – 6:30 – City Offices will be closed in observance of the Thanksgiving Holiday. City Offices will reopen Monday, November 29, 2010 at 7:30 a.m.
- 5.4 City Council Meeting – December 7, 2010 – 6:30 p.m., AQMD/Government Center Auditorium, 21865 Copley Drive.

6. **CONSENT CALENDAR:** MPT/Tye moved, C/Tanaka seconded, to approve the Consent Calendar as presented. Motion carried by the following Roll Call:

AYES:	COUNCIL MEMBERS:	Chang, Everett, Tanaka, MPT/Tye, M/Herrera
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

---

6.1. CITY COUNCIL MINUTES:

6.1.1 Study Session of November 2, 2010 – Approved as submitted.

6.1.2 Regular Meeting of November 2, 2010 – Approved as submitted.

6.2 RATIFIED CHECK REGISTER DATED October 28, 2010 through November 9, 2010, totaling \$535,847.06.

6.3 APPROVED TREASURER'S STATEMENT – Month of September 2010.

6.4 (a) APPROVED PLANS AND SPECIFICATIONS AND AWARDED CONSTRUCTION CONTRACT FOR THE BREA CANYON ROAD DRAINAGE IMPROVEMENTS PROJECT TO C.P. CONSTRUCTION COMPANY, INC. IN THE AMOUNT OF \$85,250; AND AUTHORIZED A CONTINGENCY AMOUNT OF \$8,500 FOR CONTRACT CHANGE ORDERS TO BE APPROVED BY THE CITY MANAGER, FOR A TOTAL AUTHORIZATION AMOUNT OF \$93,750.

(b) AWARDED CONSTRUCTION ADMINISTRATION SERVICES CONTRACT FOR THE BREA CANYON ROAD DRAINAGE IMPROVEMENTS PROJECT TO ONWARD ENGINEERING IN THE AMOUNT OF \$28,790 AND AUTHORIZED A CONTINGENCY AMOUNT OF \$2,800 FOR CHANGE ORDERS TO BE APPROVED BY THE CITY MANAGER FOR A TOTAL AUTHORIZATION AMOUNT OF \$31,590.

7. **PUBLIC HEARINGS:** 7:00 p.m.

7.1 A CONTINUED PUBLIC HEARING TO CONSIDER VARIOUS ACTIONS PERTAINING TO SITE D (A SITE COMPRISED OF APPROXIMATELY 30.36 ACRES LOCATED AT THE SOUTHEAST CORNER OF BREA CANYON ROAD AND DIAMOND BAR BOULEVARD, DIAMOND BAR, CALIFORNIA (ASSESSOR PARCEL NUMBERS 8714-002-900, 8714-002-901, 8714-002-902, 8714-002-903 AND 8714-015-001) INCLUDING GENERAL PLAN AMENDMENT NO. 2007-03, ZONE CHANGE NO 2007-04, SPECIFIC PLAN NO. 2007-01 ("SITE D SPECIFIC PLAN"), TENTATIVE TRACT MAP NO. 70687, AND CONSIDERATION OF CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT 2007-02 (SCH NO. 2008021014).

CDD/Gubman stated that most of the Council attended the WWUSD School Board meeting last Tuesday to hear Mr. Meuting provide the Board with the results of the Site D Community Workshop. Mr. Meuting's presentation concluded with the "consensus plan" which was created from the themes most consistently expressed in each of the seven group plans during the workshop. The "consensus plan" reflects a general community preference for the development of Site D to be residential with a park component. After receiving Mr. Meuting's report and public comments,

the School Board continued the matter to tomorrow evening's Board meeting where it is expected that the School Board will make a formal request to the City Council as to how the Site D planning process should proceed. Because the School Board's action is forthcoming, the School District has submitted a request that the City Council continue the matter to the City Council meeting of December 7.

Although the "consensus plan" indicates a preference for residential with a park; Council is not being asked to provide any direction to staff tonight other than to continue the matter to December 7. Staff, does however, ask that the commercial component of the Specific Plan be explored further in light of the basis upon which the current draft of the Specific Plan was drafted, the community input received thus far, as well as, updated market feasibility considerations. The Specific Plan includes about 10 acres designated for commercial reflecting the City's economic development strategy as well as, the Site D MOU (Memorandum of Understanding) provision that the City prepares a Specific Plan that consists of 50 percent residential/50 percent commercial.

Staff recently commissioned Keyser Marston Associates to update an earlier market feasibility study to see how the commercial viability of Site D has held up in light of the recent downturns in the economy. The results of the study were mixed concluding that Site D is still a viable location for a neighborhood retail center, but market conditions are not expected to support that prospect for at least another five to seven years. If the Council believes that the pros and cons of commercial development on Site D merits further study, staff can facilitate that dialogue. If, on the other hand, Council believes commercial should no longer be considered as part of the land use palate for Site D, staff would ask for appropriate direction so that it can make the necessary changes to this plan in related environmental documents. Staff recommends that the Council continue to receive public testimony, discuss the desirability of retaining commercial in the Specific Plan in light of the long-term economic outlook, and continue the matter to December 7.

C/Chang referring to the study conducted in 2008 and the recently updated commercial portion of that study asked why there is a difference in the recommendation for commercial in 2008 and the current update.

CDD/Gubman stated it was based on how developed the planning process was for the Site D Specific Plan in 2008. The MOU specified 50 percent commercial/50 percent residential for the roughly 30-acre site. However, while conducting the physical planning for the site, taking into consideration the site topography and other site constraints, there is actually 20 net acres of buildable acres on the land which when divided by two (2) results in the net 10 acres that is the basis for the 2010 update.

C/Chang asked if there was more acreage dedicated, would it increase the viability of a larger commercial aspect.

CDD/Gubman responded that a larger center would then be able to accommodate a larger scale development.

C/Everett referring to the "composite" plan in the agenda packet asked CDD/Gubman to comment on what is a "consensus" plan and what is a "composite" plan.

CDD/Gubman described how the composite plan was achieved. He then stated that the facilitator looked at all of the comments, remarks and input to the discussion item that were presented to the groups in formulating their plans and listed them in order of most to least frequent and what the groups would like to see. Low density was one of the consistent components among all of the plans as well as, a park development. Using those responses resulted in the consensus plan.

C/Everett asked if the timeframe of five to seven years was the same perspective for commercial as residential.

CDD/Gubman responded that he did not have a specific response. The 2008 Keyser Marston Associates report looked at commercial market opportunities citywide with Site D being one of those study areas. The updated 2010 report focused on the commercial component as well. Staff did not look into the viability of the residential market or when it might be ready for development on Site D.

M/Herrera reopened the Public Hearing at 7:34 p.m.

Nancy Lyons, President, WVUSD, thanked the City Council and staff for their presence at the November 9 Board Meeting during which the community outreach meeting results were shared. Even though the Board understood that the City Council would not discuss this matter until their meeting of December 7, the Board understands staff's need to discuss and receive direction from the City Council. As previously planned and communicated the Board will be discussing these results tomorrow at its regular board meeting and will then submit a recommendation to the City Council for its December 7 Council meeting. Ms. Lyons then stated that the WVUSD Board requests that the City Council not make a determination tonight and consider doing so only after the Council has heard the District's recommendation. She asked that this matter be continued to December 7 to allow the School District more time to consider their proposal.

Raul Galindo, a 40-year D.B. resident, said he would like to see the City become more business friendly. He said that he had heard that both

Bristol Farms and Trader Joe's wanted to locate in D.B. but were not welcome. He felt that residents should spend their money here and would like to see a nice restaurant and good businesses here and not another strip mall. He sees D.B. residents using facilities for family events in other cities and believes they would appreciate having a nice facility in D.B.

Barbara Carrera said she would like to spend her dollars at a nice restaurant or shopping without having to travel to Brea and Chino Hills. Perhaps the Council would consider a community workshop to specifically discuss options for commercial establishments. She has faith that the Council will set sensible planning standards as it did at the Target location and asked that the Council consider what is best for all D.B. residents and not overlook a commercial component for Site D.

David Busse, 21455 Ambushers Street, was encouraged by the community outreach for Site D. Residents do not want a commercial component.

Greg Ogonowski, 21492 Cold Springs Lane, said he agreed with the previous speaker. He spent the afternoon getting 25 signatures from local D.B. businesses who felt they would suffer if Site D were zoned commercial. He said he would continue to gather signatures from local business owners.

Sid Mousavi said that other cities in the region have been able to develop successful sites that include residential and so-called commercial. The City and School Board have done a good job engaging the community but needs to hear from the development community as well to find out what they believe can be done with Site D. He also suggested that stakeholders be educated on development opportunities for D.B. in order to create a vision for Site D. Unfortunately, D.B. suffers for having old developments and needs to incorporate a holistic approach to new development that encompasses residences and destination businesses.

Greg Schokley, 3711 Crooked Creek, believed there isn't a Trader Joe's in D.B. because the permit process is too prohibitive. Site D is private property and can be developed; however, it does not mean that the City Council needs to be a party to the School Board's folly.

Tommy Chang, a new resident, said he came to D.B. because of the great school system. He would like his son to have the opportunity to play and eventually work in D.B. and believes future planning should involve a lot of careful consideration about services that will cater to young families. He stated that he drives a long way for services since moving from Los Angeles.

David Wu, 21252 E. Running Branch, asked if the crime rate was related to the number of apartments in the City.

M/Herrera replied by stating that the only apartments in D.B. are those on Grand Avenue.

Mr. Wu said he believes that the low crime rate was connected to the number of apartments which is why he moved to the City. He felt it was illegal for the School District to sell the land that was given to them by the government.

CM/DeStefano responding to speakers stated that there was not a group of residents or employees of D.B. that wanted a Trader Joe's more than the City Council and staff. It was just yesterday that he and CDD/Gubman met with a representative of a number of development companies to discuss a specific site in D.B. and what they told the developer several times was that the City wanted a Trader Joe's. CM/DeStefano said that as the Community Development Director for D.B., he and his staff and the then City Council spent an exhaustive amount of time pursuing Trader Joe's. D.B. has asked Trader Joe's to give D.B. consideration for many, many years. Each of these retailers has a set of standards that has been successful for them and in order to continue with that success they repeat the same requirements and requests for placement of stores in various communities. Trader Joe's has a store on Imperial Highway in Brea along with Home Depot and a variety of other development on about 75 acres of commercial development. Trader Joe's has a store in San Dimas at Arrow Highway and SR57 across the parking lot from a Target and a variety of other stores on about 30 acres with about 250,000 square feet of retail space immediately adjacent to other developments. Trader Joe's locates in areas that meet its criteria that have substantial other assets that create a synergy that draws in customers for them and others. There has been a robust discussion and effort to bring Trader Joe's to the community. In his opinion, Site D is not a Trader Joe's location. Where Trader Joe's might locate would be basically at Diamond Bar Boulevard and the SR 60 where Vons, Kmart and other stores are currently located. He did not want anyone to walk away from this meeting believing that a possibly misunderstood conversation at a public counter about a sign for Trader Joe's was some sort of dismissal on the part of the City with respect to Trader Joe's. A few years ago, the City distributed postcards to everyone that lived within about a five to 10 mile radius of D.B. The City distributed over 40,000 postcards with information asking recipients to consider signing the postcard and sending it back to the City of D.B. asking Trader Joe's to build a store in this community. Surveys usually receive very little response; however, in this case, the City received 12,000 postcards back. Of those, two did not want a Trader Joe's. Council and staff took box loads of the postcards to Trader Joe's corporate headquarters in Monrovia and sat with executives to plead with them to follow the lead that the

residents were providing them and build a Trader Joe's in D.B. They chose not to. They ended up building a store in Chino Hills at Grand Avenue and the 71 freeway an area that already has a significant commercial base and a growing opportunity to incorporate more businesses. The problem that D.B. has is the synergy – the types, depth, breadth of stores that other surrounding areas already have that D.B. doesn't have. Chances for those kinds of larger developments requiring 100 or more acres are very limited. The ability for D.B. to attract the quality of some of the restaurants that were referenced, the Trader Joe's and those kinds of uses are frankly limited to only a few parts of D.B. The types of restaurants mentioned earlier, are not the types of candidates that would locate on Site D. They might locate on a redeveloped Kmart property without Kmart there, but they would not locate on Site D because the synergy, size, scale, traffic counts, etc. do not exist at the Site D location for those types of retail businesses. Site D offers a different kind of commercial opportunity to capture retail that is embraced by the freeway customer, to capture opportunities from area residential communities who are still looking for a place to purchase groceries, restaurants, drugstores, etc. is a different type of opportunity. D.B. has a history of going after significant retail/restaurant opportunities. An earlier speaker mentioned Bristol Farms. D.B. almost had Bristol Farms in The Country Hills Towne Center which is now the Diamond Hills Plaza. The then Mayor Bob Zirbes was passionate about revitalizing the Country Hills Towne Center and D.B. had Trader Joe's, Henry's, Bristol Farms, Gelson's and others looking at that property. D.B. got close with Henry's but obviously none of that worked out. He would not want anyone believing that staff and the City Council was not looking out for the community's interest and responding to the community's requests over the years, through various surveys for better retail and restaurant opportunities. D.B. has been very passionate about a number of land uses and bringing them into the City.

CM/DeStefano stated that staff is looking for direction from the City Council. There is an economic strategy that talks about commercial development on a portion of Site D which CDD/Gubman referenced. The same strategy talks about commercial enhancements on the Kmart property and a couple of other properties where it seems obvious that staff should be looking at retail/restaurant opportunities and capturing some of the land uses speakers say they are looking for. In short, the City has a strategy that says it should be doing. That is a policy direction the Council gives the City Manager who asks his staff to implement. There is a MOU with the School District that says that both the School District and the City are working together on 50 percent of the site being residential and 50 percent being commercial. That is a policy document of the City Council that the City Manager and staff are implementing. The City has a Specific Plan that has been crafted in order to implement the MOU and the City has made other decisions in the past specifically with respect to Site D

that is leaning toward a commercial development there. Recently, the City had an application from the School District, neighborhood outreach, numerous meetings and many public comments that seem to lean against a commercial development. The City Council has decisions to make as a result of the outreach session, its own public hearings and deliberations. Does the City Council fundamentally wish to continue with the 50/50 proposal with a commercial development proposal on Site D or does it wish to change course. The City's regional/national economics have changed since some of those documents were put into place. A few years ago commercial would have been more likely on Site D and would have come faster. Today, commercial is going to take five to seven years on Site D. Does the City Council have a continued wish to wait for the market to come back for a successful commercial venture on Site D or change course and move toward a residential project for the benefits that it may bring to the community and to the neighborhood. What staff is looking for is an affirmation of the current strategy (commercial) or a change in that strategy. Staff does not need an answer this evening but it needs an answer soon because there are documents staff will need to prepare in order for Council to make its final decision sometime early next year. The School District will be talking about this tomorrow night and may come to the Council on December 7 and ask that the 50/50 plan be maintained or some other land use strategy they are proposing as the applicant and owner of 29 of the 30 acres. Staff is asking that Council commence a dialogue concluded on December 7 and give staff some direction.

M/Herrera stated that she remembers that years ago the City could not talk Starbucks into coming to D.B. and locating on Grand Avenue until the City pointed out that there were 35,000 cars that passed that spot on a daily basis. Only then was Starbucks interested in coming to D.B. and only then would they consent to locate in D.B. which is part of the synergy CM/DeStefano speaks to. While some may not like the traffic, if the City is trying to be fiscally sound and keep the health of its businesses, the City needs the traffic to some extent.

MPT/Tye felt it was inappropriate for Council to take any further action until hearing from the School Board. However, he is beginning to understand that people around Site D feel like they are not being listened to. He understands that this goes back a long way. He remembers when Lewis Homes had the option to purchase the property. He had a conversation with David Lewis and wanted to know why Lewis Homes did not exercise the option. He was told that it was because they did not have a Specific Plan that would allow them to produce a product that would be economically viable for them. A plan is submitted to the Planning Commission for a 50/50 project, the community comes to be heard and after listening to speakers the Planning Commission works in a 3-acre park and then recommends it to the City Council. Residents come to the

City Council and say they have not had much input and that they would like to have some input because they are not sure that one half residential and one half commercial is appropriate. The School District puts together a presentation and workshop that gave the public a chance to be heard. None of the seven groups that participated in the workshop and presented their vision were passionate about having commercial and that gets back to what the City Council sees is good for D.B. and what is good for ALL of D.B. MPT/Tye does not think a 10-acre development is going to be a difference maker for D.B. He has asked and had no response to his question – if it is going to be 10-acres of commercial what do you see there that will be successful. He personally felt the City should get a rebate on the presentation from Keyser Marston Associates because he did not believe the City needed a consultant to tell it that taxable sales in the City are extremely low; retail sales are below the County and State averages. D.B. needs taxable dollars – that is what makes this community able to afford its programs and worth moving to from LA, for example. The issue is not whether the property was bought by WVUSD and the issue is not whether it was given to them. The issue is that the School District owns the property. It is their property and they have decided that Site D is surplus property. He challenged anyone that felt this school district was not in serious financial straits through any doing of their own. Actually, it has to do with the State of California taking away \$20 million from the School District's budget over the past three years. Just in the immediate area from Pomona down through Rowland Heights, the State has cut \$100 million from education which is unconscionable. If a school district has an asset and they want to utilize that asset to benefit the school district, should they not be permitted to do so? One of the reasons people move to D.B. is for the schools and it has terrific schools in both school districts. He took exception to the speaker who said the property did not belong to the District, that it belonged to all of the residents. In fact, Site D does NOT belong to all of the residents. It belongs to the residents that live in the WVUSD because it is a WVUSD asset and they need to be able to utilize assets that will best accomplish their goals and school districts are in the business of education. So, how does that get done? He would prefer that the City focus on larger acreage areas where there can be an impact. He commented on the Keyser Marston Associates proposal for commercial and said he did not foresee any of the big box stores and restaurants locating on Site D. He felt the site would be better served by following the resident's example and agreed with how Mr. Busse stated his feelings. Bottom line is that he believed the Council should wait until the School District expressed their wishes and then deliberate about what to do about Site D.

C/Chang felt that Keyser Marston Associates was looking at the 10-acre parcel in Walnut on Grand and Valley where there is a TJ Maxx as a reference for their study and felt that the Council should not eliminate any options at this point. She has participated in many community forums and

one does not draw conclusions from one five-hour outreach meeting because it is not necessarily a fair and equal indicator of what the community wants. Ultimately there were only a little over 20 residents left at the end of the one community meeting. She heard from many residents who could not be present for the one outreach meeting and felt it was unreasonable to draw analogies and possible conclusions from that one meeting. Referencing the Mayor's example about Starbucks originally not considering locating in D.B. and then reconsidering indicates that times are changing and perhaps Trader Joe's, Mothers or Gelson's might consider D.B. after exploring the market once again. Like the economy, the market is changing and we should not be shortsighted by basing a decision on the current state of the economy. We need to begin to contemplate what is best for DB in the long run. One speaker said he got 25 businesses to sign a petition but she believes in the free market. If businesses are afraid of that corner being occupied by commercial, it may mean that commercial could potentially be successful at that location. She understands that there is a fear of the unknown; the fear of not knowing what a project will look like but wanted to reassure the residents that the City sets the standards for development and that the City will not allow a development to look like an ugly strip mall. She understands that people are concerned about what will happen on Site D but questions whether or not we have fully explored all of the potential options for the site. She mentioned that if the NFL Stadium were to go in, people driving from Orange County regularly exit on Diamond Bar Boulevard which increases traffic counts anyway, with or without the project on Site D. She would like to see more public outreach conducted as there are options to explore which includes airing out issues regarding each potential option. Folks have attended the Planning Commission meetings and Council meetings to express their desires for the site but we are lacking a true dialogue. Also, how do we know that 100 percent residential would garner the most revenue for the school district? She has done research and learned that the revenue generated from leased out property could be deposited into the school district's general fund; if they sold the property, it could only go into a one-time capital improvement fund. Perhaps one-half of the property could be sold for residential and the other half could be leased out. Ultimately, she feels an obligation to represent all of the residents and needs to make the right decision and wants to continue the dialogue and not close out this option. She reiterated the fact that she does not want an ugly strip mall for that property nor does she want empty storefronts, but there are many different things cities have done in other cities. She stated that the economics of one plaza cannot be applied to another. The corner off of the freeway is much more desirable than an empty storefront in the middle of the City. Obviously, this corner is conducive to commercial and perhaps the City could explore other options such as senior housing. This is a prime location that should be very carefully considered for all options. She would like to continue the dialogue through community workshops to explore all options.

C/Everett said he wanted to hear more and wanted to hear from the School District first. To speak on this matter seems to him to be a bit disrespectful to the School District. However, he wants to let the community know that he is looking down the road for at least 20 years. He challenged everyone to consider what was presented for consideration this evening and to take a look at the graphics on Page 22 and look at the composite plan and the consensus plan. There was a commercial component in Group 5 but even more, the green space is outstanding. Probably 90 percent or more agree on park and/or green space and he will fight for green space. Part of green space is trails and he sees interesting trail potentials as he views the composite plan which is different from the consensus plan. The other point is that this is a focal/entry point

to D.B. and should be a primary concern for all residents and those who pass through the City. He appreciated the business signatures because they are important and the Council is thinking about that as well in the overall scheme. He appreciated Mr. Mousavi's thoughts and wondered if the City had looked into urban village and urban community options. Every time he thinks about D.B. he is proud of Target and Vantage Homes projects in which he played no part, and feels that Site D will develop over a number of years in its own fashion. He agreed with Mr. Wu that apartments can present a problem for public safety. D.B. does not have many apartments and he did not expect that to be a viable option for Site D. Participants in the outreach workshop were 90 plus percent from the immediate region and there has been repeated requests that hearings for this project be advertized citywide because people from all of D.B. need to give their input.

C/Tanaka said he had ideas he was considering but wanted to hear from the School District. There may be other developers who have opinions about how this property could be developed and there are developments in other cities that D.B. has not considered. Ultimately, his decision will be made after the close of the public hearing with all information received and whatever decision is made will be best for all residents of D.B.

M/Herrera said it is a fact that D.B. has been focused on economic development. It may or may not be generally known that D.B. does not have a Redevelopment Agency and D.B. is not able to compete with cities that has a Redevelopment Agency and brings businesses into the community. Several years ago the City Council committed to focusing on economic development and allocated \$10 million toward that effort. D.B. has conducted outreach to various types of businesses in an attempt to offer incentives to bring them to the City. One such effort was to purchase the one acre that lies contiguous to Site D that runs along Brea Canyon Road. The City purchased that property a few years ago to enhance the commercial development and have access to that commercial development via Diamond Bar Boulevard and Brea Canyon Road making

the property more valuable to a commercial developer. It was not the City's intent to usurp the School District's opportunity to make its decision tomorrow. This hearing today had been continued from October 19 and was publicly announced so the Council was locked into discussing the matter again today. She understands that her colleagues want to continue thinking about the matter and continue receiving input from residents and most certainly hear what the School Board has to say in rendering their final decision tomorrow. This public hearing will be continued to December 7.

C/Chang moved, MPT/Tye seconded, to continue the Public Hearing to consider various actions pertaining to Site D to December 7, 2010. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Chang, Everett, Tanaka, MPT/Tye, M/Herrera
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

8. **COUNCIL CONSIDERATION:** None

9. **COUNCIL SUBCOMMITTEE REPORTS/COUNCIL MEMBER COMMENTS:**

C/Everett attended the D.B. Library Recognition and Appreciation Luncheon and the City's Eco Expo. He encouraged residents to speak with Representative Curt Hagman (909-627-7021) and Senator Bob Huff (916-651-4029). He also stated that this past Saturday evening he attended the Diamond Bar Community Foundation's Annual Gala Event Fundraiser at the Diamond Bar Center.

C/Tanaka reported on the Neighborhood Improvement Program subcommittee he and MPT/Tye attended and thanked staff for their input. The discussion included trash, inoperable vehicles, landscaping, home maintenance problems, etc. Several Council Members attended the Friends of the Library "Library Appreciation Luncheon". He attended the WVUSD School Board meeting during which the Site D workshop was discussed. He attended the PUSD Board meeting during which the electronic report cards for kindergarten grades were discussed. Wednesday, D.B. recognized Veterans with twelve new Veterans being honored and 9 banners being returned to those who are back. Saturday he attended the annual Diamond Bar Community Foundation Gala Fundraiser and congratulated Waste Management on being named the Community Partner for 2010. This afternoon he attended the D.B. Senior Citizens Thanksgiving luncheon and the ribbon-cutting ceremony at the D.B. Smiles Dental Office. He acknowledged D.B. Leo's who visited veterans at the Long Beach and Loma Linda Veterans' Hospitals and wished everyone a Happy and Safe Thanksgiving Holiday.

C/Chang reiterated that residents can follow her activities on Twitter and Facebook. She reported on attending the League/Legislative Reception in downtown LA; the Alameda Corridor East Sunset Avenue Grade Separation; Veterans Recognition Celebration; chaperoned at the DB4-Youth Middle School Dance at the Diamond Bar Center; Emceed the Diamond Bar Community Foundation's Annual Gala Fundraiser and commended the Board for the fabulous event. She also attended the ribbon-cutting ceremonies at D.B. Smiles. She thanked Jody Roberto and Raul Galindo for their dedication to the City and wished everyone a Happy and Safe Thanksgiving.

MPT/Tye commended the Diamond Bar Community Foundation on the successful Gala event and their support of the "Through My Lens" program. Veterans' Day is always very touching and especially touching to give banners back to service personnel following their service. The School District's presentation last night was a good presentation on the community outreach. He

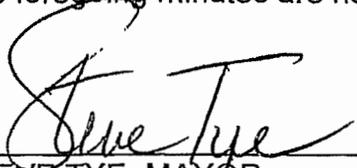
suggested that Mr. Meuting make his presentation to the Council, if appropriate. He thanked Sheriff's personnel for keeping crime statistics on a downward turn in D.B. He thanked CM/DeStefano for his guidance and management of the City and as well as having a good relationship with public safety personnel. He thanked the City's Neighborhood Improvement officers for doing a great job keeping the community looking good. He loved the way Pastor Jones started this evening by talking about how important it is to be thankful. It takes much more to be thankful than it does to be a critic and what a great time to be thankful as we approach Thanksgiving next week. Let us be thankful and remember to thank a Vet for the freedoms we have. And let us all enjoy a wonderful Thanksgiving with our families.

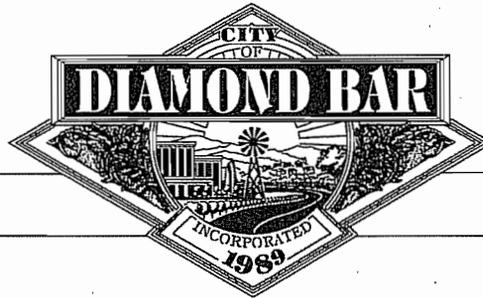
M/Herrera stated that most or all Council Members regularly attend the many events taking place throughout the City. The most significant for her in the past two weeks was the Veterans' Day Celebration and particularly those residents who are World War II Veterans. One young woman was a former Marine who was the only one from her city who joined the Marines and served in WWII. It was nice retiring flags to those who had returned home safely. D.B. is a great City that enjoys a very low crime rate thanks to the Sheriff's Department and a dedicated staff and all who work to make D.B. a great place to live. She wished everyone a good Thanksgiving.

**ADJOURNMENT:** With no further business to conduct, M/Herrera adjourned the Regular City Council meeting at 9:07 p.m.

  
\_\_\_\_\_  
TOMMYE CRIBBINS, CITY CLERK

The foregoing minutes are hereby approved this 7<sup>th</sup> day of December, 2010.

  
\_\_\_\_\_  
STEVE TYE, MAYOR



---

CITY COUNCIL

AGENDA REPORT

---

**TO:** Honorable Mayor and Members of the City Council

**VIA:** James DeStefano, City Manager

**TITLE:** General Plan Amendment No. 2007-03, Zone Change No. 2007-04, Specific Plan No. 2007-01 ("Site D Specific Plan"), Tentative Tract Map No. 70687, and Environmental Impact Report 2007-02 (SCH No. 2008021014).

**PROJECT**

**APPLICANT:** Walnut Valley Unified School District and City of Diamond Bar

**LEAD AGENCY:** City of Diamond Bar, Community Development Department

**PROJECT LOCATION:** Site D is comprised of approximately 30.36 acres located at the southeast corner of Brea Canyon Road and Diamond Bar Boulevard (Los Angeles County Assessor's Parcel Numbers 8714-002-900; 8714-002-901, 8714-002-902, 8714-002-903 and 8714-015-001).

**SUMMARY:**

On November 16, 2010, at the request of the Walnut Valley Unified School District (WVUSD), the City Council continued the public hearing for the Site D Specific Plan to the December 7, 2010 meeting. The continuance was requested to allow time for the Board of Trustees to forward a recommendation to the City Council.

At a special meeting on December 1, 2010, the Board of Trustees unanimously recommended changing the Site D land use framework to 100 percent residential. The recommendation also included the following:

- Incorporate minimal peripheral open space, green belt and park areas with some form of entry monumentation at the corner of Brea Canyon Road and Diamond Bar Boulevard to mark the entrance into the City of Diamond Bar; and

- Reduce the residential density to less than 20 units per acre to better blend in with the existing residences in the vicinity to address residents concerns, while still meeting the District's needs. The full text of the Board of Trustee's recommendation is included as Attachment 1.

