

# MINUTES

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

**Date: May 2, 2007**

**POSTING:**

The agenda was posted on 4-27-07  
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  
Recreation Division Manager Sudduth  
Wastewater/Env Prgrm Mgt Hamby  
Community Development Dir Russell  
Planning Consultant Westman  
Senior Planner Fodge  
City Clerk Ferrara

**SPECIAL SET MATTER**      Presentation of plaque from U.S. Bocce Foundation to City of Scotts Valley commemorating the opening of Scotts Valley's Bocce Courts.

Mayor Bustichi requested that this item be continued to the next regular meeting on May 18, 2007.

**COMMITTEE REPORTS**      CM Barrett reported that LAFCO met, approved a sewer hook-up just outside the City limits of Scotts Valley, and reviewed other routine business.

VM Johnson reported that the Santa Cruz Regional Transportation Commission met and reviewed routine business.

Mayor Bustichi reported that the Santa Cruz Metropolitan Transit District met and reviewed routine business.

Mayor Bustichi provided an update on the most recent Transportation Funding Task Force (TFTF) meeting and reviewed the process they have gone through in the last two years. He stated that the TFTF will be holding another meeting in two weeks in order to come up with a recommendation to the Santa Cruz County Regional Transportation Commission.

## **PUBLIC COMMENT**

Mayor Bustichi, spoke about an incident that occurred at Scotts Valley High School. He made the following statement: "Most of you already know that Scotts Valley High School was shut down due to a bomb scare on Monday, April 30. A suspicious device found chained to a tree, fortunately, turned out not to be an explosive device. Along with this bomb scare was racial graffiti in reference to a group called Scotts Valley Aryans. This is the same group that five weeks ago, put out a recruitment flier for the organization at the High School, which included a swastika in bold print. As repulsive as that flier was, it was not a crime, but the graffiti and a bomb scare is and the City will respond with all of its ability to bring these individuals to justice. The City of Scotts Valley will be working with other local law enforcement and federal agencies. We will be using all the resources available to us, and using as much overtime as needed to work the case and keep the students, citizens, and faculty safe in this community. We will also continue to work with the School District in providing as much help as we can, and hope that in time the School District and the City of Scotts Valley can reinstate the Resource Officer at Scotts Valley High School."

PC Weiss spoke regarding this same issue and stated that the Santa Cruz County Sheriff's Office Bomb Squad came out on Monday to help and did an excellent job. He stated that the Scotts Valley Unified School District also did an excellent job with the closing of the school. We are also working with the FBI Terrorism and Anti-Hate Crime Unit, and they are assisting us in the investigation. He stated that the San Francisco Office of the Anti-Defamation League has offered a \$1,000 reward leading to the arrest and conviction of whoever is responsible for the vandalism and replica bomb. He stated that if anyone has information about the incident they can call the Police Department at 440-5670 or the anonymous tip line at 438-8090.

Mayor Bustichi stated that he would be requesting an item for a future agenda for the City to possibly add to the \$1,000 reward.

PC Weiss stated that he had also received an email from the Scotts Valley School Board announcing that the Scotts Valley High School Student Government class and Scotts Valley High School student leaders would be holding a Community Speak Out at 6:00 p.m. on Thursday, May 3 at the Scotts Valley High School. The email stated that this is a community-wide event that will include an open mike for people who want to speak, but more importantly for people to talk about how critical it is for the Scotts Valley community to be united and support our kids, especially in instances like the vandalism and pipe bomb.

Mayor Bustichi stated that the *8<sup>th</sup> Grade Graduation, Give to the School* fundraiser/barbecue is being held on May 19 at the Community Center. He stated that it will be a steak and pasta barbecue and you can call 438-2356 for tickets.

## **ALTERATIONS TO CONSENT AGENDA**

CM Comstock stated that Item C had been signed prior to the meeting due to time constraints regarding this item.

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

**Consent Agenda:**

- A. Approve Joint City Council/RDA meeting minutes of 4-18-07
- B. Approve check register – 4-23-07
- C. Authorize the Executive Director of the Redevelopment Agency to sign the Memorandum of Understanding to prepare a Comprehensive Economic Development Strategy (CEDS)
- D. Approve the appointment of Council Member Reed as the new alternate on AMBAG

**ALTERATIONS TO  
REGULAR AGENDA**

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

**REGULAR AGENDA**

1. **Discussion: Abandonment of riparian corridor easement at 5272 Scotts Valley Drive**

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

The majority of the Council recommended that staff proceed with abandonment proceedings for 5272 Scotts Valley Drive if requested by the property owner.

