



City of Corona

400 S. Vicentia Ave.
Corona, CA 92882

Minutes - Final

Finance, Legislation & Economic Development Committee

*COUNCIL MEMBER DICK HALEY
COUNCIL MEMBER JASON SCOTT*

Thursday, July 5, 2018

9:30 AM

Council Board Room

1. Call To Order

The meeting was called to order by Council Member Dick Haley at 9:30 am. In addition to the Committee Members, the following individuals were in attendance:

Chad Willardson, City Treasurer	Darrell Talbert, City Manager
Kim Sitton, Finance Manager	Kerry Eden, Assit. City Manager/ Admin. Dir.
Terri Manuel, Planning Manager	Chris Milosevic, Bldg. Inspection Manager
Dean Derleth, City Attorney	John Higginboham, Assit. City Attorney
Chris Cox, Fire Chief	James Patton, Police Chief
Cindi Schmitz, Fire Dept.	Luis Navarro, Finance Dept.
Naomi Ramirez, Mgmt. Svcs. Asst.	
Ryan Cortez, Economic Development	
Kimberly Davidson, Economic Development Manager	

Others Present:

Ken Brown, HdL Companies	Bobbie Spiegel, Corona Chamber
Don Kindred, Resident	Chris Pantele, Resident
Don Fuller, Resident	Patricia Dixon, Resident
Joe Morgan, Resident	Bobbie Spiegel, Corona Chamber
Shaw Tizabi, ONAC	Guy Saliba, ONAC
Doug Heldroon, Honestas	Dallas Tuff, Honestas
David Diaz, Emerald Mgmt.	Randall Long, Emerald Mgmt.
Homer Holmes, Emerald Mgmt	
Robert Nelson, Citrus Valley	
Anthony Pirritano, Comp Access	
George Davis, Main Street Strategies	

2. Public Comments

None.

3. Agenda Items

- A. [18-1899](#) Update on Banking Services Contract by Admin Services / City Treasurer.
(Administrative Services)
Action: Information & Discussion

Attachments: [Banking Services Update - FLED 7-5-18 FINAL](#)

City Treasurer, Mr. Chad Willardson introduced item to the committee. Mr. Willardson presented the committee with a banking services update. Mr. Willardson went through the PowerPoint and provided detail of the Request for Proposal (RFP), timeline, and evaluation process/ scoring. Mr. Willardson provided the full scope of services that were being provided by current bank as well as fees and rebates that were given.

Council Member Dick Haley inquired about continuing services with the current provider. Mr. Willardson's recommendation was to continue to use Bank of America, as it has met the criteria listed in the RFP and continues to provide excellent service.

- B.** [18-1887](#) Update of Sales Tax Information by HdL.
 (Administrative Services)
 Action: Information & Discussion

Attachments: [Corona FLED July 5 2018](#)

Ms. Kerry Eden, Assistant City Manager/Administrative Services Director, introduced Mr. Ken Brown from HdL Companies. He provided a PowerPoint presentation which highlighted the first quarter sales tax (January- March 2018).

Mr. Brown noted potential state regulatory and legislative changes from a Supreme Court decision that may need to be implemented in California. He discussed the California sales tax trends and Corona Sales tax revenue by major groups. Mr. Brown provided an overview of the regional report of adjusted sales tax and provided detailed information for each industry group. Mr. Brown discussed the adjusted Point-of-Sale sales tax trend going back several quarters for comparison.

The committee discussed the first quarter sales tax report and thanked Mr. Brown for his presentation.

- C.** [18-1900](#) Discussion of proposed changes (reductions) to Community Development fees related to installation of septic tanks and photovoltaic systems.
 (Community Development / Administrative Services)
 Action: Information & Discussion

Attachments: [Proposed Fee Changes for ComDev-FLED 07.05.18](#)

Ms. Kim Sitton, Finance Manager, and Mr. Chris Milosevic, Building

Inspection Manager, introduced item to the committee. Mr. Milosevic presented the committee with current plumbing and electrical fee schedules as well the proposed new fees. Mr. Milosevic commented that due to changes in laws and agreements with Riverside County there are now fee caps and reduced services being provided which led to the reduced fees.

Council Member Jason Scott inquired if the City of Corona will have any benefit to the new proposed fee changes. Staff clarified that due to the reduction in fees there will be a decline in revenue, but the city will be in compliance with all laws.

