

MINUTES

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

Date: April 6, 2005

POSTING:

The agenda was posted on 4/6/05
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 Marigonda
Vice Mayor Aguilar
Council member Barrett
Council member Bustichi
Council member Johnson

City Manager Comstock
City Attorney Powell
Police Chief Lind
Public Wks Director Anderson
Community Dev Director Kuhn
Finance Director Ando
City Clerk Ferrara
Senior Planner Fodge

COMMITTEE REPORTS

CM Johnson reported that the Library Joint Powers Board met to discuss their budget. The latest estimates show a \$200,000 deficit, mostly due to State take-aways. They are looking for creative ways to assist in making up this deficit.

PUBLIC COMMENT

Bob Yount, County resident, stated that he is extremely allergic to cigarette smoke and spoke against smoking. He stated that cigarette butts are the number 1 item of trash in this country and urged the Council and citizens of Scotts Valley to help clean up this trash by using whatever means necessary to bring these criminals to justice.

Jack Paul, 555 Sunridge Drive, stated that would like to build a secondary dwelling unit on his property, however, because he is on a well he is prohibited from doing so by an ordinance that was passed in 2002. He stated that he would like to petition the Council to review the regulations that will not allow him to construct a secondary dwelling unit because he is on a well.

Future Agenda Item

CM Bustichi requested that the second dwelling unit ordinance be placed on a future agenda for discussion. He stated that he would also like to review the septic and sewer ordinance as it relates to secondary dwelling units.

Staff Assignment

VM Aguilar requested that staff also obtain the Scotts Valley Water District regulations regarding wells and secondary dwelling units for the discussion. She would also like to know the width of the street that is required to access property.

Mayor Marigonda stated that the utility box public art competition will be taking place for the utility boxes on Scotts Valley Drive. He stated that this is being sponsored by the Arts Commission and applications can be obtained from our Recreation Division offices at Skypark (438-3251).

**ALTERATIONS TO
CONSENT AGENDA**

CM Comstock requested that Item H be moved to be heard as regular agenda item 3. CM Barrett requested that Item C be moved to the regular agenda as item 1a.

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

Consent Agenda:

- A. Approve check register – 3-10-05 through 3-25-05
- B. Approve final change order for Sunset Terrace Lift Station Improvement Project
- D. Approve second reading and adoption of Ordinance No. 142.4, amending Chapter 14.01, Section 14.01.040 of Title 14 of the Scotts Valley Municipal Code pertaining to Redevelopment Agency affordable housing unit production requirements
- E. Approve request for a time extension for Variance #V03-002.1 and Design Review #DR03-010.1 to remediate the slope of the defunct Scotts Valley Drive Quarry located at 5007 Scotts Valley Drive // APN 22-451-08
- F. Approve the appointment of Tom Steinhaus to the Senior Center Board by Vice Mayor Aguilar
- G. Approve Change Order No. 1(Final) for the Skypark Parking Lot Improvement Project in the amount of \$24,738.04

**ALTERATIONS TO
REGULAR AGENDA**

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

REGULAR AGENDA

- C. Approve second reading and adoption of Ordinance No. 175.2, amending Chapter 7.10 to add Section 7.10.050 entitled Skateboard Park Closure to Title 7 of the Scotts Valley Municipal Code which pertains to City parks

CM Barrett asked if Council would like to take another look at changing the penalty for closure to a progressive timeline that adds 12 hours to the closure for each incident.

Council recommended adopting the ordinance at this time and bringing it back for review at a later date.

M/S: Johnson/Bustichi

***To approve the second reading and adoption of Ordinance No. 175.2, amending Chapter 7.10 to add Section 7.10.050 entitled Skateboard Park Closure to Title 7 of the Scotts Valley Municipal Code which pertains to City parks
Carried 5/0***

1. Discussion: Skypark Subcommittee

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

Mayor Marigonda requested that speakers keep their comments to one minute for individuals and three minutes for groups.

