

# MINUTES

## Joint Meeting of the Scotts Valley City Council and Redevelopment Agency Board of Directors

**Date: March 17, 2010**

**POSTING:**

The agenda was posted on 3-12-10 at City Hall and the SV Senior Center. and on 3-12-10 at the SV Library, by the City Clerk.

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**CALL TO ORDER**

6:00 p.m.

**PLEDGE OF ALLEGIANCE  
and MOMENT OF SILENCE**

Flag ceremony performed by Girls Scouts of America, Brownie Troop No. 11144 and Junior Girl Scout Troop No. 11164

Mayor Reed presented a Mayor's proclamation honoring Girl Scouts of America on their 98<sup>th</sup> Anniversary.

**ROLL CALL**

Present:

Mayor Reed  
Vice Mayor Bustichi  
Council Member Aguilar  
Council Member Johnson  
Council Member Lind

City Manager Ando  
City Attorney Powell  
Public Wks Director Anderson  
Police Chief Weiss  
Interim Community Dev Dir Westman  
City Clerk Ferrara

**COMMITTEE REPORTS**

VM Bustichi reported that the Santa Cruz Metropolitan Transit District (SCMTD) met and discussed the budget for this year and next year. He also reported that the state budget is having a negative impact on the bus system in Santa Cruz County, and the SCMTD will inevitably have to cut service county-wide.

VM Bustichi reported that the Town Center Subcommittee met and they are looking at possible funding mechanisms for infrastructure.

CM Lind reported that the Sign Subcommittee met and reviewed the various legal conditions and impacts to the City's sign ordinance. She stated the revision to the sign ordinance will be a lengthy process.

CM Lind reported that the Seniors Advisory Commission met and discussed budget issues and programs that are at risk of being cut due to state budget impacts.

CM Aguilar reported that AMBAG met. She stated that the Draft EIR is out regarding transportation throughout Santa Cruz and Monterey counties and available at the AMBAG offices. She also reported that the State is eliminating

\$2.6 billion in transportation funding throughout California, which will have extremely negative impacts to transportation agencies, cities, and counties. She reported that the League of California Cities has a Local Taxpayer, Public Safety, and Transportation Act of 2010 on the November 2010 in an effort to stop the State from taking these revenues. She stated that to date, the State has taken approximately \$14 million from Santa Cruz County and \$5 million from the City of Scotts Valley.

## **PUBLIC COMMENT**

Frank Kertai, SV resident and President of the Heritage Parks Homeowners Association, representing himself and his community, read a letter regarding his concerns about how the City is being managed by the City Council (on file in the Office of the City Clerk).

Marilyn Garrett, retired teacher, spoke regarding the negative impact of "Electrosmog" (effects of wireless communication technologies) on bees, birds, and mankind, and distributed a brochure to the City Council regarding this issue (on file in the Office of the City Clerk).

## **ALTERATIONS TO CONSENT AGENDA**

ICDD Westman requested that Item E, Amendment to Contract for Professional Services with Group 4 Architects, be removed from the agenda.

Frank Kertai, SV resident and President of the Heritage Parks Homeowners Association, requested that Item A, approval of 3-3-10 City Council minutes, be moved to the regular agenda for discussion.

***M/S: Aguilar/Johnson***

***To approve the Consent Agenda as amended moving Item A to the regular agenda for discussion, and removing Item E from the agenda.  
Carried 5/0***

### **Consent Agenda:**

- B. Approve check register – 3-9-10
- C. Approve second reading and adoption of Ordinance No. 16-ZC-219 approving a Planned Development zoning (PD09-001) for a new 23,868 square foot Dining Hall/Student Center on the Bethany University Campus // APN's 023-041-09 and 023-033-05
- D. Approve the 2010 License Agreement between the City of Scotts Valley and the Scotts Valley/San Lorenzo Valley Youth Soccer Club for the use of the Skypark soccer fields
- E. ~~Approve amendment to Contract for Professional Services with Group 4 Architects in the amount of \$7,331.50 (Gas Tax Revenue Funds) for design of sidewalk and landscape improvements on Kings Village Road~~
- F. Approve letter of support for proposed Santa Cruz County Psychiatric Health Facility and authorize the Mayor to sign the letter of support