The School Board's recommendation does not include specific development criteria for Site D, such as, but not limited to:

1. Maximum density and number of dwelling units;
2. What type(s) of residences should be developed (e.g., detached single-family homes, townhomes, condominiums, etc.); and
3. Size and location of park space, and what types of amenities (walking trails, passive, active, etc.) should be included.

If the Council accepts the Board of Trustees' recommendations, the next steps will include further study of these and other criteria.

As discussed in the November 16, 2010 City Council staff report (included as Attachment 2), a market feasibility study was conducted, which indicated that Site D is a viable location for a neighborhood retail center in the long term (5 to 7+ years). Staff would like the Council to consider whether the potential benefits of retaining the proposed 10-acre commercial site in the Specific Plan should be studied further.

There are three options for the Council to consider and provide direction to staff. The three options and the associated additional next steps of each option are described below:

1. If the Council chooses to retain the commercial component and maintain 50 percent commercial/50 percent residential land use, staff will prepare the necessary changes to the consultant contract(s) to complete the Specific Plan and EIR for Council consideration; or
2. If a majority of the Council is interested in continuing to explore the viability of the commercial component, the City could continue the public outreach effort before determining the final land use for the site. The City could conduct a series of public workshops to discuss the concerns regarding the commercial component and any possible mitigation measures to address those concerns. The workshops could also solicit community input on the type and density of the residential component, as well as the type and location of any public amenities; or
3. If the Council chooses to change the land use framework to 100 percent residential, staff will prepare the following documents for Council consideration:

- Revised Memorandum of Understanding (MOU) to eliminate commercial from the land use palette; and
- Changes to the consultant contract(s) to revise the Specific Plan and EIR.

**NOTICE OF PUBLIC HEARING:**

The project was continued to this date at the November 16, 2010 meeting. Although not legally required to renotice, on November 23, 2010, staff mailed a notice to all property owners within 1,000 feet of this property, including all speakers who testified at previous meetings.

The June 15 and July 20, 2010 City Council staff report, attachments to the report, draft Specific Plan and Environmental Impact Report were also posted on the City's website, and hardcopies are available for review at City Hall and the Diamond Bar Branch of the Los Angeles County Library.

**RECOMMENDATION FOR THE DECEMBER 7, 2010 MEETING:**

1. Take public testimony;
2. Discuss the desirability of retaining a commercial component in the Site D Specific Plan in and of the current and long-term economic outlook, and provide staff with direction on next steps; and
3. Continue the matter to a date uncertain.

Prepared by:



Grace S. Lee  
Senior Planner

Reviewed by:

Greg Gubman, AICP  
Community Development Director

Reviewed by:



David Doyle  
Assistant City Manager

Attachments:

1. WVUSD Board of Trustees Recommendation to City Council

2. City Council Staff Report Dated November 16, 2010
3. Site D Concept Plan Report Dated November 10, 2010
4. Site Market Analysis Prepared by Keyser Marston Associates Dated October 14, 2010

# Attachment 1

## Walnut Valley Unified School District



**EXCELLENCE**  
A Commitment  
to the Success  
of All Students

880 South Lemon Avenue, Walnut, California 91789-2931 • Tel (909) 595-1261

December 2, 2010

City of Diamond Bar  
ATTN: Carol Herrera, Mayor  
21825 Copley Drive  
Diamond Bar, CA 91765-4178

Re: Recommendation for Land Use Development on Site D

Dear Mayor Herrera and Members of the City Council:

When the City and District entered into the Memorandum of Understanding ("MOU") on July 1, 2007, the parties agreed to cooperate and collaborate in the planning of the future land use and zoning designations for Site D in order to advance the respective objectives of the District and City.

The District's primary objective in selling Site D as stated in the MOU was and continues to be that the disposition of the District's approximate 28.7 acres will yield the maximum return to the District for the benefit of its students and its educational mission. The District has been advised that an all residential development will generate the highest revenue to the District. The City's stated objective from the MOU is to provide a "desirable level of sales tax revenues to the City."

For the past 3+ years after entering into the MOU, the District has cooperated with the City in an attempt to gain a responsible entitlement for Site D. Once we began the public meetings and heard the concerns of the community and the reaction from the Council, it was determined that a Public Outreach program was appropriate and was initiated with input from the City, to help alleviate the community's apprehension of the proposed project.

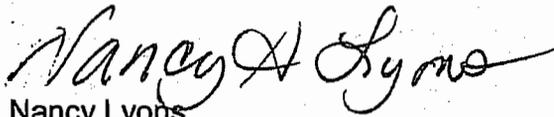
In response to the divergent written and verbal comments received throughout the entitlement process, the District engaged RJM Design Group, Incorporated to assist the District in conducting a community outreach program to better understand the concerns and desires of the community regarding the potential development of Site D. At the November 9, 2010 Special Board Meeting/Study Session, Mr. Robert Mueting of RJM Design Group, Incorporated provided a summary of the input received from the October 16, 2010 community workshop.

The comments received from the outreach workshop generally revolved around the same issues we have heard at past public meetings. Based upon this workshop summary, it was clear to the Board that the community did not need or want commercial development on Site D, but was supportive of a single family residential development if Site D was to be developed. The community also supported designating appropriate open space, green belt and park areas within the development plan for Site D. Therefore, based upon the above, the Board of Trustees for the Walnut Valley Unified School District recommends (1) that Site D be developed 100% residential with minimal peripheral open space, green belt and park areas with a monument to mark the entrance into Diamond Bar, and (2) that the residential density be reduced to less than 20 units per acre. This decrease in density will better blend with the existing residences in the vicinity of Site D and will better meet the current market conditions for the building community. The all residential land use will provide the District with much needed financial resources to help meet the District's capital facility and technology needs.

We are hopeful that the entitlement process will not delay the District's ability to alleviate budget shortfalls by selling the property in a timely manner.

The District believes it has listened to the community's input regarding the development of Site D as requested by the City, and now submits the above recommendations to the City so that they may be implemented in an approved development plan by the City Council, as the decision making body. The District will continue to cooperate and collaborate with the City to enable the City to reach a decision which is in the best interest of the community.

Respectfully,



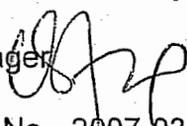
Nancy Lyons  
President, Board of Trustees  
Walnut Valley Unified School District



CITY COUNCIL

AGENDA REPORT

**TO:** Honorable Mayor and Members of the City Council

**VIA:** James DeStefano, City Manager 

**TITLE:** General Plan Amendment No. 2007-03, Zone Change No. 2007-04, Specific Plan No. 2007-01 ("Site D Specific Plan"), Tentative Tract Map No. 70687, and Environmental Impact Report 2007-02 (SCH No. 2008021014).

**PROJECT APPLICANT:** Walnut Valley Unified School District and City of Diamond Bar

**LEAD AGENCY:** City of Diamond Bar, Community Development Department

**PROJECT LOCATION:** Site D is comprised of approximately 30.36 acres located at the southeast corner of Brea Canyon Road and Diamond Bar Boulevard (Los Angeles County Assessor's Parcel Numbers 8714-002-900, 8714-002-901, 8714-002-902, 8714-002-903 and 8714-015-001).

**SUMMARY:**

The City Council continued the Site D Specific Plan from the July 20, 2010 Council Meeting to the October 19, 2010 Council Meeting at the request of the Walnut Valley Unified School District to allow for additional time to obtain input and feedback from the community. On October 19, 2010, the City Council continued the public hearing to the November 16, 2010 meeting at the request of the School District to allow for additional time to conclude the community outreach efforts.

**ANALYSIS:**

The following tasks were completed since the July 20, 2010 City Council meeting:

## 1. Community Workshop:

A half-day community workshop was held on Saturday, October 16, 2010 from 8:30 a.m. to 1:30 p.m. Approximately 79 people were in attendance. The purpose of the workshop was to solicit public input, identify underlying concerns and site issues, investigate site constraints and opportunities, and build consensus. The workshop included the following series of interactive activities that provided design and programming input from the community:

- Site Awareness Tour: A 90-minute walking tour of the site was conducted to educate the participants on the existing features, constraints and opportunities of the site. Participants were provided with a workbook to record their observations of the physical environment at 12 stations situated along the walking path;
- Group Activities: After the site tour, participants were divided into seven working groups. Two topics/questions were presented regarding the site, land use, opportunities, program and priorities. Participants were asked to individually respond on forms and then discuss within their group. Each group listed the top five issues and concerns from the two topics asked and reported their summary to all groups. The top five issues and concerns from these topics are listed below:

**Topic 1)** *What do you believe are the most important **issues** related to the development of Site D?*

- ❖ Traffic
- ❖ Park Space
- ❖ Residential Density
- ❖ Fiscal
- ❖ Property Value

**Topic 2)** *What suggestions can you think of to **improve** the Site D Specific Plan?*

- ❖ Low Density Housing
  - ❖ Park
  - ❖ Do Over
  - ❖ Access/Traffic
  - ❖ Better Communication/Dissemination
- **Planning/Design Charrette:** Each group was then asked to develop a conceptual plan and design what they envision for the site on a topographic map, and presented their plan. Most groups had some consistent design elements for the site. The workshop facilitator prepared a summary chart which identified the top five suggested design elements for the site, listed below:

1. Low Density Homes;
2. Neighborhood/Community Park;
3. Trail;
4. Focal Point such as Windmill or Monument; and
5. Entry at Crooked Creek Drive

The workshop summary report is attached to this report as Attachment 1. A summary of the community input from the workshop was presented at the Walnut Valley Unified School District Board Special Meeting on November 9, 2010. The School Board will be making a recommendation regarding the land use of the site to the City Council at the School Board Meeting on November 17, 2010. The School Board's recommended changes (if any) to the Site D Specific Plan is tentatively scheduled for the December 7, 2010 City Council meeting.

2. **Market Feasibility Analysis:** In response to questions raised regarding the feasibility of commercial development on Site D, staff contracted with Keyser Marston Associates (KMA) to update a previous market opportunities analysis prepared in April 2008, which stated at the time that Site D was appropriate for a shopping center. The updated report is provided in Attachment 2.

The attached updated 2010 report specifically evaluated the potential for Site D to attract commercial development in light of current economic conditions and the 10-acre limit set forth in the current draft of the Site D Specific Plan. The updated report concludes that Site D indeed remains viable for retail commercial development, but it could take another five to seven-plus years before the financial market would be able to facilitate such development.

The 2010 analysis finds that the near- to mid-term market opportunities for this site are limited due to the following:

- Credit crisis which has limited the funds available for new development;
- High vacancy rates; and
- Relatively low rents in the City

However, the City is losing retail sales to nearby jurisdictions and there is demand for food stores and dining establishments. KMA concluded that the viability of a 65-150K square-foot neighborhood to community-sized commercial center which includes retail and/or office will be much greater in five to seven-plus years. The report stated that tenancies could include food stores, office supply and clothing chain stores, and restaurant pads. (A follow-up conversation with KMA to clarify that a 65 to 100K square-foot shopping center is more likely given the acreage constraints reduced the palette of potential commercial uses to a grocery store and other service and restaurant uses.)

## **ITEMS FOR DISCUSSION:**

As stated, the School Board is scheduled to consider recommending changes to the Site D Specific Plan land use framework at its November 17, 2010 meeting, which will then be formally presented to the City Council on December 7, 2010. To aid the Council in addressing any recommendations brought forth, staff suggests that the proposed commercial component of the Specific Plan be explored further in light of both the community input received thus far, and the most recent market feasibility considerations.

The participants at the October 16, 2010 workshop provided comments both in favor of and opposed to commercial development on Site D, but the time and program constraints of the workshop did not allow the opportunity to delve into the details of what the residents would like or dislike about commercial uses at this site. Given that the updated market feasibility study indicates that Site D is a viable location for a neighborhood retail center in the long term (5 to 7+ years), staff would like direction from the City Council as to whether the potential benefits of retaining the proposed 10-acre commercial site in the Specific Plan should be studied further.

If the Council believes that the pros and cons of commercial development on Site D merits further study, staff believes that a second community workshop, hosted by the City, should be conducted to focus on this issue. If land use compatibility issues can be articulated in greater detail, then solutions through design, development and performance standards could be explored to address those issues.

Such a workshop need not focus entirely on commercial development. The workshop could also be used explore in greater detail community preferences for the residential component (size, cluster, density, look and feel), and seek more details about the public amenities that should be included (walking trails, park location and amenities).

## **NOTICE OF PUBLIC HEARING:**

The project was continued to this date at the October 19, 2010 meeting. Although not legally required to renote, on November 5, 2010, staff mailed a notice to all property owners within 1,000 feet of this property, including all speakers who testified at previous meetings.

The June 15 and July 20, 2010 City Council staff report, attachments to the report, draft Specific Plan and Environmental Impact Report were also posted on the City's website, and hardcopies are available for review at City Hall and the Diamond Bar Branch of the Los Angeles County Library.

**RECOMMENDATION FOR THE NOVEMBER 16, 2010 MEETING:**

1. Take public testimony;
2. Discuss the desirability of retaining a commercial component in the Specific Plan in of the current and long-term economic outlook; and
3. Continue the matter to December 7, 2010.

Prepared by:

Reviewed by:

---

Grace S. Lee  
Senior Planner



---

Greg Gubman, AICP  
Community Development Director

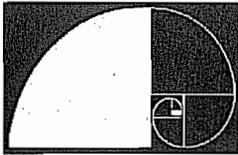
Reviewed by:

---

David Doyle  
Assistant City Manager

**Attachments:**

1. Site D Concept Plan Report Dated November 10, 2010
2. Site Market Analysis Prepared By Keyser Marston Associates Dated October 14, 2010



## **DRAFT**

**WALNUT VALLEY UNIFIED SCHOOL DISTRICT**  
**SITE 'D' CONCEPT PLAN REPORT**  
**NOVEMBER 10, 2010**

The following information has been provided by representatives of the Walnut Valley Unified School District.

### **PROJECT SITE:**

**Size:** Approximately 29 acres

**Location:** Southeast corner of Diamond Bar Blvd. and Brea Canyon Road

The current Specific Plan for the project site accommodates two separate land uses:

- Residential
- Commercial

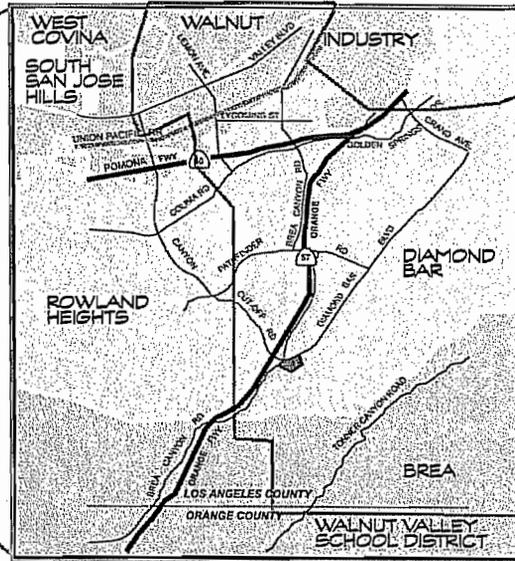
### **AUTHORITY**

On September 16, 2010, RJM Design Group, Inc. was contracted to provide professional workshop facilitation and planning services for Site 'D'. The scope of work for the project included the facilitation of a community workshop and preparation of a Conceptual Plan to establish the extent and nature of the improvements for the project as identified by community participants.

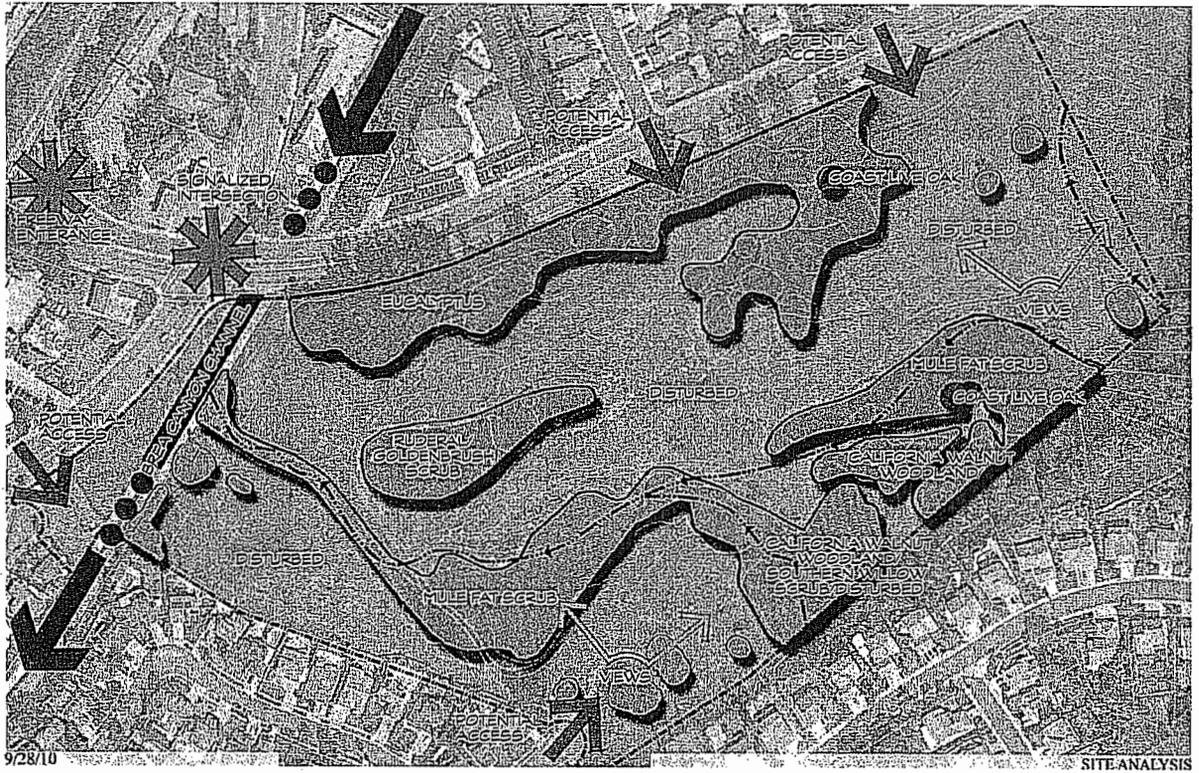
### **PURPOSE**

The Concept Plan Report is a summary narrative of the site functions composed specifically to meet the needs of community involvement in developing and processing a Specific Plan for Site 'D'. Its purpose is to establish a Concept Plan that depicts the potential development of the site through a planning process that encourages community representatives and other stakeholders to participate effectively in the decisions on the potential land use, relationships, function, and circulation. The Concept Plan Report investigates site constraints and opportunities, and promotes understanding and support for the development program.

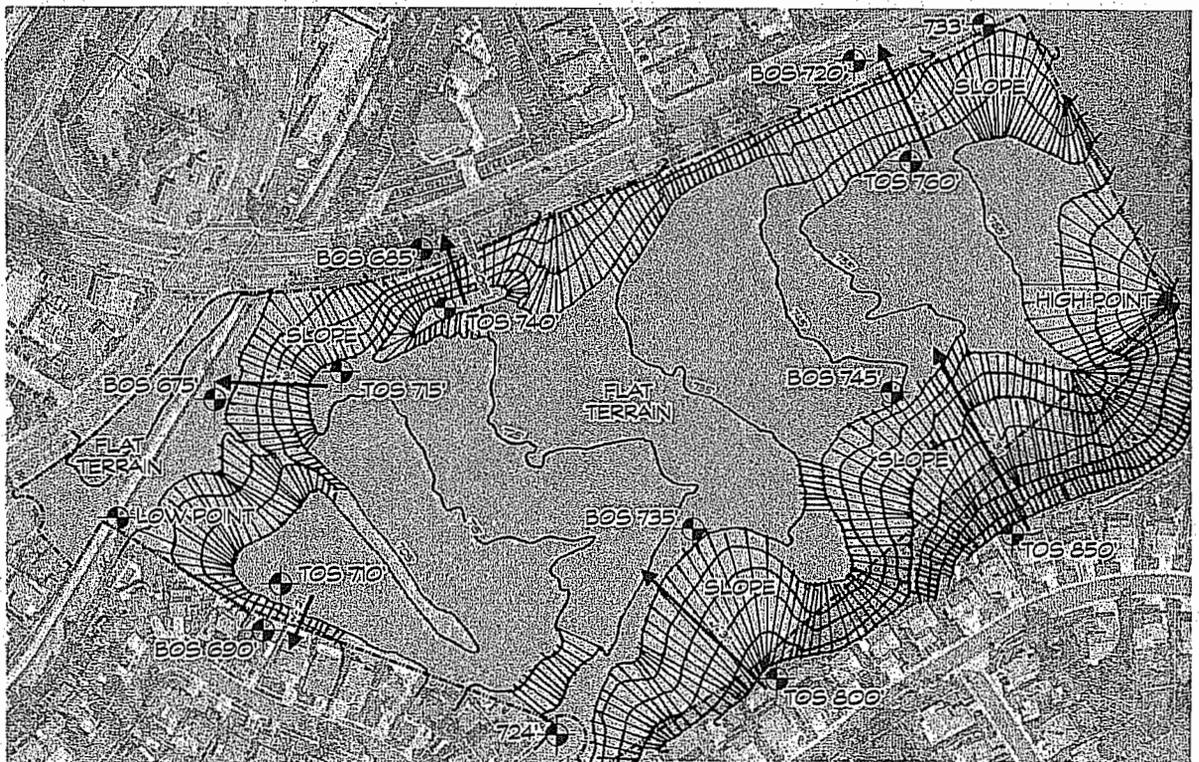
**VICINITY MAP**



## SITE ANALYSIS



## TOPOGRAPHIC ANALYSIS



# COMMUNITY OUTREACH WORKSHOP SITE 'D'

October 16, 2010

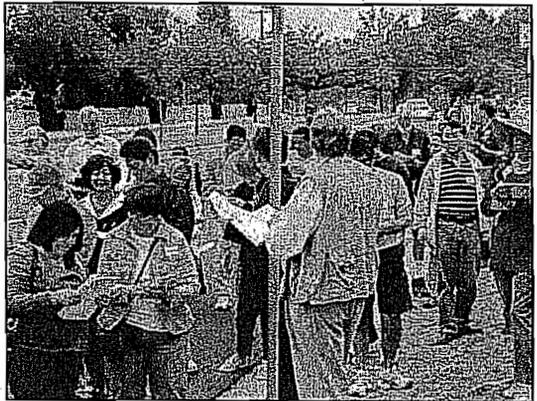
## INTRODUCTION

This report summarizes the results of the first steps in the process that was conducted as a part of the public outreach effort to encourage community members to share ideas regarding the future of Site 'D' in the City of Diamond Bar. The following lists the various steps in the process.



## PROCESS

The process began with research analysis and fact finding. The project team, consisting of the Walnut Valley Unified School District, City of Diamond Bar Representatives, TRG Land and RJM Design Group, met first to review the approach and methodology. Data collection began to establish a comprehensive database through a review and analysis of available pertinent information provided by the client.



Site Analysis exhibits were created that identified the existing site and adjoining uses. The critical region of investigation focused upon the immediate site and those sites physically adjacent to the project area.

## WORKSHOP INTRODUCTION

As part of the planning process, a workshop was held on Saturday, October 16<sup>th</sup>, from 8:30 am to 12:30 pm at the Castle Rock Elementary School. Seventy-Nine (79) residents and community members attended the workshop. Nancy Lyons, WVUSD Board President, welcomed the participants and provided an overview for the project then introduced Robert Muetting of RJM Design Group. Bob reviewed the process for the morning's activities and presented background information including the project history, current Specific Plan, site analysis, opportunities and constraints and then proceeded to facilitate the workshop activities.



## WORKSHOP GOALS

The goals of the workshop are to:

1. Provide an overview of Site 'D' history, existing conditions and Specific Plan.
2. Tour the site and adjacent areas to become familiar with the Site.
3. Provide a forum for discussion of potential issues and improvements.
4. Provide an opportunity to share ideas.

## SITE TOUR

The site tour was conducted at the beginning of the workshop on October 16, 2010. Each participant was given a "Taking Part" Workbook which contained a series of comments and questions to answer as they walked the tour route.

The format of the workshop follows a method called TAKING PART which is based on the theory that we all are inherently creative and that the real task for group leaders / teachers is to help us release our creativity. In TAKING PART we use many devices to release creativity – among these are actual experiences of issues, becoming aware together so as to develop a common language, sharing experiences so as to increase communication. Each person's feelings and attitudes have equal value. There are no experts who have "the answer". As the workshop progresses, more and more energy is released and more and more interaction of creative ideas occur until eventually some forms of creative consensus about the project emerge.

The workshop involved a series of exercises. First basic background information was provided and then all participated in the site awareness tour which allowed all to experience the site in the same way. The planning workshop followed, during which together all participants explored, discussed and developed actual concepts for Site 'D'.

## DISCUSSION WORKSHOP

After the site tour, participants were divided into seven (7) different working groups for the discussion process. Each member of the group sat at a table of no more than eleven (11) participants with materials that included a flip chart, note cards, and markers to record their discussions. Volunteers were requested from each group to act as recorder/presenter. During the course of the workshop, two topics were presented for individual consideration and group discussion.



Below are the topics discussed:

- *What do you believe are the most important issues related to the development of Site 'D'?*
- *What suggestions can you think of to improve the Site 'D' Specific Plan?*

Initially, participants were asked to individually respond on forms that were distributed before the presentation of each topic. They were encouraged to list as many responses that came to mind.

A group discussion then began with individual members of each group sharing their responses with the entire group. Time was allotted for the groups to gain consensus on their top five answers on the particular topic. Following each topic discussion, the group's presenter reported their findings to all of the workshop participants.

Upon completion of the group presentations of the top five priorities for each topic, all individual topic response forms were collected.

## **WORKSHOP SUMMARY**

After the presentations were given, the consultant team identified the top responses of all groups. They are listed below:

### TOPIC 1

What do you believe are the most important issues related to the development of Site 'D'?

- ❖ Traffic
- ❖ Park Space
- ❖ Residential Density
- ❖ Fiscal
- ❖ Property Value

### TOPIC 2

What suggestions can you think of to improve the Site 'D' Specific Plan?

- ❖ Low Density Housing
- ❖ Park
- ❖ Do Over
- ❖ Access Traffic
- ❖ Better Communication / Dissemination

## **GROUP CONCEPT PLANS**

Each group was asked to take the consensus issues and improvements and utilize their creative energy, to develop a concept plan for the site. Based upon participant input, (7) alternatives were prepared by the groups during the workshop. Diagrammatic Plan alternatives were drawn based upon the design concepts developed by each group participating at the workshop indicating proposed site land uses, configuration, and accessibility.

## CONCLUSION

Upon presentation of the top five priorities for each topic and each group's plan, all individual topic response forms were collected. Intermediate Supervisor Charles McCully responded to questions submitted on note cards by individual participants and then took questions from the workshop participants. The workshop participants were thanked for their involvement and the workshop adjourned.



The following chart represents the exact wording provided by each group on large format paper. They are aggregated here and color-coded to show the workshop consensus responses.

**Topic 1** What do you believe are the most important issues related to the development of Site 'D'?

GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7
<u>Traffic</u> : Opposed to Emergency Exit on Posada. If there are more signals, they need to be synchronized.	<u>Traffic</u> : A critical analysis of ingress / egress. Engage outside agencies	South wants parity with North Diamond Bar public facilities, prefer <u>park space</u>	Ideal for public <u>space / park development</u>	City needs to determine a Specific Plan with conditions of approval	<u>Compatibility</u> with current land usage? Does it fit into existing environment?	<u>Traffic</u> Impact
Consider moving entrance from Cherrydale to Crooked Creek	Commercial: Place commercial along DB Blvd. Slippery slope of development.	Improvements not just impact schools and children to benefit – <u>lowest density possible</u> . Can things like fios be extended?	<u>Traffic</u>	<u>Traffic</u> congestion and environmental impact	<u>Traffic</u> congestion – more cars, accidents, <u>pollution – air and noise</u> Time – what is the value of your time?	Lack of Open Space
Want all <u>residential and park</u> No commercial. Favor <u>low density residential</u> instead of high density.	What are the <u>fiscal</u> / cost <u>benefits</u> ?	Public safety emergency vehicle access <u>Traffic</u> (ingress / egress / <u>children</u> ) Not forcing wildlife into neighborhoods. Soil stability High water table	Public Safety	Alternative plans have not been presented (i.e. <u>single-family homes</u> , senior <u>homes</u> , etc.)	WVUSD – Land Sale ((1x income) vs. (income property) COB Master Plan? Plan for <u>long term revenue</u> stream? Current vacancy? Down in nearby areas	Increase of population impact
What will be affect on water supply?	Lack of <u>park</u> / hiking areas	Ambiance: Consistent with historic appreciation for natural environment	<u>Property value</u> impact	Current Site D Plan devalues <u>existing home value</u> and reduce safety for residents		Vacancy in the commercial development
Concerns over increased pollution.	Place houses against houses.	<u>Property values</u> in all decisions. Define low income and why this is good.  Noise: Topography and trees utilized in plan	<u>Fiscal/Political best interest</u> of community Responsibility Misinformation/ Current Plan	Concern that <u>high-density housing</u> is <u>detrimental</u> to neighborhood		<u>Lower density</u> supports property values  Loss of historical <u>value of property</u>

<b>ISSUES</b>
<b>Traffic</b>
<b>Park Space</b>
<b>Residential Density</b>
<b>Fiscal</b>
<b>Property Value</b>

**Other Issues:**

- Compatibility
- Public Safety
- Specific Plan with Conditions
- Moving Entrance to Crooked Creek
- Commercial along DB Blvd.
- Lack of Open Space
- Increase of Population Impact
- Affect on Water Supply
- Vacancy in Commercial Development
- Increased Pollution.

