

MINUTES

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

Date: April 4, 2007

POSTING:

The agenda was posted on 3-30-07
at City Hall by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

Present:

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

City Manager Comstock
City Attorney Powell
Deputy City Mgr/Admin Svs Dir Ando
Police Chief Weiss
Public Wks Director Anderson
Community Development Dir Russell
Associate Planner Bateman
City Clerk Ferrara

SPECIAL SET MATTER Chief Weiss introduced the following new police officers: Efraim Contreras, Paul Lopez, Jerry Revino.

COMMITTEE REPORTS CM Barrett reported that LAFCO met and had a very informative session with all of the fire chiefs in Santa Cruz County. He stated that we are very fortunate in Santa Cruz County to have the interfacing that we have between districts. He also reported that Bonny Doon is thinking about creating a new fire district and LAFCO is investigating that proposal.

CM Barrett reported that he attended a water conference in Concord that was very informational. He stated that he had a copy of a CD titled "California's Water" that Council could review, and that he will be forwarding to the School District.

CM Aguilar reported that the Affordable Housing Subcommittee met and reviewed the budget, sham conversions, and the affordable housing element of the development on Scotts Valley Drive at the quarry.

PUBLIC COMMENT No one came forward.

**ALTERATIONS TO
CONSENT AGENDA**

*M/S: Aguilar/Barrett
To approve the Consent Agenda.
Carried 5/0*

Consent Agenda:

- A. Approve check register – 3-26-07
- B. Approve fireworks agreement between the City of Scotts Valley and Fireworks & Stage FX America to provide fireworks on July 4, 2007
- C. Approve annual review of the Glenwood Development Agreement
- D. Approve sanitary sewer connection request for 185 Old Coach Road, APN 56-101-01

**ALTERATIONS TO
REGULAR AGENDA**

Mayor Bustichi requested that item 5 be heard after item 1.

M/S: Johnson/Aguilar

To approve the Regular Agenda as amended moving item 5 to be heard after item 1.

Carried 5/0

REGULAR AGENDA

1. **Review and consideration of approval of consultant contract for Skypark Town Center Specific Plan and required environmental review**

CDD Russell presented the written staff report and responded to questions from Council.

Debbie Rudd, Project Manager for RRM Design Group, stated that they are very pleased to be selected as the consultant and responded to questions from Council.

CA Powell stated that a correction had been made to page 4 of the staff report, Contract for Professional Services, Section 6.1, second sentence, changing “seven (7)” to “thirty (30)”.

CM Barrett questioned the increased cost from \$300,000 to \$500,000. Mayor Bustichi stated that this had been an estimated cost from staff and after the interview process we learned that this was a more involved process than originally expected. CDD Russell stated that the economic and environmental portions were the two major cost factors in terms of the increase.

Sue Kirkpatrick, County resident (Nielsen Road), stated that she is opposed to moving the propane tanks to Lockhart Gulch Road. She also recommended being innovative regarding affordable housing in the town center development.

M/S: Johnson/Aguilar

To approve the amended contract for professional services between the City of Scotts Valley and RRM Design Group for the preparation of the Skypark/ Town Center Specific Plan and associated environmental review and authorize execution of the contract.

Carried 5/0

5. Consideration of approval for Economic Development Subcommittee and Community Development Director to attend Urban Land Institute (ULI) Forum

DCM/ASD Ando presented the written staff report and responded to questions from Council.

M/S: Aguilar/Barrett

To approve the expenses and the travel out-of-state by Mayor Bustichi and Vice Mayor Johnson to attend the ULI forum in Chicago, May 9-11, 2007, to present the City's downtown center concept and key issues to a ULI panel of 40 experts for discussion and input.

Carried 5/0

2. Discussion: No smoking in parks

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

CM Barrett stated that he requested this issue be placed on the agenda so that our ordinance would be uniform with the County's ordinance. He read an email from Patty McNulty, a Skypark resident, opposing smoking in the parking lots of City parks.

CM Reed recommended revising the City's ordinance to include no smoking in the parking lots of City parks.

Mayor Bustichi, VM Johnson, and CM Aguilar, recommended that no changes be made to the City's current smoking ordinance.

Tom Houso, smoker, stated that he feels most smokers are considerate and does not see the need to make any changes.

After discussion, there was a majority consensus of the Council to not make any changes to the City's current smoking ordinance at this time.

3. Discussion: Streamlining the permit process

CDD Russell presented the written staff report and responded to questions from Council.