Mayor Bustichi requested that Public Works staff notify property owners around this property who may have the same type of easement, to determine if they would like to remove the easement, and to reduce staff time in dealing with the abandonment proceedings.

PWD Anderson stated that he would send a letter to surrounding property owners.

2. **2007-2008 Budget Hearings:**

- a) **Santa Cruz County Animal Services Authority (ASA)**

CM Comstock provided a spreadsheet to Council on grant funds received by the City of Scotts Valley from 1992 through December 2006. He stated that he had been quoting the number of \$15 million for a number of years, and provided an update completed by Finance Department staff that shows we have now received over \$19 million in grant funds.

CM Comstock presented the written staff report and responded to questions from Council. He stated no action is required at this time, this is an information item only, and the budget amount will be within the General Fund budget to be adopted in June. He stated that Catherine

Voss, General Manager of the ASA, was present to provide a more detailed overview of the ASA and respond to any questions the Council may have.

Catherine Voss, General Manager of the ASA, provided an update and detailed overview the ASA, and responded to questions from Council.

b) **Recreation, Senior Center, Community Center, Wastewater, Recycling**

DCM/ASD Ando presented the written staff report and responded to questions from Council. He stated that this item is for discussion purposes only and no action is required at this time. He stated that Recreation Division Manager Sudduth was available to respond to questions from Council regarding the Recreation, Senior Center, and Community Center budgets. He also stated that Wastewater/Environmental Program Manager Hamby was available to respond to questions from Council regarding the Wastewater and Recycling budgets.

WW/EPM Hamby stated that we will continue to have our E-Waste and Appliance/Tire recycling events. The E-Waste event is scheduled for September 15, 2007 and the Appliance/Tire recycling event is scheduled for October 14, 2007.

**PUBLIC HEARINGS**

3. **Consider adoption of the 2002-2007 Housing Element as part of the City of Scotts Valley's 1994 General Plan and various General Plan Text and Map Amendments**

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

CM Aguilar requested the following amendments to the City of Scotts Valley 2002-2007 Housing Element:

- Page 46, Chart 2-18, Summary of Publicly-Subsidized Affordable Rental Housing in Scotts Valley: First item, second column, change the affordable units from 2 low/2 mod to 4 low.
- Page 66, last paragraph, second sentence, change as follows: "Acorn provides ~~2-4 low income and 2 moderate income units...~~"
- Page 40, third paragraph, last sentence, change the following sentence to state that not only the Police Department, but a Council Member also went out to validate the counts: "In contrast, the Police Department has estimated the actual number of homeless people to range from 10 to 25 at any one time."

CM Aguilar asked for clarification regarding an item in the Glossary, page 100, seventh item, **Dwelling, Single-family Detached**: *A dwelling, not attached to any other dwelling, which is design for and occupied by not more than one family and surrounded by open space or yards.* She stated that she felt the underlined statement was illegal because the courts had indicated that you

cannot designate the definition of a family, and requested that we include a statement that we will be changing this item to comply with state law. PC Westman responded that she would make the change.

**PUBLIC HEARING OPENED – 7:05 P.M.**

No one came forward.

**PUBLIC HEARING CLOSED – 7:06 P.M.**

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

***To approve Resolution No. 1119.28 approving the negative declaration for the 2002-2007 Housing Element and General Plan text and map amendment, adopting the 2002- 2007 Housing Element, and adopting General Plan text and map amendments//GPA07-001 and ND 07-001, with the above noted amendments.***

***Carried 5/0***

4. **Consider approval of quarry slope mediation for a mixed use project consisting of 31,500 square feet of retail/commercial condominiums and 94 multi-family residential condominiums and related improvements at 5007/5015 Scotts Valley Drive // APN 22-451-04 & 10 // Standard Pacific Homes PD06-005/LD06-003/V06-002/U06-012/DR06-016**

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

CM Barrett stated that he was concerned about parking and asked how we could mitigate the lack of eighteen parking spaces. SP Fodge stated that an email had been distributed to the Council from Planning Commission Chair Shulman providing an alternative residential parking analysis for the project. She stated that with the mixed use there are some opportunities for shared parking, and that a case could be made that the positive impact of the project outweighed the lack of spaces.

