

# MINUTES

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

**Date: May 7, 2008**

**POSTING:**

The agenda was posted on 5-2-08  
at City Hall, the SV Library, and the  
SV Senior Center 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 Johnson  
Vice Mayor Barrett  
Council Member Aguilar  
Council Member Bustichi  
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 Wooden  
Contract Planner Tschantz  
Associate Planner Bateman  
City Clerk Ferrara

**COMMITTEE REPORTS**      CM Bustichi reported that the Santa Cruz Metropolitan Transit District (SCMTD) met to review and address a list of priorities from the Santa Cruz County Regional Transportation Commission (SCCRTC). He stated that there is no funding at this time, however, there is a list of about 60 items ranging from Paracruz transit, new buses, and adding new bus stops, that the SCCRTC would like input on prioritizing. He also reported that the SCMTD is looking at budget cuts because of reduced sales tax in the County. He stated that they are looking at balancing the budget with reserve funds, which will make upcoming negotiations with bus drivers more difficult.

CM Bustichi reported that the Workforce Investment Board (WIB) met and is looking at budget cuts. He stated that one recommendation is to close the Career Center in Capitola, which would leave the only Career Center in the county in Watsonville. He stated that a number of Board Members feel that this is not a good idea, so they are looking at the possibility of opening smaller satellite offices throughout the county as a way to continue to provide services. He stated that as the unemployment rates rises, these career centers are more necessary than ever.

Mayor Johnson reported that the Santa Cruz County Regional Transportation Commission met and discussed the addition of another lane on 41<sup>st</sup> Avenue between Soquel and the Capitola Mall. He stated that they also discussed environmental plans regarding the Highway 1 HOV lane widening project.

CM Bustichi reported that the 4<sup>th</sup> of July subcommittee held their first parade meeting, and called for any volunteers who would like to help.

**PUBLIC COMMENT**

Les Dittert, Monte Fiore resident, stated that he sent in a number of comments to the Planning Department regarding the Supplemental Environmental Impact Report (SEIR) for Target. He stated that he was concerned about the lack of time to comment on the traffic report. He stated that he has expertise in traffic engineering, and if he can get out of his possible commitment to the Grand Jury, he would be glad to provide assistance. CA Powell responded that the preliminary draft traffic report was released as part of a public records request. She stated that the traffic report was preliminary and it is not the final traffic report that will be included in the SEIR. She stated that when the draft SEIR is completed it will include an updated traffic report. She stated that once the draft SEIR is completed, it will be released for comment and at that time the public will have the opportunity to comment on the traffic study and all of the other additional information that will be in the draft SEIR. She stated that the draft SEIR will probably not be available for another six to nine months because there is a lot of work to be done. Mr. Dittert stated that he had several concerns regarding the traffic problems associated with Target being located on La Madrona Drive and reviewed some of those concerns.

**ALTERATIONS TO  
CONSENT AGENDA**

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

**Consent Agenda:**

- A. Approve check register – 4-22-08
- B. Approve out of state travel request for the Economic Development Subcommittee to attend the annual ICSC conference in Las Vegas, May 18-21, 2008
- C. Approve site rental agreement between the City of Scotts Valley and Heart to Hearts Parent Involvement Preschool for use of the Siltanen Park Community Room and Office
- D. Authorize the City Manager to execute the amendment to contract with RRM Design Group regarding the preparation of the Scotts Valley Town Center Specific Plan
- E. Approve Resolution No.1435.21 approving destruction of obsolete records by the Deputy City Manager/Administrative Services Director
- F. Approve Resolution No. 1813 supporting reform of the bond rating system to eliminate discrimination against municipal bonds

**ALTERATIONS TO  
REGULAR AGENDA**

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

## REGULAR AGENDA

### 1. Discussion: Outdoor movie presentations in Skypark

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

CM Bustichi stated that he felt this would be a unique opportunity to bring people out to shop or eat on a summer week night, and it would be good for the community. He stated that the Lion's Club is willing to start things off with a \$250 donation, and he is willing to contact other services clubs to see if they would like to donate. He also recommended having the Arts Commission or Parks & Recreation Advocates look into getting sponsorships.