**Topic 2**

What suggestions can you think of to improve the Site 'D' Specific Plan?

GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7
<u>Low density</u> homes	<u>Better communication</u> to DB residents -A stand alone website -A place for input	<u>Lower Density</u>	<u>SCRAP IT!</u>	City / EIR Consultants to provide alternative plan to not devalue home or reduce resident safety  (i.e. <u>low density housing</u> with park)	<u>Shred it – Do over</u>	Long term recurring income
No block walls	Create a green belt of park space perimeter or 1/3 <u>park</u> space	<u>Ingress/Egress improved</u>	Develop alternatives <u>-Park</u>	If commercial is required, then proposed residential should be buffered between existing residential and proposed commercial.	<u>Low density</u> housing	Apply to different open space organizations that would provide financial assistance to build historical <u>park</u>
<u>Park</u> in middle of homes A. Bike B. Walk C. Open to Posada	Updated <u>traffic study</u>	No commercial	<u>LD Housing</u> -Library, etc.	Provide <u>additional emergency access</u> for future development.	<u>Park</u> to preserve nature and the animal wildlife (i.e. City of Walnut LPRD)	Castle Rock replacement
Community focal point at corner of DB Blvd. and Brea Canyon – Welcome DB – put windmill here	Look at like developments i.e. Phillips Ranch	We would like <u>wider dissemination</u> of plan to general community	<u>Redo</u> – Analysis based upon current data	Have workshop with potential future developers	<u>Notify all of the residents</u> of Diamond Bar to get the entire City's feelings on the proposed Site D plan.	Realign DB Blvd. to increase number of lanes
Berms separating old and new. No walls – green belt						

<b>IMPROVEMENTS</b>
<b>Low Density Housing</b>
<b>Park</b>
<b>Do Over</b>
<b>Access Traffic</b>
<b>Better Communication / Dissemination</b>

**Other Improvements:**

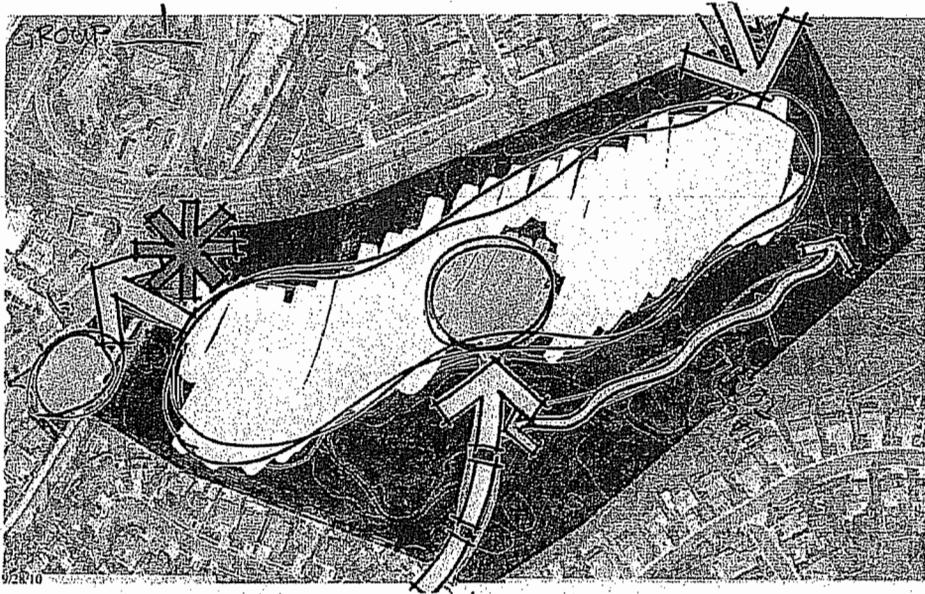
- Provide Alternative Plan
- Long Term Income
- No Block Walls
- Buffered Between Existing Residential and Proposed Commercial
- No Commercial
- Castle Rock Replacement
- Focal Point at Corner
- Look at Phillips Ranch
- Workshop with Potential Developers
- DB Blvd. to Increase Number of Lanes
- Green Belt

## GROUP PLANS

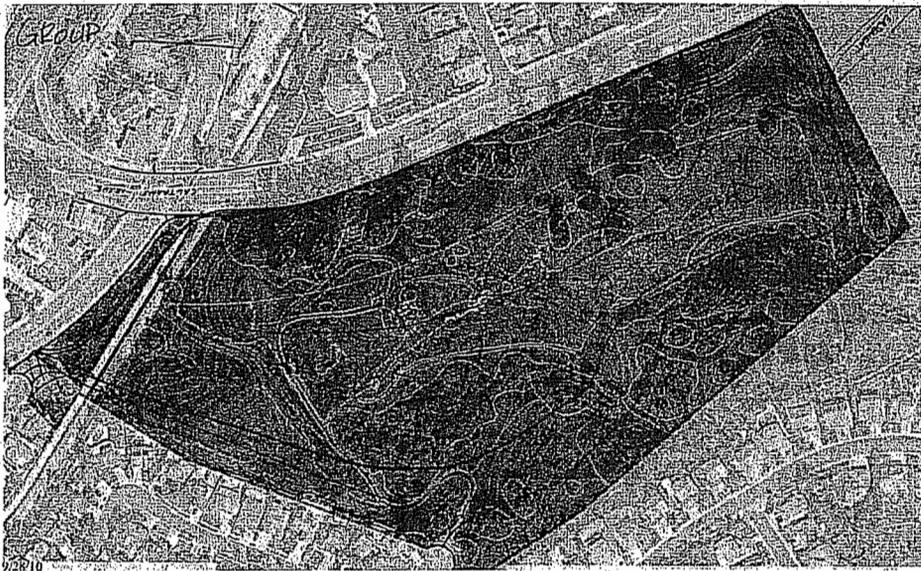
Each group was asked to take the ideas and issues discussed and utilize their creative energy to develop a plan for Site 'D'. Based upon community input, seven (7) alternatives were prepared by the participants of the workshop.

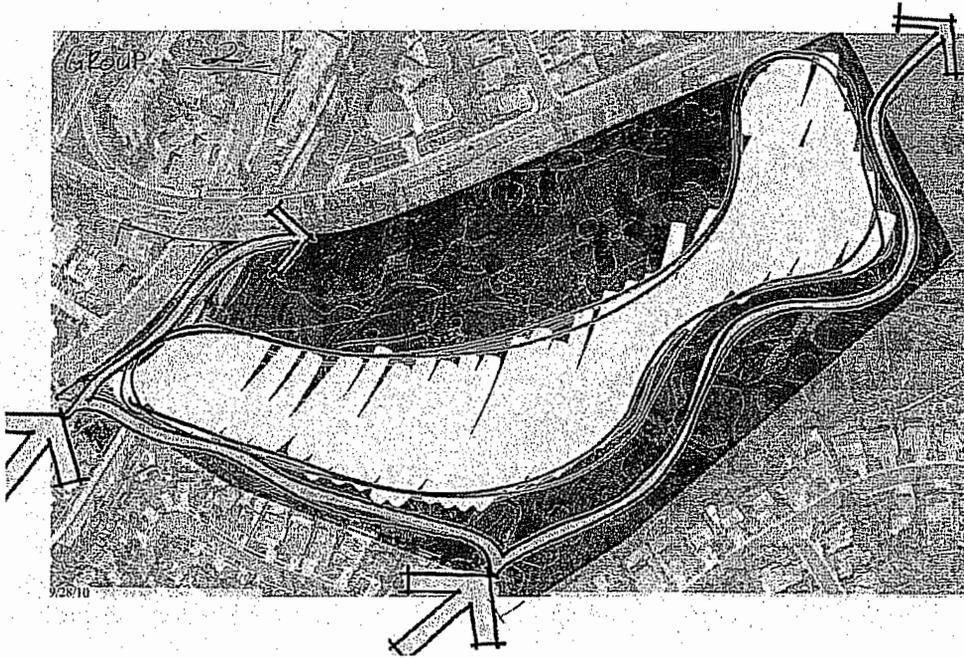
### GROUP 1



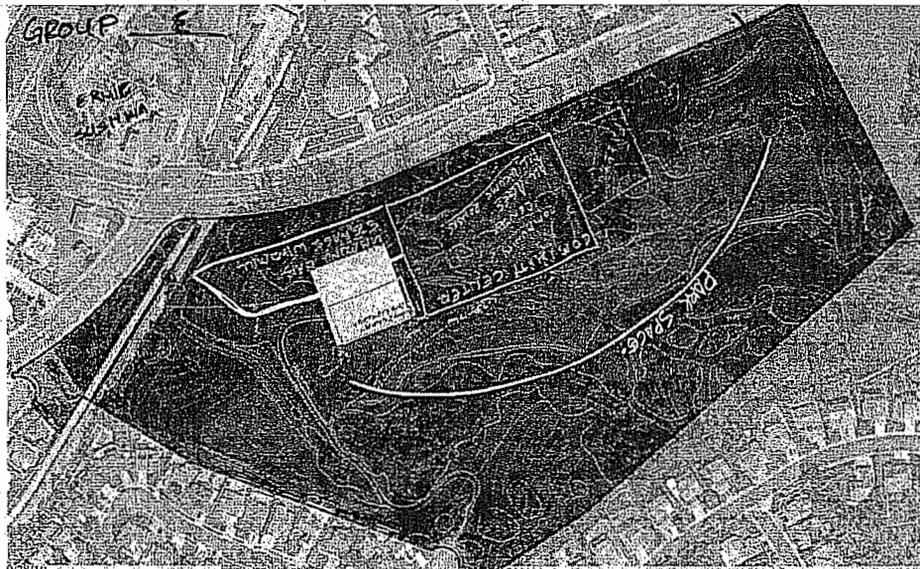


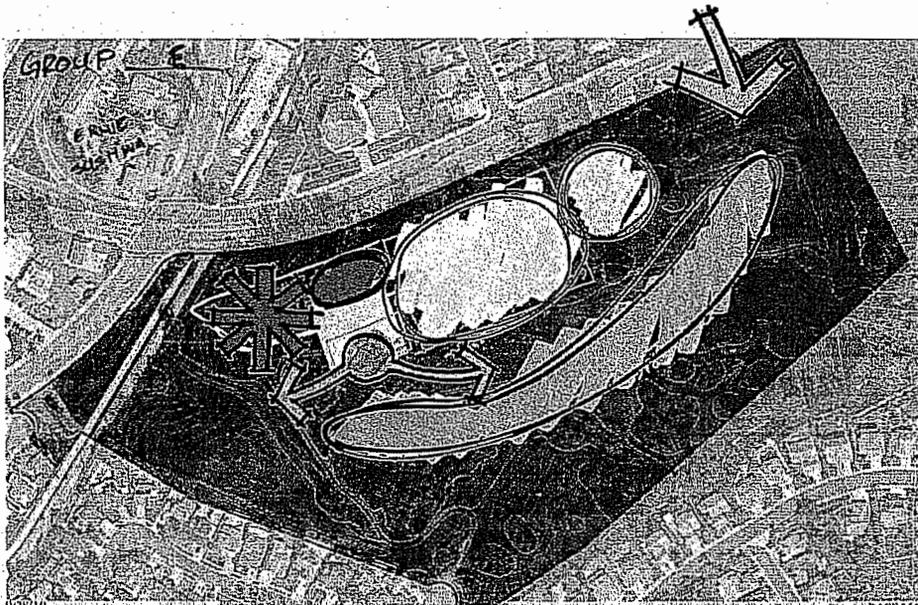
**GROUP 2**





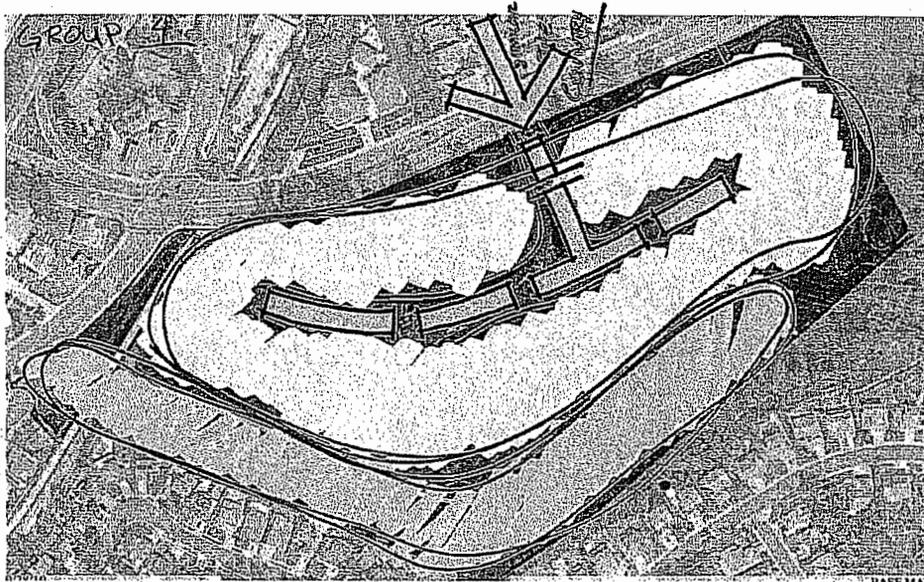
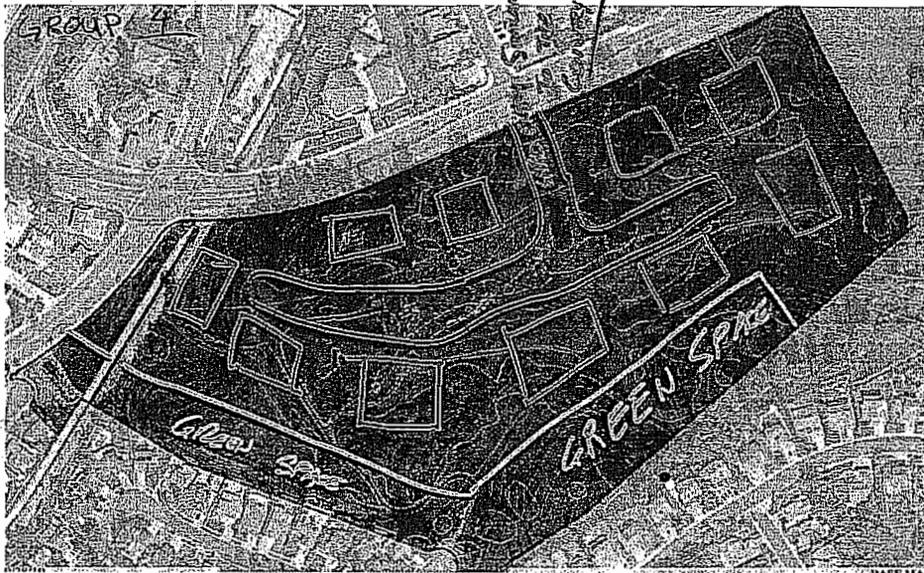
**GROUP 3**





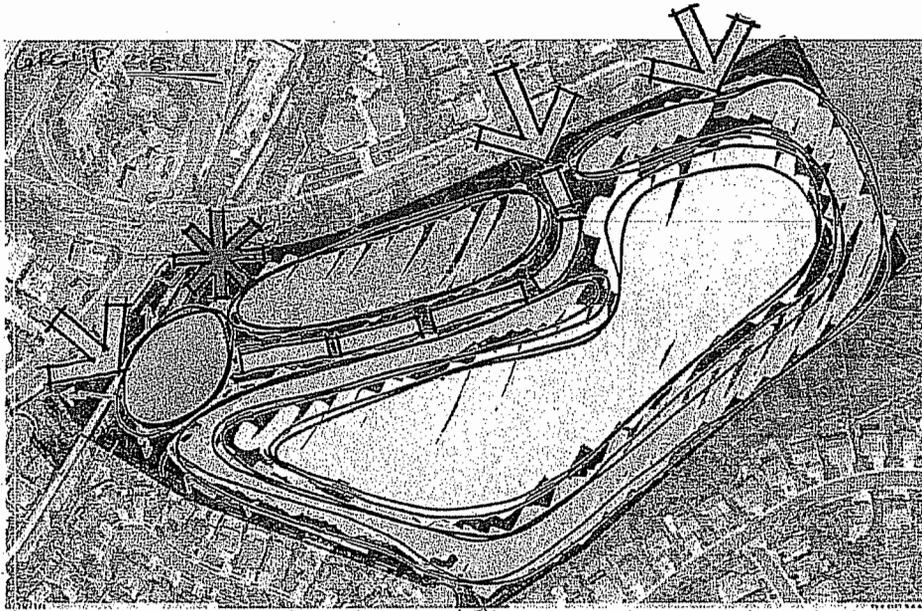
**GROUP 4**



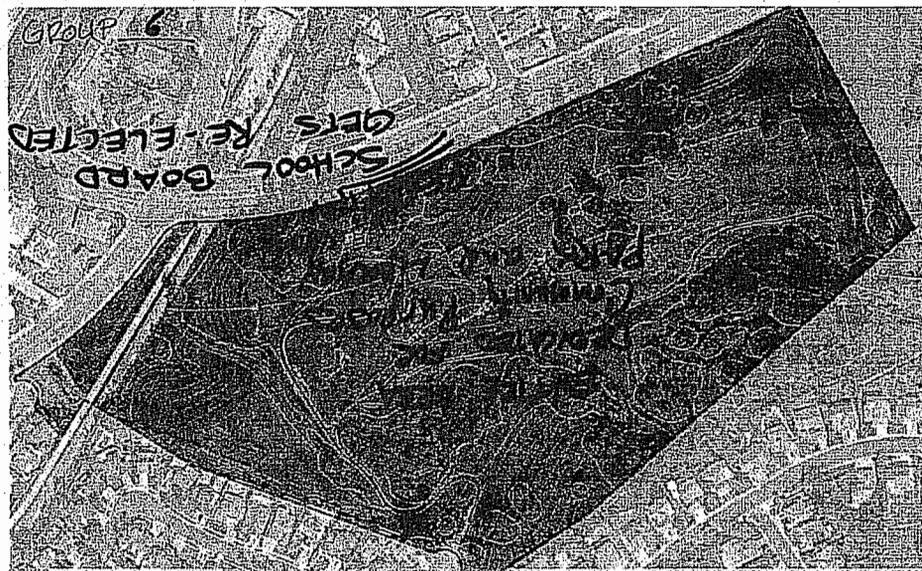


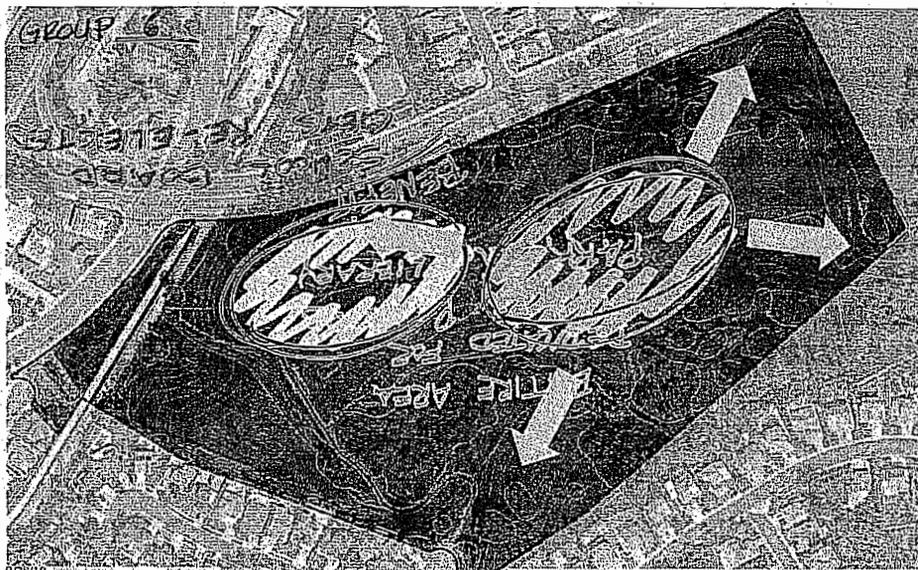
**GROUP 5**





**GROUP 6**

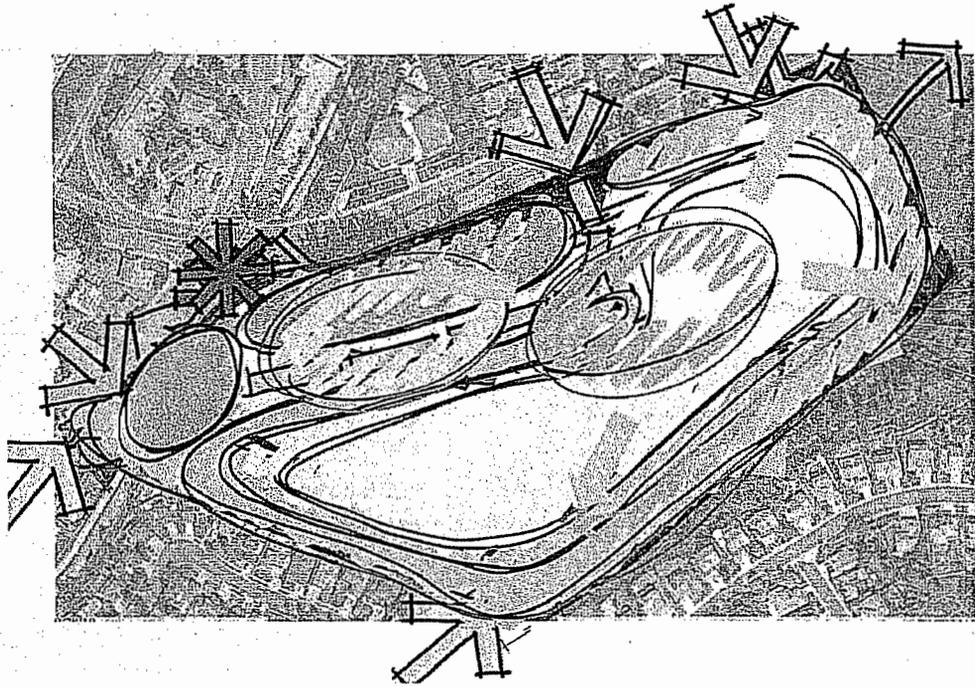




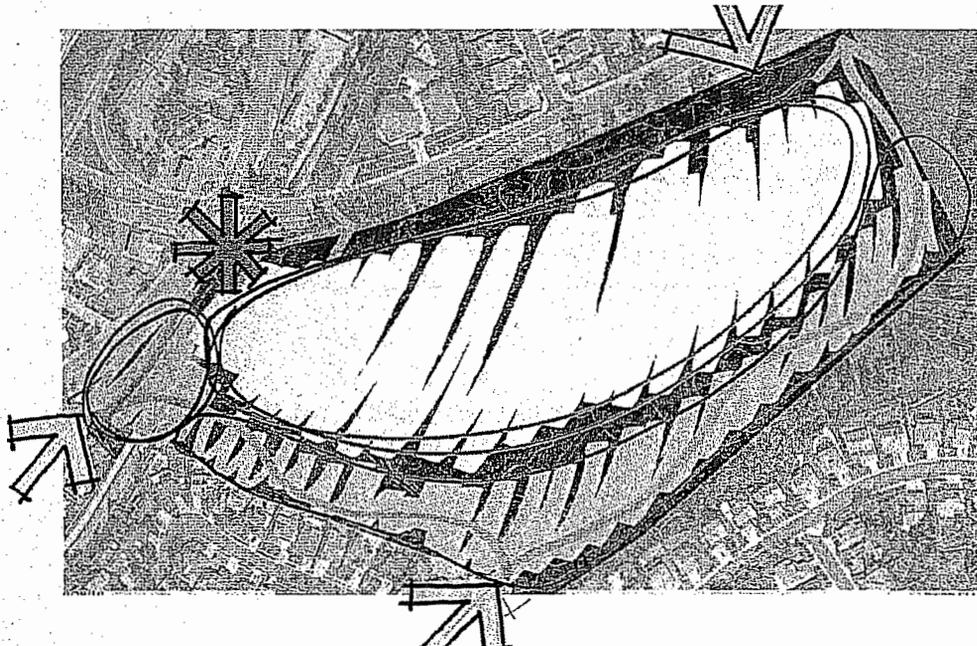
GROUP 7



COMPOSITE PLAN



CONSENSUS PLAN



The group plans indicated a number of unique design ideas and program elements. In some cases, many of the group plans were consistent in providing specific elements and even in the general location.

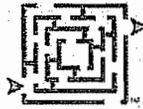
The following is a group plan summary chart showing the program elements suggested by the workshop participants.

Walnut Valley Unified School District Element Summary	Workshop Groups							Total # of Groups that Identified Element
	Group 1	Group 2	Group 3	Group 4	Group 5	Group 6	Group 7	
Identified Element								
Commercial					High End			1
Community Center			✓					1
Community Purposes						✓		1
Entry/Brea Canyon	Exit				✓			2
Entry/Cherrydale				Gated	✓			2
Entry/Crooked Creek	✓		✓		✓			3
Entry/Pasado	Pedestrian only							1
Focal Point	✓		Windmill		Monument			3
Green Space/Open Space				✓	Buffer Zone			2
Homes	✓	Low Density		Low Density	Low Density			4
Library						✓		1
Overpass		Diamond Blvd. & Brea Canyon						1
Park	Neighborhood Park		Community Park		Neighborhood Park	Community Park		4
Parking			✓					1
Partner with Developer							✓	1
Shared Equity							✓	1
Trail	✓	✓	✓		✓			4
Trail Easement		✓						1

Plan alternatives were drawn based upon the design concepts developed by each group participating at the workshop indicating proposed land uses.

The consensus design plan was presented to, and reviewed by, the workshop participants and School Board.

# Attachment 4



## KEYSER MARSTON ASSOCIATES ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

### MEMORANDUM

ADVISORS IN:  
REAL ESTATE  
REDEVELOPMENT  
AFFORDABLE HOUSING  
ECONOMIC DEVELOPMENT

SAN FRANCISCO  
A. JERRY KEYSER  
TIMOTHY C. KELLY  
KATE EARLE FUNK  
DEBBIE M. KERN  
ROBERT J. WETMORE  
REED T. KAWAHARA

LOS ANGELES  
KATHLEEN H. HEAD  
JAMES A. RABE  
PAUL C. ANDERSON  
GREGORY D. SOO-HOO  
KEVIN E. ENGSTROM  
JULIE L. ROMNEY  
DENISE BICKERSTAFF

SAN DIEGO  
GERALD M. TRIMBLE  
PAUL C. MARIA

**To:** Grace Lee, Senior Planner  
City of Diamond Bar

**From:** Kevin Engstrom

**Date:** October 14, 2010

**Subject:** Diamond Bar Boulevard and Brea Canyon Road Site Market Analysis

Pursuant to your request, Keyser Marston Associates, Inc. (KMA) updated the market conditions report for the Diamond Bar Boulevard and Brea Canyon Road Site (Site). The previous analysis was conducted in the Spring of 2008. The following analysis updates the findings of that study, providing a brief description of the Site, a summary of the socio-economic characteristics of the market area and a summary of the commercial opportunities.

Similar to 2008, the current uncertainty in the regional and national economy will impact market conditions in the near-term. Throughout the region, many development projects are on hold and/or are proceeding at a much slower pace. The credit crisis is a significant factor in this slowdown, as it has limited the funds available for new development. Consequently, while market demand may exist for new projects, financial considerations severely limit their ability to be built in the near-term. However, it is necessary to understand market demand to plan effectively for the future, when credit is once again more available.

#### SITE DESCRIPTION

The Site is located on the southeast corner of Brea Canyon Road and Diamond Bar Boulevard. Per the previous analysis, the sloping property is 28.4 acres of undeveloped land; however, given the topography the entire site is not developable. A study prepared by the Walnut Valley Unified School District (School District) and City of Diamond Bar (City) indicates approximately 20.8 usable acres.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 2

## **SOCIO-ECONOMIC CHARACTERISTICS**

Identifying the socio-economic character of the market area residents is necessary for the evaluation of potential market opportunities. Shown in Attachment 1 - Table 1 is a summary of the salient socio-economic characteristics for one-, three- and five -mile market areas around the Site; the City; the regional market area (Region); and the County of Los Angeles (County).<sup>1</sup> The salient socio-economic characteristics are summarized below:

### **Population**

1. According to Claritas, the population in the City is approximately 58,700 persons. The population within three miles of the Site is 57,300 persons. Overall, the City and market area population densities are relatively low. Reasons for this include the vast tracts of undeveloped land to the south of the City and the propensity of single-family residences throughout the market area.
2. Households in the City and the Region (3.22 and 3.39 persons) are generally larger than the County average of 3.03 persons.