CM Johnson, Skypark Subcommittee, gave some history on the Skypark Town Center and spoke about the City's desire to move forward with a viable Town Center project. He stated that one of the impediments has been the location of the propane companies. He stated that the City is very concerned about the safety of the residents. He feels this is a true chance to have a Town Center and a viable retail center to help our tax base. He stated that the potential developer is aware that the funding available from the City and the Redevelopment Agency is very minimal. He stated that tonight they would like to hear from the other Council Members and citizens.

CM Bustichi, Skypark Subcommittee, stated that they would like to work into a preliminary agreement with this developer to start the process. He stated that the City is very concerned about the safety of the City residents and County residents in the surrounding area. He stated that there has been a lot of misinformation given out, and they are trying to make things better for everyone involved. He stated that there are ways to alleviate and mitigate the safety impacts of the propane companies and we need to look closer at those mitigations. He also stated that if the propane companies relocate they will be required to upgrade their facilities to the newer state of the art equipment. He reviewed the potential safety features that are now available and the requirements the City must go through to determine if the propane companies could move to the possible location on Lockhart Gulch Road.

VM Aguilar stated that she would like to find out what the wording stating "right to participate in project" means. She asked that if the property owners were not willing to participate, if the City would then go forward with a friendly condemnation or eminent domain.

CA Powell stated that at this time we don't have a definite plan for the development of the land, and all of those details will need to be worked out. She stated that the City has no intentions at this time of looking at condemnation and that we are hoping that the property owners in the area will participate, but that is something that we will look into further.

VM Aguilar asked if the City would look into it further if everyone does not work together to get this project accomplished.

CA Powell stated that would be an option, however, she did not know if that was a direction that the City Council would like to take.

CM Johnson stated that the previous version of the Skypark Town Center included approximately 15 acres, and that this potential developer is offering a larger project which will allow the City to potentially have a better and more viable project. He stated that this development team has experience and ownership in the project.

VM Aguilar asked about the design of the propane facility and how much authority the City has.

CM Comstock responded that the fire safety analysis will provide the best information on how the facility should be designed.

CM Barrett stated that he worked on the Skypark Subcommittee for a number of years and that most of the relocation sites had been in the County. He stated that he is pleased that this project is within the City limits.

Mayor Marigonda stated that he lived in Skypark for eight years and his home was included in the 1,500 foot blast zone. He stated that he feels having the propane companies move will be much safer since their facilities will have to be upgraded to the highest safety standards.

Clarissa Eastham, 560 Sunrise Ridge and Secretary and representative for Lockhart Gulch Citizens for a Safe Neighborhood. She stated that they are in support of the Town Center, however, they are very concerned about safety and the fact that Lockhart Gulch Road is located in a canyon and there is only one road in and one road out. She stated there are approximately 300 County residents in the Lockhart Gulch area and spoke in opposition to moving the propane tanks to Lockhart Gulch Road.

Linda Jovich, 725 Sunrise Ridge, spoke in support of the Town Center, however, she is opposed to relocating the propane tanks to Lockhart Gulch Road.

Heidi Woodmansee, Lockhart Gulch Road resident, spoke in support of the Town Center, however, she is opposed to relocating the propane tanks to the Lockhart Gulch area due to safety and emergency access.

Alice Hauso, 458 Lockhart Gulch Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to safety and access.

Tom Hauso, 458 Lockhart Gulch Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to safety and access.

Bob Slawinski, owner of Scotts Valley Sports Center at 251 Kings Village Road, stated his concerns about the project and the issue of safety. He encouraged the City Council to listen to the concerns, take care of them, and develop a town center.

Jim Reed, Scotts Valley Town Center Now, spoke in favor of the Town Center and moving the propane tanks to Lockhart Gulch Road. He stated that the propane companies have looked at relocating for ten years; however, no new locations have been found and the County has not been supportive. He stated that the propane companies are not required to update their facilities unless they move to a new location, which would require them to upgrade to the latest safety standards.

Gary Schatan, 16 Sky Meadow Lane, representing Sky Meadow Lane residents Jeanette Cook, Steve Huber, Pattie Davis, and Deborah Schatan, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to safety, access, and water shed safety (Exhibit A).

