

MINUTES

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

Date: May 4, 2005

POSTING:

The agenda was posted on 4-29-05
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
Principal Planner Young Lind
Senior Planner Fodge

COMMITTEE REPORTS

CM Johnson reported that the Library Joint Powers Board had met and discussed the possible closure of the Felton library, the projected \$173,000 deficit, and the performance of the Director.

CM Barrett reported that the County Integrated Waste Management Local Task Force is scheduling recycling dates throughout the County.

CM Barrett reported that the Seniors Advisory Council had met and is in the process of a five year study.

CM Barrett reported that the Santa Margarita Ground Water Basin Advisory Committee had met and announced that Spring Lakes Mobile Home Park is now hooked up to the recycled water system.

CM Bustichi reported that the Skypark Subcommittee had met two times, once with staff, and once with the developer. He reported that the developer has set up meetings with all but one of the property owners. He also reported that the developers had met with the Water District to discuss a water main extension into the Skypark area. He reported that the Subcommittee met with the propane companies to discuss their possible relocation. He also reported that discussions have revolved around the need for a mix of chains and local retail. He reported that the developers are also working on an agreement with

an architect.

VM Aguilar reported that the Santa Margarita Ground Water Basin Advisory Committee had met to discuss the aquifers. She also reported that the Monterey Bay Division League of California Cities will be having a meeting this Monday, May 9 in Watsonville at the Green Valley Grille at 6:30 p.m.

PUBLIC COMMENT

Gina Biondi, representing the Cultural Council, gave a history of the Cultural Council and stated that the Cultural Council was started twenty-five years ago in response to the passage of Proposition 13. She stated that originally its two major objectives were to be the re-granting agency throughout the County for arts organizations, and to formulate a program that would bring arts back into the schools. She stated that applicants apply for funds through their agency and the Cultural Council grants funds to the different jurisdictions. She stated that an element of the Cultural Council is the educational component, SPECTRA, which is a program where a catalog of local artists is provided to the schools and the schools contract with the artist directly to provided services. She stated that some of the funding for SPECTRA comes from the Cultural Council and some comes from the schools. She spoke about the importance of arts education and requested that the City of Scotts Valley continue funding of the Cultural Council.

Alberto Ráfols, Cultural Council of Santa Cruz County, echoed what Gina said and stated that he had received a letter from the California Arts Council requesting that the Santa Cruz County Board of Supervisors promote the agreement between the Cultural Council and the County of Santa Cruz for the Cultural Council to be the official representative of Santa Cruz County. He thanked the City for 25 years of partnering for the arts and requested that the City of Scotts Valley continue funding of the Cultural Council.

Mary Dettle, citizen, Scotts Valley teacher, art teacher, and member of the Scotts Valley Arts Commission spoke highly of the SPECTRA art program and thanked the City and the Cultural Council for their financial support. She spoke about the importance of arts and music in the schools and requested that the City of Scotts Valley continue funding of the Cultural Council.

CM Johnson reported that Vine Hill School had recently held an auction and earned \$72,000.

Mayor Marigonda reported that Brook Knoll School had also held an auction that earned a similar amount.

ALTERATIONS TO CONSENT AGENDA

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

Consent Agenda:

- A. Approve Joint City Council/RDA meeting minutes of 4-20-05
- B. Approve check register – 4-25-05
- C. Approve contracts for Scotts Valley Drive/Glenwood Drive/Highway 17 Intersection:

1. Award of construction contract to Granite Rock Company dba, Pavex Construction Division
2. Contract for construction management professional services by:
 - (a) Mesiti-Miller Engineering, Inc.
 - (b) Haro, Kasunich and Associates, Inc.
 - (c) Dunbar & Craig Land Surveyors
 - (d) Higgins Associates
 - (e) Archaeological Resource Management
- D. Approve the first addendum to lease with Crown Castle GT Company LLC, and authorize the City Manager to sign letter of consent authorizing the amendment of the sublease between Crown Castle and Verizon Wireless
- E. Approve contract extension and modification with CSG Consultants, Inc. for temporary building official services and authorize the City Manager to sign the Contract for Professional Services

ALTERATIONS TO REGULAR AGENDA

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

REGULAR AGENDA

1. Discussion: Housing Element programs to meet regional housing needs allocation

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

Mayor Marigonda stated that he is concerned about self-certification due to the potential for legal ramifications, especially since the County of Santa Cruz has been sued on their Housing Element.

VM Aguilar recommended designating the quarry site on Scotts Valley Drive and using density transfer to increase the number of units, with the density transfer units used as affordable housing units. She also recommended looking at mixed use at the Town Center to assist in meeting the housing numbers.