### **Income**

1. Overall, per capita income levels in the City and Region are high. Within the City the per capita income levels are \$33,100 and the three-mile market area is \$32,000. Comparatively, the Countywide income levels are \$26,000, which are approximately 21% lower than the City.
2. The average household income levels in the City and three-mile market area are approximately 25% higher than the County.
3. Approximately 40% of the households in the City and three-mile market area have income levels above \$100,000. Comparatively, only 23% of the Countywide households exceed this threshold.

---

<sup>1</sup> The Region includes Diamond Bar, Walnut, Industry, Chino Hills, Brea, Rowland Heights and Hacienda Heights.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 3

### **Demographic Characteristics**

1. Overall, the age distributions within the City, the three-mile market area and the County are relatively consistent.
2. The population in the City and the three-mile market area are highly educated, as over 45% of the residents over the age of 25 have a college degree. Comparatively, 28% of the County residents have obtained their degrees.
3. Within the City, approximately 50% of the population is Asian, compared to 13% Countywide.

### **Population and Household Projections**

Shown in Attachment 1 - Table 2 are the SCAG population and household projections for the City, nearby Cities and Los Angeles County. As shown in the table, the population is projected to grow at a moderate pace within the City, 15% between 2005 and 2035. More rapid growth (21% between 2005 and 2035) is projected for the County.

### **Socio-Economic Summary**

Overall, the market area can be characterized as follows:

1. The City and market area population densities are relatively low.
2. Households in the City and the three-mile market area are generally larger than the County average.
3. Per capita and household income levels in the City and market area are high.
4. There is a significant concentration of households with annual incomes over \$100,000 in the City and market area.
5. The populations within the City and market area are highly educated population – over 45% have graduated from college.
6. Approximately 50% of the City's population is Asian.
7. Low to moderate population and household growth is projected.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 4

## COMMERCIAL MARKET OVERVIEW

The summary of the current commercial conditions is provided below.

1. As shown in Attachment 1 – Table 3, the 2008 taxable retail store sales in the City are significantly lower than the Region, County and State.<sup>2</sup> The sales data shown here comes from the California State Board of Equalization (SBE), which tracks the total taxable retail sales by jurisdiction. Within the City, the per capita taxable sales are extremely low in every retail store category. However, the regional market sales per capita are higher than the County in every category. This indicates the retail needs of the City's residents are likely being met by nearby jurisdictions.
2. As shown in Attachment 1 – Table 4, the taxable sales per permit in the City are low when compared to the Region and County. In fact, the sales per establishment within the City are lower than the County in every category except General Merchandise Stores. As shown in this table, the City has relatively few establishments, as the residents per permit are higher in the City than every jurisdiction except Chino Hills. It should be noted that while Chino Hills has relatively few establishments, its establishments generate significantly higher sales than those found in Diamond Bar.
3. As shown in Attachment 1 – Table 5, retail sales in the City have decreased 16% from 2000 to 2008. However, if auto dealerships are not included, then the actual change during this period is an increase of 3%. The significant difference is likely due to the closing of the Diamond Honda auto dealership.<sup>3</sup>
4. Shown in Attachment 1 – Tables 6A and 6B is a survey of the shopping centers and major retailers in the market area. The centers and retailers shown in these tables are only a sample of the total retail activity in the jurisdiction noted, they do not reflect the entirety of the retail/commercial development. Comparatively, the data in Tables 3 and 4 includes all of the retail store activity in the listed jurisdiction. However, the breadth and depth of this sample indicates the intense competition in the market area.

---

<sup>2</sup> The sales categories shown here reflect typical retail center tenancies and do not include Service Station and Auto Dealer sales.

<sup>3</sup> Due to disclosure issues the sales for Auto Dealers and Suppliers were included in the City's "Other Retail Stores" category for the years 2002-2008.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 5

5. Attachment 1 - Tables 7 and 8 estimate the retail surplus/leakage for the City. In Table 7, KMA estimated the surplus/leakage in 2010. To conduct this analysis, KMA assumed an estimated population of 58,700 persons based on the Claritas data. The retail sales in the City during 2008 are based on the taxable sales recorded by the SBE, with adjustments to reflect the non-taxable nature of some sales. These sales were then adjusted for inflation to estimate the current productivity levels. Finally, the estimated retail potential assumes the residents exhibit expenditure patterns consistent with the State. Shown in Table 8 is a projection of the retail surplus/leakage for the City in 2015.

In 2010 and 2015, the total additional development supported by City residents is significant, as the City is not capturing its fair share of retail sales in any category. In fact, it is estimated that the City is leaking potential sales that could support 978,000 square feet of retail development currently and 1.1 million square feet in 2015.

6. Shown in Attachment 1 – Tables 9 and 10 is an estimate of the surplus/leakage for the market area. For the purposes of this analysis, KMA included the residents of Rowland Heights and Hacienda Heights; however, sales data is not available from the SBE for these jurisdictions as these are unincorporated places in Los Angeles County. The analysis indicates the Region could support an additional 658,000 square feet of retail space in 2010 and 830,000 square feet in 2015. However, a large share of the potential demand is offset by the significant surplus in general merchandise sales within the market area. These retailers include membership warehouses, department stores and large scale retailers (e.g. Target) which sell a broad array of goods which are included in other SBE categories (e.g. apparel). Further, over half of the additional demand is for food stores, which serve a smaller one- to two-mile market area. In addition, the exclusion of the sales in Rowland Heights and Hacienda Heights impacts these figures, as there is a large number of neighborhood and community serving retailers along Colima Avenue, which are not being captured. Therefore, the significant general merchandise sales, the significant demand for food stores and the undocumented sales in the unincorporated County areas likely account for a large share of the regional demand.
7. As shown in Attachment 1 – Table 11, the asking rents for retail shop space in the City ranges from \$1.00 to \$2.50 per square foot, with a weighted average of \$1.73 per square foot (Triple Net - NNN). Overall, the rents are relatively low.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 6

8. As shown in Attachment 1 – Table 12, the average sales price for retail buildings in the City is \$240 per square foot.
9. Shown in Attachment 1 – Table 13 is a summary of office listings in the City. The monthly, full-service rents range from \$1.35 to \$4.15 per square foot. The weighted average is \$2.00 per square foot.<sup>4</sup>
10. Attachment 1 – Table 20 shows a summary of recent office building sales in the City. The prices for the buildings range from nearly \$180 per square foot to \$240 per square, with an average price of approximately \$205 per square foot.
11. Traffic counts indicate less than 25,000 cars per day travel near the intersection of Brea Canyon and Diamond Bar Boulevard.
12. KMA also contacted brokers active in the market area to gain their impression on the commercial market. These discussions are summarized below:
  - a. Retail and office market is relatively soft.
  - b. Current commercial market may not support new development in the near- to mid-term; however, potential may exist in the future.
  - c. Significant number of commercial vacancies in the City.
  - d. Very few large-scale development opportunities in the market area.
  - e. Proximity to freeway is an asset.
  - f. Local area residents are very concerned about large scale commercial development (traffic).
  - g. Commercial success will be determined by visibility.
  - h. There appears to be more potential support for office rather than retail in the near- to mid-term.

---

<sup>4</sup> Some of the rents are Triple Net, in which the expenses are passed on to the tenant.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 7

Overall, the commercial market can be characterized as follows:

1. Taxable sales in the City are extremely low.
2. Retail sales in the City are below County and State averages in every retail category.
3. There are relatively few retail establishments in the City, as there are significantly more residents per permit in the City compared to the other jurisdictions except Chino Hills. However, Chino Hills has larger retailers.
4. Taxable sales in the City have decreased 16% since 2000.
5. There is significant competition in the market area.
6. The surplus/leakage analysis indicates the City is leaking sales in all establishment types both currently and through the mid-term.
7. The Region indicates some demand as well; however, the sales productivity of Rowland Heights and Hacienda Heights is not captured. Further, there is a significant surplus of general merchandise sales in the Region and much of the demand is for food stores, which have a relatively small, local serving market area.
8. Within the City, rents are relatively soft.
9. The recent retail building sales in the City supported moderate prices.
10. The office rents in the City are relatively healthy.
11. Traffic counts are moderate near the intersection.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 8

## **SUMMARY**

The socio-economic characteristics of the market area residents are strong, as income and education levels are quite high. However, the population density within the three-mile market area is relatively low due to the lack of development to the south of the Site and lower density residential in the market area. Within the City, the retail sales are extremely low and the City is leaking sales to nearby jurisdictions. While the region shows some leakage, a significant surplus of sales in general merchandise stores and retail development in unincorporated areas likely account for a great share of this potential. Further, much of the demand is related to food stores, which have a small, local market area. Overall, when the region is evaluated, there may be some support for building material stores and dining establishments. A review of the existing real estate conditions indicates the retail rents are relatively low and office rents are relatively healthy. Discussions with brokers indicate the retail market is currently soft, with relatively high vacancy rates.

Given the market conditions in the City, the near- to mid-term market opportunities for this Site are limited. Reasons for this include: the relatively low rents in the City, the high vacancy rates, regional demand factors and the availability of credit. However, the size of the parcel and the beneficial locational factors of this Site (freeway proximity, access etc.) could be well suited for a neighborhood to community sized commercial center (65,000 to 150,000 square feet) which includes retail and/or office. However, the viability of such a center will likely be much greater in the long-term (5 – 7 + years). If a long-term perspective is considered, tenancies could include some of the following tenant types: office space, box retail (e.g. the Home Depot), food store, mini-anchors (e.g. Staples, Ross, T.J. Maxx etc.) and restaurant pads.

**To:** Grace Lee, City of Diamond Bar  
**Subject:** Diamond Bar Boulevard and Brea Canyon Road  
Site Market Analysis

October 14, 2010  
Page 9

### **Limiting Conditions**

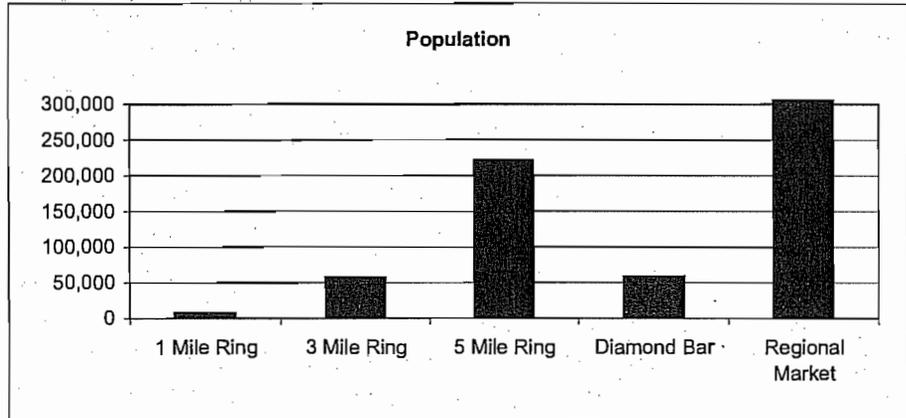
1. The analysis contained in this document is based, in part, on data from secondary sources such as state and local government, planning agencies, real estate brokers, and other third parties. While KMA believes that these sources are reliable, we cannot guarantee their accuracy.
2. The analysis assumes that neither the local nor national economy will experience a major recession. If an unforeseen change occurs in the economy, the conclusions contained herein may no longer be valid.
3. The findings are based on economic rather than political considerations. Therefore, they should be construed neither as a representation nor opinion that government approvals for development can be secured.
4. Market feasibility is not equivalent to financial feasibility; other factors apart from the level of demand for a land use are of crucial importance in determining feasibility. These factors include the cost of acquiring sites, relocation burdens, traffic impacts, remediation of toxics (if any), and mitigation measures required through the approval process.
5. Development opportunities are assumed to be achievable during the specified time frame. A change in development schedule requires that the conclusions contained herein be reviewed for validity.
6. The analysis, opinions, recommendations and conclusions of this document are KMA's informed judgment based on market and economic conditions as of the date of this report. Due to the volatility of market conditions and complex dynamics influencing the economic conditions of the building and development industry, conclusions and recommended actions contained herein should not be relied upon as sole input for final business decisions regarding current and future development and planning.

Attachments

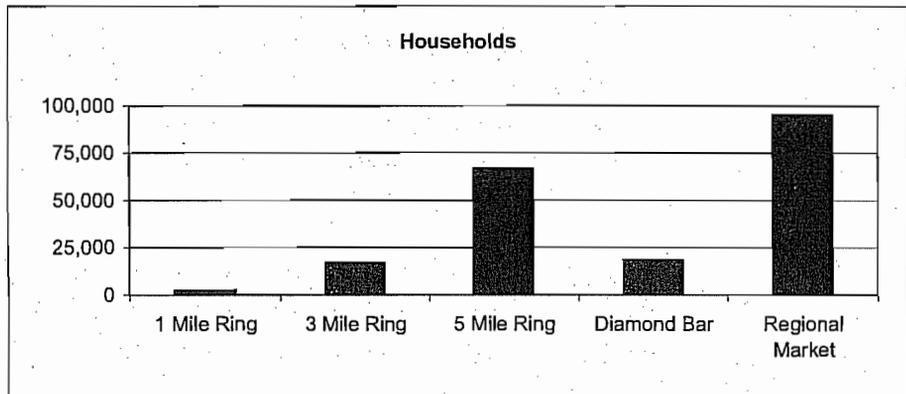
**ATTACHMENT 1 - TABLE 1**

**2010 SOCIO-ECONOMIC CHARACTERISTICS  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA**

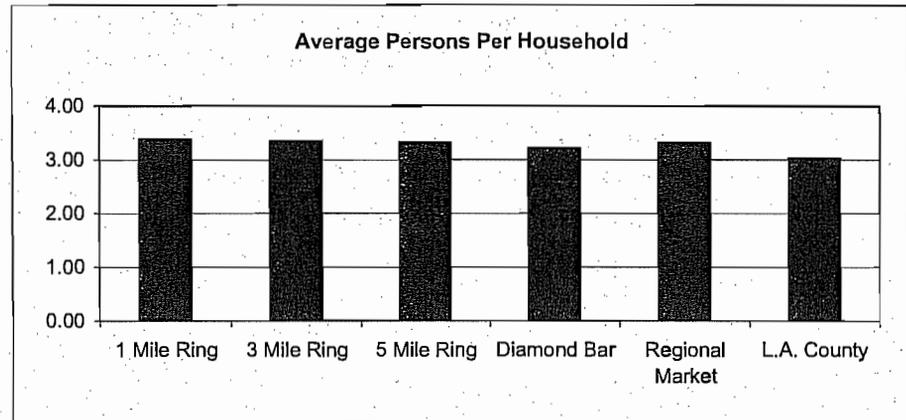
<b>Population</b>	
1 Mile Ring	8,200
3 Mile Ring	57,300
5 Mile Ring	221,800
Diamond Bar	58,700
Regional Market	315,800
L.A. County	10,163,800



<b>Households</b>	
1 Mile Ring	2,400
3 Mile Ring	17,000
5 Mile Ring	66,700
Diamond Bar	18,400
Regional Market	94,900
L.A. County	3,297,800



<b>Average Persons Per Hhold</b>	
1 Mile Ring	3.39
3 Mile Ring	3.35
5 Mile Ring	3.32
Diamond Bar	3.22
Regional Market	3.32
L.A. County	3.03



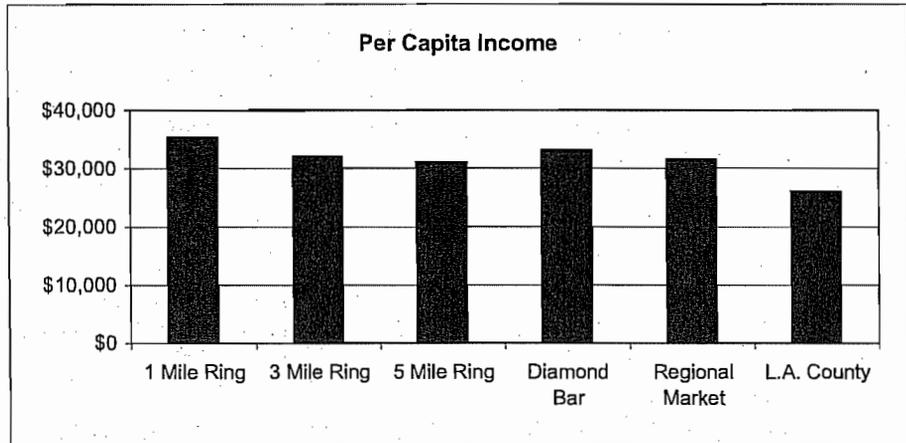
Source: Claritas 2010

ATTACHMENT 1 - TABLE 1 (Continued)

2010 SOCIO-ECONOMIC CHARACTERISTICS  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

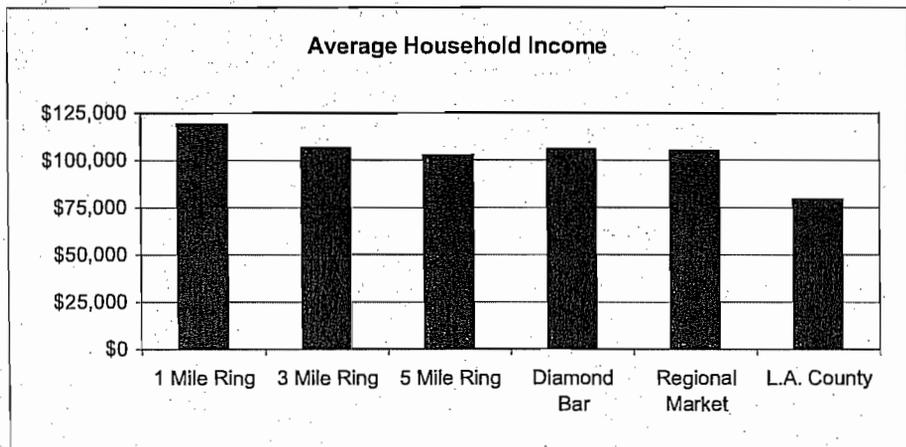
**Per Capita Income**

1 Mile Ring	\$35,400
3 Mile Ring	\$32,000
5 Mile Ring	\$31,000
Diamond Bar	\$33,100
Regional Market	\$31,600
L.A. County	\$26,000



**Average Household Income**

1 Mile Ring	\$119,200
3 Mile Ring	\$106,700
5 Mile Ring	\$102,600
Diamond Bar	\$106,100
Regional Market	\$104,900
L.A. County	\$79,300



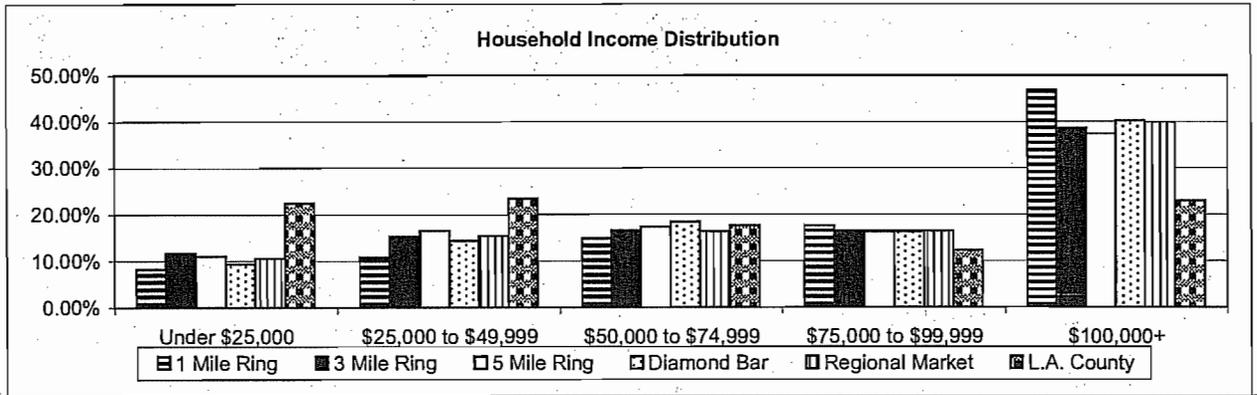
Source: Claritas 2010

ATTACHMENT 1 - TABLE 1 (Continued)

2010 SOCIO-ECONOMIC CHARACTERISTICS  
DIAMOND BAR & BREYA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

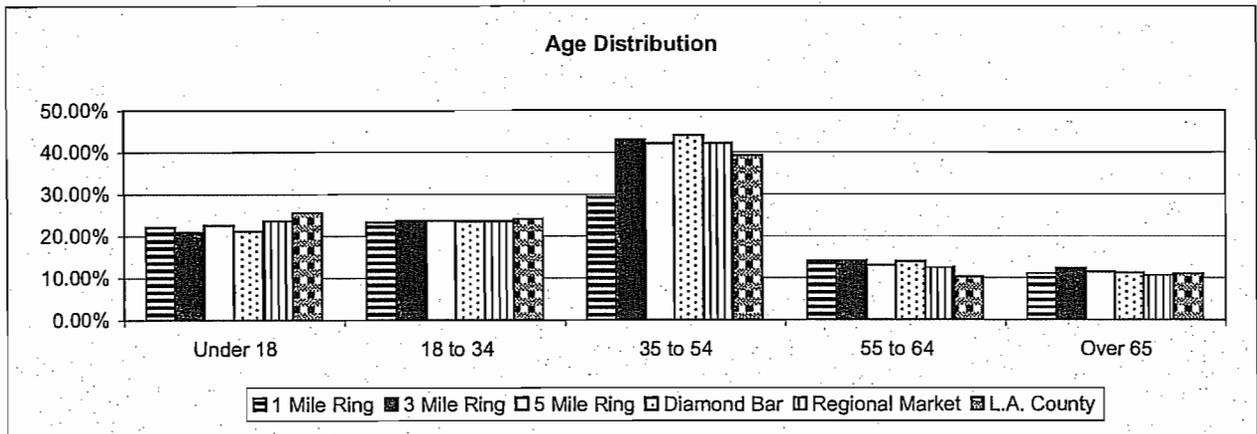
Household Income Distribution

	Under \$25,000	\$25,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000+
1 Mile Ring	8.23%	10.80%	14.89%	17.58%	46.82%
3 Mile Ring	11.77%	15.30%	16.54%	16.41%	38.50%
5 Mile Ring	11.08%	16.57%	17.41%	16.29%	37.38%
Diamond Bar	9.42%	14.37%	18.40%	16.26%	40.17%
Regional Market	10.64%	15.43%	16.39%	16.44%	39.93%
L.A. County	22.50%	23.41%	17.58%	12.25%	22.97%



Age Distribution

	Under 18	18 to 34	35 to 54	55 to 64	Over 65
1 Mile Ring	22.19%	23.31%	29.40%	14.06%	11.03%
3 Mile Ring	20.97%	23.77%	43.08%	14.10%	12.16%
5 Mile Ring	22.65%	23.72%	42.15%	13.02%	11.48%
Diamond Bar	21.27%	23.51%	44.08%	13.89%	11.14%
Regional Market	23.63%	23.52%	42.14%	12.51%	10.69%
L.A. County	25.65%	24.15%	39.24%	10.20%	10.96%



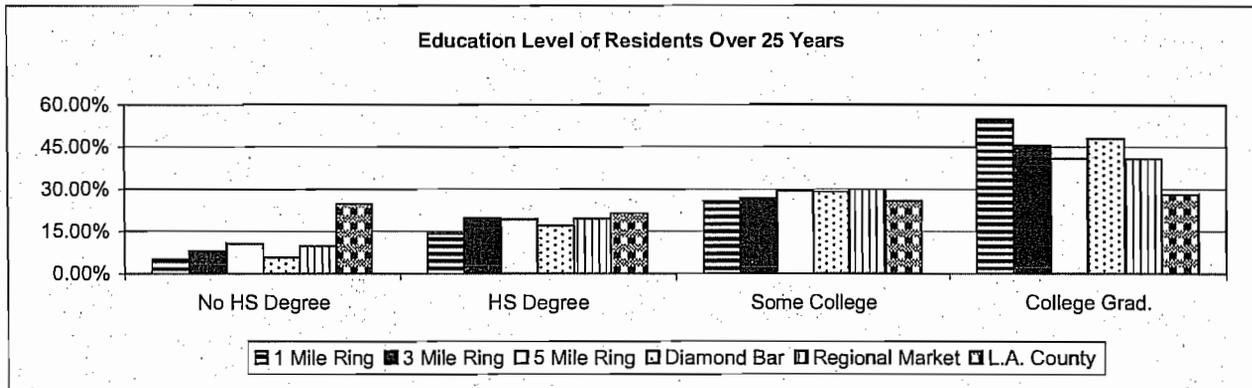
Source: Claritas 2010

ATTACHMENT 1 - TABLE 1 (Continued)

2010 SOCIO-ECONOMIC CHARACTERISTICS  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

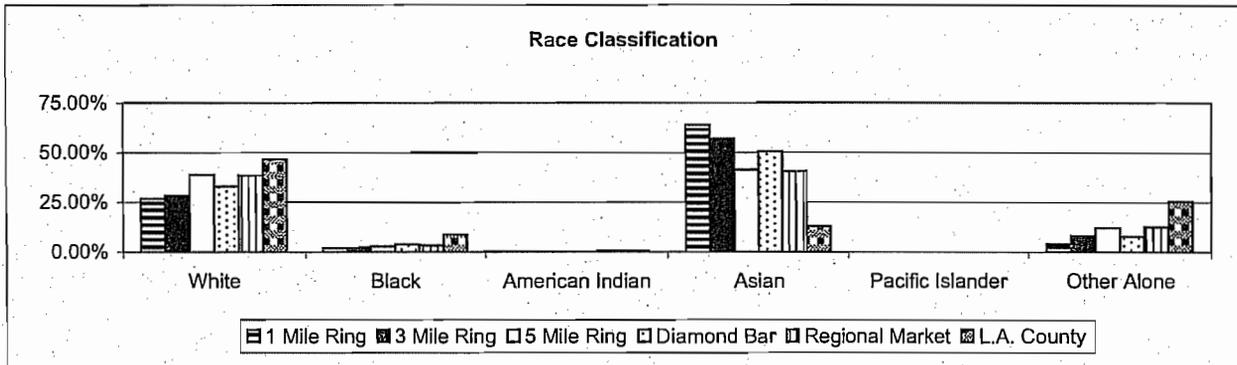
Education Level of Residents Over 25 Years

	No HS Degree	HS Degree	Some College	College Grad.
1 Mile Ring	5.15%	14.25%	25.74%	54.84%
3 Mile Ring	8.06%	19.64%	26.74%	45.56%
5 Mile Ring	10.60%	19.26%	29.32%	40.83%
Diamond Bar	5.81%	17.11%	29.14%	47.94%
Regional Market	9.80%	19.48%	29.97%	40.75%
L.A. County	24.74%	21.44%	25.68%	28.15%



Race Classification

	White	Black	American Indian	Asian	Pacific Islander	Other Alone
1 Mile Ring	26.70%	2.07%	0.28%	63.92%	0.01%	3.94%
3 Mile Ring	28.24%	2.36%	0.33%	56.94%	0.14%	8.25%
5 Mile Ring	38.95%	2.75%	0.48%	41.33%	0.20%	12.15%
Diamond Bar	33.07%	3.80%	0.27%	50.51%	0.13%	7.81%
Regional Market	38.64%	3.17%	0.47%	40.56%	0.17%	12.55%
L.A. County	46.68%	8.73%	0.80%	12.87%	0.26%	25.32%



Source: Claritas 2010

Prepared by: Keyser Marston Associates, Inc.

