

MINUTES

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

Date: May 20, 2009

POSTING:

The agenda was posted on 5-15-09 at City Hall, the SV Library, and the SV Senior Center by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

Present:

Mayor Johnson
Vice Mayor Reed
Council Member Aguilar
Council Member Bustichi
Council Member Lind

City Manager Ando
City Attorney Powell
Public Wks Director Anderson
Police Chief Weiss
Deputy City Clerk Roland
Recreation Division Mngr Conrad Sudduth

Absent:

City Clerk Ferrara

Mayor Johnson advised that the City of Scotts Valley's litigation against the County over property tax distribution prevailed. The City Attorney gave information on the litigation with the County and stated that on Monday the San Mateo Superior Court agreed that the City was owed approximately \$2.1 million in back taxes, and approximately \$400,000 additional every year. Mayor Johnson stated he was happy for the citizenry of Scotts Valley as they will now get their fair share. VM Reed advised it was more of a fairness issue. He stated the City had been receiving approximately 4% of property taxes collected, when State law requires municipalities receive a minimum of 7%.

Chuck Comstock, resident of Scotts Valley and former City Manager, remarked the decision was great news for the City and congratulated Mayor Johnson, City Manager Steve Ando, and City Attorney Kirsten Powell.

COMMITTEE REPORTS

VM Reed reported that the Library Joint Powers Board met and discussed cutting an additional 10% from their budget, which included closing some neighborhood branches and letting staff go. The Library Board voted not to pursue any branch closures, by a 6 to 3 vote. He reported that cuts will be considered again at the Library Board's June 1st meeting, and the Library Board requested that staff come back with additional suggestions.

CM Aguilar reported that the Association of Monterey Bay Governments (AMBAG) met to discuss their annual budget. She reported that AMBAG discussed negotiating to sell their future building site property to the Marina Coast Water District, and that they also discussed SB375 (Greenhouse Gas Reduction) legislation and blueprint planning.

CM Bustichi introduced Les White, General Manager of the Santa Cruz Metropolitan Transit District who will be making a presentation to Council, later in the meeting.

CM Bustichi reported that he and VM Reed attended the ICSC (International Conference of Shopping Centers) Conference in Las Vegas, which is a Retailers, Developers and Franchise Conference with seminars. He reported that they met with Russ Pratt, who is a partner of Scotts Valley Square and Scotts Village, and who is also a Trustee of ICSC. He stated that they also met with Stanberry and a developer for the Town Center and looked at some changes. They will be coming back with report on future retail. He stated that there were more cities and counties there trying to get retailers to come to their communities than there were retailers there to try to talk to cities and counties, which was the exact opposite of what happened last year.

Mayor Johnson reported that the City Select Committee met today, and Mark Stone and Dene Bustichi were nominated to be on the Coastal Commission. He reported that their names will be forwarded to the Speaker of the Assembly. He stated that a representative from the League of Cities also attended the meeting, and spoke regarding the State budget and the League's expectations that cities will have to defend their funds more closely than ever before.

PUBLIC COMMENT

Micah Posner, Director of People Power, stated that he appreciated CM Bustichi getting 75 people to Bike to School day at Vine Hill School. He stated that a proposal for more bike signage will be coming before the Santa Cruz County Regional Transportation Commission this Thursday and next week. He stated that he believes this proposal would have a positive impact on Scotts Valley Drive and asked the City for their support.

CP John Weiss advised the department received a Proclamation from the County Board of Supervisors declaring May the Elder Adult Abuse Awareness Month. He encouraged members of the community to report any Elder Abuse to the authorities.

Frank Kertai, resident of SV and President of the Heritage Parks Association, read a statement regarding the May 14th City Council meeting and the nomination of CM Bustichi to the Coastal Commission (Attachment A).

CM Lind gave information about "Music in the Park". She advised this is a project that the Chamber of Commerce will be working on to raise funds for the Scotts Valley Educational Foundation. She stated that the proposed event is tentatively scheduled for July or August at Siltanen Park, and she advised anyone interested in helping with this project to contact Seth Dunn at the Chamber of Commerce, or Conrad Sudduth at the Recreation Department.

Paul Bach, Scotts Valley Responsible Local Development Political Action Committee, spoke regarding his speaking time two City Council meetings ago (4/15/09). He expressed concerns that he had been interrupted by the Mayor and CM Bustichi when asking Mayor Johnson and CM Bustichi to recuse themselves from the discussion, because each had received political contributions from a paid consultant of Title II, and stated that he felt there was a potential conflict of interest.