Mayor Marigonda asked CDD Kuhn which sites had been discussed in the past for possible re-zoning.

CDD Kuhn stated that mostly sites on the west side of Scotts Valley Drive and certain sites on Mt. Hermon Road had been discussed for possible re-zoning. She stated that past discussions had centered around re-zoning the properties and planning for the housing. She stated that there is proposed legislation to require cities and counties to actually produce the housing, not just plan for it. Those cities and counties that do not produce the required housing could lose some of their property taxes to those cities who do

produce the housing. She stated that this proposed legislation suggests reducing parking standards, getting rid of height limits, and providing financial incentives if possible, which essentially would require cities to build housing at any cost and without any review at the City level.

VM Aguilar stated that the League of California Cities is presenting a piece of legislation that is trying to balance the current extreme legislation being proposed. She stated that the intent of the legislation is to let the legislature know what jurisdictions suffer in regards to transportation and infrastructure funding, water, education, designation of housing allotments (based on jobs and growth), etc.

CM Johnson stated that it may be a possibility that the City Housing Element will not be certified. He stated that he is concerned about the huge impacts to City resources and the unrealistic expectations of the state.

CDD Kuhn stated that not certifying our Housing Element could potentially invalidate our General Plan which would shut down our building and planning departments.

CM Barrett stated that he is concerned about proposed state legislation and the reduction in control at the local level. He also stated that he is very concerned that Monterey County has the majority vote on distribution of the housing units at AMBAG.

CM Bustichi recommended that staff pick out some specific sites and bring them back to the City Council and Planning Commission for discussion and evaluation.

VM Aguilar recommended looking at specific sites on the west side of Scotts Valley Drive such as: the quarry, the Bergman site, the lot next to Scotts Valley Printing, along with mixed use at the Town Center. She recommended a land inventory for the sites she recommended. She stated that this should show the State Department of Housing and Community Development that we are making an effort to comply. She stated that she prefers mixed use to a high density residential district.

CM Barrett stated that he concurred with VM Aguilar's comments.

CM Johnson stated that he concurred with CM Bustichi and VM Aguilar. He stated that he would like to see more public input on this issue due to the potential affect on City resources.

Mayor Marigonda stated that he is against self-certification. He stated that he agrees with CM Bustichi's assessment and would like to see a public process. He stated that he agrees with VM Aguilar's recommendation regarding certain locations on Scotts Valley Drive, and the possibility of Skypark being included; however, he is not opposed to high density.

CM Johnson stated that he feels that high density could have its place,

specifically at the Town Center, because of its infrastructure and the potential to absorb the density.

CDD Kuhn stated that she will work with the City's housing consultant on the land inventory to identify specific sites that would get to the 12-15 acres of mixed use or some very high density residential; give the Council a palette of sites to look at; and, bring those sites forward in a joint meeting/public hearing with the Planning Commission for review. The Council would then vote on the sites to be put forward. In order to have more flexibility, staff will also put together some alternate sites to replace those sites that may drop out as a result of the more formal public process.

PUBLIC HEARINGS

2. Consideration of an appeal of a Planning Commission decision to approve a Use Permit application (U05-001), to allow Quiznos Sub to operate a sandwich shop in the Scotts Valley Junction shopping center, at 5610 Scotts Valley Drive // APN 22-042-34

SP Fodge presented the written staff report and responded to questions from Council. She stated that staff had identified the following five options for the City Council to consider:

1. *Deny the appeal; and uphold the Planning Commission's decision to approve the Use Permit; subject to the conditions of approval in Exhibit A.*
2. *Deny the appeal; and uphold the Planning Commission's decision to approve the Use Permit; subject to conditions of approval in Exhibit A, but also consider additional conditions of approval, such as:*
 - a. *Specify a time frame for the shopping center property owner to complete Conditions #12-22 of Design Review (DR05-006) to submit a circulation and parking plan for Planning Commission review and approval and then install the improvements;*
 - b. *Before Quizno's Sub or any other tenant may occupy the former "Pharmacy" building, require the shopping center property owner to install all of the circulation and parking improvements to the center; or*
 - c. *Require staff-level review of the approved circulation and parking improvements in six months, paid by the shopping center property owner.*
3. *Continue the public hearing for more information/further study; give direction to staff on the issues to be studied.*
4. *Grant the appeal; provide direction on findings; deny the Use Permit with or without prejudice; and consider the following:*
 - a. *Direct the shopping center property owner to complete all circulation/*

parking related conditions of approval in Design Review DR05-006) within a specified time frame (e.g., six months);

- b. Once the circulation/parking improvements are installed and signed-off by the City, then the Quiznos Sub applicant could submit a new Use Permit application, without waiting the required one-year period if the Use Permit is denied with prejudice;*
 - c. When Use Permit applications are submitted for future tenants, staff would re-evaluate the installed circulation/parking improvements, with a deposit paid by the shopping center property owner; or*
5. *Grant the appeal; confirm that adequate parking is not available for any more food service uses in the Center.*

CM Bustichi asked if the shopping center meets code for the required parking.