Filename: Diamond Bar & Brea Canyon Tables - 10-14; 2010T1A; 10/14/2010' jtu

ATTACHMENT 1 - TABLE 2

SCAG POPULATION, HOUSEHOLD & EMPLOYMENT PROJECTIONS  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

	POPULATION					
	<u>2005</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2025</u>	<u>2035</u>
Diamond Bar	59,659	61,041	62,676	64,247	65,771	68,595
Walnut	31,929	32,353	33,567	34,408	35,301	36,989
Industry	800	807	807	809	811	814
Chino Hills	77,989	79,298	80,382	81,039	81,678	82,880
Brea	39,573	42,973	45,417	46,031	46,295	46,997
Regional Market Total	209,950	216,472	222,849	226,534	229,856	236,275
Los Angeles County	10,206,001	10,615,730	10,971,602	11,329,829	11,678,552	12,338,620
<b>Change</b>	<b><u>2005-2010</u></b>	<b><u>2010-2015</u></b>	<b><u>2015-2020</u></b>	<b><u>2020-2025</u></b>	<b><u>2025-2035</u></b>	<b><u>2005-2035</u></b>
Diamond Bar	2.3%	2.7%	2.5%	2.4%	4.3%	15.0%
Walnut	1.3%	3.8%	2.5%	2.6%	4.8%	15.8%
Industry	0.9%	0.0%	0.2%	0.2%	0.4%	1.8%
Chino Hills	1.7%	1.4%	0.8%	0.8%	1.5%	6.3%
Brea	8.6%	5.7%	1.4%	0.6%	1.5%	18.8%
Regional Market Total	3.1%	2.9%	1.7%	1.5%	2.8%	12.5%
Los Angeles County	4.0%	3.4%	3.3%	3.1%	5.7%	20.9%
	<b>HOUSEHOLDS</b>					
	<u>2005</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2025</u>	<u>2035</u>
Diamond Bar	17,876	18,377	19,082	19,780	20,319	21,247
Walnut	8,398	8,609	9,091	9,486	9,791	10,315
Industry	121	121	121	121	121	121
Chino Hills	22,110	22,689	23,347	23,753	24,142	24,848
Brea	14,175	14,948	15,687	15,725	15,761	15,961
Regional Market Total	62,680	64,744	67,328	68,865	70,134	72,492
Los Angeles County	3,212,434	3,357,798	3,509,580	3,666,631	3,788,732	4,003,501
<b>Change</b>	<b><u>2005-2010</u></b>	<b><u>2010-2015</u></b>	<b><u>2015-2020</u></b>	<b><u>2020-2025</u></b>	<b><u>2025-2035</u></b>	<b><u>2005-2035</u></b>
Diamond Bar	2.8%	3.8%	3.7%	2.7%	4.6%	18.9%
Walnut	2.5%	5.6%	4.3%	3.2%	5.4%	22.8%
Industry	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Chino Hills	2.6%	2.9%	1.7%	1.6%	2.9%	12.4%
Brea	5.5%	4.9%	0.2%	0.2%	1.3%	12.6%
Regional Market Total	3.3%	4.0%	2.3%	1.8%	3.4%	15.7%
Los Angeles County	4.5%	4.5%	4.5%	3.3%	5.7%	24.6%

Source: Southern California Association of Governments

ATTACHMENT 1 - TABLE 2 (continued)

SCAG POPULATION, HOUSEHOLD & EMPLOYMENT PROJECTIONS  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

	EMPLOYMENT					
	<u>2005</u>	<u>2010</u>	<u>2015</u>	<u>2020</u>	<u>2025</u>	<u>2035</u>
Diamond Bar	15,273	15,809	16,235	16,507	16,827	17,495
Walnut	8,815	9,169	9,450	9,630	9,841	10,283
Industry	84,650	85,529	86,228	86,674	87,199	88,296
Chino Hills	8,739	9,901	10,900	11,789	12,827	14,720
Brea	40,231	43,760	44,490	45,760	46,031	46,510
Regional Market Total	157,708	164,168	167,303	170,360	172,725	177,304
Los Angeles County	4,397,025	4,552,398	4,675,875	4,754,731	4,847,436	5,041,172
<b>Change</b>	<u>2005-2010</u>	<u>2010-2015</u>	<u>2015-2020</u>	<u>2020-2025</u>	<u>2025-2035</u>	<u>2005-2035</u>
Diamond Bar	3.5%	2.7%	1.7%	1.9%	4.0%	14.5%
Walnut	4.0%	3.1%	1.9%	2.2%	4.5%	16.7%
Industry	1.0%	0.8%	0.5%	0.6%	1.3%	4.3%
Chino Hills	13.3%	10.1%	8.2%	8.8%	14.8%	68.4%
Brea	8.8%	1.7%	2.9%	0.6%	1.0%	15.6%
Regional Market Total	4.1%	1.9%	1.8%	1.4%	2.7%	12.4%
Los Angeles County	3.5%	2.7%	1.7%	1.9%	4.0%	14.6%

Source: Southern California Association of Governments

ATTACHMENT 1 - TABLE 3

TOTAL & PER CAPITA SALES  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

	2008							
	Diamond Bar	Industry	Chino Hills	Brea	Walnut	Regional Market	Los Angeles County	State of California
Apparel Stores	\$777	\$60,849	\$21,674	\$213,230	NA	\$296,530	\$6,290,993	\$22,120,093
General Merchandise Stores	46,453	276,783	124,395	\$233,411	\$1,525	682,567	12,861,677	56,425,472
Food Stores	16,440	17,249	43,057	27,756	\$12,916	117,418	4,921,329	21,504,308
Eating & Drinking Places	47,749	119,715	76,056	166,689	\$24,972	435,181	14,607,067	52,051,403
Home Furnishing & Appliances	1,555	104,888	25,184	53,183	NA	184,810	4,482,775	17,199,167
Building Materials & Farm Imp.	5,782	96,944	NA	139,421	\$1,229	243,376	6,388,930	26,647,007
Auto Dealers and Supplies	NA	324,646	11,663	23,237	\$3,876	336,309	13,282,538	54,540,172
Other Retail Stores <sup>1</sup>	31,607	405,672	87,047	195,606	41,268	761,200	13,537,618	54,815,535
Retail Stores Total	\$150,363	\$1,406,746	\$389,076	\$1,052,533	\$65,786	\$3,084,504	\$76,372,927	\$305,303,177

	2008							
	Diamond Bar	Industry	Chino Hills	Brea	Walnut	Regional Market	Los Angeles County	State of California
Population	60,015	794	78,465	39,910	32,112	211,296	10,301,658	37,883,992
Apparel Stores	\$13	\$76,636	\$276	\$5,343	NA	\$1,403	\$611	\$584
General Merchandise Stores	774	348,593	1,585	5,848	47	3,230	1,249	1,489
Food Stores	274	21,724	549	695	402	556	478	568
Eating & Drinking Places	796	150,775	969	4,177	778	2,060	1,418	1,374
Home Furnishing & Appliances	26	132,101	321	1,333	NA	875	435	454
Building Materials & Farm Imp.	96	122,096	NA	3,493	38	1,152	620	703
Auto Dealers and Supplies	NA	408,874	149	582	121	1,592	1,289	1,440
Other Retail Stores <sup>1</sup>	527	510,922	1,109	4,901	1,285	3,603	1,314	1,447
Retail Stores Total	\$2,505	\$1,771,720	\$4,959	\$26,373	\$2,671	\$14,598	\$7,414	\$8,059

Source: California State Board of Equalization; and California State Department of Finance (Table E-1, population as of 1/1/08)

<sup>1</sup> Per the CA State Board of Equalization, for those categories listed as NA, the sales are included in the "Other Retail Stores" category.

ATTACHMENT 1 - TABLE 4

TOTAL PERMITS & SALES PER PERMIT  
DIAMOND BAR & BREYA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

	2008							
	Diamond Bar	Industry	Chino Hills	Brea	Walnut	Regional Market	Los Angeles County	State of California
Apparel Stores	31	204	32	121	42	388	20,123	53,510
General Merchandise Stores	16	39	19	22	37	96	9,678	23,055
Food Stores	25	32	18	23	10	98	7,108	24,773
Eating & Drinking Places	109	154	88	162	66	513	25,320	91,554
Home Furnishing & Appliances	21	97	29	58	25	205	9,475	33,469
Building Materials & Farm Imp.	14	42	11	13	12	80	2,688	12,130
Auto Dealers and Supplies	25	72	25	33	47	155	8,705	34,104
Other Retail Stores	314	823	316	414	225	1,867	61,620	215,472
Retail Stores Total	555	1,463	538	846	464	3,402	144,717	488,067

	2008							
	Diamond Bar	Industry	Chino Hills	Brea	Walnut	Regional Market	Los Angeles County	State of California
Apparel Stores	\$25,065	\$298,279	\$677,313	\$1,762,231	NA	\$764,253	\$312,627	\$413,382
General Merchandise Stores	2,903,313	7,097,000	6,547,105	10,609,591	41,216	7,110,073	1,328,960	2,447,429
Food Stores	657,600	539,031	2,392,056	1,206,783	1,291,600	1,198,143	692,365	868,054
Eating & Drinking Places	438,064	777,370	864,273	1,028,944	378,364	848,506	576,898	568,532
Home Furnishing & Appliances	74,048	1,081,320	868,414	916,948	NA	901,512	473,116	513,884
Building Materials & Farm Imp.	413,000	2,308,190	10,724,692	704,152	102,417	3,042,200	2,376,834	2,196,785
Auto Dealers and Supplies	NA	4,508,972	466,520	704,152	82,468	2,169,735	1,325,852	1,599,231
Other Retail Stores <sup>1</sup>	93,236	492,919	266,199	472,478	141,329	407,713	219,695	254,397
Retail Stores Average	\$270,924	\$861,549	\$723,190	\$1,244,129	\$184,884	\$906,674	\$527,740	\$625,535

	2008							
	Diamond Bar	Industry	Chino Hills	Brea	Walnut	Regional Market	Los Angeles County	State of California
Population	60,015	794	76,465	39,441	39,442	211,296	10,301,658	37,883,992
Apparel Stores	1,936	4	2,452	326	939	545	512	708
General Merchandise Stores	3,751	20	4,130	1,793	1,066	2,201	1,064	1,643
Food Stores	2,401	25	4,359	1,715	3,944	2,156	1,449	1,529
Eating & Drinking Places	551	5	892	243	598	412	407	414
Home Furnishing & Appliances	2,858	8	2,706	680	1,578	1,031	1,087	1,132
Building Materials & Farm Imp.	4,287	19	7,133	3,034	3,287	2,641	3,832	3,123
Auto Dealers and Supplies	2,401	11	3,139	1,195	839	1,363	1,183	1,111
Other Retail Stores <sup>1</sup>	191	1	248	95	175	113	167	176
Retail Stores Average	108	1	146	47	85	62	71	78

Source: California State Board of Equalization; and California State Department of Finance (Table E-1, population as of 1/1/08)

<sup>1</sup> Per the CA State Board of Equalization, for those categories listed as NA, the sales are included in the "Other Retail Stores" category.



ATTACHMENT 1 - TABLE 6A

LOCAL SHOPPING CENTERS OVER 30,000 SQUARE FEET

MARKET STUDY

DIAMOND BAR, CALIFORNIA

Name	SF	Type	Address	City	Anchor Tenants
1 Brea Mall	1,318,000	Super Regional	1064 Brea Mall	Brea	JCPenney, Macy's, Nordstrom, Robinson's-May, Sears
2 Puente Hills East	1,260,000	Power Center	17515 Colima Rd.	Rowland Heights	Costco, Levitz, Mann Theaters, Target, Kids R Us
3 MDC Center	589,078	Power Center	601-629 Placentia	Brea	Home Depot, Office Depot, Sam's Wholesale Club, Smart & Final, Toys 'R' Us
4 Brea Marketplace	298,193	Community	705-985 E. Birch St.	Brea	Target
5 Puente Hills Town Center	260,689	Community	17342 Colima	Rowland Heights	Barnes & Noble, Michaels, Marshalls
6 Imperial Center East	225,000	Community	2500 Imperial Hwy	Brea	TJ Maxx, Petco, Alberstons
7 The Marketplace at Grand Crossing	205,000	Community	21818 Valley Blvd.	Industry	Pier 1, Petsmart, Kohls, Michaels
8 Plaza at Puente Hills	177,933	Community	18205 Gale Ave	Rowland Heights	Office Depot, Sam Ash, Smart & Final
9 Diamond Hills Plaza	157,408	Community	2797 Diamond Bar Blvd.	Diamond Bar	Super H Mart, Rite Aid, KFC
10 Brea Plaza	150,000	Community	1639 Imperial Hwy	Brea	Lucille's, Borders
11 The Village	128,175	Community	535 N Grand Ave.	Walnut	L&L Hawaii BBQ, Home Goods, TJ Maxx
12 Imperial Rose Plaza	101,484	Neighborhood	1029-1174 Imperial Hwy	Placentia	Stater Brothers, del Taco, Sav On
13 Lemon Creek Village	69,046	Neighborhood	368 N. Lemon Ave.	Walnut	Vons, Wells Fargo, Blockbuster, Hallmark
14 Rowland Heights Shopping Center	89,000	Neighborhood	18305 Colima	Rowland Heights	California Market
15 Diamond Bar Plaza	73,898	Neighborhood	218-334 S. Diamond Bar Ave.	Diamond Bar	Albertsons
16 Plaza Diamond Bar	71,926	Neighborhood	1900-2040 South Brea Canyon	Diamond Bar	Akbar Ali, Showbiz
17 The Marketplace West at Grand Crossing	67,234	Neighborhood	21560 Valley Blvd.	Industry	Fresh & Easy 24 Hour Fitness
18 Diamond Bar Village Center	59,746	Neighborhood	23347 Golden Springs Dr.	Diamond Bar	Peacock Garden, Baskin Robbins
19 Brea Center	56,945	Neighborhood	720 N. Brea Blvd.	Brea	Curves, Vons, Round Table
20 Rowland Heights Plaza	56,582	Neighborhood	18716-18742 E. Colima	Rowland Heights	Diamond Realty, Hanmi Bank, New Garden
21 Village at Birch St. Promenade	55,000	Neighborhood	110 W. Birch St.	Brea	Skechers, Bath & Body Works
22 Brea West Shopping Center	46,067	Neighborhood	1201 W. Central Ave.	Brea	99 Cent Store
23 19758 Colima	43,000	Neighborhood	19758 Colima Rd.	Rowland Heights	Stater Bros, Whiskey Barrel
24 Walnut Hills Plaza	42,282	Neighborhood	18730 Amar Rd.	West Covina	American Tire, Ethan Allen
25 1478-1562 S. Azusa	40,732	Neighborhood	1478-1562 S. Azusa	Industry	
26 18575 Gale Ave.	38,320	Neighborhood	18575 Gale Ave.	Rowland Heights	Kaitlyn Clothing
27 Brea Gateway	37,141	Neighborhood	215 South Brea Blvd.	Brea	Rendinos Pizza
28 Towne Center-Village	36,700	Neighborhood	1117-1139 S. Grand Ave.	Diamond Bar	Kmart
29 Diamond Bar Ranch Plaza	36,500	Neighborhood	249 S. Diamond Bar Blvd.	Diamond Bar	Auto Zone, Ace Hardware
30 Diamond Bar Plaza	36,454	Neighborhood	303-315 S. Diamond Bar Blvd	Diamond Bar	

Source: ICSC Global Shopping Center Directory; Unnamed centers without addresses or square footage are not included in this summary.

TABLE 6B

**HOME IMPROVEMENT & SUPERMARKETS IN DIAMOND BAR WITHIN 5 MILES  
MARKET STUDY  
DIAMOND BAR, CALIFORNIA**

<u>No.</u>	<u>Name</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>Zip</u>
1	Home Depot	18131 Gale Ave.	Industry	CA	91748
2	Home Depot	2455 E. Imperial Hwy	Brea	CA	92821
3	Lowe's	13251 Peyton Dr.	Chino Hills	CA	91709
4	Lowe's	17789 Castleton St.	Industry	CA	91748
5	Lowe's	4777 Chino Hill Parkway	Chino Hills	CA	91709
6	Ralphs	1180 Diamond Bar Blvd.	Diamond Bar	CA	91765
7	Ralphs	305 W. Imperial Hwy	Brea	CA	92821
8	Vons	240 S. Diamond Bar Blvd.	Diamond Bar	CA	91765
9	Vons	350 N. Lemon Ave.	Walnut	CA	91789
10	Vons	780 N. Brea Blvd.	Brea	CA	92821
11	Albertsons	1235 S. Diamond Bar Blvd.	Diamond Bar	CA	91765
12	Albertsons	18730 E. Amar Rd.	Walnut	CA	91789
13	Albertsons	19725 E. Colima Rd.	Rowland Heights	CA	91748
14	Albertsons	3255 Grand Ave.	Chino Hills	CA	91709
15	Albertsons	15970 Los Serranos Country Club Dr.	Chino Hills	CA	91709
16	Albertsons	2500 E. Imperial Hwy	Brea	CA	92821
17	Albertsons	17120 Colima Rd.	Hacienda Heights	CA	91745
18	Smart & Final	18204 E. Gale Ave.	Industry	CA	91748
19	99 Ranch Market	1015 S. Nogales St.	Rowland Heights	CA	91748
20	99 Ranch Market	2959 Chino Ave.	Chino Hills	CA	91709
21	99 Ranch Market	1625 Azusa	Hacienda Heights	CA	91745
22	Target	747 Grand Ave.	Diamond Bar	CA	91765
23	Target	3944 Grand Ave.	Chino Hills	CA	91710
24	Target	855 Birch	Brea	CA	92821
25	Target	17751 Colima Rd.	Rowland Heights	CA	91748
26	Costco	13111 Peyton Dr.	Chino Hills	CA	91709
27	Costco	17550 Castleton St.	Industry	CA	91748
28	Stater Bros	20677 Amar Rd.	Walnut	CA	91789
29	Stater Bros	19756 Colima Rd.	Rowland Heights	CA	91748
30	Stater Bros	14250 Chino Hills Pkwy	Chino Hills	CA	91709
31	Wal Mart	17150 E. Gale Ave.	Industry	CA	91745
32	Wal Mart	2595 E. Imperial Hwy	Brea	CA	92821
33	Henrys Farmers Market	3630 Grand Ave.	Chino Hills	CA	91709
34	Super H Mart	2825 S. Diamond Bar Blvd.	Diamond Bar	CA	91765
35	Hannam Chain Inc.	21080 Golden Springs Dr.	Walnut	CA	91789
36	Sprouts Marketplace	735 Birch Street	Brea	CA	92821

Source: Company websites

ATTACHMENT 1 - TABLE 7

ESTIMATED MARKET POTENTIAL - EXISTING CONDITIONS  
CITY OF DIAMOND BAR  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

Population in City of Diamond Bar <sup>1</sup> 58,659  
Per Capita Income <sup>1</sup> \$33,100  
Gross City of Diamond Bar Income \$1,941,613,000

Establishment Type	Diamond Bar Sales (2008)	Diamond Bar Sales (2010) <sup>2</sup>	Diamond Bar Potential (2010)	Surplus/ (Leakage)	Typical Productivity	Additional Development
Apparel Stores	\$777,000	\$790,000	\$39,503,000	(\$38,713,000)	\$300	129,000
General Merchandise Stores <sup>3</sup>	\$48,897,895	49,715,000	106,070,000	(56,355,000)	\$350	161,000
Food Stores <sup>4</sup>	\$46,971,429	47,756,000	109,723,000	(61,967,000)	\$400	154,900
Eating & Drinking Places	\$47,749,000	48,547,000	92,955,000	(44,408,000)	\$400	111,000
Home Furnishing & Appliances	\$1,555,000	1,581,000	30,715,000	(29,134,000)	\$350	83,200
Building Materials & Farm Imp.	\$5,782,000	5,879,000	47,587,000	(41,708,000)	\$350	119,200
Other Retail Stores	\$31,607,000	32,135,000	97,891,000	(65,756,000)	\$300	219,200
<b>Retail Stores Total</b>	<b>\$183,339,323</b>	<b>\$186,403,000</b>	<b>\$524,444,000</b>	<b>(\$338,041,000)</b>		<b>977,500</b>

Source: California State Board of Equalization; Bureau of Labor Statistics-CPI-U LA-OC Region; and Claritas.

1. Based on projections and estimates from Claritas.

2. Sales in 2010 assume 2008 sales adjusted by the change in the CPI-U for the Region during this period.

3. Assumes general merchandise sales are 95% taxable.

4. Assumes food store sales are 35% taxable.

ATTACHMENT 1 - TABLE 8

ESTIMATED MARKET POTENTIAL - FUTURE CONDITIONS  
CITY OF DIAMOND BAR  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

Establishment Type	Diamond Bar Sales (2015) <sup>2</sup>	Diamond Bar Potential (2015)	Surplus/ (Leakage)	Typical Productivity	Additional Development
Apparel Stores	\$823,421	\$42,430,000	(\$41,606,579)	\$300	138,700
General Merchandise Stores <sup>3</sup>	49,715,000	113,931,000	(64,216,000)	\$350	183,500
Food Stores <sup>4</sup>	47,756,000	117,855,000	(70,099,000)	\$400	175,200
Eating & Drinking Places	48,547,000	99,844,000	(51,297,000)	\$400	128,200
Home Furnishing & Appliances	1,581,000	32,991,000	(31,410,000)	\$350	89,700
Building Materials & Farm Imp.	5,879,000	51,114,000	(45,235,000)	\$350	129,200
Other Retail Stores	<u>32,135,000</u>	<u>105,146,000</u>	<u>(73,011,000)</u>	<u>\$300</u>	<u>243,400</u>
<b>Retail Stores Total</b>	<b>\$186,436,421</b>	<b>\$563,311,000</b>	<b>(\$376,874,579)</b>		<b>1,087,900</b>

Population in City of Diamond Bar <sup>1</sup> 60,449  
 Per Capita Income <sup>1</sup> \$34,500  
 Gross City of Diamond Bar Income \$2,085,509,000

Source: California State Board of Equalization; Bureau of Labor Statistics-CPI-U LA-OC Region; and Claritas.

- 1 Based on projections and estimates from Claritas.
- 2 Sales in 2015 assume annual rate of change between 2008 and 2010 for the Region and no new development.
- 3 Assumes general merchandise sales are 95% taxable.
- 4 Assumes food store sales are 35% taxable.

ATTACHMENT 1 - TABLE 9

ESTIMATED MARKET POTENTIAL - EXISTING CONDITIONS  
REGIONAL MARKET AREA  
DIAMOND BAR & BREYA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

Establishment Type	Market Area Sales (2008)	Market Area Sales (2010) <sup>2</sup>	Market Area Potential (2007)	Surplus/ (Leakage)	Typical Productivity	Additional Development
Apparel Stores	\$296,530,000	\$301,486,000	\$203,030,000	\$98,456,000	\$300	0
General Merchandise Stores <sup>3</sup>	718,491,579	730,499,000	545,160,000	185,339,000	\$350	0
Food Stores <sup>4</sup>	335,480,000	341,087,000	563,936,000	(222,849,000)	\$400	557,100
Eating & Drinking Places	435,181,000	442,454,000	477,755,000	(35,301,000)	\$350	100,900
Home Furnishing & Appliances	184,810,000	187,899,000	157,863,000	30,036,000	\$350	0
Building Materials & Farm Imp.	243,376,000	247,443,000	244,580,000	2,863,000	\$350	0
Other Retail Stores	761,200,000	773,921,000	503,125,000	270,796,000	\$300	0
<b>Retail Stores Total</b>	<b>\$2,975,068,579</b>	<b>\$3,024,789,000</b>	<b>\$2,695,449,000</b>	<b>\$329,340,000</b>		<b>658,000</b>

Population in Regional Market Area <sup>1</sup> 315,797  
Per Capita Income <sup>1</sup> \$31,600  
Gross Regional Market Area Income \$9,979,185,000

Source: California State Board of Equalization; Bureau of Labor Statistics-CPI-U LA-OC Region; and Claritas.

1: Based on projections and estimates from Claritas. Includes: Diamond Bar, Walnut, Industry, Chino Hills, Brea, Rowland Heights & Hacienda Heights.

2: Sales in 2010 assume 2008 sales adjusted by the change in the CPI-U for the Region during this period.

3: Assumes general merchandise sales are 95% taxable.

4: Assumes food store sales are 35% taxable.

ATTACHMENT 1 - TABLE 10

ESTIMATED MARKET POTENTIAL - FUTURE CONDITIONS  
REGIONAL MARKET AREA  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

Population in Regional Market Area <sup>1</sup> 331,361  
Per Capita Income <sup>1</sup> \$32,900  
Gross Regional Market Area Income \$10,901,777,000

Establishment Type	Market Area Sales (2015) <sup>2</sup>	Market Area Potential (2012)	Surplus/ (Leakage)	Typical Productivity	Additional Development
Apparel Stores	\$314,240,000	\$221,800,000	\$92,440,000	\$300	0
General Merchandise Stores <sup>3</sup>	761,403,000	595,561,000	165,842,000	\$350	0
Food Stores <sup>4</sup>	355,517,000	616,073,000	(260,556,000)	\$400	651,400
Eating & Drinking Places	461,172,000	521,924,000	(60,752,000)	\$400	151,900
Home Furnishing & Appliances	195,648,000	172,458,000	23,390,000	\$350	0
Building Materials & Farm Imp.	257,911,000	267,192,000	(9,281,000)	\$350	26,500
Other Retail Stores	<u>806,662,000</u>	<u>549,640,000</u>	<u>257,022,000</u>	<u>\$300</u>	<u>0</u>
<b>Retail Stores Total</b>	<b>\$3,152,753,000</b>	<b>\$2,944,648,000</b>	<b>\$208,105,000</b>		<b>829,800</b>

Source: California State Board of Equalization; Bureau of Labor Statistics-CPI-U LA-OC Region; and Claritas.

<sup>1</sup> Based on projections and estimates from Claritas. Includes: Diamond Bar, Walnut, Industry, Chino Hills, Brea, Rowland Heights & Hacienda Heights.

<sup>2</sup> Sales in 2010 assume 2008 sales adjusted by the change in the CPI-U for the Region during this period.

<sup>3</sup> Assumes general merchandise sales are 95% taxable.

<sup>4</sup> Assumes food store sales are 35% taxable.

ATTACHMENT 1 - TABLE 11

SUMMARY OF CURRENT RETAIL LISTINGS  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

No.	Description	Address	City	Year Built	Bldg Size	Available Space	Rental Rate (Price per SF per month)	Type
1	Retail Center	23525-23555 Palomino Dr.	Diamond Bar	N/A	20,528	1,190	\$ 1.50	NNN
2	Restaurant	23477 Golden Springs Dr.	Diamond Bar	N/A	102,868	988	\$ 2.50	NNN
	Neighborhood Center	23477 Golden Springs Dr.	Diamond Bar	N/A	102,868	6,345	\$ 1.65	NNN
	Neighborhood Center	23477 Golden Springs Dr.	Diamond Bar	N/A	102,868	3,690	\$ 1.75	NNN
	Neighborhood Center	23477 Golden Springs Dr.	Diamond Bar	N/A	102,868	573	\$ 1.85	NNN
	Neighborhood Center	23477 Golden Springs Dr.	Diamond Bar	N/A	102,868	2,550	\$ 1.95	NNN
3	Street Retail	1155 S. Diamond Bar Blvd.	Diamond Bar	N/A	57,000	3,019	\$ 1.75	NNN
4	Street Retail	2020 S. Brea Canyon Rd.	Diamond Bar	1980	10,000	4,600	\$ 1.95	NNN
5	Restaurant	2779 Diamond Bar Blvd.	Diamond Bar	N/A	155,000	2,999	\$ 2.25	NNN
6	Street Retail	900-990 N. Diamond Bar Blvd.	Diamond Bar	N/A	60,439	5,095	\$ 1.00	NNN
7	Retail Center	315 S. Diamond Bar Blvd.	Diamond Bar	N/A	3,056	3,056	\$ 1.80	NNN
8	Street Retail	23347-23391 Golden Springs Dr.	Diamond Bar	N/A	30,281	3,006	\$ 1.75	NNN
							<b>EXISTING RETAIL (RENT RANGE)</b>	<b>\$1.00 - \$2.50</b>
							<b>EXISTING RETAIL (AVERAGE)</b>	<b>\$1.73</b>

Source: Loopnet, 10/11/10

ATTACHMENT 1 - TABLE 12

BUILDING SALE COMPARABLES - RETAIL  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

No.	Property Description	Sale Date	Yr Built	Bldg SF	Price per Bldg SF	Price
1	Retail Restaurant Building 245 Gentle Springs Lane Diamond Bar, 91765	1/16/2009	1989	8,483	\$136	\$1,150,000
2	Retail Bank Building 1175 Grand Avenue Diamond Bar, 91765	9/25/2009	1988	4,582	\$441	\$2,020,000
				<b>Weighted Average Sales Price Per Sf of Building Area</b>	<b>\$136 - \$441</b>	
					<b>\$243</b>	

prices were excluded.