CM Reed recommended looking into making this a Hitchcock film festival at some point, as long as we could provide movies that wouldn't scare children.

Council reached consensus on the following regarding outdoor movie presentations at Skypark:

1. When and how often will these movies be shown?

Once a month.

2. What types of movies will be shown?

Family movies: G, PG

3. Do you want staff to pursue business sponsorships of the movies or rely on donations or other funding sources?

Staff to evaluate the different options to see what will work best based on limitations/restrictions from the different film distributors.

VM Barrett stated that he would like to see an accounting at the end of the year.

### 2. Discussion: Scotts Valley business attraction program

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

Matt Shelton, J.R. Parrish, provided some additional details regarding this request and responded to questions from Council.

CM Aguilar stated that she is concerned about how we will be able to gauge the benefit of this investment to the community. She asked Mr. Shelton how he would gauge his success on the private sector investment. Mr. Shelton responded that since 1986 they have tracked everything that is available and has been leased in Scotts Valley. He stated that at this time, only about one company a year comes to Scotts Valley, and approximately four or five companies a year move to Silicon Valley.

CM Barrett asked Mr. Shelton why companies are moving to Silicon Valley. Mr. Shelton responded that most companies are run by venture capital companies that often want the companies they fund to be located in Silicon Valley, San Jose, Santa Clara, Palo Alto, etc. He stated that in addition, there is a lot of executive talent in Silicon Valley, which is something we cannot really change. He stated that a benefit at this time is that leasing rates over the hill are much higher than in Santa Cruz, which is up to 50% less, so we are more competitive. He stated that rates in Santa Clara County are approximately \$2.25 per square foot for Class A space, and that west valley is even more expensive. CM Barrett asked Mr. Shelton why all of the brokers did not just put in an additional \$1,000 each, and not ask the City for money. Mr. Shelton responded that he had only wanted to put in \$1,000, not \$4,000. He stated that they had met with the Chamber of Commerce, however, they do not have the money in their budget. He stated that they would like to see this as an ongoing program with redevelopment agency (RDA) monies going toward attracting companies to Scotts Valley. He stated that their market audience is people and companies that are driving on Highway 17 past Scotts Valley.

CM Aguilar stated that the City gives the Chamber of Commerce \$15,000 per year, and recommended that Mr. Shelton work with the Chamber to draw businesses to Scotts Valley.

CM Reed questioned how it would be possible to measure the return on the City's investment. Mr. Shelton stated that we will know, because we only get one company or so a year on average, and they will be in touch with them to find out where they moved from, or why they located in Scotts Valley. He stated that they are open to other recommendations for promoting this program. Mr. Shelton distributed a brochure to the Council (on file with the City Clerk) that promoted Scotts Valley, advertises *Think Scotts Valley*, and advertises a better quality of life, less traffic, less gas use, lower rents, a large workforce, etc. He stated that they are looking to draw companies that want to move here and grow because they don't want to travel over the hill, and who will participate in the community.

CM Bustichi stated that he first heard of this in an Economic Development subcommittee meeting. He stated that he feels this has a unique difference in that we are reaching outside of this county. He stated that 90% of what the Chamber does is try to retain businesses, and that the \$15,000 the City gives them is not necessarily to recruit new business. He stated that we have RDA funds that are for the sole use of redeveloping new or existing properties or for economic development, and it is money that cannot be used for the General Fund. He stated that he feels we need to invest in our economy, and strongly recommended approval.

Mr. Shelton stated that they are targeting incubator companies, and existing Scotts Valley companies that want to expand. He stated that they have done more leasing this quarter than the last three quarters of 2007. He also distributed vacancy statistics from May 2007 and May 2008 to the City Council (on file in the City Clerk's office).