Peter Dunne, project applicant (Standard Pacific Homes), gave a Powerpoint presentation, provided an overview of the project, and introduced his team members. He reviewed the history of the project and gave brief details of the project amenities. He stated that they feel they will be able to mitigate 50% of their water use on top of the amount that is already being recharged, and that they will ultimately be able to mitigate all of their water use through recharge.

Robert Lee, Land Planner and Architect for the project, reviewed his portion of the Powerpoint presentation. He stated the following project benefits: transit oriented; infill/sustainable project; unique lifestyle mixed use project; pedestrian oriented; hillside remediation; aquifer recharge system.

Mr. Dunne stated that he had two conditions that he would like the Council to consider alternative language for, as noted on page 123 of the staff report, and as follows:

1. Page 46, Condition 66 (Fire District condition), "*The project streets must be paved before construction of buildings.*" He stated that one of their concerns is that due to weather conditions that can cause delays, they prefer to start on foundations earlier than roadways. He stated that the foundation for the mixed-use building contains a 14-foot retaining wall that will be integral to the site. He proposed the following alternative language: An all weather aggregate base rock road, capable of supporting emergency response vehicles, and certified by ageotechnical engineer, must be provided prior to framing lumber, or other flammable materials being delivered to the project site. He stated that he felt there should probably some sort of recognition in addition to that, that the foundation for the mixed-use building be allowed to be constructed as part of the grading of the project.

CM Aguilar stated that she felt the Council should not make any changes to a Fire District condition of approval.

SP Fodge stated that an alternative way to handle this issue is to use a combination of the language provided by the applicant and then include a clause that says "subject to review and approval" or "as amended" by the Fire Marshal.

2. Page 46, Condition 67, he recommended the following changes: "*Fire hydrants must be installed and operable before delivery of framing lumber or other flammable materials to the project site construction of buildings, subject to review and approval by the Fire Marshal.*"

Mayor Bustichi stated that he felt these items could be amended as requested, with the disclaimer that they are subject to review and approval by the Fire Marshal.

CM Barrett recommended including hitching posts for dogs, bicycle racks, and plenty of benches.

#### **PUBLIC HEARING OPENED – 7:55 P.M.**

Gordon Simmons, questioned the remediation of the slopes, and stated that he felt one of the slides did not represent the way the slope will actually look. Mr. Dunne responded to the concerns and stated that the drawing represents what the site will look like after ten years of growth; however, part of the nose of the slope will project beyond the buildings. He stated that there will be a ridge line, but their re-vegetation plan will concentrate on replanting the edge of the forest to blend it in with the existing forested area.

Virginia Hooper, Bean Creek Road, stated the concerns of the Scotts Valley Historical Society in keeping the historical value of the site. She recommended calling the development "The Cavalcade" instead of "Stonegate" because that name is too similar to other developments around California. She stated that the Historical Society wants to be sure that Scotts Valley does not become "Any City, USA".

### **PUBLIC HEARING CLOSED – 8:05 P.M.**

CM Aguilar recommended clarifying the following items in Exhibit A, Mitigation Monitoring and Reporting Program (MMRP) as follows:

- Page 15, Item G-3, Revegetation Plan - Specific, third sentence: *“The project revegetation specialist shall monitor and maintain the revegetation for a period of two years,...”* She stated that she would like to include a condition in the CC&R’s that the HOA will maintain the slope after the two-year period.
- Page 18, Item I-2, Demolition of Buildings and Asbestos Testing, she requested that the wording be clarified as follows: *“Before demolition of the existing buildings, the applicant shall have a qualified specialist conduct samplings for asbestos. The applicant shall remove the existing 2,000-gallon underground storage tank and have a qualified specialist conduct samplings for asbestos- and comply with local regulations for tank removal.”*

CM Aguilar stated that regarding recreational amenities, she would prefer to see a small swimming pool instead of a teen lot/rock because she feels it would benefit the project.

CM Reed complimented the applicant on their responsiveness to the previous Council comments. He recommended that they consider waterless urinals for the commercial portion of the project.

Mayor Bustichi stated that he feels this project can be a catalyst for Scotts Valley Drive and strongly suggested that the developer consider dual plumbing for recycled water in the future for the toilets, and that they also look at using dual flush toilets in the residential units to maximize groundwater recharge. He stated that he had some literature and cost analyses that showed that there is not a significant increase in cost to provide this plumbing. He also stated that the economic benefits reach beyond the up front cost and this could help future development and our aquifer. He stated that he was concerned about how the cost of a pool could deter from the housing affordability.