Source: CoStar 10/7/2010

ATTACHMENT 1 - TABLE 13

OFFICE LEASE RATE COMPARABLES  
DIAMOND BAR & BREA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

Location & Cities	Property Type	Year Built	Asking Rate	Rent Type	Building Size	SF Available	Vacancy
1300 Valley Vista Dr. Diamond Bar, CA 91765	Class B Office	1990	\$4.17	N/A	17,000	120	1%
23341 Golden Springs Dr. Diamond Bar, CA 91765	Class A Office	N/A	\$1.84 \$1.80	N/A	11,000	435 1,092	14%
556 N. Diamond Bar Blvd. Diamond Bar, CA 91765	Class A Office	1988	\$1.75 \$1.75	MG FS	46,000	5,500 6,200	25%
2707 S. Diamond Bar Blvd. Diamond Bar, CA 91765	Class B Office	N/A	\$1.65	MG	10,479	2,736	26%
628 N. Diamond Bar Blvd. Diamond Bar, CA 91765	Class B Office	1982	\$1.45	FS	3,888	2,137	55%
618 N. Diamond Bar Blvd. Diamond Bar, CA 91765	Class B Office	1982	\$1.60	MG	2,856	2,856	100%
21700 E. Copley Dr. Diamond Bar, CA 91765	Class A Office	1991	\$2.00	FS	77,388	5,399	7%
2781 S. Diamond Bar Blvd. Diamond Bar, CA 91765	R&D	N/A	\$2.00	NNN	2,400	2,400	100%
22632 Golden Springs Dr. Diamond Bar, CA 91765	Class A Office	1980	\$2.17	FS	54,292	16,052	30%
2040 Brea Canyon Rd. Diamond Bar, CA 91765	Office/Medical Office	2006	\$1.95	MG	26,316	15,786	60%
732 N. Diamond Bar Blvd. Diamond Bar, CA 91765	Class B Office	1982	\$1.35	MG	19,667	2,649	13%
1440 S. Bridge Gate Dr. Diamond Bar, CA 91765	Class A Office	2002	\$2.30 \$2.00	FS FS	134,858	2,251 38,227	30%
21660 E. Copley Dr. Diamond Bar, CA 91765	Class B Office	1988	\$2.10	FS	50,131	10,720	21%
1520 S. Bridge Gate Dr. Diamond Bar, CA 91765	Office	1999	\$2.30	FS	42,788	22,500	53%
21700 E. Copley Dr. Diamond Bar, CA 91765	Class A Office	1991	\$2.20	FS	77,388	8,510	11%
1470 Valley Vista Dr. Diamond Bar, CA 91765	Office	N/A	\$2.50 \$2.00	NNN NNN	45,983	3,115 2,398	12%
1400 Monefino Ave. Diamond Bar, CA 91765	Office	N/A	\$1.50 \$1.75	FS FS	54,538	7,772 11,750	36%
1370 S. Valley Vista Dr. Diamond Bar, CA 91765	Office	1988	\$2.20	FS	85,490	8,105	9%
<b>Total</b>						<b>179,000 SF</b>	
Lease Rate Range			\$1.35 - \$4.17	per square foot of building per month			
Weighted Average Lease Rate			\$2.00	per square foot of building per month			

Source: LoopNet.com 10/11/2010

ATTACHMENT 1 - TABLE 14

BUILDING SALE COMPARABLES - OFFICE  
DIAMOND BAR & BREYA CANYON MARKET ANALYSIS  
DIAMOND BAR, CALIFORNIA

No.	Property Address	Building Class	Sale Date	Yr Built	Bldg SF	Price per Bldg SF	Price
1	1540 S. Bridge Gate Drive	B	11/10/2008	1987 <sup>1</sup>	51,840	\$239	\$12,389,760
2	21810 Copley Drive	B	8/27/2010	1999	55,095	\$180	\$9,900,000
3	1320 Valley Vista Drive - Bldg 3	B	6/9/2010	1990	10,505	\$181	\$1,900,000
4	1330 Valley Vista Drive - Bldg 4	B	7/23/2010	1990	8,700	\$198	\$1,723,000
					Weighted Average Sales Price Per Sf of Building Area	\$180 - \$239	
					Sales Price Range	\$205	

<sup>1</sup> Renovated in 2007

Note: Data search includes the City of Diamond Bar from 10/2008 to 10/2010. Non-arms length transactions, multi-property sales and sales transactions without sales prices were excluded.

Source: CoStar 10/7/10

**MINUTES OF THE CITY COUNCIL  
REGULAR MEETING OF THE CITY OF DIAMOND BAR  
DECEMBER 7, 2010**

**CALL TO ORDER:** Mayor Herrera called the Regular City Council meeting to order at 6:30 p.m. in The Government Center/SCAQMD Auditorium, 21865 Copley Dr., Diamond Bar, CA.

**PLEDGE OF ALLEGIANCE:** Mayor Herrera led the Pledge of Allegiance.

**INVOCATION:** Monsignor Loughnane, St. Denis Catholic Church, gave the invocation.

**ROLL CALL:** Council Members Ling-Ling Chang, Ron Everett Jack Tanaka, Mayor Pro Tem Steve Tye and Mayor Carol Herrera.

**Staff Present:** James DeStefano, City Manager; David Doyle, Assistant City Manager; Michael Jenkins, City Attorney; Ken Desforges, IS Director; David Liu, Public Works Director; Bob Rose, Community Services Director; Linda Magnuson, Finance Director; Greg Gubman, Community Development Director; Rick Yee, Senior Civil Engineer; Kimberly Molina, Associate Engineer; Ryan McLean, Assistant to the City Manager; Marsha Roa, Public Information Manager; Cecilia Arellano, Public Information Coordinator; Lauren Hidalgo, Public Information Specialist; Christian Malpica Perez, Associate Engineer (Traffic); and Marcy Hilario, Senior Administrative Assistant.

**APPROVAL OF AGENDA:** As Presented.

**1. SPECIAL PRESENTATIONS, CERTIFICATES, PROCLAMATIONS:**

- 1.1 City Council Members presented a City Tile to Linda Magnuson, Finance Director, upon the occasion of her retirement following 21 years of service to the City of Diamond Bar. Additional presentations were made by representatives from Senator Bob Huff's office, Congressman Gary Miller's office, Supervisor Don Knabe's office and Assemblyman Curt Hagman's office.

**2. CITY MANAGER REPORTS AND RECOMMENDATIONS:**

- 2.1 **Traffic Management Program PowerPoint Presentation by Public Works Department.**

SCE/Yee updated the City Council on the City's Traffic Management Program, current traffic challenges and proposed future responses. He spoke about lack of freeway connectors, a limited number of cross town arterials and a limited number of connector roads and highlighted accomplishments including the Citywide traffic signal synchronization project; traffic signal interconnect; installation of eleven traffic signal battery backup systems (eight additional planned for this fiscal year); Closed circuit TV cameras (CCTV) at eight locations providing "real time" video to

City Hall (three additional proposed locations for the next fiscal year), and, video detection integration. SCE/Yee outlined challenges staff dealt with prior to implementation of the Traffic Management System (TMS), the primary purpose of which is to provide remote communication between the traffic signals along the City's major arterials and City Hall. Upon full implementation the TMS will provide a valuable tool for monitoring the City's traffic signals enabling immediate detection of signal malfunctions and allowing for signal timing changes to be performed remotely from City Hall. He explained the capabilities and the two-pronged approach to maintaining the system. Staff plans to continue implementing the existing maintenance program to address signal equipment failures; staff will develop and refine additional traffic response timing plans; continue to coordinate with LA County Department of Public Works to complete the Traffic Signal Controller Program upgrades; staff continues working with Cal Trans to provide real time operating data for the on/off ramp signals to help coordinate signals. He presented a video that showed how the system performed.

C/Everett commented that residents regularly complain that a particular intersection is always stuck (on red) and asked if the system would either educate drivers or resolve the concern.

SCE/Yee responded that the condition is usually a result of some kind of detection error and the technician is usually sent into the field to address those issues. The system is able to detect "stuck" detectors (whether they are in the on or off position) and can determine when vehicles are passing or not passing through the detection zone. Late at night when there are few vehicles on the street there may not be a problem with the system. However, there is a feature that allows the system to be calibrated to use the system to help aid and detect those kinds of issues.

C/Everett asked if there was a system in place, or planned, to allow drivers to email or call a central location to report a problem and then to provide feedback to the resident that complained that the problem has been addressed.

SCE/Yee explained that residents are not shy about communicating such matters to staff. Staff often gets calls regarding signal problems and staff follows up on every call received. If C/Everett is suggesting that the public be able to interface directly with the system that would not be feasible. At this point the system is intended for staff's technical use.

MPT/Tye asked SCE/Yee to verify that the cameras are intended to detect the flow of traffic and are not red light cameras.

SCE/Yee responding to MPT/Tye stated that he was absolutely correct.

MPT/Tye stated that as one looks eastbound and can view traffic at great length, if staff determined that traffic was backed up toward the park could staff manipulate the signals to relieve that situation.

SCE/Yee responded that staff has the ability to manipulate timing adjustments remotely. In situations such as MPT/Tye is describing staff looks at things in context because when adjustments are made at a certain signal it can then affect other legs of the intersection. Every time staff does something to benefit traffic in one direction there is a sacrifice to another leg.

MPT/Tye asked if staff was aware of road work and how it would impact traffic such as construction closing down the lanes to one lane on westbound Golden Springs across from Sycamore Canyon Park and southbound Diamond Bar Boulevard just before reaching Brea Canyon.

SCE/Yee responded that the Department of Public Works controls all permitting within the public right-of-way and the department is aware of work being performed and those issues are taken into consideration in issuing permits and restricting timeframes.

## **2.2 City Council Reorganization:**

M/Herrera thanked her colleagues for allowing her to serve the City as Mayor during the past year. Diamond Bar has remained in a comparatively healthy economic situation because it has made sound decisions. During this time the City was able to purchase a building and for the first time in 21 year D.B. will no longer be renting space but owning its space, which will ultimately save the City hundreds of thousands of dollars a year. She is hopeful that the LA County Library will occupy the first floor because it will be another wonderful achievement for the City. The current library is 9,000 square feet with 35 parking spaces on Grand Avenue and the new location offers the library 18,000 square feet with more than 200 parking spaces for the building.

### **2.2(a) Selection of Mayor**

M/Herrera opened nominations for Mayor.

C/Chang nominated C/Tye to serve as Mayor. C/Everett seconded the nomination. There were no other nominations offered.

By acclamation, C/Tye was affirmed as Mayor.

2.2(b) Selection of Mayor Pro Tem

M/Tye opened nominations for Mayor Pro Tem.

C/Herrera nominated C/Chang to serve as Mayor Pro Tem. C/Everett nominated C/Tanaka. There were no other nominations offered. By Roll Call vote C/Chang was elected to serve as Mayor Pro Tem

C/Chang - Chang  
C/Everett - Tanaka  
C/Herrera - Chang  
C/Tanaka - Tanaka  
M/Tye - Chang

2.2(c) Presentations to Outgoing Mayor Carol Herrera

Presentations made by City of Diamond Bar, Congressman Gary Miller's office, Senator Bob Huff's office, Assemblyman Curt Hagman's office, Supervisor Don Knabe's office, Captain Halm, D.B. Sheriff's Department and Fire Chief Montoya's office.

**RECESS/RECEPTION:** M/Tye recessed the City Council Meeting at 7:27 p.m.

**RECONVENE:** M/Tye reconvened the City Council Meeting at 7:52 p.m.

3. **PUBLIC COMMENTS:**

Sid Mousavi congratulated M/Tye and MPT/Chang on their appointments and thanked outgoing Mayor Carol Herrera for her service to D.B.

Greg Ogonowski, 21492 Cold Spring Lane, asked for an update on the property at Cold Spring and Diamond Bar Boulevard (former Union 76 Station) as well as, status of the proposed Verizon FIOS project completion.

4. **RESPONSE TO PUBLIC COMMENTS:**

CM/DeStefano responded to Mr. Ogonowski that the City is not aware of

plans by the property owner to construct any product on the parcel at Cold Spring Lane and Diamond Bar Boulevard. Verizon has chosen to stop the FIOS project due to financial currents and general economic times.

PWD/Liu confirmed the status of the project and elaborated that upon being pressed, Verizon was not able to provide a future commitment date for implementation of the system. Currently, Verizon has no plan to complete the system.

IS/Desforges stated that D.B.is off the (Verizon) budget for 2012.

**5. SCHEDULE OF FUTURE EVENTS:**

- 5.1 Traffic and Transportation Commission Meeting – December 9, 2010 – 7:00 p.m., AQMD/Government Center Hearing Board Room, 21865 Copley Drive.
- 5.2 Planning Commission Meeting – December 14, 2010 – 7:00 p.m., AQMD/Government Center Auditorium, 21865 Copley Drive.
- 5.3 City Council Meeting – December 21, 2010 – 6:30 p.m., AQMD/Government Center Auditorium, 21865 Copley Drive.
- 5.4 Christmas Holiday – December 23 and 24, 2010 – City Offices closed in observance of the Christmas Holiday. City Offices reopen Monday, December 27, 2010 at 7:30 a.m.

**6. CONSENT CALENDAR:** C/Herrera moved, C/Everett seconded, to approve the Consent Calendar as presented. Motion carried by the following Roll Call:

AYES: COUNCIL MEMBERS: Everett, Herrera, Tanaka,  
MPT/Chang, M/Tye  
NOES: COUNCIL MEMBERS: None  
ABSENT: COUNCIL MEMBERS: None

- 6.1. CITY COUNCIL MINUTES - R egular Meeting of November 16, 2010 – Approved as corrected.
- 6.2 PARKS AND RECREATION COMMISSION MINUTES:
  - 6.2.1 Regular Meeting of September 23, 2010 – Received and filed.
  - 6.2.2 Regular Meeting of October 28, 2010 – Received and filed.
- 6.3 RATIFIED CHECK REGISTER DATED November 10, 2010 through December 1, 2010, totaling \$1,331,690.69.

- 6.4 APPROVED TREASURER'S STATEMENT – Month of October 2010 and Revised Treasurer's Statements of June, July, August and September 2010.
- 6.5 APPROVED APPLICATION TO BE RECERTIFIED AS A TREE CITY USA CITY FOR 2010 (10<sup>TH</sup> YEAR) AND AUTHORIZED THE MAYOR TO SIGN THE APPLICATION.
- 6.7 ADOPTED RESOLUTION NO. 2010-39: RESCINDING RESOLUTION NO. 2003-47 IN ITS ENTIRETY AND RE-AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND, AND CHANGING THOSE AUTHORIZED TO MAKE DEPOSITS AND WITHDRAWALS OF MONIES.
- 6.8 AWARDED DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES CONTRACT FOR RESIDENTIAL AREA 7 AND ARTERIAL ZONE 5 (INCLUDING DIAMOND BAR BOULEVARD FROM SUNSET CROSSING ROAD TO TEMPLE AVENUE) ROAD MAINTENANCE PROJECT TO ONWARD ENGINEERING IN THE AMOUNT OF \$85,560 AND AUTHORIZED A CONTINGENCY AMOUNT OF \$8,600 FOR CHANGE ORDERS TO BE APPROVED BY THE CITY MANAGER FOR A TOTAL AUTHORIZATION AMOUNT OF \$94,160.

**MATTERS WITHDRAWN FROM CONSENT CALENDAR:**

- 6.6 ADOPT RESOLUTION NO. 2010-38: ESTABLISHING THE DAY AND TIME OF CITY COUNCIL MEETINGS AND RESCINDING RESOLUTION NO. 2001-46 IN ITS ENTIRETY.

C/Everett said he was surprised about the proposed resolution because he felt that many people work and most public meetings start at 7:00 p.m. so he would prefer that the City start the regular meeting at 7:00 p.m.

CM/DeStefano explained that this matter was brought before the City Council as a result of recent City Council meetings where public hearing matters which were by advertising and by policy, scheduled to commence at 7:00 p.m. were ready to commence earlier. However, due to the long standing policy that public hearings commence at 7:00 p.m., it was necessary to stall the public hearing portion by rearranging the agenda during the regular meeting. Based upon those experiences, staff looked at the existing policy and brought back a concept of changing the 7:00 p.m. start time for a public hearing to 6:30 p.m. or as soon thereafter as the matter may be heard following the opening of the

regular City Council meeting commencing at 6:30 p.m. There is no change to the start time of the meeting; however, the matter is at the discretion of the City Council. To that end, staff will provide whatever information is available in order for the City Council to render its decision.

C/Herrera felt it was important to have a practice in place that worked best for the majority. Several times during the last six months of this year, the City Council has finished its business ahead of schedule and has had to proceed out of order. She would prefer that the City Council have the flexibility to proceed with its public hearings earlier, if appropriate, and would support adoption of the resolution.

C/Tanaka felt it was important for individuals to be able to get to the meetings and waiting 10 or 15 minutes was not a big issue. He was in favor of leaving the current policy in place.

MPT/Chang suggested a compromise to 6:45 or 6:50.

M/Tye said he felt it was a good idea to allow the public hearing to commence earlier. He did not feel this was a proposal to deny the community an opportunity to participate but that it was important to get on with the business of the City and if that means the City needs to move forward at 6:45 or 6:50 the Council should have the flexibility and freedom to do so which this resolution would allow.

C/Everett proposed that all public meetings commence at 7:00 p.m. including the City Council meeting.

M/Tye said the current topic of discussion is moving the public hearing portion of the meeting back to 6:30 p.m. or as soon thereafter as possible, not moving the Council Meeting time forward to 7:00 p.m.

C/Everett said he was offering that the City Council should move its meetings to a 7:00 p.m. start time and asked if it would be prudent to bring the matter back to the City Council for further discussion.

C/Herrera moved, MPT/Chang seconded, to change the public hearing start time at 6:45 p.m. or as soon thereafter as possible. Motion approved by the following Roll Call vote:

AYES: COUNCIL MEMBERS: C/Herrera, MPT/Chang,  
M/Tye

NOES: COUNCIL MEMBERS: Everett, Tanaka

ABSENT: COUNCIL MEMBERS: None

7. **PUBLIC HEARINGS:** 7:00 p.m., or as soon thereafter as matters may be heard.

7.1 A CONTINUED PUBLIC HEARING TO CONSIDER VARIOUS ACTIONS PERTAINING TO SITE D (A SITE COMPRISED OF APPROXIMATELY 30.36 ACRES LOCATED AT THE SOUTHEAST CORNER OF BREA CANYON ROAD AND DIAMOND BAR BOULEVARD, DIAMOND BAR, CALIFORNIA (ASSESSOR PARCEL NUMBERS 87814-002-900, 8714-002-901, 8714-002-902, 8714-002-903 AND 8714-015-001) INCLUDING GENERAL PLAN AMENDMENT NO. 2007-03, ZONE CHANGE NO 2007-04, SPECIFIC PLAN NO. 2007-01 ("SITE D SPECIFIC PLAN"), TENTATIVE TRACT MAP NO. 70687, AND CONSIDERATION OF CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT 2007-02 (SCH NO. 2008021014).

CDD/Gubman updated the Council on the School District's recommendation that was passed at a special School Board meeting held on December 1. The School Board's recommendation to the City Council is to change the land use plan for Site D to 100 percent residential. Along with the recommendation, the Board of Trustees included two general parameters to help formulate that land use plan: 1) to incorporate municipal open space and park areas into the land use plan and to include some form of entryway monument, generally at the corner of Diamond Bar Boulevard at Brea Canyon Road as an entry statement to the City; and, 2) to reduce the density to a number below what is in the current use plan. Currently, the land use plan with the mixed use components specifies a density of 20 units per acre and the School Board's recommendation is to reduce the density to a number that ties more closely to what the prevailing surrounding community densities. These recommendations were based on School Board deliberations made in open session taking into account all public comments, all public input and the workshop hosted by the School District in which the community participated and expressed their preferences for the future vision of Site D. Therefore, the primary decision point for which staff is seeking direction this evening is to either stay with the mixed use land plan and continue the matter to revise studies to finalize that plan or to revise the plans focus to a 100 percent residential use in accordance with the School Board's recommendation. Staff is prepared to proceed with City Council's direction; however, staff states that this recommendation be discussed in light of the City's current economic development strategy that envisions commercial on Site D as well as, the School Board's recommendation and the neighborhood input where the consideration proposes the all-residential plan. The commercial aspect of this plan was revisited

through a market study conducted by Keyser Marsten and as discussed during the last City Council meeting, the commercial viability is there but may not come online for the next five to seven years. CDD/Gubman reiterated that the land use plan currently before the City Council is based on a strategic vision for the long term development of Site D, a vision that is supported by recent professional analysis. As the Council deliberates on this matter the next steps staff will take will obviously be based on the direction provided by the Council regarding land use framework. If, for example, the City Council directs staff to proceed with a continuation of the mixed-use plan, the EIR would have to be updated and if the recommendation of the Planning Commission to incorporate a public park into this project be included, staff will also need to include criteria for the park within the environmental document ultimately presented to Council. If the Council directs staff to move forward with the 100 percent residential, staff will implement several steps including, revision of consultants contracts to address the change in the project scope and revise the environmental documentation; revise the Memorandum of Understanding between the City and the School District which currently includes an agreement that the planning process proceed with a mixed-use plan; begin working on development of specific criteria to accommodate a 100 percent residential plan and perhaps a park element within the site that includes pertinent land use parameters such as the maximum density (maximum number of units that would be appropriate for the site), what kind of housing should be planned for the site (detached single family homes, townhomes or a hybrid of two or more housing types), and, if a park space or multiple park spaces are part of this planning process, the land use plan will have to include specifications such as the size and location of the park space and possibly what types of amenities the park space should include (walking trails, etc.). Additionally, Council may wish to make a third decision: If the Council believes that exploring the commercial vision is warranted staff can further explore that possible vision which would require a continuation of this discussion to do so. Staff would be willing to conduct more public workshops to flush out what types of commercial might be acceptable or at least determine what specific elements of commercial development are problematic in this area and whether the City can devise land use regulations and parameters to mitigate those concerns. CDD/Gubman concluded his presentation by recapping the Council's objectives for providing guidance to staff.

Nancy Lyons, President, WVUSD Board of Trustees, thanked former Mayor Herrera for her service to the City on behalf of the School District and congratulated M/Tye and MPT/Chang on their appointments. She reported that the Board has submitted its

recommendation for Site D which calls for 100 percent residential with minimal peripheral open space, green belts or park areas. Originally, the Site D plan called for 20 units/homes per acre on the residential portion. Based on what the School Board heard from the D.B. community through its outreach program, the School District believes the property is better suited for 100 percent residential and that the residential density should be reduced to around 10 units per acre, similar to the Vantage project by Target, and of course the Board realizes that the judgment of the proposed density is up to the City Council. This recommendation is what the School Board believes is in the best interest of the School District, its students and the district's ability to continue to provide a quality educational program. The School Board asks that the City seriously consider its recommendation as the Council considers its due diligence and reach a decision that is in the best interest for the community.

M/Tye asked for clarification on the 10 units per acre recommendation which President Lyons provided.

M/Tye opened the Public Hearing.

John Martin, 1249 S. Diamond Bar Boulevard, a 37 year resident, stated that the Council has and will continue to hear from residents living within 1000 square feet of Site D. The City has also heard from at least 800 residents living in the northern and middle sections of D.B. who signed a petition at Albertsons and Vons stating they do not want a commercial center on Site D. The City has heard from the merchants at the HMart center that another shopping center less than a half mile from them would hurt them. The City has heard tonight from the WVUSD which unanimously concurred that they do not want a commercial center on Site D. Site D is located at the entrance to the City and people do not want a shopping center there. It seems that people want the high berm along Diamond Bar Boulevard kept so that cars entering the City see green instead of asphalt. A great many people want a focal point at the corner of Diamond Bar Boulevard and Brea Canyon and perhaps put an actual windmill there with a permanent structure that welcomes everyone to D.B. To the right on the property the City owns, a park would be ideal. But the main emphasis is that the whole corner would be green and inviting and pastoral. The property is owned by the WVUSD. They have determined that by having 100 or 200 children live there is better than half that many children living on half the property and a shopping center on the other half. Without the shopping center the number of homes could increase and the number of children would increase respectively. Every year the State of California pays

\$5000 or \$6000 per student in ADA subsidies to the school district. \$5000 times 50 to 100 kids is \$200,000 to \$500,000 more in income for the school. This is continuous ongoing revenue and it is money they could certainly use. He urged the Council to take the shopping center option off the table for Site D this evening. The sales tax revenue generated to the City cannot offset the loss of ADA money to the School District.

Gary Cholo, Walnut, said that even though he does not live in D.B. there is a common thread within the School District the District is in difficult financial times. Despite his and his colleague's commitment (their offer to fund \$168,000 of the annual elementary program for three years) the funding was enough to provide for only two music teachers instead of the three that are needed. For the same reason that he does not feed his children two meals instead of three, he felt the children of the District deserved to have a full daily plate of music instruction. Therefore, as of August 2010, he and his colleague decided to increase their commitment to the District to \$248,000 per year for the next three years so that the children could enjoy the same music program that children have enjoyed in the past. Today, the City Council has before it a request from the School District to allow Site D to be rezoned so that the land may be sold at a more favorable price. He asked that the Council to approve the District's request and share in his and Dawn's vision that the small steps they take today will ensure that the educational foundations of today will be in place tomorrow. The Council's favorable vote will have a huge positive impact on the ability of the District to provide the quality education that the children deserve. The children of the future need to have the same opportunities as the children of the past.

Carolyn Elfelt, 21119 Silver Cloud, a 30-year resident who has raised children who have attended schools in the WVUSD and has served on the school board for the past 10 years, assured Council that WVUSD is very committed to providing its students with the best education possible. The reality is that the District needs to secure funding outside of what the State provides. The State cannot sustain the funding for critical programs the students must have to compete in a global economy. A good example is the ability to provide funding for technology. When she first joined the Board the State had a grand plan to provide technology for all high schools and middle schools. That plan died a couple of recessions ago before the funding reached the middle schools. Another high profile example of failure to sustain is the state's program for smaller classroom sizes (20-1 program). When first introduced, it provided jobs for construction workers and new teachers for all additional classrooms. But now, classroom sizes are once again

increasing as funding dries up and many young teachers are looking for permanent jobs in other fields. Again, the State cannot sustain funding for critical educational programs. So for WVUSD, Site D is a much-needed opportunity to transform a passive asset into a revenue generating asset to help fund technology, for example, for its students and the WVUSD deeply appreciates the City's efforts and the community support that enables the district to accomplish this goal.

Peichin Lee, 2856 Wagon Train Lane, a 10-year resident with three teenagers attending DBHS, is a real estate developer. She has studied Site D for many years and believes that any commercial development would have to be successful out of the gate; otherwise, the City would have another empty center. The supply and demand factor is important and the neighborhood is already saturated with commercial. She said she did not believe there was sufficient demand to support a new shopping center. In addition, by taking a five minute drive, people can visit a very successful and large mall in Brea that provides a good mix of tenants to meet the needs of the medium to upper income shoppers in the area. Also, Site D is very hilly and difficult to access which is a critical factor for a community's commercial to survive and thrive. A commercial center usually draws customers from within a three mile radius and the number of households within that radius will not support another shopping center. She said she would prefer to see a low density development on the site which she believed was the best and highest use for Site D.

Clark Rucker, Phillips Ranch, said he supports the WVUSD and its position on this issue. His son recently graduated from DBHS and is now in college and his daughter is currently attending DBHS and he would like to see his daughter have the same opportunity his son and all other students have had. \$19 million in budget reductions over the last three years have hit the School District hard. Cuts have hit classrooms, staff, called for furlough days, loss of instructional days for students and as a result, after-school activities and programs have been reduced and layoffs have occurred. Instructional materials have not been purchased. WVUSD recommends 100 percent residential. The last appraisal (of the property) highlights the most revenue is with 100 percent residential.

Homes, kids, enrollment equals money for the District. 100 homes averaging one student per home would result in about \$527,100 in annual revenue; 100 homes average two students per home, \$1 million or plus annually. The math is simple; do the right thing.

Denis Paul, 1429 Blenbury, a 32 year resident, said he believed there had been a very healthy dialogue with the residents of the affected area and that there had been continued State funding woes as eloquently described by others. He said he was present to encourage the City Council to do what they do best and that is to listen and respond to the needs and concerns of its residents and to continue to support the District's efforts to provide a world class education. Mixed use zoning may help in future years but to do so would be to ignore the voices of its residences and would minimize benefits to students. He encouraged the Council to glean from the heart and not the bottom line and for the Council to support the District's proposal for Site D.

Sherry Babb, 1249 S. Diamond Bar Boulevard, a 10-year resident who is a real estate developer and who has a daughter who graduated from DBHS and college, and a younger daughter who is a student at DBHS, has been a member of the DBHS Chinese-American Parents Association since 2007. This very good school district is facing significant economic problems and everyone needs to work together to ensure a good educational standard for the students and therefore, it is incumbent on everyone to make certain the School District's recommended plan is approved to make sure it is a benefit for all and especially a benefit for ongoing education. She thanked the City for providing such a good community and school district and with everyone working together she believed this matter would be resolved satisfactorily.

Debby Dobson, 364 Windemere Lane, Walnut, President, Coordinating Council, WVUSD, speaking on behalf of parents, stated that the Board works hard to come up with different ideas for fundraisers to bring in money for the district and its teachers, but what the district is doing is not nearly enough. She is also the President of the Suzanne Community Club and during last night's meeting and all prior meetings of that organization during the past year, teachers and staff members have repeatedly asked for help paying for programs, etc. for the students and requests are outpacing the fundraising efforts. She said that everyone appreciates what the school district is doing and hopes that the City Council supports their recommendation for Site D.

David Busse, 21455 Ambushers Street, a resident since 1983, has two children that graduated from the D.B. schools and college said he believed D.B. was the best of small town living wherein residents were allowed to express their opinions and be heard. If the school district is in dire financial straits he did not believe that commercial could be included in the discussion as a result of the economic study that indicates commercial would not be viable for

five to seven years and several real estate developers have echoed that sentiment. What he is hearing and from what he has heard in the past, the recommended project of residential with a park element will be what is needed to attract the young families moving to this area who cannot afford \$700,000 homes in his area. He wants development that can bring young people to the community who will help the community thrive and believed that the school district's recommendation would be the best use of Site D.

David Wu, 21252 East Running Branch Road, thanked the Council for maintaining the high standard of living for the residential community of D.B. Because D.B. sales tax is higher than Orange County's sales tax, many people shop in Orange County. He did not believe it would be a good idea to put commercial on Site D because there is not sufficient population in the area to support the businesses. He also felt that the concept of high density would hurt the residential home values. He understands that the school district needs money but there are other ways to bring in money such as increasing taxes to support the schools and he believes people would be willing to pay more taxes to support the schools to maintain the community's higher standard of living.