**ALTERATIONS TO  
REGULAR AGENDA**

***M/S: Aguilar/Johnson***

***To approve the Regular Agenda as amended moving Item A to the regular agenda for discussion and removing Item E from the agenda. Carried 5/0***

**REGULAR AGENDA**

**A. Approve Joint City Council/RDA meeting minutes of 3-3-10**

Frank Kertai, SV resident and President of the Heritage Parks Homeowners Association, representing himself and his community, read a letter expressing his concerns about the brevity of the public comment time portion of the 3-3-10 City Council minutes (on file in the Office of the City Clerk).

***M/S: Aguilar/Lind***

***To approve the Joint City Council/RDA meeting minutes of 3-3-10. Carried 5/0***

- 1. Consider request from Habitat for Humanity (HFH) for financial assistance from the Scotts Valley Redevelopment Agency Affordable Housing Fund for the development of three very low income units on Blake Lane, APN 22-172-80 and authorize the Executive Director to negotiate an agreement with HFH**

ICDD Westman presented the written staff report and responded to questions from Council.

Melanie Shaffer-Freitas, Habitat for Humanity (HFH), thanked the Council for their consideration of this request, acknowledged members of the HFH present at the meeting, and asked the members of the audience present to support this item, who live and work in Scotts Valley, to stand.

Mike Bethke, President of the HFH Board of Directors, thanked the Council for their consideration of this item.

Jackie Heald, Scotts Valley Planning Commissioner, spoke in favor of this item.

Ron Buswell, SV resident and volunteer for HFH, spoke in favor of this item.

***M/S: Bustichi/Aguilar***

***To approve the subsidy of \$100,000 per unit for HFH to develop three HFH units on Blake Lane, or if the project is reduced to two units, \$120,000 per unit, from the Redevelopment Agency Affordable Housing Fund, and authorize the Executive Director of the Redevelopment Agency to enter into an agreement with Habitat for Humanity. Carried 5/0***

**PUBLIC HEARINGS**

- 2. Consideration of urgency ordinance extending a moratorium on medical marijuana dispensaries in the City for a period of 10 months and 15 days**

CA Powell presented the written staff report and responded to questions from Council.

**PUBLIC HEARING OPENED - 6:58 PM**

No one came forward.

**PUBLIC HEARING CLOSED - 6:59 PM**

CM Aguilar requested an addition to the ordinance that all aspects, both positive and negative, will be evaluated.

CA Powell stated that Section 2, paragraph 2, line 4 could be amended as follows:

*"...district(s), if any, for such uses; the impacts and benefits of permitting medical marijuana..."*

***M/S: Aguilar/Lind***

***To approve the adoption of Urgency Ordinance No. 16.128.1 extending a moratorium of medical marijuana dispensaries for ten months and fifteen days, with the above amendment, and waive the reading thereof. Carried 5/0***

**REGULAR AGENDA**

(Resumed)

**3. Discussion: Revision to the City of Scotts Valley's Zoning Ordinance to allow for bees (apiaries)**

ICDD Westman presented the written staff report and responded to questions from Council.

CM Aguilar recommended clarifying the wording to the proposed ordinance revision, Section 17.46.125, E.1., to make the language more restrictive as defined by the ordinance.

ICDD Westman stated that staff can clarify the language.

CM Aguilar requested an addition to the ordinance that the Agricultural Commission provide a copy of their report to the City.

Julie Kuo, SV resident, spoke in favor of the revision to the zoning ordinance.