Jane Armstrong, Glen Canyon Road, spoke in favor of the Town Center and stated that she feels this is a win-win project.

Jack DuFour, 125 Lockhart Gulch Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to traffic and speeding on Lockhart Gulch Road as it relates to the safety of propane trucks.

Steve Huber, 14 Sky Meadow Lane, stated that he is in favor of the Town Center project, however, he is opposed to relocating the propane tanks to Lockhart Gulch Road due to drainage, safety, and access. He is concerned that the mitigations required by the Fire Safety Analysis will not be properly mitigated.

Tim Kirby, 1755 Bridge Creek and 35 year resident of Lockhart Gulch area, spoke in favor of moving the propane tanks to Lockhart Gulch Road. He requested that the drainage issues be repaired and upgraded.

Alex Valys, representing Wescosa Inc, asked about the inclusion of the Wescosa property in the proposed development.

CM Bustichi stated that he was under the impression that there was no willingness to be involved, however, if there is a willingness to be involved, he is sure the Pratt group and the City would be happy to have the involvement of Wescosa.

Kathy White, 37 Green Valley Road, spoke in favor of the Town Center, the relocation of the propane tanks to Lockhart Gulch Road, and the study, as long as the public is made aware of the study as it progresses.

Scott Hamm, 525 Lockhart Gulch Road, spoke in favor of the relocation of the propane tanks as long as it is done right and safely.

Lynn Cordova, Lockhart Gulch Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to safety, traffic, and access.

Tana Brinnand, 75 Green Valley Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road. She is concerned about the smell of the propane and property values.

Ray Haight, Spring Lakes Park, stated that he feels the Lockhart Gulch location should be evaluated thoroughly, and if found safe, the tanks should be moved. He stated that he is confident in the City Council's decision making ability and spoke in favor of moving forward with the agreement.

Ed Newman, attorney representing Suburban Propane, stated that his client supports the plan in concept; however, they reserve their right to look at specifics before they commit themselves.

Nelson Markham, 800 Lockhart Gulch Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to traffic, access, and safety.

Steve Walpole, spoke in favor of moving forward with the Town Center and urged the Council to listen to the residents of Lockhart Gulch as it relates to mitigating their concerns.

Sammy Murton, Green Valley Road, agreed with previous comments from residents. He spoke in favor of the Town Center, however, he is concerned about property values if the propane tanks are relocated to this area.

Phil Bogner, 297 Green Valley Road, spoke in opposition to relocating the propane tanks to Lockhart Gulch Road due to safety, access, traffic, and property values. He stated that he is concerned about the placement of propane tanks in a valley and next to a forest.

David Pfaff, 705 Coast Range Drive, spoke in favor of the Town Center and relocating the propane tanks to Lockhart Gulch Road.

Mark Stirling, 917 Disc Drive, spoke in favor of the Town Center and relocating the propane tanks to Lockhart Gulch Road.

Sheryl Ainsworth, stated that there are valid concerns, but they can be mitigated. She spoke in favor of the Town Center and stated that the quarry site would not be viable for at least ten years. She recommended looking at the relocation of the propane tanks separate from the agreement. She stated that propane users are 90% in the County and this needs to be addressed.

Jackie Heald, 25 year resident and 18 year Planning Commissioner, spoke in favor of the Town Center and requested that the Council be very involved in who the anchor tenant is. She stated that the Council and Planning Commission is very concerned about the safety of the citizens and the residents in surrounding areas.

Safety professional at Davenport Cement Plant, stated that he feels the relocation is a win-win situation, especially if safety is improved and the propane companies upgrade their facilities. He stated that he feels the quarry would be a very good site if we were able to work with the County.

Alfred Brinnand, Green Valley Road, questioned why there are no alternative sites and spoke in opposition to relocating the propane tanks to Lockhart Gulch Road. He recommended looking at the Geyer site.

CM Johnson stated that he feels this may be a very viable site and he feels this developer has a vested interest in this project. He stated that he recommends moving forward with the agreement.