CM Aguilar strongly recommended the use of mechanical cooling for all residential units, not just the commercial buildings, especially for the three story residential units due of the hot weather in the summer.

SP Fodge stated that staff had a couple of housekeeping items:

- Page 41, Conditions 25 and 27, include the topics/items that the CC&R’s shall specifically address, for example: RV’s, dogs, modifications to the exterior of the multi-family buildings, etc.
- Page 17, Item G14, Stream Protection - Retaining Wall, delete the last sentence per the Fire District request: *“~~The applicant shall reduce width of “B” Lane from 24 feet to 20 feet across Parcels G-3 and G-1 if approved by the Fire Marshal.~~”*

CA Powell stated that regarding Condition 27, which relates to the CC&R's, our standard requirement is that it incorporate the conditions of approval that are appropriate for the CC&R's as well as the Mitigation Monitoring and Reporting Program. She stated that in this case staff is also recommending that Condition 27 include the requirements determined by the Planning Commission.

CM Barrett stated that he likes the swimming pool idea and feels a hot tub would also be a good addition.

***M/S: Barrett/Reed***

***To approve Resolution No. 1798 approving mitigated negative declaration (MND06-005) and mitigation monitoring and reporting program for the quarry site mixed-use project to remediate the former quarry slope and build approximately 31,500 square feet of retail/commercial condominiums and 94 multi-family residential condominiums and related improvements located at 5007-5015 Scotts Valley Drive (APN's 022-451-04 and -10) as amended to include the modifications to Items G-3, G-14, and I-2 of the MMRP as shown above. Carried 5/0***

***M/S: Johnson/Barrett***

***To approve the introduction and first reading or Ordinance No. 16-ZC-206 approving a planned development district overlay (PD06-005) for the quarry site mixed-use project to allow various exceptions to the City's Municipal Code to remediate the former quarry slope and build approximately 31,500 square feet of retail/commercial condominiums and 94 multi-family residential condominiums and related improvements located at 5007-5015 Scotts Valley Drive (APN's 022-451-04 and -10), and waive the reading thereof. Carried 5/0***

***M/S: Barrett/Reed***

***To approve Resolution No. 1798.1 approving a planned development permit (PD06-005), land division (LD06-003), variance (V06-002), use permit (U05-012) for the quarry site mixed use project to allow multi-family residential in the C-S zoning district and condominiums, and conceptual design review (DR06-016), except for design items to return to the Planning Commission, and to remediate the former quarry slope and build approximately 31,500 square feet of retail/commercial condominiums and 94 multi-family residential condominiums and related improvements located at 5007-5015 Scotts Valley Drive (APN's 022-451-04 and -10) as amended with the changes to Exhibit A, Conditions 6, 25, 27, 66, and 67 as shown below and above. Carried 5/0***

CM Aguilar recommended the following amendment to Item 6 in Exhibit A of Resolution No. 1798.1 regarding hours of operation, so that someone would not have to go through an amendment to the use permit simply to request an increase in hours of operation:

- Item 6, Page 38, first sentence amend to read as follows: "The hours of operation for retail/commercial uses shall not exceed Monday-Friday 7AM - 9PM, Saturday 8AM-9PM, and Sunday 8AM-6PM, or otherwise increase subject to the review and approval of the Community Development Director."

**REGULAR AGENDA**  
(Resumed)

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

Mayor Bustichi requested that the following two items be placed on future agendas:

1. Discussion of sign ordinance.
2. Joint meeting with the Scotts Valley Unified School District.

**CONVENE TO CLOSED SESSION**

The City Council convened to closed session at 8:37 p.m. to discuss the following items:

1. Pursuant to Government Code Section 54959.9(c), the City Council met in closed session to confer with their legal counsel regarding potential litigation – 2 cases.

**RECONVENE TO OPEN SESSION**

The City Council reconvened to open session at 8:55 p.m.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

Mayor Bustichi announced that there was nothing to report.

**ADJOURNMENT**

The meeting adjourned at 9:00 p.m.

Approved: \_\_\_\_\_

Dene Bustichi, Mayor / Chair

Attest: \_\_\_\_\_

Tracy A. Ferrara, City Clerk / Secretary