

MINUTES

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

Date: August 6, 2008

POSTING:

The agenda was posted on 8-1-08 at City Hall, the SV Library, and the SV Senior Center by the City Clerk.

CALL TO ORDER 6:02 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

Present:

Mayor Johnson
Council Member Aguilar
Council Member Bustichi
Council Member Reed

Deputy City Mgr/Admin Svs Dir Ando
City Attorney Powell
Public Wks Director Anderson
Police Chief Weiss
Community Development Dir Wooden
Contract Planner Westman
Economic Development Planner Stevens
City Clerk Ferrara

Absent:

Vice Mayor Barrett

City Manager Comstock

SPECIAL SET MATTER Presentation of Responsible Alcohol Merchant Awards. Per the request of United Way, this item will be rescheduled for a later date.

COMMITTEE REPORTS CM Reed reported that the Gateway South Subcommittee met regarding the economic impact study for the Target project. He stated that they have selected a couple of members of the public to help the Subcommittee review the responses to the RFP from consultants for the economic impact study. He stated that a Request for Proposals (RFP) has been sent out and the Subcommittee will be reviewing the responses to the RFP and establishing criteria for selection. He stated that the Subcommittee will select three to five consultants who will make presentations to the Subcommittee, and after reviewing those presentations, the Subcommittee will make a recommendation to the City Council for the selection of a firm. He stated that the materials from all of the finalists will be forwarded to the City Council with that recommendation for the City Council to make the final selection of the consultant. He stated that the final selection will occur at a regularly scheduled City Council meeting.

CM Bustichi reported that the Santa Cruz Metropolitan Transit District (SCMTD) Board will be meeting this Friday, August 8, and read from an email he received from Les White, General Manager of the SCMTD, regarding the suspension of Prop 42 transportation funds from the State, which could be

devastating to the SCMTD. He stated that the State has already cut \$5.3 million in funding down to \$2.2 million in funding. He stated that if the State suspends Prop 42 funds, it will reduce the \$2.2 million down to \$636,000. He stated that it also puts in jeopardy the \$6.3million that the State has already approved for the SCMTD, which they were supposed to already have received and have been spending. He stated that if the State defaults on the \$6.3 million, it will put the SCMTD in the position of having to borrow money to pay for the construction that has just been completed for the Transit Center. He recommended that citizens contact Assemblymember John Laird and Senator Abel Maldonado and encourage them to fix the budget and stop taking money from local jurisdictions.

PUBLIC COMMENT

PC Weiss introduced new employee, EDC I Amber Bongio, who has just completed her training.

Paul Bach representing the Responsible Local Development Political Action Committee, stated that a meeting scheduled on July 31 by the City Planning Department for prospective consultants to ask questions before submitting their proposals to prepare the Target economic impact study, was cancelled after hearing that approximately 100 citizens would be attending the meeting to ask questions and learn more about the economic study. He questioned why the City would rather cancel a meeting than allow the citizens to attend the meeting and ask questions. He also questioned why the City did not reschedule the meeting. He distributed an invitation for a meeting sponsored by the Scotts Valley Hilton Hotel and the Scotts Valley Responsible Local Development Political Action Committee to the City Council, City Manager Ando, and Community Development Director Wooden. He stated that the meeting is a citizen sponsored discussion and question and answer meeting related to the Target project, being held at the Scotts Valley Hilton Ball Room on Monday, August 18, 2008 from 7:00 pm to 9:00 pm.

Mark Ransler, Scotts Valley resident, thanked the City Council for serving the citizens of Scotts Valley and making positive improvements to the City. He spoke in opposition to Target being constructed on La Madrona Drive due to traffic and congestion, and stated that he feels it is an inappropriate use for the site.

Frank Kertai, President of the Heritage Parks Homeowners Association, read from a letter that was emailed to the City Clerk at 5:31 pm on August 6, 2008, and that is included as Attachment A and on file in the Office of the City Clerk.

Les Dittert, Scotts Valley resident, commended the City Council for their work on the Town Center project. He spoke in opposition to the construction of Target on La Madrona Drive due to environmental, economic, and traffic impacts.

ALTERATIONS TO CONSENT AGENDA

CM Aguilar stated that Item I on the consent agenda is Resolution No. 1818, which opposes fiscally irresponsible state budget decisions that would "borrow" local government, redevelopment, and transportation funds. She stated that the League of California Cities is getting the message out that it's

time for the state to “cut up its local government credit card once and for all”, and encouraged citizens to visit www.cutupthecard.com for additional information. She also encouraged citizens to contact the Governor, Assemblymember John Laird, and Senator Abel Maldonado to request that the state leaders work together to balance the state budget and to stop borrowing or taking local government (including redevelopment) and transportation funds, because it only deepens the existing structural deficit and harms local services.

Paul Bach, Responsible Local Development Political Action Committee, requested that Item E be moved to the regular agenda for discussion.