CM Bustichi stated that the Council appreciates the concerns of the citizens and Lockhart Gulch residents. He stated that it sounds like the residents of Lockhart Gulch have an existing problem with traffic and access that can potentially be made better by this process. He stated that he feels this venue may help alleviate some of the pre-existing problems and concerns of the Lockhart Gulch residents.

CM Barrett thanked everyone for their input. He stated that we need economic development in Scotts Valley and that this is a big breakthrough for the City.

VM Aguilar thanked everyone for their input. She stated that she will do everything in her power to make sure the issues are mitigated. She is very excited about the Town Center, however, she is concerned that this is not a competitive bid process.

CM Johnson responded to VM Aguilar's comments regarding the competitive bid process. He stated that this developer has a vested interest and is willing to make the necessary financial investments. He stated that exclusivity makes it more viable for the City to work with this developer because we do not have the money to invest in this process.

Mayor Marigonda spoke in favor of the Town Center and entering into the Exclusive Right to Negotiate Agreement with the Pratt/Rile/Norton team. He does not feel the propane tank relocation will affect property values. He stated that this will be a very slow process and will undergo a very extensive review. He stated that he does not feel that the Quarry is a viable site because of all the competing interests. He also stated that he feels this is a unique opportunity and a positive move for the City. He is also very concerned about the safety of the propane companies and this move would make them safer for everyone.

M/S: Johnson/Bustichi

To direct staff to negotiate on the Redevelopment Agency's behalf to develop an Exclusive Right to Negotiate Agreement with the Pratt/Riley/Norton team.

Carried 4/1 (NOES: Aguilar)

VM Aguilar stated that she is in favor of the Town Center, but opposed to the exclusive right to negotiate.

2. Approval of 5-year Capital Improvement Program (2005-2010)

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

Future Agenda Item

VM Aguilar stated that there is currently \$475,000 in the City's developer impact fee fund, and \$662,000 in the Library Fund, for a total of \$1,137,000. She stated that she would like a future agenda item to discuss using this money to purchase property in Skypark for the library before land values escalate even more.

CM Johnson stated that he isn't sure that buying land is the best move at this time with the potential development of the Skypark Town Center. He stated that the cost of staffing the library may also be difficult at this time due to library budget concerns.

CM Bustichi stated that he is also concerned about purchasing property in the Skypark area until the propane tanks are moved.

Council made the following changes to the 2005-2010 5-Year Capital Improvement Program:

1. Page 133, Item 6, Install audible crosswalks signals - 1 intersection per year: Delete this item for 2005/06 due to budgetary issues.

Staff Assignment

Because this item was requested by the County Office of Education for disabled students who are sight impaired, Council agreed to refer this issue to the Joint City/School District Subcommittee to look at possible cost sharing,

2. Page 143, Item 75, Fumigate City Hall: Defer to 2006/07.

M/S: Aguilar/Barrett

To keep item 75, Fumigate City Hall, in 2005/06 in order to alleviate future repair costs.

Failed 2/3 (NOES: Bustichi, Johnson, Marigonda)

CM Comstock stated that Council could reconsider the items they had

deferred mid-year should the budget situation improve.

M/S: Barrett/Bustichi
To approve the 2005-2010 5-Year Capital Improvement Program as amended.
Carried 5/0

H. **Approve Resolution No. 1198.48 amending the fine schedule for parking penalties**

PC Lind presented the written staff report and responded to questions from Council.

M/S: Johnson/Barrett
To approve Resolution No. 1198.48 amending the fine schedule for parking penalties.
Carried 5/0

3. **Future Council/RDA agenda items:** None.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:20 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.
2. Pursuant to Government Code Section 54956.8, the City Council met in closed session to confer with their real property negotiator regarding the lease of City property – APN 22-211-77.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 9:40 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Marigonda announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 9:45 p.m.

Approved: _____

Paul Marigonda
Mayor / Chair

Attest: _____
Tracy A. Ferrara
City Clerk / Secretary