Wanda Tanaka, a resident since 1976 and very involved with the School District, was initially opposed to developing Site D because of the wildlife, but if it has to be, it has to be, so please listen to the people and find a developer that has a vision to make Site D a beautiful place for D.B.

Christopher Chung, 21470 Cold Spring Lane, said he has heard the City Council and others say that the reason the City is going through this process is that the major applicant, WVUSD, needs the money and as the property owner, has the vested interest to pursue a project they deem fit. And he has also heard that in the event the City Council does not consider that, there would be some consequences including inverse condemnation. What he is hearing this evening is that WVUSD wants to go with 100 percent residential but the City Council has a lot to say about what that ultimate use may be. Since the School District owns more than 90 percent of the site and is the primary applicant, their application should be amended to focus on 100 percent residential and the City Council should be focusing on that as well. He understands that the City Council still wants a commercial component; however, residents who live in those homes will eat and shop in D.B. and that should increase the City's base. Were there to be a commercial center it may not generate that much in sales tax.

Sid Mousavi said he has great respect for the School Board members who are doing a great job for the children of the community and also understands and appreciates the District's attempt to sell the property and use the proceeds to better the children's education. As a land owner, the district can make recommendations for development just like any other landowner within the community. However, land use decisions are vested with the City Council. He believes the City Council should investigate all options in addition to 100 percent housing or a traditional mixed-use concept because the site offers great opportunity for creativity. An urban village concept with a green belt would promote urban living and would improve the quality of life for residents. He encouraged the Council to investigate and invest time in alternatives to 100 percent housing.

M/Tye asked for Council discussion.

C/Herrera said she heard comments about "why would the City want any commercial at Site D" and it is the City's fiduciary responsibility to make sure that the fiscal health of the City is solid. Otherwise, if the City does not have a good tax base to provide the revenue for programs and maintain roadways and other things that the City provides, it then falls on the residents to pay additional taxes to maintain the City as they expect it to be maintained. So it is natural that the City Council would be interested in commercial. At the same time, she believed that Council Members have historically been very careful with its decisions, and that D.B. has benefited from those careful and thoughtful proceedings. She wants whatever is done on Site D to be successful. Yes, it is a high profile site right next to the freeway. There was an economic update that indicated that less than 25,000 cars pass through the area. Someone complained about so many cars passing through the area. D.B. is dissected by two major freeways and it has no choice but to accept cars exiting the freeway for various reasons to cut through the City. Whether those people driving through the City will stop and shop at whatever business might locate at Site D remains to be seen. The study says there is need for a market but a market would most likely take up a good portion of the 10 acres and would probably be a standalone business and standalone businesses do not do well just as standalone car dealers do not do well, which the City experienced with Diamond Bar Honda when that business closed. Stores like to be located in close proximity to other stores because it creates a synergy. She said she had a concern about the size that is being discussed and whether it is enough to support the area and the City. She has a concern that the study says that because of the current market conditions and financing conditions there is a possibility that there would be no

development for five to seven years. So if the City Council retained the 50/50 Specific Plan as currently written would it mean that the school district would sell half the property for residential development and sell the remainder to someone who would later develop commercial so that it would remain vacant for five to seven years? She was not sure that would be a good solution for the City. Speakers commented on property values and one reason property values are so high in D.B. is because of the quality of the school districts, so everyone has a vested economic interest in making sure that the school districts maintain the best quality of educational services possible. This is a difficult deliberation for the City Council because there are so many issues to weigh. Residents have said "do the right thing – make the right decision." The City Council is struggling to figure out what "the right thing/decision" is and she would strongly advocate that the City Council make a decision tonight about which way to move forward.

MPT/Chang thanked everyone for their presentations. She grew up and attended local schools and understands the current funding needs. She is married to a school board member in another school district within the City and understands the issues. As everyone knows, the City has agreed to collaborate in the planning of land use and zoning designations for the site. The school district has a right to make a determination about what is in the best interest of the school district and the State has to determine what is in the best interest of the entire city and sometimes interests align and sometimes they diverge, and she would like to see all parties come to a happy compromise. Bottom line is that the Council is working for the betterment of the community. She was elected to represent all of D.B. and believes all options should remain open. The City's role is to determine land use and the Council Members have a duty to the residents to determine what is the best use and how the City can benefit from that land use. She believed the City should continue to explore the viability of commercial. During her recent research she has spoken with a lot of people including experts and residents who spoke with her about retaining some commercial component. She also believed that the public outreach effort should be continued before determining the final land use for this site. She is not certain that one five hour meeting attended by 60 residents, many of whom left during the meeting, is a good representation of what the residents want. It is incumbent upon the Council and the City to get this right because this is one of the last pieces of undeveloped property in the community, and there must be careful and thoughtful consideration before acting. People talk about ugly strip malls and asphalt, but during her research she discovered that urban villages are the trend. These urban villages incorporate eco-friendly development. She cited one development

---

parcel that is very similar to Site D. Five years may seem like a long time, but the City needs to plan for long term success. She suggested this matter remain open and that the City and the district continue its outreach sessions.

C/Everett said he was troubled that he did not have enough information on the background and specifics of the City's economic development strategy for Site D. Secondly, he was very concerned with the reality of the dollars that would be netted by the project. He is frustrated because he felt the typical applicant/developer was a professional and the School District had been challenged because their business is school and kids, not development. He thinks the entry monument and green space is critical.

The shopping center blacktop mentality is unfair to all parties because that is not a creative mentality, and he would agree with MPT/Chang's concept of an eco-friendly urban living village. At the same time he understands the school district's wants and needs. So, he is not really sure what would realistically net out to the best benefit of the school district and the kids and whether this would support D.B. for the long term. He said he is very, very frustrated but feels it is important to look at the mixed use development that is on the books. He also felt that everyone should be given a list of urban villages for viewing, and as indicated by CDD/Gubman, flesh out additional study sessions to refine the commercial vision. He said his focus would be on the 50/50 plan and it felt very irresponsible to him to go with the 100 residential without knowing the financial repercussions, because he fears expectations would exceed reality.

C/Tanaka said he respected the School Board's recommendation. The City Council Members are not architects and developers and if the development is restricted it might be too restrictive to attract the greatest number of developers and types of developments that might be most beneficial to the School District and to the residents. He would favor further discussion and would prefer to postpone a decision until after the holidays.

M/Tye said he did not think the Council should be driven by the calendar and the holidays. There is a decision that the Council needs to make and it needs to deal with the facts it has. A land owner wants to sell what they have identified as "surplus property". Whether one likes this process or not, there is a process and this has gone through the process, first with the Planning Commission and many hearings which were appropriately noticed and the public input that those hearings produced which is included in the Staff's report, all of which call for residential. The property owner has

come back saying they would like 100 percent residential; 11 out of 12 speakers said they did not want a commercial center. Yet he keeps hearing the City should back away and take a look at commercial, even among the five Council Members there is no consensus. If there is an urban village is that not up to the developer that buys this parcel to propose that development plan? The School District is not a developer and the Council is not trying to tell them what to do but rather come up with a Specific Plan that says this is what we see for D.B. He has served on the City Council for five years and one of the first things the Council did after he came on board was to hold a workshop at the Diamond Bar Center and talk about the need for commercial in D.B. and for redevelopment by targeting certain areas. One of the areas that Bob Zirbes wanted to see developed was Site D and what he saw going in there, because the difference between what Bob Zirbes saw for Site D and a Birch Street is that Birch Street is flat and Site D is not flat. It seems that the conversation is about squeezing something into Site D to say that the City has commercial at that location. Tonight we heard a unique perspective from a D.B. resident who has children in WVUSD who is a developer and whose business is studying retail centers that will work. She would be glad to make that site work for commercial if she could, but in her professional opinion, commercial will not work on that site. That is what frightens him the most is to get three, four five years into the future and look at a center and realize someone was right that it would either be a booming center or there would be more commercial vacancies in D.B. He believes it is best to retain the character of the neighborhood which is residential and he believes the Council should follow what is best for D.B. He believes 100 percent residential is best for D.B. This Council has built a \$30 million reserve. That was done with the retail it has minus Diamond Bar Honda and the City has to attract retailers like Target, and the City needs to support businesses in D.B. like Chili's. Someone once told him D.B. needs a downtown and he differs with that premise. He believes D.B. has a downtown and it is Birch Street in Brea which is unfortunate, but that does not mean that the City needs 100 to 150,000 square feet of commercial at the south end of town. To say that the City needs more hearings, more outreach, etc. is to completely discount the 60 to 70 people that went to the WVUSD sponsored workshop and put forth their efforts. To hold the property owner hostage for five to seven years in the hope that commercial recovers and would be viable for that parcel would be like confiscating half the property. Think about why folks move to D.B. Do they move to D.B. for the shopping? When he and his wife moved here they did not move here because of the Kmart and not because of the library. They moved to D.B. because of the schools. People move here for the schools and if the City is not

going to do all that is possible to support its schools by letting them dispose of an asset, the City will witness the demise of that school district. He took exception to the notion that voters would approve higher taxes to support the schools and cited instances in which voters had rejected such proposals. M/Tye said he believed folks were tired of paying more taxes, that they were fed up with paying more for what they feel they are getting, and that folks are at their limit. If he thought it would be an effective commercial location the City could probably make a case for it, but he does not believe it would be feasible or effective for the location. He believed the Council had sufficient information to render its decision and felt it was fair to the school district for the Council to make a decision. He did not believe the School District was interested in being in the property management business because they have not offered to develop the site and lease it out to commercial businesses. The Pomona School District, under a previous superintendent, was in the business of acquiring property and the District now finds itself in a position of owning property it cannot sell. Site D is an asset that WVUSD can use to help stop the bleeding inflicted on it by Sacramento and he believed it was appropriate to say yes to 100 hundred percent residential.

C/Herrera explained that the original conversation regarding the "Target" development was about the development being on two pads. Originally, the City wanted commercial on the top and commercial on the bottom and it had visions of a great looking project. The developer who purchased the land did not want commercial on the top because he would get a greater return by putting residential on the top and commercial only on the bottom. In past times, the City has discussed how much the City might expect to receive from a 10-acre commercial development and the figure was \$100,000 per year. And it is the same amount where Vantage is now located. So the City adjusted for that and required a "door" tax of \$10,000 per unit which was added to the price of the condos and single family homes that were sold. One would think that would be a deterrent to a developer to have that kind of assessment placed on his development, but those houses and those condos went so fast that there was a waiting line to get a unit. So if the Council wants to secure the economic health of the City it can do the same thing for the houses at Site D. And then the City would not be needing sales tax revenue from the project. She is concerned that in order to get any commercial, there would be a five to seven year wait to find out whether it would even be a possibility that someone would buy the land and someone would be able to get the financing to develop the parcel.

MPT/Chang said she disagreed because this is a snapshot in time and to let go of the potential of what the site could be would be shortsighted. School districts are looking to retain their properties and lease them out for the time being because they will not get the purchase value they need. When one disposes of property it equates to a one time deposit into capital outlays whereas, leasing would result in generating revenue that could be deposited into a general fund for a wide variety of uses. She is not a school board member and this is not the school district so she leaves it up to the school district to determine how they would like to proceed depending on the Council's decision. She keeps hearing restrictions and the perception of roadblocks. She thinks times are changing and people are thinking more creatively. There are a lot of "out-of-the-box" developers and the City has not talked with any of those developers. She has spoken with many people who intuitively express that Site D would be perfect for mixed use. She felt it would be prudent for the City to begin having conversations with a wide variety of people. There was mention of a new resident who spoke at the last Council meeting, but what was not mentioned was the fact that while he said he moved here for the schools, he also expressed that he wanted his kids to be able to work and play in D.B. Growing up in D.B. MPT/Chang said she walked everywhere. She loves the community and believes the City can reach for the stars and talk to people who can provide important feedback. If the Council considered commercial, she believes it could be an amazing project and would not want the City to forego the opportunity of investigating that possibility.

M/Tye felt that a decision contrary to the School District's recommendation would place a burden on the School District. He has not heard anyone from the school district nor the consultant say they like the idea of building and leasing buildings. The District's stationery says "kids first, every student, every day" and that is what they need the resources for and he does not feel comfortable weighing in on what the school does with their resources or how they generate those resources. He agreed with MPT/Chang that this is a land use decision for the City and it is not a lot different from other land use decisions the City has made, such as the SunCal or Larkstone projects. He did not believe it was the City Council's role to seek developers and retailers to get an opinion about property the City does not own. The City has tried that at different locations around town and as a result, the community has what it has. The City did not get any big box retailers and did not get anyone who is looking to redevelop the Kmart Center. In his opinion, that would be the grandest plan of all – redevelopment of the Kmart Center. If the City could start over from the freeway to Golden Springs and from Diamond Bar

---

Boulevard to Prospectors, the City would have everything it needed - all of the retail imaginable. But he did not believe the City needed to shoehorn retail or commercial into a location because of the lack of retail or commercial. Instead, the City needs to make the best of what it has.

MPT/Chang agreed that the City has talked with developers and retailers and the market is changing. Retailers are looking at how to approach the market. The median income in D.B. is \$105,000 and the median age is 39. She believes all possibilities should be considered. She understands that this is a concern for the school district; however, the City should be looking out long term and consider this location very carefully because it is one of the last undeveloped properties left in D.B.

M/Tye reiterated his belief that the highest and best use for Site D was 100 percent residential. He felt it would be good for folks who wanted to move into D.B. because there would be new product available and, he does not see the benefit of commercial. He agreed that the City needs to focus on tax producing businesses in D.B. which is how this Council over 21 years has built a \$30 million surplus. It does not mean that the surplus can be spent for no good reason; it means the City is in good shape and the City can weather the current economic climate which means the City can be diligent in its pursuit of retailers it wants in D.B.

C/Herrera said the Council keeps saying it needs more information and more information. The Council has been considering more information since July and before. What will happen in the future is unknown and speculative. How long will the downturn last. Speculation is that the downturn will last for five to seven years. What if economists are off the mark and it is longer? All this City Council knows at this point is the "now" and she believes it is time for the Council to make a decision now based on its best information it has instead of continuing to say we need more information. Staff has provided a massive amount of information. Council has asked for studies and staff has updated studies.

C/Herrera moved to change the land use framework to one hundred percent residential and direct staff to prepare the following documents for Council consideration: Prepare a revised Memorandum of Understanding to eliminate commercial from the land use palate and to prepare changes to the consultant's contracts to revise the Specific Plan and the EIR. M/Tye seconded the motion. Motion failed by the following Roll Call vote:

AYES: COUNCIL MEMBERS: C/Herrera, M/Tye  
NOES: COUNCIL MEMBERS: Everett, Tanaka,  
MPT/Chang  
ABSENT: COUNCIL MEMBERS: None

MPT/Chang moved to continue exploring the viability of the commercial component and to continue the public outreach effort.

CM/DeStefano stated that based upon the School District's recommendation, his sense would be that the School District would not be willing to pay for that effort. At this time the City and the School District are sharing costs. As the document currently states, the School District, through the MOU would be paying the City back upon sale of the property. There would need to be a discussion with the school district regarding the outreach component for commercial discussion purposes, and his suggestion is that the School District would not wish to pay for that. Based upon the School District's recent outreach with their consultant, a similar kind of session would be about \$35,000 and if the City were to have multiple meetings it would probably result in \$3,000-\$5,000 more per meeting. Timing will be an issue and the City would not begin a public outreach discussion process until probably mid-January. Staff would need to bring to the City Council public outreach consultants for consideration as well as, the costs to hire those consultants for the work they would need to do to advertise and schedule public outreach sessions mid January or beyond. Moving toward a public hearing for that purpose would likely be no earlier than the first public meeting in February and perhaps not until the second meeting in February/first meeting in March.

MPT/Chang amended her motion to early to mid February. C/Everett seconded the amended motion and said that he hoped the Council could get a status report the meeting prior with the public hearing scheduled for February.

CM/DeStefano asked the Council to bifurcate the issues: Whether the Council wishes to have additional outreach that most likely the City would be paying for to initiate discussion about commercial opportunities on that property. Assuming the Council wishes to do so, it would move toward directing the City staff to bring back proposals because it would most likely exceed the City Manager's authority for the City Council to then approve such a contract. Staff could most likely not do that for the Council until the first meeting in January, assuming staff could get the consultants to participate in the next few weeks. If the decision is made to hire the consultant the first meeting in January, public outreach sessions would likely not take place any sooner than end of January/first of February

timeframe. Again, staff would probably not have anything for the Council until mid February/first of March. If the Council wishes to proceed in that matter, direct staff accordingly to get all of that done and once staff returned to Council with its report the Council would make its decision on those details. If the public outreach bid proposals are in the area of \$100,000 for example, that may be something the Council decides not to do. It may be far less than that but in his opinion, the Council needs to first decide what it wants to do.

MPT/Chang amended her motion to pursue the public outreach and direct staff to begin considering proposals for a consultant.

C/Everett seconded the motion.

M/Tye asked for an understanding of the motion. Given that the City has a property owner that owns 99 percent of Site D that is more than likely not interested in spending any more money on consultants, are MPT/Chang and C/Everett telling him that they want him to vote to spend tens of thousands of dollars for a study given what has already been spent and given what the City knows about the consultative process, and given the time and effort it will take, is that what is being asked?

MPT/Chang said yes, because she believes the City needs to do this carefully.

M/Tye asked MPT/Chang not to couch her proposal in terms of being careful because the City has not done it "carefully" when in fact the City has done exactly that. Seventy residents showed up for the workshop. They have had their input. They said "we want all residential." The school district is the landowner. The school district has said "we would like one hundred percent residential." As he said at the last meeting he is getting a very clear picture of why residents feel they are not being listened to. "We want residential, we want residential, we want residential" and now we're saying, let's look at commercial.

MPT/Chang told M/Tye that he was only talking about people who came to the meetings. She has gotten phone calls and emails and is the Council not listening to the people who sent in their letters, their emails and their phone calls?

M/Tye said he felt the City was listening to everyone because that is part of the process.

MPT/Chang said she did not think so. She stated that she has

received several phone calls and emails today from residents in favor of some form of mixed use and that all she is saying is she does not believe the Council should foreclose any options. At the end of the day we're just saying we want to have a conversation about not removing commercial and keeping it on the table. She wants to proceed with this carefully. The Council did not discuss any commercial component even though it was in the Specific Plan. Commercial was not discussed at the community forum. There were at least three groups that brought up the commercial component but it was not further explored. The consultant asked what participants would like to see on the site and how would it benefit the school district. Nothing else was discussed. She felt that the public outreach was not a back and forth discussion, she feels the Council needs to get into the root of things and explore all options. For her, she supports spending an extra \$30,000 to do what in her opinion, is right. The Council does not know what that will cost and that is what she is asking staff to explore.

M/Tye said that when a consultant says "what would you like to see there, what would you paint it – here is the palate and you do it" and that is what they come up with one hundred percent residential what does that say. MPT/Chang stated that she did not believe that the participants in the workshop explored commercial and that when they drew up their concepts it did not include commercial. Their input was, "we would really like to see residential". That does not mean that commercial was not considered. Commercial has been considered there for 10 or 15 years. MPT/Chang reiterated that the workshop was five hours long and ended with 20 people present. What about the other 60,000 residents. There is a motion on the floor. I think we can disagree to disagree.

M/Tye said he felt they were going to have to agree to disagree but the fact that all of D.B. did not turn out should not discount the folks that did turn out.

MPT/Chang said she agreed with M/Tye on that point.

C/Herrera said she was greatly disturbed by the direction Council is now taking because she believed it served no purpose for the School District and for the City to delay this until probably March of next year and to postpone a decision that far in advance with the City Manager telling the Council it would most likely cost the City about \$100,000 and she opposes the City spending that kind of money to reach a conclusion that more public outreach results in a desire for residential when the Council could vote now and move on. There comes a time when one has to stop "I want to think about it, I want to think about it, I want to think about it." This

Council was elected to make decisions and let us make decisions.

MPT/Chang asked CM/DeStefano if it would cost \$100,000.

CM/DeStefano responded that the outreach undertaken by the School District for the workshop that took place in mid October cost the District about \$35,000 including about a month of effort by the consultant. CM/DeStefano said that based on multiple meetings and depending upon the meetings, it could result in a cost to the City of \$100,000. However, if the City held multiple meetings it could be \$35,000-\$50,000. If the City went through a very exhaustive schedule with meetings over many months and getting into more and more detail, someone would have to facilitate that and with all of the various aspects involved, it could get very pricey. He indicated that it could be at least \$35,000-\$50,000 for a single workshop effort and subsequent effort, but it depends on exactly what and when it is done and how many times the City has workshop efforts. He has heard "a workshop" and he has heard "workshops" so he is trying to allow for flexibility in the number he is putting out in order to try to make certain that the Council understands what the cost might be.

MPT/Chang said there are three Council Members who would like to continue exploring the commercial component and it seems that we (the three Council Members) feel that it is prudent to include the community's decision regarding the commercial. Because at this point three Council Members voted "No" on one hundred percent residential those three Council Members would like to be inclusive of the community in getting more input for the commercial aspect.

M/Tye indicated to MPT/Chang that he understands what she is saying and asked her to please not be confused that this decision is "immediate" because it is not. This has been through a process already. In his office he has a report from 2007 about Site D so there is nothing immediate about this.

C/Tanaka explained that the reason he was not voting for one hundred percent residential at this point was because the Council had been discussing a 50/50 split all along and as MPT/Chang stated, the Council had not seen any kind of proposal for commercial. At the same time, during a couple of school board meetings, they have turned it around and have now made the request for one hundred percent residential. This is an easy statement to make; however, without looking at what the maximum density would be, and without consideration of park, trails or open space area buffer zones between the current and new development, it is very difficult for him to now say he would like to

see one hundred percent residential. Had that recommendation been made with more details as to the actual density, the type of product (condos or single family homes), whether it was a larger park space other than one at the corner entrance of the property, it would have made it an easier decision for him but at this point he is not ready to decide on whether one hundred percent residential is acceptable without having any other details.

M/Tye said he appreciated C/Tanaka's input. Again, the Lewis Company had an option to purchase this property seven or eight years ago. To say we are now taking that option off the table all of a sudden is not accurate and the reason Lewis did not exercise that option was because Lewis felt it could not make 50 percent residential and 50 percent commercial work for them. That's what Lewis does - they are developers. So, that potential buyer at a much better economical time took a bath for whatever they paid for that option. They decided they could not make that option work at Site D and suffered the consequences and that is why the Council is having this dialogue today is why the Council is considering a Specific Plan for Site D. Council heard from a developer tonight (public speaker) who said the same thing. This is not a viable location for the commercial square footage.

C/Everett called for the question.

AYES: COUNCIL MEMBERS: Everett, Tanaka, MPT/Chang

NOES: COUNCIL MEMBERS: Herrera, M/Tye

ABSENT: COUNCIL MEMBERS: None

Mayor Tye asked CM/DeStefano if the direction from Council was clear to staff.

CM/DeStefano said he believed the Council had voted to ask City staff to seek public outreach consultants to craft a plan to seek public input of a commercial development on this property to help the City to understand what is possible from a resident's standpoint, what they might be fearful, of and what modifications might be appropriate to make the commercial palatable to the residents. That effort will take one or a series of workshops and after that, come back to the Council with that work product.

MPT/Chang responded that CM/DeStefano outlined what the three Council Members who voted "Yes" were looking for.

CM/DeStefano said he wanted to be clear that this would not be a market feasibility study. That was done with the Keyser Marsten

report that was provided to the Council and to the School District. This is a discussion with the residents.

MPT/Chang responded "yes."

M/Tye closed the public hearing.

C/Everett asked for a date specific for the matter to return to Council.

CM/DeStefano said that if the workshops were ultimately approved by the Council they would be noticed and staff would notice a new Public Hearing through the normal vehicles available so that adjacent residents and other interested parties would have ample opportunity to participate.

C/Tanaka asked if in the meantime it would be unreasonable to ask the School District to come forward with their vision of a hundred percent residential.

CM/DeStefano said that School District representatives have been in attendance at this meeting for the past couple of hours and the Council may wish to bring someone forward to speak to that matter.

CA/Jenkins indicated that with the audience remaining somewhat stable, M/Tye could reopen the public hearing and ask for input from the applicant.

M/Tye reopened the public hearing and invited the applicant's representative to define his vision for one hundred percent residential.

Chuck McCauley, Interim Superintendent, WVUSD, stated that shortly after arriving in this community he became aware of the extremely high quality of the educational programs and the wonderful community that the City has been able to establish and maintain with its high quality of life. This never has been, to the best of his knowledge, nor should it ever be a school district versus the City project. This is about the City. This school district is a part of this City. This school district is probably the most important part of this City. People come here to live because of the quality of education. People stay in this community because of the quality of education. It is the school district's responsibility to provide a quality education and no district anywhere has done it better. He believes it to be the responsibility of the City to support in every way that it can, the efforts of the school district to continue to maintain that quality of education and to maintain the quality of life

in this City. There are lots of communities up and down this State that would love to be in the situation D.B. is in. We all represent the same people and we all want the same thing. And we should continue to work together to make sure we achieve that result. Here is why this needs to happen. We are in the business of education. We are not in the business of development; we are not in the business of land banking; and, we are not in the business of making decisions that reflect upon what it is that the City feels is in their best interest financially,

economically and every other way. You can talk about the development of Site D for the next 10 years and in his opinion, it will still come back that the best use of that property will be residential and one hundred percent residential. Why? Because if the property were even viable for commercial development, the return that the City will receive from any commercial that takes place there would be minimal compared to the contribution the City would receive through developing that property in the best interest of the school district so that the district can continue to provide its high quality education. If education in this community and the quality of education begins to deteriorate due to lack of resources, the City will see what will happen to the quality of life. He was present a couple of months ago when law enforcement talked about the drop in crime rate. In addition to the City, the school district is largely responsible for that drop in crime rate because the kids are engaged in activities, after school programs, and academics. They are inside looking out, not outside looking in. They are off the streets. I would hope that this Council, and I, unfortunately, will not be here to see its final conclusion and its final decision, but he would strongly urge the Council to consider the overall benefit to the City which includes the school district, a viable entity, in order to make sure that D.B. residents continue to enjoy the quality of life they currently enjoy. With respect to the District's financial condition, the School District has cut \$19 million dollars from its budget in the last three years. The School District has been through economic downturns in the past and has weathered the storm. And he can hear the words that are continuously expressed during those downturns to wit: "We will keep the cuts as far away from the classroom as possible." Let me tell you that the cuts have hit the classroom and hit them hard. The employees and teachers have stepped up and taken furlough days and salary cuts. D.B. is the most supportive community he has ever seen in his 50 years of service that supports public education. The Council heard about individual contributions people have stood up and made in order to make certain that the school can continue its music program. Do you want that music program cut? I hope not. D.B. and the School District along with the diligence of the Board of

Education, has been able to continue educational programs in this community that other communities cut years ago. I do not want that to happen. The School District would be irresponsible if it did not manage all of their assets. And, he thinks the School District would also be irresponsible if they went to the taxpayers to ask for an increase when the district has other assets it can maximize and take advantage of. A speaker stated that once spent, this money would be gone and that it was "one time" money. This money, by law, can only be spent for capital improvements. That is where the technology comes from. The district would use some of the principal from the sale to bring the kids into the 21<sup>st</sup> Century. Without it, our kids are falling farther and farther behind each year with technology. If there is one weakness in this school district, that would be it. The other fact is that the school district needs to be creative instead of cutting budgets and while doing that the District needs to look at creating new revenue streams on a daily basis in order to maximize all of the district's assets. As he said to someone the other day – houses supply kids; kids supply ADA and ADA brings money into the school district. And that is an ongoing stream of revenue. Again, the District would be totally irresponsible to sit back with a piece of vacant land that the district can use to benefit the kids of this community. And when he says this community he is talking about Walnut Valley Unified – we are a unified district and we serve multiple communities and we serve all of your kids. His parting shot is, think it through. What is really in the best interest for the total City as it pertains to the sale of this property? The school district wants to continue to work with the City and he wants to repeat that the district has had tremendous support and cooperation with the City's staff as we have walked through this process. We have tried to do everything that we can possibly do to get the information to get the Council the information it wants in order to make the right decision. You can study this for ten years and there will not be any more information that the Council has right now. And you can spend \$100,000 getting it – that is your choice. Again, he thanked the City for its support of public education in this community in the past, today, and in the future and it has been a joy being here.

C/Tanaka asked the applicant if during the time when the City has another public hearing if the School District would be able to more definitively identify the density, type of residential units, type of park or open space that would be provided.

Mr. McCauley responded with all due respect, that that was not the School District's job. That is the City's responsibility and the School District has given the City what it believes is the best use and what will most benefit the School District. It is up to the City and its staff

to determine those kinds of things. The school district does not have the expertise to do that.

CA/Jenkins responded to M/Tye that the public hearing could remain open until tonight's deliberation was concluded.

CM/DeStefano asked if the Superintendent's presentation changed the action and direction to staff previously taken by Council Members. He is hearing a variety of things and if the Council is leaning in one particular direction it would be useful for staff to know that because he would hate to spend months of time and money if there were a decision that could be reached tonight on a preferred land use plan so that staff could then be directed to work out that land use plan.

MPT/Chang asked if her colleagues wanted to move forward as they voted or change their vote.