M/S: Aguilar/Bustichi

To approve the Consent Agenda as amended moving Item E to the agenda.

Carried 4/1 (ABSENT: Barrett)

Consent Agenda:

- A. Approve Joint City Council/RDA meeting minutes of 7-16-08
- B. Approve check register – 7-14-08, 7-28-08, 7-29-08
- C. Vine Hill School Road Bike Lane Project:
 - (1) Approve Change Order No. 1 in the amount of \$6,310
 - (2) Approve award of contract for construction in the amount of \$66,467 to Pavex for the Vine Hill School Road Bike Lane Project
 - (3) Approve the Contract for Professional Services between the City of Scotts Valley and Pacific Coast Engineering to provide geotechnical services, in the amount of \$7,000, for the Vine Hill School Road Bike Lane Project
 - (4) Approve amendment to the 2008-09 budget by increasing the Vine Hill School Road Bike Lane Project (Account 150.90.4556.904) by \$79,777, and increasing grant revenue by \$59,820 and fund transfer from the gas tax fund to the General Capitol Projects Fund (Fund 150) in the amount of \$19,957
- D. Approve Agreement between the City of Scotts Valley and Stephen H. Ando for employment as City Manager
- F. Approve Resolution No.1551.21 establishing salary levels and establishing the management compensation benefit package for the Scotts Valley Management Team
- G. Second reading and adoption of Ordinance No. 16-ZC-211 approving planned development overlay zoning and permit #PD07-008 for the creation of six townhouse residential lots and one common lot and construction of six units at 22 Blake Lane // APN 022-172-47
- H. Approve the specific funding amounts to outside agencies (\$46,278) as recommended by the Human Care Subcommittee for 2008-2009, and amend the 2008-2009 budget to increase the funding to community service organizations by \$848
- I. Approve Resolution No. 1818 opposing fiscally irresponsible state budget decisions that would “borrow” local government, redevelopment, and transportation funds

**ALTERATIONS TO
REGULAR AGENDA**

M/S: Aguilar/Bustichi

To approve the Regular Agenda as amended moving Item E to the regular agenda for discussion.

Carried 4/1 (ABSENT: Barrett)

REGULAR AGENDA

E. Approve amendment to contract with RRM Design Group regarding the preparation of the Scotts Valley Town Center Specific Plan Environmental Impact Report

CP Westman presented the written staff report and responded to questions from Council. She stated that the staff report indicated that the Final Draft of the Specific Plan and EIR would be released the week of August 4, however, they are running about ten days behind. She stated that as soon as those reports are available, the City will make a public announcement and copies will be available at City Hall and we will place them on the website.

Paul Bach representing the Responsible Local Development Political Action Committee (RLDPAC), stated that the RLDPAC supports the Town Center, however, they have some questions regarding who is going to pay the additional money for the contract amendment. He stated that the RLDPAC would also like to see an economic impact report for the Town Center and questioned if this type of study would be completed. He stated that the RLDPAC is also interested in seeing the traffic study to see if it uses the mid-town interchange as a mitigating factor, and if it is, the RLDPAC would like to know where the money is to fund it. He stated that if the mid-town interchange cannot be constructed, the RLDPAC is requesting that the City immediately stop using the mid-town interchange on every single development project.

CP Westman stated that the Town Center project was started long before the proposed Target. She stated there is an economic analysis in the Specific Plan relating to how much additional square footage they feel is appropriate to be included in the City. She stated that this economic study will not include Target because it was started long before the proposed Target. She stated that as far as the traffic report, the City does not actually have it at this time, but she does know that one of the options that they are supposed to look at is the traffic with and without the mid-town interchange, so all of that information will be coming out when the reports are available to everyone.

Paul Bach questioned if an explanation of how the mid-town interchange might be funded will be included if it is used as a mitigating factor.

CP Westman responded that if the mid-town interchange is used as a one of the mitigations for the Town Center project, then they will have to include in there a plan for when the mid-town interchange would be built and how it would be funded. She stated that we will need to wait and see if they use the mid-town interchange as their way of mitigating the traffic problems.

Frank Kertai, President of Heritage Parks Homeowners Association, commended the City Council on the Town Center project and stated that many of the residents of Monte Fiore view it as a good project for the City. He questioned if the traffic report for the Town Center included the proposed Target project impacts or the other major projects that have been approved such as the 804 high density housing units that were approved last September.

CP Westman responded that the traffic will look at what the traffic is right now, what it will be if their project is added, what the traffic will be when all projects that have been started are completed, all projects that have been approved but have not pulled building permits, and all projects that are going through the planning process, which includes Target.

Daryl Tempesta, Scotts Valley resident, questioned the traffic that may affect the scenic route in Scotts Valley. Mayor Johnson clarified that this item was not regarding traffic, but an amendment to the RRM Design Group contract.

