

# MINUTES

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

**Date: April 6, 2011**

**POSTING:**

The agenda was posted on 4-1-11  
at City Hall, the SV Senior Center, and  
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**

**ROLL CALL**

Present:

Mayor Bustichi  
Vice Mayor Lind  
Council Member Aguilar  
Council Member Reed

City Manager Ando  
City Attorney Powell  
Public Wks Director Anderson  
Police Chief Weiss  
Interim Community Dev Dir Westman  
Senior Planner Fodge  
Police Lieutenant Wilson  
City Clerk Ferrara

Council Member Johnson arrived at 6:34 pm.

**SPECIAL SET MATTER**    The Mayor presented a Mayor's Proclamation for National Bookmobile Day on April 13, 2011

**COMMITTEE REPORTS**

CM Reed reported that the Library Joint Powers Board met, and a library service model was approved on a 7-2 vote, that keeps all branches open, increases hours, and cuts staff by 20%. He stated that at the Library JPA Board meeting he voted against this service model due to long term budget concerns and a lack of reference staff.

VM Lind reported that the Water Subcommittee met to research ways to cut costs and work together to be more efficient with less money.

VM Lind reported that LAFCO met and approved a status quo budget, however, there are future budget concerns.

CM Aguilar reported that the ADA Subcommittee met and set priorities for projects for the next fiscal year.

Mayor Bustichi reported that the Santa Cruz Metropolitan Transit District met and one of the issues discussed was service cuts due to budget constraints.

Mayor Bustichi reported that the Skypark Subcommittee met and discussed extending the Exclusive Negotiating Agreement for the development of the Town Center, which is on the consent agenda tonight.

Mayor Bustichi reported that the Economic Development Subcommittee met and will be holding upcoming meetings regarding potential redevelopment projects in the City.

## **PUBLIC COMMENT**

VM Lind announced that New Hope Church will be holding their free 10<sup>th</sup> Annual Easter Egg Hunt on Saturday, April 23 from 9-10 am.

## **ALTERATIONS TO CONSENT AGENDA**

Mayor Bustichi requested that Item E be moved to the regular agenda for a separate vote.

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

***To approve the Consent Agenda as amended moving Item E to the regular agenda for a separate vote.***

***Carried 4/0/1 (ABSENT: Johnson)***

## **Consent Agenda:**

- A. Approve Joint City Council/RDA meeting minutes of 3-16-11, 3-22-11
- B. Approve check register – 3-25-11, 3-18-11, 3-11-11
- C. Approve second reading and adoption of Ordinance No. 16.128.3 adding Chapter 17.58 to Title 17 of the Scotts Valley Municipal Code relating to Medical Marijuana Dispensaries as amended, removing the section dealing with criminal penalties and modifying the ordinance to allow for the discreet delivery of medical marijuana to Scotts Valley
- D. Approve Resolution No. 1866 proclaiming a local emergency and ratifying the Director of Emergency Services Proclamation
- F. Approve agreements for consultants for EDA grant application for Town Center project and authorize the Executive Director of the Scotts Valley Redevelopment Agency to executive the agreements:
  - (1) Approve agreement between the Scotts Valley RDA and C2G in an amount not to exceed \$9,400
  - (2) Approve agreement between the Scotts Valley RDA and Wooster Financial, Inc. for \$25,000
- G. Approve extension of Exclusive Negotiating Agreement with the Town Center developers, Foothill Partners and Town Center LLC, and authorize Executive Director to execute the agreement

## **ALTERATIONS TO REGULAR AGENDA**

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

***To approve the Regular Agenda as amended moving item E to the regular agenda from the consent agenda.***

***Carried 4/0/1 (ABSENT: Johnson)***

## **REGULAR AGENDA**

- E. **Approve contract with Kosmont & Associates, Inc. for real estate advisory services for planned hotel and authorize the Executive Director of the Scotts Valley Redevelopment Agency to execute the contract**

Mayor Bustichi recused himself from this item due to potential future financial conflicts regarding this project.

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

***M/S: Reed/Aguilar***

***To approve the contract with Kosmont & Associates, Inc. for real estate advisory services for planned hotel and authorize the Executive Director of the Scotts Valley Redevelopment Agency to execute the contract.***

***Carried 3/0/2 (ABSENT: Bustichi, Johnson)***

CM Johnson arrived at the Council meeting at 6:34 p.m.

1. **Appeal hearing: Revocation of Shiatsu Spa Massage Establishment Permit**

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

Ms. Yu, owner of the Shiatsu Spa Massage Establishment, through a Mandarin Chinese translator, presented her appeal to the City Council on why she feels that the City Council should approve her appeal on the revocation of her Massage Establishment Permit #2, and responded to questions from Council.