C/Everett said No. He said he appreciated the input and respected that and it helped the Council going forward as it already voted.

C/Tanaka asked if it was the City's responsibility to come up with a new Specific Plan if the Council voted in favor of one hundred percent residential.

CM/DeStefano responded to C/Tanaka that the City is the ultimate decision-maker on the land use of the property, not the applicant, not the property owner. In this case, the City and School District are working on a cooperative effort to get to the land use decision. The City could lay out the land use scheme. Staff has heard 100 percent residential as an example and staff has also heard discussions about a public park, open space area, etc. so it is really not one hundred percent residential but something less than 100 percent residential.

C/Tanaka asked if by saying 100 hundred percent residential it would not allow for park space.

CM/DeStefano thinks the issue is, should the project be a mix of commercial and residential in some shape or form or, should the project be residential. He has heard in the past an interest in a park component. He believed it was safe to say that regardless of the land use the Council chooses, a park would be a part of that mix. So, what type of park, what size park, and so forth and he believed that CSD/Rose would recommend that a park should be closer to a two-acre flat development. If the Council is leaning toward a commercial component with a park and some form of

residential then the Council proceeds with the direction it has given staff, which is to seek a consultant to conduct outreach on that commercial component and include the residential and the park component. If the Council is leaning toward a residential development with a public park, staff can also move forward without the need for public outreach and start to help the Council define those components and help the school district define more beyond what it said tonight "10 units per acre" that it might be looking for. CM/DeStefano wants to make sure that staff is following the Council's guidance. He wants to be sure that it is time and money well spent and if anything has changed in the last 15 to 20 minutes it would be helpful to know that.

M/Tye, speaking to C/Tanaka, stated that the recommendation from the School District was that Site D be developed one hundred percent residential with minimal peripheral open space, greenbelt and park areas. That was part of the recommendation. When he and C/Tanaka served on the Planning Commission and considered the Sun Cal project, a developer came before the Planning Commission and presented to the City what they wanted to do was "X" with the property and the City came back and said it thought "Y" would be more appropriate. It is more important to have that input and make that land use decision when there is a developer in position to say what they would like to do. For example, a developer might say they want 50 units per acre and the City says, that's never going to happen. But that scenario does not happen at this stage of the deliberation and decision process.

C/Herrera asked if she would be able to make a motion, rescind the previous motion and make a new motion, or, was a different format more appropriate.

CA/Jenkins stated that from a procedural point of view, the Council has passed a motion and given staff direction. The only way to contradict that motion would be a motion for reconsideration by one of the three members who voted in favor of the previous motion. That motion would then have to pass, at which point the Council would then be in a position to make a new motion to provide new direction.

C/Tanaka moved for reconsideration. M/Herrera seconded the motion. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	C/Herrera, Tanaka, M/Tye
NOES:	COUNCIL MEMBERS:	Everett, MPT/Chang
ABSENT:	COUNCIL MEMBERS:	None

M/Herrera asked for clarification on what her motion could contain.

CM/DeStefano responded that he believed the Council should specify a density and you have heard the School District suggest that 10 units per acre would be palatable and they mentioned the Vantage project as an example. He assumed that the portion of the Vantage project to which the school district referred was the single family homes. The Vantage project has two components: The single family home component and the multi-family component. CM/DeStefano recommended that the Council specify a density which would give the staff and the public an understanding of the Council's direction.

M/Herrera moved to eliminate the commercial component for Site D and move to a density of 200 unit project of single family homes incorporating a greenbelt area separating the development with the existing residential properties with a berm, and a two-acre park. Motion seconded by M/Tye. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	C/Herrera, Tanaka, M/Tye
NOES:	COUNCIL MEMBERS:	Everett, MPT/Chang
ABSENT:	COUNCIL MEMBERS:	None

M/Tye asked if staff understood the direction from Council.

CM/DeStefano indicated that staff had direction, as indicated by majority vote, that the Council is interested in moving forward with a residential project comprised of 200 dwelling units on the approximate 20-acre development site that would appear to exist there. In addition, he heard as part of the motion a two-acre park, a greenbelt between the existing homes and future homes. With this direction, staff would begin the tasks necessary to begin to detail that vision with the consultants and bring back to the meeting on December 21 any changes that would need to be made to the EIR, Specific Plan and any of the other planning documents as well as, changes to the Memorandum of Understanding between the City and the school district. In addition, staff would recommend that the City Council keep the Public Hearing open and move it to December 21.

M/Tye concurred and announced that the Public Hearing on this matter would remain open and continue to December 21, 2010.

7.2 ADOPT RESOLUTION NO. 2010-40: APPROVING THE CITY'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM INCLUDING \$383,691 IN FY 2011-2012 FUNDS AND \$205804

FROM UNALLOCATED BALANCE OF FUNDS FOR THE TOTAL AMOUNT OF \$589,495.

ACM/Doyle presented staff's report and recommended the City Council receive an update of the current year's funding and how the money is being used, presented a report on expenditures proposed for this year's grant. Upon conclusion of his report, ACM/Doyle recommended that the City Council receive staff's report, open the Public Hearing, Receive Testimony, close the Public Hearing, and Adopt Resolution No. 40.

M/Tye opened the Public Hearing.

With no one present who wished to speak on this matter, M/Tye closed the Public Hearing.

MPT/Chang moved, C/Everett seconded, to Adopt Resolution No. 2010-40: Approving the City's Community Development Block Grant program including \$383,691 in FY 2011-2012 funds and \$205,804 from unallocated balance of funds for the total amount of \$589,495. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Everett, Herrera, Tanaka, MPT/Chang, M/Tye
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

- 7.3 ADOPT URGENCY ORDINANCE NO. 05(2010) U AND FIRST READING OF ORDINANCE NO. 0X (2010) AMENDING TITLE 15 & 16 OF THE DIAMOND BAR MUNICIPAL CODE AND ADOPT RESOLUTION NO. 2010-41 DETERMINING THAT MODIFICATIONS TO THE CALIFORNIA BUILDING, RESIDENTIAL, GREEN, PLUMBING AND ELECTRICAL CODES, AND CALIFORNIA FIRE CODE WITH LOS ANGELES COUNTY AMENDMENTS ARE REASONABLY NECESSARY.

CM/DeStefano reported that every few years the State adopts new codes for construction in the state and local communities and the City is required to adopt those changes along with any changes staff believes necessary to improve upon those documents to meet local conditions.

Consultant Raymond Tao stated that in this case, the Council is adopting the state's code and reintroducing old amendments with modifications as required by the state. The State of California is adopting two new building codes: 1) The residential code for new single family homes up to two dwelling units and 2) the Green

Building Code as a result of state adopting Assembly Bill 32. Staff proposed adoption of the Urgency Ordinance No. 0X (2010) U by introducing First Reading by Title Only, Waive Full Reading, Set the Second Reading for the first City Council meeting of January and adopt the Urgency Ordinance and accompanying resolutions.

M/Tye opened the Public Hearing.

With no one present who wished to speak on this matter, M/Tye closed the Public Hearing.

M/Herrera moved, MPT/Chang seconded, to adopt Urgency Ordinance NO. 0X (2010) U by introducing First Reading by Title Only, Waive Full Reading, Set the Second Reading for January 4 and adopt the Urgency Ordinance and accompanying resolutions. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Everett, Herrera, Tanaka, MPT/Chang, M/Tye
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

**8. COUNCIL CONSIDERATION:**

**8.1 APPROVE FREEWAY AGREEMENT WITH THE STATE OF CALIFORNIA THROUGH DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR THE CONSTRUCTION OF A NEW FREEWAY INTERCHANGE AT LEMON AVENUE ON STATE ROUTE 60.**

PWD/Liu stated that the Freeway Agreement represents another milestone and progress toward the construction of a new freeway interchange at Lemon Avenue on SR 60. The current agreement supersedes the previous agreement executed in 1968 between the State of California and the County of Los Angeles. At that time, the project envisioned the State would build an eastbound off ramp and a westbound on ramp at Lemon Avenue. Due to the lack of financial resources, that project was shelved. The proposed project will consist of a three-legged interchange, specifically a westbound onramp, eastbound onramp and eastbound off ramp. The existing westbound on and off ramps at Brea Canyon Road will remain in place while the existing Brea Canyon Road on and off ramps (existing hook ramps) will be removed once the new interchange is completed. By approving this agreement tonight, the City is authorizing the freeway interchange to be constructed at Lemon Avenue within the City's jurisdiction. The proposed right-of-way phase is scheduled to begin shortly and staff anticipates completion late 2012 with construction begin shortly thereafter with completion

anticipated for mid 2014.

There was no one present who wished to speak on this item.

MPT/Chang moved, C/Everett seconded, to approve Freeway Agreement with the State of California through the Department of Transportation (CalTrans) for the construction of a new freeway interchange at Lemon Avenue on State Route 60. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Everett, Herrera, Tanaka, MPT/Chang, M/Tye
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

8.2

APPROVE THE GRANT APPLICATION FOR THE HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP) FOR THE PATHFINDER ROAD PEDESTRIAN AND STREET SAFETY ENHANCEMENT PROJECT.

PWD/Liu stated that in September CalTrans issued a call for projects for the Highway Improvement Program for FY 2010-2011 with a funding apportion or availability of \$17 million. This program provides funds on a competitive basis for safety improvement projects, public roadways, bikeways and pedestrian walkways. This is a federally funded program

administered by CalTrans. In the past, the City has been successful in receiving grant funds under this program; \$25,000 for the Pathfinder Road Median project, \$400,000 for the Golden Springs Safety Enhancement project; \$220,000 Sunset Crossing Neighborhood Traffic Calming project. With this opportunity, staff is proposing to submit the project that would continue the construction of landscape medians along Pathfinder Road between Brea Canyon Road and Diamond Bar Boulevard. The engineer estimates \$665,000 for this project and this application will include a request for 90 percent of the total project cost. If successful, staff will come back to the Council to request the 10% of the amount from remaining resources for approval. Staff anticipates the results of the application submittals will be available to the public in early spring of 2011.

There was no one present who wished to speak on this matter.

C/Everett moved, C/Tanaka seconded, to approve the grant application for the Highway Safety Improvement Program (HSIP) for the Pathfinder Road Pedestrian and Street Safety Enhancement

Project and authorize the City Manager to execute contracts and related documents as may be necessary to process this project as designed. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Everett, Herrera, Tanaka, MPT/Chang, M/Tye
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

**RECESS:** M/Tye recessed the City Council Meeting to the Redevelopment Agency Meeting at 10:45 p.m.

**RECONVENE:** M/Tye reconvened the City Council Meeting at 10:52 p.m.

9. **COUNCIL SUBCOMMITTEE REPORTS/COUNCIL MEMBER COMMENTS:**

C/Tanaka attended the DBHS Brahma Foundation dinner and awards night for the performing arts and honor of former principal Denis Paul. He congratulated Jonathan Wu, Troop 730, D.B.'s newest Eagle Scout; attended the City's Candy Cane Craft Fair last Saturday; DB4-Youth meeting. He congratulated John Noguez, newly elected LA County Assessor. He recommended that the City Council send a Certificate of Congratulations to the new county assessor. He congratulated Linda Magnuson on her 21 years of service to the City.

C/Everett thanked everyone for their attendance and input this evening. He congratulated Linda Magnuson on her retirement after 21 years of service. Best wishes as we begin the Christmas and Holiday celebrations and thanks to Monsignor Loughnane for tonight's invocation. Congratulations to M/Tye and MPT/Chang and thanked former Mayor Herrera.

C/Herrera said the City would miss Linda Magnuson and congratulated Linda on her retirement. She congratulated M/Tye and MPT/Chang and said she believed it would be a great 2011 for D.B.

MPT/Chang reiterated that residents can follow her on Facebook and Twitter.

She attended the League of California Cities strategic planning meeting. She congratulated M/Tye and thanked C/Herrera for her leadership as Mayor and said she also looks forward to a great year. She thanked Linda Magnuson for her years of dedication to the City and congratulated her on her retirement. She offered her condolences to the family of Florence Lyons, mother of Nancy Lyons. She wished everyone a Happy Hanukkah.

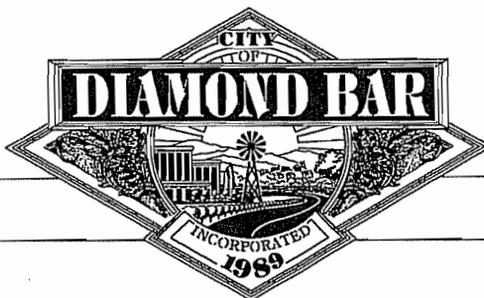
M/Tye thanked former Mayor Herrera on her great effort at leading the Council and providing direction for D.B. and helping to make it the community that it is. M/Tye said he appreciates his colleague's confidence and being chosen Mayor and looks forward to working with his colleagues for the best of D.B. Tonight's meeting adjourned in honor residents who have passed: Clyde Hennessee passed away on October 30; Jack Kyser, Former Director of the LA Economic Development Corporation who passed away yesterday; Florence Lyons, long time D.B. resident, loving mother of Nancy, Jay and Linda and beloved grandmother of Nathan, Alex, Jamie, Alexander and her brother Tim. He asked that everyone keep Nancy and her family in their thoughts and prayers as they go through a particularly difficult time.

**ADJOURNMENT:** With no further business to conduct, M/Tye adjourned the Regular City Council meeting at 11:00 p.m. in memory of Florence Lyons, Jack Kyser and Clyde Hennessee.

  
\_\_\_\_\_  
TOMMYE CRIBBINS, CITY CLERK

The foregoing minutes are hereby approved this 21st day of December, 2010.

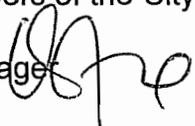
  
\_\_\_\_\_  
STEVE TYE, MAYOR



CITY COUNCIL

AGENDA REPORT

**TO:** Honorable Mayor and Members of the City Council

**VIA:** James DeStefano, City Manager 

**TITLE:** General Plan Amendment No. 2007-03, Zone Change No. 2007-04, Specific Plan No. 2007-01 ("Site D Specific Plan"), Tentative Tract Map No. 70687, and Environmental Impact Report 2007-02 (SCH No. 2008021014).

**PROJECT**

**APPLICANT:** Walnut Valley Unified School District and City of Diamond Bar

**LEAD AGENCY:** City of Diamond Bar, Community Development Department

**PROJECT LOCATION:** Site D is comprised of approximately 30.36 acres located at the southeast corner of Brea Canyon Road and Diamond Bar Boulevard (Los Angeles County Assessor's Parcel Numbers 8714-002-900, 8714-002-901, 8714-002-902, 8714-002-903 and 8714-015-001).

**SUMMARY:**

On December 7, 2010, the City Council directed staff to revise the Site D Specific Plan to, among other things, eliminate the commercial component and incorporate a public park consisting of at least two usable acres, and continued the matter to December 21, 2010.

In accordance with the Council's direction, staff is working with the EIR consultant to update the environmental analysis to reflect the revised land use framework, and has begun outlining the necessary revisions to the Specific Plan document. Staff anticipates that the updated planning and environmental documents will be ready for Council consideration between March and April of 2011.

**NOTICE OF PUBLIC HEARING:**

The hearing was continued to this date at the December 7, 2010 meeting. Because the matter was continued to a specific date, no mail or newspaper noticing was required. Ten days prior to the date that this matter is scheduled for final Council action, staff will mail public hearing notices to all property owners within 1,000 feet of the Site D property boundaries and others who have previously testified orally or in writing including, publish hearing notices in the two local newspapers, and post a public hearing notice board on the Site D property. all speakers who testified at previous meetings.

**RECOMMENDATION FOR THE DECEMBER 21, 2010 MEETING:**

Take public testimony, and continue the matter to a date uncertain.

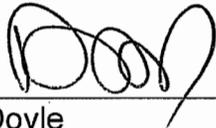
Prepared by:



---

Greg Gubman, AICP  
Community Development Director

Reviewed by:



---

David Doyle  
Assistant City Manager

**MINUTES OF THE CITY COUNCIL  
REGULAR MEETING OF THE CITY OF DIAMOND BAR  
DECEMBER 21, 2010**

**CLOSED SESSION:** 5:00 p.m. – Multipurpose Room, 21810 Copley Drive, Diamond Bar, CA 91765

Public Comments on Closed Session Agenda – None

▶ Government Code Section 54956.8

Property Address: 21865 Copley Drive, Diamond Bar

Agency Negotiator: City Manager

Negotiating Party: South Coast Air Quality Management District  
21865 Copley Drive  
Diamond Bar, CA 91765

Under Negotiation: Price and Terms of Payment

**STUDY SESSION:** 5:46 p.m. – Multipurpose Room, 21810 Copley Drive, Diamond Bar, CA 91765

▶ Report from City Consultants regarding Funding Measure for future Parks and Recreation Capital Improvements – Discussion and Action.

▶ Status Report on New City Hall and Proposed Library – Discussion and Possible Action.

**CALL TO ORDER:** Mayor Tye called the Regular City Council meeting to order at 6:33 p.m. in The Government Center/SCAQMD Auditorium, 21865 Copley Dr., Diamond Bar, CA.

CA/Jenkins reported that during tonight's Closed Session there were no public comments and no reportable action was taken. The Closed Session was adjourned at 5:45 to the Study Session.

CM/DeStefano reported that tonight's Study Session included a report from the City's Consultant regarding a possible funding measure for future Park and Recreation Capital Improvements. Council also received a quick overview of the status of the Library project and a tour of the second floor of the new City Hall. No reportable actions were taken on either item.

**PLEDGE OF ALLEGIANCE:** County Library Manager, Jesse Lanz led the Pledge of Allegiance.

**INVOCATION:** Ahmad H. Sakr, PhD., Islamic Education Center gave the invocation.

**ROLL CALL:** Council Members Ron Everett, Carol Herrera, Jack Tanaka, Mayor Pro Tem Ling Ling Chang and Mayor Steve Tye.

**Staff Present:** James DeStefano, City Manager; David Doyle, Assistant City Manager; Michael Jenkins, City Attorney; Ken Desforges, IS Director; David Liu, Public Works Director; Bob Rose, Community Services Director; Linda Magnuson, Finance Director; Greg Gubman, Community Development Director; Ryan McLean, Assistant to the City Manager; Rick Yee, Senior Civil Engineer; Kimberly Molina, Associate Engineer; Raymond Tao, Building Official; Lauren Hidalgo, Public Information Specialist; and Tommye Cribbins, City Clerk.

**APPROVAL OF AGENDA:** As Presented.

1. **SPECIAL PRESENTATIONS, CERTIFICATES, PROCLAMATIONS:** None.

2. **CITY MANAGER REPORTS AND RECOMMENDATIONS:**

CM/DeStefano announced that tonight's meeting will be Finance Director Linda Magnuson's last Council meeting. He stated that Linda has been with D.B. for 21 years and has earned her retirement. Staff held a send off for her today and all wish her the very best for providing the City of Diamond Bar the best of her life these past 21 years. Staff wishes Linda the very best with her future endeavors as she moves away from D.B. and into a happy and healthy retirement.

3. **PUBLIC COMMENTS:**

Jesse Lanz, Diamond Bar Library Manager, spoke about past and future library events.

4. **RESPONSE TO PUBLIC COMMENTS:** None Offered.

5. **SCHEDULE OF FUTURE EVENTS:**

5.1 Christmas Holiday – December 23 and 24, 2010 – City Offices closed in observance of the Christmas Holiday; City Offices will reopen Monday December 27, 2010 at 7:30 a.m.

5.2 Holiday Tree Curbside Collection Program -- December 26, 2010 through January 15, 2011. Trees free of decorations and flocking may be left at the curb for free pickup during this period. Any tree in excess of six feet must be cut in half.

5.3 New Year's Holiday -- December 31, 21010 -- City Offices will be closed Friday, December 31, 2010 in observance of the New Year's Holiday. City offices will reopen Monday, January 3, 2011 at 7:30 a.m.

6. **CONSENT CALENDAR:** C/Herrera moved, C/Everett seconded, to approve the Consent Calendar as presented. Motion carried by the following Roll Call:

AYES: COUNCIL MEMBERS: Everett, Herrera, Tanaka, MPT/Chang,  
M/Tye

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

6.1. CITY COUNCIL MINUTES - Regular Meeting of December 7, 2010  
- Approved as corrected.

6.2 TRAFFIC AND TRANSPORTATION COMMISSION MINUTES --  
Regular Meeting of September 9, 2010 -- Received and Filed.

6.3 PLANNING COMMISSION MINUTES:

6.2.1 Regular Meeting of October 12, 2010 -- Received and filed.

6.2.2 Regular Meeting of October 26, 2010 -- Received and filed.

6.4 RATIFIED CHECK REGISTER DATED December 2, 2010  
THROUGH December 15, 2010, TOTALING \$593,532.88.

6.5 SECOND READING OF ORDINANCE NO. 06 (2010): AN  
ORDINANCE AMENDING TITLE 15 OF THE DIAMOND BAR  
CODE ADOPTING, BY REFERENCE, THE "CALIFORNIA  
BUILDING CODE," 2010 EDITION, VOLUMES 1 AND 2,  
INCLUDING APPENDICES C, I, AND J THERETO, CHAPTER 1  
DIVISION II OF THE 2010 CALIFORNIA BUILDING CODE AS  
THE ADMINISTRATIVE CODE, THE "CALIFORNIA MECHANICAL  
CODE," 2010 EDITION AND THE APPENDICES THERETO, THE  
"CALIFORNIA PLUMBING CODE," 2010 EDITION AND THE  
APPENDICES THERETO, THE "CALIFORNIA ELECTRICAL  
CODE," 2010 EDITION AND THE APPENDICES THERETO, THE

"CALIFORNIA RESIDENTIAL CODE," 2010 EDITION, INCLUDING APPENDICES G, H, J, K AND O THERETO, THE "CALIFORNIA GREEN BUILDING CODE," 2010 EDITION WITHOUT THE APPENDICES THERETO, TOGETHER WITH CERTAIN AMENDMENTS, ADDITIONS, DELETIONS AND EXCEPTIONS INCLUDING FEES AND PENALTIES.

- 6.6 APPROVED ADJOURNING THE DECEMBER 21, 2010 CITY COUNCIL MEETING TO JANUARY 18, 2011.

**8. COUNCIL CONSIDERATION:**

- 8.1 APPROVAL OF AMENDMENT NO. 3 TO THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE WALNUT VALLEY UNIFIED SCHOOL DISTRICT AND THE CITY OF DIAMOND BAR RELATED TO THE SITE D SPECIFIC PLAN.

CDD/Gubman reported on the background of the Memorandum of Understanding (MOU) and its current state thus requiring the amendment. Proposed Amendment No. 3 changes the MOU to reflect the direction given by the City Council at its December 7, 2010 meeting to eliminate the commercial component and incorporate a public park and other open space elements into the Site D planning framework. In addition, minor refinements have been made to the language to clarify how the property would ultimately be disposed. Staff believes that these changes are in the best interest of the City and recommends that the Council approve the amendment as presented.

There was no one present who wished to speak on this item.

C/Herrera moved, C/Tanaka seconded, to approve Amendment No. 3 to the Memorandum of Understanding (MOU) between the Walnut Valley Unified School District and the City of Diamond Bar related to the Site D Specific Plan. Motion carried by the following Roll Call vote:

AYES: COUNCIL MEMBERS: Everett, Herrera, Tanaka, M/Tye  
NOES: COUNCIL MEMBERS: MPT/Chang  
ABSENT: COUNCIL MEMBERS: None

- 8.2 APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH ENVIRONMENTAL IMPACT SERVICES (EIS) IN THE AMOUNT OF \$76,835 TO UPDATE THE ENVIRONMENTAL

---

IMPACT REPORT FOR THE SITE D SPECIFIC PLAN.

CDD/Gubman stated that as a follow up to Council's direction and reflected in the MOU amendment, staff met with the EIR Consultant, Peter Lewendowski with Environmental Impact Sciences, to discuss the scope of work needed to update the Environmental Impact Report reflecting potential impacts to the revised land use framework. The attachment to staff's report includes the proposed scope of work and reflected budget for the amount estimated to update the Environment Impact Report of \$69,850 plus a 10 percent contingency to account for unforeseen costs that may occur, for a total amount of \$76,835. These monies would be appropriated from General Plan reserves and reimbursed to the City upon sale of the Site D property as set forth in the Memorandum of Understanding. Staff recommends City Council approve the Consulting Services Agreement with Environmental Impact Sciences as outlined. He pointed out that the environmental consultant was previously a subcontractor with the City's planning consultant who prepared the Specific Plan. At this point, staff intends to complete the Specific Plan revisions in-house to reduce costs and take into account that the project has become substantially less complex with the elimination of the commercial element.

There was no one present who wished to comment on this item.

C/Herrera moved, C/Tanaka seconded, to approve Professional Services Agreement with Environmental Impact Services (EIS) in the amount of \$76,835 to update the Environmental Impact Report (EIR) for the Site D Specific Plan. Motion carried by the following Roll Call vote:

AYES: COUNCIL MEMBERS: Everett, Herrera, Tanaka, M/Tye  
NOES: COUNCIL MEMBERS: MPT/Chang  
ABSENT: COUNCIL MEMBERS: None

8.3 RATIFY CITY COUNCIL COMMITTEE APPOINTMENTS AND ADOPT RESOLUTION NO. 2010-42: CONFIRMING THE APPOINTMENT OF SPECIFIC REPRESENTATIVES TO THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS.

C/Herrera moved, VC/Chang seconded, to ratify City Council Committee Appointments and adopt Resolution No. 2010-42: Confirming the appointment of specific representatives to the San

Gabriel Valley Council of Governments. Motion carried by the following Roll Call vote:

AYES:	COUNCIL MEMBERS:	Everett, Herrera, Tanaka, MPT/Chang, M/Tye
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

ORGANIZATION DELEGATE ALTERNATE

California Contract Cities Association	Tye	Chang
Foothill Transit Board	Herrera	Tanaka
Four-Corners Transportation Policy Group	Herrera	
Greater L.A. County Vector Control District	Tye	
Joint Powers Insurance Authority	Tye	Tanaka
L.A. County Sanitation District No. 21	Tye	Tanaka
L.A. County City Selection Committee	Tye	Chang
League of CA Cities – L.A. County Division	Chang	Tanaka
San Gabriel Valley Council of Governments	Herrera	Tye
Southern California Assn of Governments (SCAG)	Chang	Everett
Tres Hermanos Conservation Authority	Herrera	Everett
Wildlife Corridor Conservation Authority (WCCA)	Tanaka	Everett
Wildlife Corridor Conservation Authority Advisory	Davis	Mahlke

**STANDING COMMITTEES**

Economic Development	Chang	Everett
Neighborhood Improvement	Everett	Chang
Public Safety Committee	Tye	Chang

**AD HOC COMMITTEES**

City Council Goals/City Manager Evaluation	Tye	Chang
Industry East Development Advisory Committee	Chang	Herrera
Legislative	Chang	Everett
Lighting/Landscape Assess Dist subcommittee	Everett	Chang
Sphere of Influence/Annexation	Tanaka	Herrera

**LIAISON**

Chamber of Commerce	Everett	Chang
Diamond Bar Community Foundation	Chang	Tanaka
Library	Tanaka	Herrera
PUSD/City	Everett	Herrera
Senior Citizen	Tanaka	Everett
WVUSD/City	Tye	Tanaka

7. **PUBLIC HEARINGS:** 7:00 p.m., or as soon thereafter as matters may be heard.

- 7.1 A CONTINUED PUBLIC HEARING TO CONSIDER VARIOUS ACTIONS PERTAINING TO SITE D (A SITE COMPRISED OF APPROXIMATELY 30.36 ACRES LOCATED AT THE SOUTHEAST CORNER OF BREA CANYON ROAD AND DIAMOND BAR BOULEVARD, DIAMOND BAR, CALIFORNIA (ASSESSOR PARCEL NUMBERS 87814-002-900, 8714-002-901, 8714-002-902, 8714-002-903 AND 8714-015-001) INCLUDING GENERAL PLAN AMENDMENT NO. 2007-03, ZONE CHANGE NO 2007-04, SPECIFIC PLAN NO. 2007-01 ("SITE D SPECIFIC PLAN"), TENTATIVE TRACT MAP NO. 70687, AND CONSIDERATION OF CERTIFICATION OF ENVIRONMENTAL IMPACT REPORT 2007-02 (SCH NO. 2008021014).

CDD/Gubman stated that as previously discussed this evening and in accordance with the City Council's direction, staff is working with the EIR consultant to update the environmental analysis to reflect the revised land use framework and staff has begun outlining the necessary revisions to the Specific Plan document. Staff anticipates that the updated planning and environmental documents will be ready for City Council's consideration between March and April of 2011. Staff recommends that the City Council reopen the public hearing, receive testimony and consider continuation of this matter to a date uncertain. Once staff is prepared to bring the matter back to the Council for a final decision, staff will prepare and complete a new notification.

C/Herrera asked if it was not the City Attorney's opinion that the public hearing should be closed and then re-noticed once all the information has been gathered and brought back to the City Council.

CA/Jenkins agreed with C/Herrera.

M/Tye opened the Public Hearing.

With no one present who wished to speak on this matter, M/Tye closed the Public Hearing.

M/Tye asked that the notification sign be removed from Site D and again set up at the appropriate notification time.