

# MINUTES

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

**Date: August 3, 2011**

**POSTING:**

The agenda was posted on 7-29-11 at City Hall, the SV Senior Center, and the SV Library, by the City Clerk.

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**CALL TO ORDER**                      6:02 p.m.

**PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE**

**ROLL CALL**

Present:	Vice Mayor Lind	City Manager Ando
	Council Member Aguilar	City Attorney Powell
	Council Member Reed	Police Chief Weiss
(Arrived at 6:55 pm)	Council Member Johnson	Senior Planner Bateman
		City Clerk Ferrara
Absent:	Mayor Bustichi	Public Wks Director Anderson

**COMMITTEE REPORTS**

VM Lind reported that the Scotts Valley Water District is conducting tests and working with a water quality engineer to improve the taste and aesthetic quality of the water in Scotts Valley.

VM Lind reported that reported that the Cultural Council received a \$35,000 grant, in addition to the flat funding throughout the County from the National Endowment for Arts, that will be going back to the community for arts programs for our schools. She stated that last year the Cultural Council gave \$65,000 to local schools to keep arts programs alive, and also gave \$140,000 to local artists and arts organizations. She also announced that the 26<sup>th</sup> annual Open Studios will be held in October and there are 57 new arts participating.

**PUBLIC COMMENT**

April Warnock, Para-Transit Superintendent for the Santa Cruz Metropolitan Transit District, representing the Santa Cruz County Regional Transportation Commissions' Pedestrian Safety Workgroup, announced their public campaign to make people aware of their responsibility for sidewalk maintenance and reporting any problems they may find, in order to have well maintained and unobstructed sidewalks.

Jeff Nordahl, spoke regarding Smart Meters, and stated that he would like individuals to have a choice whether they would like to have a Smart Meter or not. He stated that Town of Fairfax and Marin County have joined a protest filed with the CPUC, requesting that people be allowed to opt out of having a Smart Meter for no cost. He stated that the protest was filed by an attorney who is representing California governments and organizations on a pro bono basis, and requested that Scotts Valley join the protest. He distributed a copy of the protest and contact information for the pro bono attorney.

VM Lind announced that there is an upcoming fundraiser for Special Olympics called "Police in Pursuit" on August 19, 2011 at Ocean Speedway in Watsonville, and stated that additional information regarding this fundraiser is available on the Scotts Valley Police Department website at [www.scottsvalleypd.com](http://www.scottsvalleypd.com).

CM Reed announced that the second in a series of four "Music in the Park" concerts was held at Skypark on a July 29, 2011 and is sponsored by the Kiwanis Club and the Arts Commission. He stated that this is a free event, and money received from food and drinks goes to the schools. He stated that two additional events will be held the last Sunday of August and the last Sunday of September.

CM Reed announced that the Scotts Valley Education Foundation (SVEF) will hold its second annual Community Day event on September 10, 2011, which is where participating local merchants will give back to schools by pledging a percentage of their sales on that day to go to the SVEF. He stated that additional information is available at [www.svef.net](http://www.svef.net).

CM Reed announced that the City of Scotts Valley will also be holding a Community-wide garage sale on September 10, 2011, and stated that the City will facilitate advertising, and a master list will be made available to the public. He stated that interested parties can contact the Public Works Department at 438-5854 to be placed on a comprehensive list of people participating in the garage sale.

## **ALTERATIONS TO CONSENT AGENDA**

CM Aguilar requested that Item C be moved to the regular agenda for minor changes.

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

***To approve the Consent Agenda as amended moving Item C to the regular agenda for minor changes.***

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

## **Consent Agenda:**

- A. Approve Joint City Council/RDA meeting minutes of 7-20-11
- B. Approve check register – 7-25-11, 7-18-11

## **ALTERATIONS TO REGULAR AGENDA**

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

***To approve the Regular Agenda as amended moving Consent Agenda Item C to the regular agenda for minor changes.***

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

## **REGULAR AGENDA**

- C. Approve Resolution No. 1865.2 approving the final map for Habitat for Humanity, Blake Lane, APN 022-891-03**

CM Aguilar requested that on page 4, Conditions of Approval, Item 13i, she wants to be sure that the applicant does not have to come before the City Council to replace dead plants or trees.

CA Powell stated that staff will make the necessary changes.