D. [18-1882](#) Economic Development Update
(Management Services)
Action: Information & Discussion

Mr. Ryan Cortez, Economic Development Coordinator, provided the committee with a brief Economic Development update of activity over the last 30 days. Mr. Cortez noted that Economic Development staff is aware of the Supreme Court ruling in South Dakota v. Wayfair and will continue to follow. Mr. Cortez shared that staff is and will continue to work with Lab Holdings and a plan for the Corona Mall rehab will be forthcoming in coming months. Mr. Cortez shared that Shea Properties is continuing to move forward with the Industrial Project at 1138 W. Rincon Street and numerous businesses have interest in the site for tenancy. Mr. Cortez updated the Council as to progress on the Medical Office Development proposed by Boureston Companies generally located between South Belle Avenue and South Sheridan Street between West Eighth Street and West Sixth Street. Mr. Cortez concluded his presentation.

Ms. Kimberly Davidson, Economic Development Manager, updated the committee on the upcoming events. Ms. Davidson explained that Coffee with an Entrepreneur on July 9th will feature Honorable Kelly Bennett, a family law attorney and temporary judge who is doing very creative and innovative things with her law firm. The Commercial Real Estate Meetup will be held at the Toasted Barrel on Wednesday, July 11th, and is a great way for Corona to stay apprised of movement in the marketplace by creating partnerships with our commercial real estate community. Ms. Davidson also mentioned that The Business Hour will occur on Thursday, July 12th, as a meeting to help business owners with their questions and that Tech-O Tuesday will be held on the last Tuesday of the month and has been very successful in helping us build a tech eco-system here in Corona. Ms. Davidson also mentioned that preparations were already under way in creating various workshops for Manufacturing Month in October.

The committee commended Economic Development staff for their efforts.

E. [18-1890](#)

Discussion Regarding Prop 64 and Potential Regulation of Recreational Marijuana.

(Council Member Dick Haley)

Action: Information & Discussion

Council Member Dick Haley introduced the item and provided clarity that there will be no decisions made at the FLED Committee meeting. He brought this item back to present any new information, facts, business plans from the businesses that presented at the February 28th Study Session. Council Member Haley requested an overview of potential revenue this would bring to the City of Corona.

Mr. Darrell Talbert, City Manager, addressed the committee with the variable costs and related concerns with the following departments Legal, Fire, Police and Community Development. To move forward they need direction from council on how they wish to proceed.

Mr. Shaw Tizabi, ONAC, thanked the committee for the opportunity to provide insight since they were unable to attend the February 28, 2018, Study Session. Mr. Tizabi, stated that ONAC has worked with many cities in California and works together to run a legal and safe way to conduct businesses. The fees can include Business License fees, inspections fees, and sales tax which will become revenue for Corona.

Dr. Anthony Pirritano, Comp Access, commented on his business' fit for the City of Corona and the need for its services. He further commented on the regulations and monitoring that have increased and will lower safety concerns. Dr. Pirritano provided the committee with information on their piolet program and provided the committee with statistical information on consumer rates and revenue. He also stated aside from the revenue from sales tax these businesses would bring, there will be jobs being created.

Mr. Randall Long, Emerald Management Group, commented on the services their company provides and he wishes to bring those services to Corona. Mr. Long also commented on the potential sources of revenue that would derive from development agreements, sales tax, etc.

Mr. Doug Heldroon, Honestas Holdings, commented on providing their services to Corona with a guarantee. Mr. Heldroon added they work with manufacturing companies and can create jobs in Corona. Ms. Dallas Tuff, Honestas Holdings, commented on the need for services and the inevitability of the retail of cannabis.

Mr. George Davis, Main Street Strategies, commented on their interest to provide the City of Corona with services and provided the committee with potential revenue sources.

Council Member Scott commented on the decision to not move forward with this item based on the decision made at the February 13, 2018, Study Session. Council Member Scott also commented on a recent conference from League of California Cities he attended and provided information and statistics reported at the conference. Council Member Scott gave further insight as to why the Council decided to take no action on this item and would like to be provided with more factual and detailed information in any future Study Session.

Mr. John Higginbotham, Assistant City Attorney, reported on revenue projections and the decline being seeing in sales tax. He commented on the significant risks by having these types of businesses in town. He noted that Marijuana is still illegal in Federal Law which will not change anytime soon. The recommendation from the legal department has not changed since the Study Session held on February 13, 2018.

Council Member Haley proposed to bring this item back to discussion at a future Study Session. This would provide the organizations present an opportunity to present actual dollar and revenue facts/ statistics and pilot programs.

Council Member Scott concluded to follow the Council consensus at the February 13, 2018, Study Session to not move forward at this time.

4. Adjournment

The meeting was adjourned at 11:35 a.m.