***M/S: Aguilar/Reed***

***To deny the Shiatsu Spa Massage Establishment Permit #2 revocation appeal.***

***Carried 5/0***

## **PUBLIC HEARINGS**

2. **Consideration of Planning Commission recommendation of approval to the City Council for a 3-lot split plus 1 common lot for three townhouses and related property improvements in the high-density multi-family residential zone, 18 Blake Lane, APN 022-891-03, Habitat for Humanity**

SP Fodge presented the written staff report and responded to questions from Council.

## **PUBLIC HEARING OPENED - 7:15 PM**

Melanie Shaffer-Freitas, Executive Director of Habitat for Humanity (HFH), stated that the architect and engineer for the project were available to answer questions, in addition to two HFH staff members. She thanked the City Manager and Planning Department staff for their support and assistance on this project, and thanked the RDA Board for their financial support. She reviewed the process that HFH will be going through to select the families who will benefit from this project. She stated that they have to make this application process available throughout the County; however, they are specifically targeting Scotts Valley in their marketing of the project. She also stated that interested applicants must attend an orientation and can call HFH at 831-469-4663 for additional information.

Mr. Gomez, Architect for the project, responded to questions from the Council.

The City Council expressed concerns about the color palette presented and recommended adding a condition of approval that would include warmer/brighter earth tones.

Tim Ericson spoke in favor of the City Council approving this project.

## **PUBLIC HEARING CLOSED - 7:32 PM**

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

***To approve Resolution No. 1865 certifying Mitigated Negative Declaration MND11-001 for the "Habitat for Humanity Santa Cruz County" project to subdivide the parcel into three lots and one common lot and to build three townhouses and one common property and to build three townhouses and related property improvements at a vacant lot on Blake Lane // APN 022-891-03.***

***Carried 5/0***

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

***To approve first reading and introduction of Ordinance No. 16-ZC-222 approving planned development district overlay and permit PD10-004 for the "Habitat for Humanity Santa Cruz County" project to subdivide the parcel into three lots and one common lot and to build three townhouses and related property improvements at a vacant lot on Blake Lane // APN 022-891-03, and waive the reading thereof.***

***Carried 5/0***

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

***To approve Resolution No. 1865.1 approving Minor Land Division MLD10-002, and Design Review DR10-014 for the "Habitat for Humanity Santa Cruz County" project to subdivide the parcel into three lots and one common lot and to build three townhouses and related property improvements at a vacant lot on Blake Lane // APN 022-891-03, as amended broadening the available color palette for the homes to include warmer/brighter earth tones.***

***Carried 5/0***

3. **Consider approval of lease agreement between the Scotts Valley Redevelopment Agency and the Santa Cruz County Library Joint Powers Authority for the property located at 251 King Village Road, APN 022-211-80**

CA Powell requested that this item be continued to a future meeting as the Library JPA Board did not approve the lease agreement at their April meeting, and continued it to their May meeting for consideration. She requested that this item be continued to the May 4, 2011 regular City Council meeting.

***M/S: Johnson/Lind***

***To continue this item to the May 4, 2011 regular City Council meeting.***

***Carried 5/0***

**REGULAR AGENDA**

(Resumed)

4. **Discussion: Advertisement of Erba Lane property**

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

CA Powell stated that the RDA is obligated to first offer RDA properties to affordable housing entities.

CM Reed questioned if there would be a cost to advertise the property and what the process would be. CA Powell responded that initially the RDA would send written notice to affordable housing entities that operate within the City of Scotts Valley.

CM Aguilar stated that she believes this is an opportunity to make this property available to affordable housing entities, and she stated that she would like to put this property on the market, especially with the obligation of the City from the State to build affordable housing.

CM Reed stated that he feels there may be an advantage to waiting to advertise this property.

Mayor Bustichi expressed concerns about marketing the property at this time.

VM Lind stated that she did not feel it was the right time to market this property.

CM Johnson expressed concerns about marketing the property at this time.

CM Aguilar stated that she believes this is an avenue for the City to provide workforce housing in Scotts Valley.

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

***To advertise the Erba Lane property.***

***No Second - Motion Failed***

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

None.

**RE-CONVENE TO CLOSED SESSION**

The City Council reconvened to closed session at 7:55 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 legal counsel regarding property negotiations, APN's 022-211-80, 022-601-04, and 022-601-02.

**RECONVENE TO OPEN SESSION**

The City Council reconvened to open session at 8:35 p.m.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

Mayor Bustichi announced that there was nothing to report.

**ADJOURNMENT**            The meeting adjourned at 8:36 p.m.

Approved: \_\_\_\_\_  
Dene Bustichi, Mayor / Chair

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