SP Fodge stated that there are currently 181 existing spaces, which is what was required at the time the shopping center was constructed. Current code would require 255 spaces; however, because no major construction or redevelopment of the shopping center is occurring, the shopping center is not required to comply with current code.

PUBLIC HEARING OPENED - 7:42 PM

Howard Norton, appellant and representative for Wendy's, stated that they filed this appeal based on parking, traffic, and circulation concerns. He is extremely concerned about the problem of delivery and landscaping trucks that park in the red zone along building 3, and block the Wendy's drive-thru. He stated that he is not opposed to Quizno's moving in; however, he is very concerned about parking and traffic in the shopping center. He stated that he feels item 4 in staff options (page 5 of the staff report) is the best answer to the problem (i.e. grant the appeal; provide direction on findings; deny the use permit with or without prejudice, and consider circulation/parking improvements).

Ron Clements, appellant and owner of Scotts Valley Market, stated that he is not opposed to Quizno's; however, he is extremely concerned about parking, traffic, and circulation during peak times. He stated that improvements to the Market are only 25% complete and a lack of adequate parking will affect the Market's viability.

Len Babiarz, Quizno's Sub, reviewed his traffic counts and stated that he found that 181 cars can park at the shopping center. He stated that during peak hours during the week the parking lot has been about two-thirds full, leaving 50 to 60 spaces available. He stated that on the weekend it is about one-third full. He stated that due to the striping problems in the parking lot, the parking is under utilized. He also commented that in his opinion, the Ben Lomond Market parking lot has plenty of parking during peak lunch time hours.

Mike Messinger, Scotts Valley Junction managing partner, stated that the shopping center is doing well. He stated that it is their intention to re-stripe the parking lot. He stated that they have owned the shopping center for approximately two years and are trying to improve and upgrade the shopping center. He also stated that they are making improvements to stop the trucks from blocking the Wendy's drive-thru. Mr. Messinger responded to questions from Council regarding future tenants that are not required to go through the use permit process.

Wendy Brannan, City resident, stated her concerns regarding the size of the parking spaces, traffic, and circulation in the Scotts Valley Junction shopping center.

Nelson Glickman, 10 year employee for Scotts Valley Market, commented regarding the comparison between the Scotts Valley store and the Ben Lomond store. He stated that they have a much larger lunch crowd in Scotts Valley than Ben Lomond, which is busier in the evenings.

Kelly Gladder, Gas House Pizza, stated that she has seen a steady growth in parking during peak hours. She stated that she checked with other tenants that have non-related food businesses regarding parking and circulation concerns. She submitted two letters (attached as Exhibit 1 and Exhibit 2) to Council from other business in Scotts Valley Junction who discourage their customers from coming during the peak lunch time hours, and oppose any additional food type of businesses that would cause additional parking and circulation problems.

Rob Collins, manager and customer at Ben Lomond Market and Scotts Valley Market, stated that he has seen the parking volume increase during peak traffic times. He stated that he feels traffic and circulation problems need to be fixed before there is any more growth in the shopping center.

PUBLIC HEARING CLOSED - 8:19 PM

CM Johnson stated that he sees a problem with parking, traffic, and circulation in the Shopping Center. He stated that he feels there is an obligation to the existing businesses in Scotts Valley Junction to fix problems before adding any additional businesses. CM Johnson recommended option 4 as stated above.

VM Aguilar stated that specific improvements regarding parking, traffic, and circulation need to be made prior to adding businesses and recommended option 2 as stated above.

CM Barrett stated that he has not seen a parking problem, but he has seen a circulation problem and recommended option 2b.

CM Bustichi stated that he would recommend option 4 because is concerned that with option 2 there are no guarantees the improvements will work. He stated that he is concerned about the existing businesses being affected. He

stated that he is also concerned about the vacant units that do not require a use permit and how they will affect the parking and circulation.

Mayor Marigonda stated that he is concerned about protecting existing businesses. He sees parking and circulation as a problem that needs to be remedied before any additional businesses are added. He recommended option 4.

VM Aguilar recommended having the City look at changing the curb cuts on Scotts Valley Drive (as noted on the top of page 22 of the staff report, first paragraph), at Scotts Valley Junction during the reconstruction of the Granite Creek/Scotts Valley Drive intersection improvement project in order to assist with circulation. She also stated that she does not feel that two designated parking spaces are necessary for the ATM.