CM Jim Reed stated that the Bike to School Day was a wonderful event and thanked CM Bustichi for helping spearhead the event.

CM Jim Reed commented on the Coastal Commission nomination for the appointment of CM Bustichi. He stated that he could think of very few people in Santa Cruz County that have done more to protect, conserve, and enhance the environment than CM Bustichi. He stated that this Scotts Valley is one of a few cities in California that has a mandatory green building ordinance; that has matching credits offered to the Water District when high water use toilets and showers are replaced by high efficiency devices; made it a requirement to plumb for recycled water to be used in commercial toilets; that requires new commercial construction to use waterless urinals and low flow toilets; and the City has a retrofit at resale ordinance. He stated all these things have happened in the last couple of years, and CM Bustichi has been a leader in making this happen. He stated he was proud to nominate of CM Bustichi to the Coast Commission.

ALTERATIONS TO CONSENT AGENDA

M/S: Aguilar / Reed

To have the 5-14-09 Joint City Council/RDA meeting minutes, to be voted on separately as not all members of the Council were present at the 5/14/09 meeting.

Carried 5/0

A. Approve Joint City Council/RDA meeting minutes of 5-6-09

M/S: Lind / Reed

To approve the Joint City Council/RDA meeting minutes of 5/14/09.

Carried 3/0/2

Abstain: Aguilar and Bustichi

M/S: Lind / Bustichi

To approve the Consent Agenda as amended, removing Item A, the 5/14/09 City Council meeting minutes for a separate vote.

Carried 5/0

Consent Agenda:

B. Approve check register – 5-1-09

C. Approve extension of second amendment to the recycled water supply agreement between the City of Scotts Valley and the Scotts Valley Water District for use of reclaimed water

- D. Second reading and adoption of Ordinance No. 16-ZC-215 approving a planned development district overlay and permit PD09-001 to build a 3-story 112-119 room hotel, with underground parking and related property improvements in the C-S zoning district, located at 5030 Scotts Valley Drive // APN 022-091-61
- E. Approve waste characterization study agreement between the County of Santa Cruz and the City of Scotts Valley
- F. Approve agreement with Fireworks & Stage FX America, Inc. for fireworks on July 4, 2009

**ALTERATIONS TO
REGULAR AGENDA**

City Manager Ando requested that the Council to delete Closed Session item as it was discussed prior to the meeting.

M/S: Aguilar/Bustichi

To approve the Regular Agenda as amended, with the deletion of the Closed Session item.

Carried 5/0

REGULAR AGENDA

1. Presentation from the Santa Cruz Metropolitan Transit District

Les White, General Manager of the Santa Cruz Metropolitan Transit District gave a presentation on the Future of the District and responded to questions from the City Council.

2. 2009-2010 Budget Hearings: (City Manager Ando)

a) Wastewater Fund, Recycling Fund, Recreation Fund, Senior Center, Community Center

CM Ando presented the written staff report and responded to questions from Council. He stated that Recreation Division Manager Conrad Sudduth and Wastewater Facility Manager Scott Hamby were also available for questions from Council.

Frank Kertai, Scotts Valley resident, advised that he recently toured the Wastewater Treatment Plant (WWTP). He stated that they were outstanding and spoke on the advantages of solar technology. He stated that he believed solar may be an energy resource for the WWTP.

WWTP Manager Hamby stated that he has met with solar technologies twice in the past; however, the WWTP facility has limited roof surfaces that have facing southern exposure, so it is not feasible at this time.

CM Aguilar suggested looking at solar panels that sit on the ground and rotate for sun exposure.

b) General Fund

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

CM Aguilar stated that she would like to look at the possibility of working with the Chamber of Commerce for the Music in the Park program, in order to save \$2,500 to \$3,000 of the \$5000 cut to fund this program.

Frank Kertai, resident of Scotts Valley, stated that he had a general question about the impact of the loss of the 1/4¢ sales tax, and the additional \$400,000 from the litigation with the County, and how these funds affect the budget.

CM Ando responded that during the time period when Measure C was at the 1/2¢ level, the City was able to set aside reserves that will be used to help with the current deficit.

Mayor Johnson stated that the monies from the litigation are not yet realized, but the City is hopeful they will be realized in the future. He stated that the City will know more in the next 60 to 120 days, i.e. if the County will be appealing the San Mateo Superior Court decision. He advised the City can't prudently include these monies in their balance sheet at this time.