CM Aguilar stated that she has concerns because she feels that this particular campaign is too vague and not complete or concrete. She stated that she would vote for it if it was a strategic and concrete campaign. She also stated that she does not feel we have any statistical information to validate the expense.

VM Barrett concurred with CM Aguilar's comments and stated that he feels there is no guaranteed return.

Less Dittert, Monte Fiore resident, recommended that the City focus on the Town Center.

VM Barrett stated that we are in a recession and recommended that Mr. Shelton revise their program to have 8 one-minute ads, instead of 12 one-minute ads, so that they would not need any funding from the City. He stated that after one year, if there is some proof of improvement, the City could invest the second year.

CM Reed stated that once the City's temporary tax expires, the only way that we will be able to continue offering the services we have is if we increase economic development, radically cut services, or have a tax increase. He agrees we need to promote economic development in a measurable and responsible way, however, he stated that he is somewhat concerned that the media that has been chosen is extremely broad for the audience they are trying to reach. He asked Mr. Shelton if there are publications that focus on incubating and/or small companies of ten people or less, and recommended, if possible, using those publications to advertise. He stated that he is willing to support this program once it gets a little farther along. He also recommended a web-site and a well-thought out, well-focused plan.

***M/S: Bustichi/***

***To authorize the RDA Executive Director to contribute funds in the amount of \$3,986.40 for promotional advertising.***

***NO SECOND, MOTION FAILED***

CM Aguilar stated that she does not feel comfortable approving this request at this time. However, if they come back with a good strategic plan, that has the ability to show some statistical success and a good mechanism to advertise in the community, she would be willing to invest more money (up to \$15,000) for business and economic development to keep our economy vital.

Mayor Johnson stated that the Council needs to see more refined specifics such as: advertising for their target audience, what you hope to accomplish, what you want to achieve, etc.

CM Reed encouraged Mr. Shelton to talk with the Chamber of Commerce about their resources, because we have a large number of hidden assets in the City already that they may be able to work with.

## PUBLIC HEARINGS

### 3. **Continue to June 4, 2008 regular City Council meeting: Consider approval of a Water Mitigation Ordinance**

CDD Wooden requested that this item be continued to the June 4, 2008 regular City Council meeting.

**PUBLIC HEARING OPENED - 7:24 PM and continued to the June 4, 2008 regular City Council meeting.**

### 4. **Consider approval of the subdivision of a 42.81 acre parcel into 17 residential parcels ranging in size from 6,000 square feet to 2.66 acres within a 7.5 acre developed area, The Meadow at Falcon Ridge Subdivision // Green Hills Road // APN's 24-211-01 & 02**

AP Batement introduced Contract Planner Kim Tschantz who presented the written staff report and responded to questions from Council.

Chris Perri, project applicant, provided additional information on the wetland areas. He stated that he feels what they are proposing will improve the quality of the biotic areas on the project. He elaborated on the solar aspect of the project and stated that he was available to respond to questions from Council.

After discussion, Council unanimously agreed to the following corrections/modifications to Resolution No. 1749.5 and the Conditions of Approval (Condition) attached to Resolution No. 1749.5:

- Condition 46, 9<sup>th</sup> line: Change the word "and" to "or".
- Condition 67: Cross-reference to condition "11" should be condition "16".
- Renumber Condition 11.a as Condition 40.b, and renumber Condition 40 as Condition 40.a
- Amend the language of new Condition 40.a, as shown below:  
Condition 40.a: The applicant shall provide an irrevocable offer to dedicate a "floating easement" for public pedestrian trail purposes to the City for ~~a 6 foot wide~~ **an adequate trail access and for parking at the trail head of this trail**. This "floating easement" shall begin at Green Hills Road south of lot 8 and continue to the ridge of the larger open space parcel to provide a connection with the Lodato Park trail system **to the north and the property directly south of the open space parcel**. The exact location of the trail **and its associated parking** easement shall be determined by the City. The construction of a future trail **and associated parking** shall be done by the City and not be the responsibility of the applicant or the homeowners. *(Added wording in bold font. Deleting wording shown with strike-outs)*
- Add language to Condition 14.c, to allow lot owners the option of having solid board fencing at their rear property line as shown below:  
Condition 14.c: The rear and side yard property lines facing the open space wetland/drainage basin of lots 3–6 shall have open type fencing to restrict access into the wetland area but to allow a view of the wetland from the private yards. **Lot owners have the option converting this**

