



CITY OF NEWPORT BEACH ECONOMIC DEVELOPMENT COMMITTEE

DRAFT MINUTES 1-21-09

Minutes of the Economic Development Committee held at the City Council Chambers, City of Newport Beach, on **Wednesday, January 21, 2009.**

Members Present:

E	Mike Henn, Chairman	X	Sheri Drewry
X	Keith Curry, Council Member	X	Jennifer Gonzalez
X	Steve Rosansky, Council Member	X	John Hyatt
X	Robert Hawkins, Planning Commissioner	X	Lloyd Ikerd
X	Mike McNamara, Vice Chairman	X	Brion Jeannette
X	Fred Ameri	X	Debra Legan
X	Craig Batley	E	Richard Luehrs
X	Seymour Beek	X	Scott Palmer
X	Jeffrey Cole	E	John Robinson
E	Steven Coyne	A	Gregg Schwenk
X	Gary DiSano	X	Gary Sherwin
X	Jim Donnell	X	Gay Wassall-Kelly
X	Kenneth Drellishak		

Staff Representatives:

x	Sharon Wood, Assistant City Manager	X	Dennis Danner, Administrative Services Director/Treasurer
x	Leigh De Santis, Economic Development Administrator	X	Glen Everroad, Revenue Manager
x	Katie Bowden, Economic Development Coordinator		

Guests Present:

Roy Freeman, Resident	
Mr. Bill Kelly, Resident	
Loretta Walker, CVB	

Roll Call and Introductions:

Mike McNamara called the meeting to order at 8:05 am and began self introductions of the assembled members, staff and guests.

UPDATES AND ANNOUNCEMENTS

- Mr. Gary DiSano announced that as of January 22 he would be President of the Tournament of Roses. His theme choice for the January 2010 Parade is "2010 A Cut

Above the Rest". He also reminded the group that next year the football teams and media would be using two Newport Beach hotels: the Newport Marriott for the media and the Fairmont for one of the two teams. The other team will be at the Westin in Costa Mesa.

- Mr. Lloyd Ikerd announced that he was leading the effort to restore a 1951 Ford as a Newport Beach Police car. The cost of the vehicle and restoration will be \$10,550. The goal is to complete the project by March 2009. He was seeking donations from any person or business that might like to participate. The restored car will be used for ceremonial events and the DARE Program.
- Mrs. Sheri Drewry reminded the group that Restaurant Week was in progress and that they had today and tomorrow to take advantage of the special prix fixed meals. She added some of the restaurants were finding so popular that they plan to run the menus for another week; among those are the Ritz and Five Crowns.

DISCUSSION ITEMS

1. Minutes of November 19, 2008.

Motion: Gary DiSano
Second: Craig Batley
Vote: Unanimous

2. Presentation by Dennis Danner, Administrative Services Director/Treasurer on the City's financial Status

The City has a General Fund Reserve Balance of \$79 million. This is a \$10 million dollar increase over last year. In the current year sales tax receipts are down \$3.5 million and investment earnings are down 30-40%. To adjust the current budget to the lower receipts the City Council and City Manager have instituted a hiring freeze (the City Manager can approve essential hiring), \$2.2 million in Capital Improvement Projects have been deferred and City Departments have been instructed to reduce spending by 1% for this fiscal year. These measures balance this year's budget.

The City has begun the process of developing the 2009/2010 Budget. Revenue assumptions will be lower – 2% for property tax instead of 4% (historic actuals have been 8%). City Departments are being instructed to reduce budgets by 2%. The hiring freeze will continue and the new Capital Improvement Projects will be reduced to \$3M from \$5M. In order to maintain a \$3.5M contribution to the Facilities Replacement Reserve in 2009-2010, \$1.5M will be transferred from the Appropriations Reserve. The City is financially sound.

The unknowns that could cause further adjustment to the City's budget are the length and depth of the recession and the as yet unknown actions the State of California may take. In the past the State has withheld funds from the cities to keep from cutting its budgets.

- 3. Presentation by Gary Sherwin, CVB on a proposal to form a Tourism BID and a Discussion regarding a Newport Beach Special Event Advisory Committee were deferred until February 18, 2009.**

Motion: Jim Donnell
Second: Seymour Beek
Vote: Unanimous

3. EQAC Representative's Report

The Marina Park draft EIR review by EQAC has been delayed until February 2009.

ITEMS FOR A FUTURE AGENDA

Presentation by Gary Sherwin, CVB on a proposal to form a Tourism BID and Discussion regarding the creation of a Newport Beach Special Event Advisory Committee

Jim Donnell suggested another budget update in six months.

PUBLIC COMMENTS

There were none.

ADJOURNMENT

Vice Chairman McNamara called for the meeting to be adjourned at 9:02 am.