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

***To approve Resolution No. 1865.2 approving the final map for Habitat for Humanity, Blake Lane, APN 022-891-03 with the above noted change.***

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

- 1. Consideration of deferral of impact fees and authorization to apply for State CDBG grant for the Hotel project on Scotts Valley Drive**

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

Ken Hira, Kosmont Companies, stated that after completing the financing gap analysis, they had come up with the two recommendations being presented by City staff: (1) To approve the deferral of approximately \$786,200 in impact fees, to be repaid over five years following the fifth anniversary of the issuance of the occupancy permit for all or any portion of the hotel, and authorize the City Manager to enter into such agreement and promissory note with the developer of the hotel project on Scotts Valley Drive. In return, the City will receive additional TOT tax and sales tax; and (2) authorize the City Manager to pursue and execute any documents to obtain a CDBG grant from State HCD in the amount of approximately \$1,200,000 to then be loaned along with the \$554,000 funds on hand to the developer of the hotel project on Scotts Valley Drive. He provided additional information on the two recommendations and responded to questions from Council.

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

***To approve the deferral of approximately \$786,200 in impact fees, to be repaid over five years following the fifth anniversary of the issuance of the occupancy permit for all or any portion of the hotel, and authorize the City Manager to enter into such agreement and promissory note with the developer of the hotel project on Scotts Valley Drive. In return, the City will receive additional TOT tax and sales tax.***

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

**M/S: Aguilar/Reed**

**To authorize the City Manager to pursue and execute any documents to obtain a CDBG grant from State HCD in the amount of approximately \$1,200,000 to then be loaned along with the \$554,000 funds on hand to the developer of the hotel project on Scotts Valley Drive.**

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

**PUBLIC HEARINGS**

2. **Consider approval of a minor land division, use permit and design review application to subdivide a 35,583 square foot commercial lot into two parcels and construct a new 1,856 square foot commercial building with a 5,500 square foot equipment storage yard on one of the parcels**

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

**PUBLIC HEARING OPENED - 6:52 PM**

No one came forward.

**PUBLIC HEARING CLOSED - 6:52 PM**

**M/S: Aguilar/Reed**

**To approve Resolution No. 1869 approving Minor Land Division NO. MLD11-001 to create two parcels from one existing 35,583 square foot parcel and approve Design Review No. DR11-003 and Use Permit No. U1-001 for a new 1,856 square foot commercial building with a 5,500 square foot equipment storage yard on proposed Parcel A, located at 4654 Scotts Valley Drive (APN 022-491-16).**

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

CM Johnson arrived at 6:55 pm.

3. **Consider adoption of a negative declaration and approve an Implementing Agreement with the U.S. Fish and Wildlife Service for the Sandhills Interim Programmatic Habitat Conservation Plan (IPHCP)**

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

**PUBLIC HEARING OPENED - 7:02 PM**

No one came forward.

**PUBLIC HEARING CLOSED - 7:02 PM**

**M/S: Aguilar/Reed**

**To approve Resolution No. 1870 adopting a negative declaration and approving an Implementing Agreement with the U.S. Fish and Wildlife Service for the Sandhills Interim Programmatic Habitat Conservation Plan (IPHCP).**

**Carried 4/0 (ABSENT: Bustichi)**

**REGULAR AGENDA**

(Resumed)

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

CM Aguilar requested a future agenda item to consider joining the petition with Marin and Fairfax regarding an opt-out provision for Smart Meters.

**CONVENE TO CLOSED SESSION**

The City Council convened to closed session at 7:10 p.m. to discuss the following items:

- (1) Pursuant to Government Code Section 54957.6, the City Council met in closed session to confer with their labor negotiator regarding employee negotiations with Mid Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.
- (2) Pursuant to Government Code Section 54956.9a, the City Council met in closed session to confer with their legal counsel regarding existing litigation. Case: City of Scotts Valley vs. County of Santa Cruz, et al Case No. CIV467230 San Mateo County Superior Court and Case No. A126357 Court of Appeal, First District.

**RECONVENE TO OPEN SESSION**

The City Council reconvened to open session at 7:30 p.m.

**REPORT ON ACTION TAKEN DURING CLOSED SESSION**

Mayor Bustichi announced that there was nothing to report.

**ADJOURNMENT**            The meeting adjourned at 7:31p.m.

Approved: \_\_\_\_\_  
Donna Lind, Vice Mayor / Vice Chair

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