**fence to solid board fencing is they so desire.** (Added wording in bold font)

- Revise language in Condition 40.b to protect the HOA from liability as shown below:  
Condition 40.b: To provide public access **for those hiking trails dedicated for public use** within the dedicated open space ~~areas~~ parcel, the applicant shall create the necessary public easements. **The public easement document shall be reviewed by the City Attorney to protect the HOA against unnecessary liabilities from public use of public dedicated trail and parking areas.** ~~However, a~~Access to the trail head immediately adjacent to lot 7 shall remain proprietary to the HOA. There will be appropriate signage at trail heads to limit usage according to the Parks & Recreation Commission guidelines. Trail signage and use conditions shall be developed in consultation with the City's Parks and Recreation Commission and City Attorney. (Added wording in bold font. Deleted wording shown with strike-outs)
- Correction to Resolution No. 1749.5, Design Review Condition 8, as follows:
  8. ~~The size, location, and arrangement of on-site parking and paved areas.~~ The project includes ~~44~~ **18** on-street parking spaces on the east side of the new project street in addition to the two parking spaces provided by the paved driveways in each lot. Each dwelling will have an attached garage that will be sized to contain two vehicles. the proposed 4 spaces/lot provides more spaces than required by the City's Parking Ordinance. The driveways on 16 of the lots are limited to 20–35 feet in length to minimize impervious surfacing in the project. (Added wording in bold font. Deleting wording shown with strike-outs)

**PUBLIC HEARING OPENED - 8:06 PM**

No one came forward.

**PUBLIC HEARING CLOSED - 8:07 PM**

**M/S: Barrett/Aguilar**

**To approve Resolution No. 1749.4 certifying the mitigated negative declaration and the mitigation monitoring and reporting program for the creation of 17 residential lots and 2 common open space parcels on Green Hills Road - APN's 024-211-01 & 024-211-02.**

**Carried 5/0**

**M/S: Barrett/Aguilar**

**To introduce for first reading Ordinance No. 16-ZC-195.1 approving planned development overlay zoning (PD07-006) for the creation of 17 residential lots and 2 common open space parcels on Green Hills Road - APN's 024-211-01 & 024-211-02, and waive the reading thereof.**

**Carried 5/0**

**M/S: Barrett/Aguilar**

**To approve Resolution No. 1749.5 approving a planned development permit (PD07-006) and design review (DR07-013) and a subdivision (LD07-004) for the creation of 17 residential lots and 2 common open space parcels on Green Hills Road - APN's 024-211-01 & 024-211-02 with the above noted corrections and modifications.**

**Carried 5/0**

5. **Consider approval of fee adjustments for various Police, Administrative, Public Works, Building, Planning, Facility Rental, and Recreation fees**

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

**PUBLIC HEARING OPENED - 8:22 PM**

No one came forward.

**PUBLIC HEARING CLOSED - 8:23 PM**

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

***To approve Resolution No. 1198.53 amending certain fees and charges for City police, administrative, facility rental, planning, building, and public works services.***

***Carried 5/0***

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

***To approve Resolution No. 1593.12 amending certain fees and charges for city recreation services.***

***Carried 5/0***

**REGULAR AGENDA**  
(Resumed)

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

CM Aguilar requested a future agenda item regarding maintenance of the Linear Park at Skypark.

**ADJOURNMENT**

The meeting adjourned at 8:25 p.m.

Approved:

\_\_\_\_\_  
Randy Johnson, Mayor / Chair

Attest:

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