Tom Houso, SV resident, spoke in favor of the revision to the zoning ordinance. He recommended including the definition of a hive in the ordinance.

Albert Warren, SV resident, spoke in favor of the revision to the zoning ordinance.

Brian Piazza, spoke in favor of the revision to the zoning ordinance. He stated that a hive is approximately 50,000 bees and requested that the Council fully evaluate this revision to the zoning ordinance.

Liz Engfer, spoke in favor of the revision to the zoning ordinance.

Mayor Reed expressed concerns about 25 foot setback as it relates to bee allergies. He recommended lot sizes of 40,000 square feet or greater, or a larger setback.

VM Bustichi stated that he would like to see a use permit process and fees so that a public hearing can be held to obtain input from surrounding neighbors. He stated that he would also like to see commercial property included in ordinance.

ICDD Westman stated that because the use permit process is expensive (approximately \$1,000) and lengthy, she would recommend a similar process to that used for tree removal. She reviewed process for tree removal and stated that neighbors receive notices once an application has been received. She stated that the appealing authority would be the Planning Commission and then the City Council if necessary. She recommended a fee of \$50 to apply, and if someone wants to appeal, there would be additional fees.

Mayor Reed questioned what the City's legal parameters for denying a request or an appeal would be.

CA Powell stated that those parameters are available under the current Zoning Ordinance, Section 17.50.020

CM Johnson stated that he is opposed to this revision to the zoning ordinance.

CM Lind stated that she is in favor of the proposed revision to the zoning ordinance and the agreed with the notification process.

Mayor Reed stated that he is in favor of the proposed revision to the zoning ordinance and the agreed with the notification process.

#### **4. Consideration of bike race event**

CM Ando presented the written staff report and responded to questions from Council.

Mark Davis, SV resident on behalf of Third Pillar Racing, gave a PowerPoint presentation regarding the proposed Grand Prix bicycle race/event proposed for May 15, 2010 and responded to questions from Council. He stated that additional information is available at: [www.thirdpillarracing.com/scottsvally](http://www.thirdpillarracing.com/scottsvally).

Chief Weiss, Scotts Valley Police Department, brought forward information regarding the impacts to local businesses in this area, reviewed traffic concerns, and responded to questions from Council. He stated that they are concerned about public safety should the road not be closed completely.

Lt. Hohmann, Scotts Valley Police Department, reviewed a traffic pattern drawing he had prepared and responded to questions from Council.

VM Bustichi expressed concerns about safety and logistics regarding escorting people in and out of the race area.

Lorraine Siadat, Scotts Valley Car Wash owner, spoke in opposition to approving this event, estimated a loss of \$3,000 to \$5,000, and stated that employees would lose a day of work. She stated that even though the race would not start until 3:00 pm in the afternoon, she would have to close all day due to set-up times for the race and 2,000 spectators showing up early.

Mr. Davis stated that with regards to spectators there would be approximately 2,000 people over the course of an eight hour period, with less than 500 people during the first two to three hours. He stated that he could promote use of the Scotts Valley Car Wash to the racers.

VM Bustichi expressed concerns about impacts to businesses and the cost to the City. He stated that he would prefer that this event be held on a Sunday.

CM Ando stated that the cost to the City is estimated at \$1,000 for two police sergeants, however, it would be more if additional personnel are needed. He stated that the event organizers would provide a deposit to the City, liability insurance with the City named as additional insured, and an indemnification.

CM Johnson stated that he is in support of event because he feels it helps Scotts Valley in intangible ways, and he feels people, with notification, can change their buying patterns for one day. He feels this is a positive opportunity for Scotts Valley and he feels it is worth it. He recommended that the affected businesses work with their customers prior to the event.

CM Lind stated that she has mixed feelings regarding this event. She stated that she would prefer that this event be held on a Sunday, and she would have liked to have seen more contact from the race organizers with the businesses in advance.