3. Future Council/RDA agenda items

CM Aguilar requested that the issues of the State Budget and a presentation of Save our City be brought to a future Council meeting.

ADJOURNMENT

The meeting adjourned at 8:10 p.m.

Approved: 
Randy Johnson, Mayor / Chair

Attest: 
for Jeanette L. Roland, Deputy City Clerk / Secretary

20090520 City Council Meeting Kertai Comments

Good Evening. My name is Frank Kertai. I am a resident of Scotts Valley and President of the Heritage Parks Association.

On May 14th, at a specially convened council meeting, council members Johnson, Lind and Reed approved resolution No. 1825 nominating city council member Dene Bustichi for appointment to the California Coastal Commission. I have serious concerns about this nomination. Appointing Mr. Bustichi to the California Coastal Commission would be highly inadvisable. He is not a good fit for this position.

The mission of the Coastal Commission is to protect, conserve, restore, and enhance environmental and human-based resources of the California coast and ocean for environmentally sustainable and prudent use by current and future generations.

The Coastal Commission, in partnership with coastal cities and counties, plans and regulates the use of land and water in the coastal zone. Development activities, which are broadly defined by the Coastal Act to include (among others) construction of buildings, divisions of land, and activities that change the intensity of use of land or public access to coastal waters, generally require a coastal permit from either the Coastal Commission or the local government.

The Coastal Commission's brochure notes that "from the misty redwood forests of the north to the white sand beaches of the south, California's coast extends for 1,100 magnificent miles across ten degrees of latitude. It is the priceless natural heritage of all the people, and a unique geography where conservation has priority..."

The Commission carries out Coastal Act policies, which seek to:

- **Protect** and expand public shoreline access and recreational opportunities
- **Protect** and restore sensitive habitats, including nearshore waters, wetlands, riparian habitat, and habitat for rare and endangered species
- **Protect** farmlands, natural landforms, commercial fisheries, special communities, and archaeological resources
- **Protect** scenic landscapes and views of the sea
- **Establish** stable urban-rural boundaries and guide new development into areas with adequate services
- **Provide** for environmentally sound expansion of industrial ports and electric power plants and for siting of coastal dependent industries
- **Protect** against loss of life and property from coastal hazards.

Let's compare these goals with Mr. Bustichi's record. As a city council member, he has consistently voted in favor of development over preservation. His recent actions include approving projects that exceed development standards, height limits and number of recommended parking spaces. At his recommendation, a developer sought out a large retailer for highly intensive development of a commercial site. That project is incompatible with existing developments and the city's own general land use plan. If approved, that retail development will negatively impact the adjacent Hilton Scotts Valley to the point where it may go out of business. Currently, that hotel is one of the largest sources of revenue for the City of Scotts Valley.

As a direct consequence of Mr. Bustichi's actions, a big-box store is targeting building on a location that is a crucial aquifer recharge zone – our sole source of water. That retail store is planning to place a tall, vertical big Bulls-eye towering 100 feet above Hwy 17 -- a county designated scenic route. It will be instructive to see how Councilman Bustichi votes on this development when it comes before him shortly.

20090520 City Council Meeting Kertai Comments

Even worse than his voting record is Mr. Busitichi's attitude toward citizens who bring issues before him. When local residents brought their traffic concerns before Mr. Bustichi at a recent city council meeting, he declared reviewing these issues "a colossal waste of time". It would appear that once Mr. Bustichi has made up his mind about an issue, he shuts out the community and operates in a less than transparent ways. Why would we expect a different behavior from Mr. Bustichi when dealing with a wider constituency?

I also wish to point out to this city council that in April the city of Santa Clara was the first city in Santa Clara County to pass an ordinance that places constraints on super-stores. The new ordinance prohibits a super-store – defined as a one-stop retailer that offers everything from lawn mowers to groceries – that's larger than 80,000 square feet, with more than 5 percent of the store set aside for grocery sales. In the month of March the city of Salinas passed a similar ordinance prohibiting stores larger than 90,000 square feet from having more than 5 percent of its floor space dedicated to non-taxable food items.

These two cities join over twenty other bay area governments that have placed either constraints or out-right bans on super-stores. Why? Because of the net negative economic impact that these super-stores have on both local economies and local municipalities. I again urge this city council to give serious consideration to putting a similar ordinance in place in our city. Because our city is significantly smaller than these other municipalities, the negative impacts on Scotts Valley from a super-store would likely be larger.

Respectfully,

Frank Z. Kertai