M/S: Johnson/Aguilar

To support option 4 to grant the appeal and deny the Use Permit without prejudice.

Carried 5/0

CA Powell stated that staff will prepare the necessary resolution for consideration at the May 18, 2005 City Council meeting.

CDD Kuhn noted that any permitted uses that do not require a conditional use permit will be allowed to move into the center.

3. **Consideration of a negative declaration (ND04-001), a planned development permit (PD-04001), and a design review (DR03-015) to construct a 3,140 square foot, two-story, mixed use building for property located a 4404 Scotts Valley Drive (APN 22-801-09); and a lot line adjustment (LLA05-001) from APN 22-801-09 (development site) to APN 22-491-01 (Malone's Restaurant)**

PP Young Lind presented the written staff report and responded to questions from Council. She stated that a handout had been distributed to Council at the beginning of the meeting amending condition 6 (4th sentence) and adding condition 6.1 as follows:

6. *Prior to Building Permit issuance, the revisions to the legal description of the shared ingress/egress easement shall be revised by a qualified surveyor and to the mutual satisfaction of the property owners of APN 22-491-01 and 22-801-09, and shall be recorded with the County of Santa Cruz Recorder's Officer.*

- 6.1 *The responsibility for on-going maintenance of the driveway on APN 22-801-09 shall be solely with the property owner of APN 22-801-09.*

VM Aguilar recommended shifting the building and adding a staircase on the

opposite end of the building for safety reasons.

PUBLIC HEARING OPENED - 9:05 PM

Ron Markell, owner/applicant, introduced himself and stated that he was available for questions. He responded to VM Aguilar's concerns. He stated that the building was located to provide protection of the mature trees. He stated that they had looked at including a staircase on the opposite end; however, it was not required by the code and if they moved the building they would lose one of their parking spaces, which he feels would be a detriment. He stated that he would prefer to keep the building where it is proposed.

PUBLIC HEARING CLOSED - 9:06 PM

M/S: Aguilar/Barrett

To adopt Resolution No. 1766 certifying Negative Declaration #ND04-001, and approving Planned Development permit #PD04-001 and Design Review #DR03-015, to construct a two-story, mixed use building consisting of commercial on the first floor and three rental studios on the second floor for property located on the East side of Scotts Valley Drive at 4404 Scotts Valley Drive // APN 22-801-09; and approving Lot Line Adjustment #LLA05-001 to transfer area from APN 22-801-09 to APN 22-491-01 as amended adding the qualification to condition 6 and adding condition 6.1 as noted above.

Carried 5/0

VM Aguilar recommended changing condition 16 on page 14 of the staff report as follows:

"16. Construction equipment shall not idle on the property when not in use."

Council concurred with this recommendation.

4. **Consideration of adjustments to various police, administrative, public works, building, planning, facility rental, and recreation fees**

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

VM Aguilar stated that the fee for rental of the City Council Chambers seemed very low and requested that staff re-evaluate this fee.

PUBLIC HEARING OPENED - 9:21 PM

PUBLIC HEARING CLOSED - 9:21 PM

M/S: Barrett/Aguilar

To adopt Resolution No. 1198.49 amending certain fees and charges for

City police, administrative, facility rental, planning, building, and public works services as amended to have staff re-evaluate the fee for rental of the City Council Chambers.
Carried 5/0

M/S: Barrett/Aguilar
To adopt Resolution No. 1593.8 amending certain fees and charges for City recreation services.
Carried 5/0

REGULAR AGENDA

(Resumed)

5. Presentation of Police Department Annual Report

PC Lind presented the Scotts Valley Police Department Annual Report for the year ending 2004 and responded to questions from Council. He stated that it takes 13.5 months and costs \$75,000 to \$78,000 to hire and train an officer. Because of this time and cost, he stated that we can no longer be a training ground for officers due to low pay. He stated that we are currently down three officer positions and because of our lower pay we have been unsuccessful in recruiting lateral hire police officers. He also stated that the SRO was removed from the High School in order to fill one of the positions of officers that we have lost, and that it will be at least one year before we have an SRO back in the High School.

6. Future Council/RDA agenda items

None.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:32 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 real property negotiator regarding sale of City property; APN 22-481-01
2. Pursuant to Government Code Section 54956.8, the City Council met in closed session to confer with their real property negotiator regarding sale of City property; APN 61-371-15

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 9:50 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Marigonda announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 9:55 p.m.

Approved:

Paul Marigonda
Mayor / Chair

Attest: _____

Tracy A. Ferrara
City Clerk / Secretary