CM Aguilar that she feels the race would bring a new identity to Scotts Valley and would bring new people to our community, however, she is very concerned about the impact to businesses.

Mayor Reed questioned how many police officers would be required for this event.

PC Weiss stated that four volunteer officers and two paid officers would be required.

CM Johnson made a motion to approve the event.

VM Bustichi stated that he would second the motion with an amendment to include the following conditions: (1) a deposit of two-times the amount the estimated cost to the City; (2) a full page color promotional ad in the local newspaper, with all affected businesses listed, thanking them, and including the hours they will be open; (3) all the promotional information for the event include the affected businesses so that they are recognized for their sacrifice; (4) liability insurance and indemnification for the City and for all equipment that will be placed on the streets for the race (cones, lighting, etc.); and (5) an agreement with all of the above conditions included. He stated that he does not want any cost to the City, i.e. equipment, public works personnel, police personnel, etc.

CM Johnson stated that he agreed with VM Bustichi's amendments and modified his motion to include the amendments.

Mr. Davis stated that he had no problems with the conditions from the City Council. He stated that he had provided CM Ando with a copy of their application for insurance, they had already made Scotts Valley an additional insured, and agreed to the hold harmless condition. He stated that they will insure motorcycles or any motor vehicles involved, and if he has to add more it is approximately \$50 per vehicle. He stated that he had no problems with providing the gratis sponsorship for the business, and that will include website space and the newspaper ads. He requested that if businesses have their own banners they could make them available for display on the race course so that he does not have to incur the cost of banners, and he has already budgeted for police and/or public works costs.

Mayor Reed recommended that the business ad be placed in the newspaper three times.

Mr. Davis stated that he would include the event and businesses in the local paper, the Santa Cruz Sentinel, the Metro, every print media, every broadcast media, and every Internet access they can find. He stated that all of that had been planned for and budgeted, however, he cannot move forward until the road closure is approved. He stated that they would be thanking all of the businesses that allowed them to bring this type of opportunity to Scotts Valley, and they will try to find other ways within the race itself to maximize exposure for the businesses affected.

Mayor Reed stated that the City will need their deposit for the event within a few weeks.

Mr. Davis responded that the deposit would not be a problem.

CA Powell stated that for process, staff will have to return at the next City Council meeting with a resolution approving the necessary street closures and an agreement with the above conditions.

Ms. Siadat, Scotts Valley Car Wash owner, questioned if this is a for-profit event, whether an entrance fee would be charged, and if so, where the money is going. She stated that she is very concerned that someone is going to be making a profit from her loss and that of the other businesses.

***M/S: Johnson/Bustichi***

***To approve consideration for this event and direct staff to return to the next regular City Council meeting with a resolution for the street closure, and an agreement with the above conditions.***

***Carried 5/0***

**5. Consideration of additional funding for Homeless Winter Shelter**

CM Ando presented the written staff report and responded to questions from Council.

CM Aguilar questioned if affordable housing monies could be used.

CM Ando responded that affordable housing monies cannot be used because it is transitional housing.

***M/S: Johnson/Aguilar***

***To approve additional funding for the Homeless Winter Shelter, in the amount of \$3,554.***

***Carried 5/0***

**6. Future Council/RDA agenda items**

None.

**CONVENE TO CLOSED SESSION**

The City Council convened to closed session at 9:31 p.m. to discuss the following items:

1. Pursuant to Government Code Section 54957.6, the City Council met in closed session to confer with their labor negotiator regarding employee negotiations with SEIU, Mid-Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.

**RECONVENE TO OPEN SESSION**

The City Council reconvened to open session at 9:55 p.m.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

Mayor Reed announced that there was nothing to report.

**ADJOURNMENT**

The meeting adjourned at 9:58 p.m.

Approved: \_\_\_\_\_  
Jim Reed, Mayor / Chair

Attest: \_\_\_\_\_  
Tracy A. Ferrara, City Clerk / Secretary