CM Aguilar stated that she was very happy to hear about the permit tracking software.

VM Johnson stated that he does not feel that item 6 should include public counter and phone hours because these are driven primarily by budget and personnel constraints. CDD Russell stated that this is where they are receiving their lowest marks. CM Aguilar stated that she feels keeping item 6 as it is supports the basis for making changes should additional dollars become available in the future. CM Reed and CM Barrett agreed with CM Aguilar's statement regarding item 6.

VM Johnson recommended rewording items 3 and 4 to include more detail and/or guidance on positive input as well as negative input. He referenced the more detailed responses for item 2. CM Aguilar recommended changing the wording on items 3 and 4 using a five point scale that she will provide to CDD Russell.

Mayor Bustichi thanked staff for their time and effort, and stated that he feels that permit software would be money well spent.

PUBLIC HEARINGS

4. Consideration of a Planning Development and Design Review applications for a two-story 135,899 square foot office building on a 17.6 acre undeveloped parcel located on La Madrona Drive / APN 022-141-05 / Gateway South office building

AP Bateman presented the written staff report and responded to questions from Council.

Craig Ivankovich, DES Architects and Engineers, gave a Powerpoint presentation providing an overview of the proposed plan and responded to questions from Council.

PUBLIC HEARING OPENED – 7:30 PM

No one came forward.

PUBLIC HEARING CLOSED – 7:31 PM

Mayor Bustichi stated that after the last review of this project, the Council had been split on whether this should be office or retail because of the large amount of available office space in Scotts Valley. He asked the developer if they feel they can really lease this amount of office space, and whether it would be possible to make it retail in the future.

Reuben Helick, Wilson Brothers Commercial Real Estate, representing Title II Investments, reviewed the history of this project and stated that the Final EIR had been reviewed in December 2005. He stated that it would cost approximately \$40 million to construct the building and that they do not have anyone to lease the building at this time. He stated that the applicant does not intend to build at this time due to the flat market for office space in Scotts Valley. He stated that this is an award winning classic office building design that would make a beautiful gateway to Scotts Valley, and that they will work diligently with the City of Scotts Valley to accomplish something meaningful for Scotts Valley.

Mayor Bustichi stated that he is concerned because he feels this office building is not the best use for this property. He stated that he feels traffic is a problem and that an office building would be more of a drain on Scotts Valley than retail space. He stated that he would really like to see a retail component. He asked Mr. Helick if they would be open to working with a retailer if a retailer approached them.

Mr. Helick responded that if they have an entitled project it would be easier for them to work with a retailer.

CM Barrett stated that he feels this is a beautiful project that has had a lot of hard work go into it. He feels it will generate business for our existing retail and stated that he would like to see retail focused in the downtown center.

CM Aguilar stated that she feels the office building would give an economic stimulus to the businesses at Scotts Valley Corners. She stated that she feels it is very important to have a jobs-housing balance and she is inclined to go forward.

CM Reed stated that he is concerned about their ability to lease the building, especially at an estimated minimum of \$2.25 per foot when it is only \$1.10 per foot over the hill. Mr. Helick stated that he will work diligently and tirelessly to market this property.

VM Johnson stated that he is conflicted about what should go there. He stated that there is a strong argument for retail, but he also feels we need to stand by what we originally asked for.

M/S: Aguilar/Barrett

To introduce Ordinance No. 16-ZC-205 approving a planned development zoning and planned development permit (PD01-003) for a new 135,899 square foot office building on La Madrona Drive // APN 021-141-05, and waive the reading thereof.

Carried 4/1 (NOES: Bustichi)

M/S: Aguilar/Barrett

To approve Resolution No. 1797 approving a design review for a new 135,899 square foot office building on La Madrona Drive // APN 021-141-05.

Carried 4/1 (NOES: Bustichi)

REGULAR AGENDA
(Resumed)

6. Future Council/RDA agenda items

None.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 8:00 p.m. to discuss the following items:

1. Pursuant to Government Code Section 54956.8, the City Council met in closed session to confer with their property negotiator regarding Assessor Parcel Number's 22-231-03 and 22-601-02
2. Pursuant to Government Code Section 54957(b), the City Council met in closed session to confer with the City Manager regarding public employment, regarding the position of City Manager.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 8:45 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Bustichi announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 8:50 p.m.

Approved:

Dene Bustichi, Mayor / Chair

Attest:

Tracy A. Ferrara, City Clerk / Secretary