Mayor Johnson stated that the Redevelopment Agency will be funding this contract amendment.

M/S: Aguilar/Reed

To approve the amendment to contract with RRM Design Group regarding the preparation of the Scotts Valley Town Center Specific Plan Environment Impact Report.

Carried 4/1 (ABSENT: Barrett)

PUBLIC HEARINGS

- 1. Consideration of Minor Land Division (MLD07-001) to create to parcels from one in the R-1-10 zoning district, 125 Navarra Drive (Tony Allabach) // APN 24-071-01**

EDP Stevens presented the written staff report and responded to questions from Council. She stated that the applicant, Tony Allabach, was available at the meeting to respond to questions from Council.

PUBLIC HEARING OPENED - 6:47 PM

No one came forward.

PUBLIC HEARING CLOSED - 6:47 PM

M/S: Aguilar/Reed

To approve Resolution No. 1817 approving a minor land division MLD07-001 to create two parcels from one existing 27,520 square foot parcel located at 125 Navarra Drive (APN 024-071-01).

Carried 4/1 (ABSENT: Barrett)

- 2. Continued open public hearing from 7-16-08 City Council meeting: Consideration of "Oak Creek Park Mixed-Use" Planned Development, Land Division, and Design Review for two commercial buildings and up to 10 townhouse units at 3640 Glen Canyon Road // APN 022-162-76 (PD06-003, LD06-002, DR06-007)**

CA Powell stated that the applicant was requesting to continue this application to a date uncertain so that they can have more time to address neighborhood and Council comments to date. She stated that a public hearing notice will be posted and distributed when the applicant requests a date certain.

M/S: Aguilar/Bustichi

To accept the applicant's request to continue this item to a date uncertain and direct staff to post and distribute a new public hearing notice when the applicant requests a date certain.

Carried 4/1 (ABSENT: Barrett)

**3. Skypark Open Space Maintenance Assessment District No. 1:
Resolution No. 1555-SP-19; Annual Engineer's Report Skypark**

CM Reed recused himself from this item due to the fact that he lives in Skypark.

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

PUBLIC HEARING OPENED – 6:51 PM

No one came forward.

PUBLIC HEARING CLOSED – 6:51 PM

M/S: Aguilar/Bustichi

To approve Resolution No. 1555-SP-019 ordering and authorizing the levy and collection of assessments therein pursuant to the Landscaping and Lighting Act of 1972 – Skypark Open Space Maintenance District.

Carried 4/1/1 (ABSENT: Barrett / ABSTAIN: Reed)

M/S: Aguilar/Bustichi

To approve the annual engineers report for the Skypark Open Space Maintenance District.

Carried 4/1/1 (ABSENT: Barrett / ABSTAIN: Reed)

**4. Pinewood Estates Landscape Maintenance Assessment District:
Resolution No. 1213.21; Annual Engineer's Report Pinewood**

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

PUBLIC HEARING OPENED – 6:54 PM

No one came forward.

PUBLIC HEARING CLOSED – 6:54 PM

M/S: Aguilar/Bustichi

To approve Resolution No. 1213.21 ordering and authorizing the levy and collection of assessments therein pursuant to the Landscaping and Lighting Act of 1972 – Pinewood Estates Landscape Maintenance District.

Carried 4/1 (ABSENT: Barrett)

M/S: Aguilar/Bustichi

To approve the annual engineers report for the Pinewood Estates Landscape Maintenance Assessment District.

Carried 4/1 (ABSENT: Barrett)

PC Weiss introduced new Police Officer Kevin Gorman, who just completed the Scotts Valley Police Department training program.

REGULAR AGENDA

5. Future Agenda Items

CM Aguilar initiate a policy regarding the use of letterhead by City Council Members.

ADJOURNMENT

The meeting adjourned at 6:58 p.m.

Approved:

Randy Johnson, Mayor / Chair

Attest:

Tracy A. Ferrara, City Clerk / Secretary

Kertai Scotts Valley City Council Presentation 2008-08-06

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

At the July 2 City Council meeting, Vice-Mayor Barrett made a motion to specifically modify the Economic Impact Study RFP language to evaluate the *net* economic impact to the city. Council member Bustichi seconded the motion and the entire city council approved the action. Despite this unanimous city council approval the city planning director failed to change the final publicly released RFP. When I pointed this out to Planning Director Wooden in a July 24 email, she replied, and I quote, "It is not necessary to amend the RFP to assure that "net" impacts will be analyzed." Since when does city staff get to arbitrarily ignore city council resolutions and directives?

Also this evening, I ask a number of questions of the city council related to traffic. What is the long term traffic plan for the city? When was the last time the city did a complete traffic study? What is the plan to mitigate the additional traffic from currently planned development? What are the city's plans with respect to actually building a Mid-Town Interchange? How would the Mid-Town Interchange be financed? My understanding is that land that had once been possibly targeted for this purpose has been released for other development. What is the likelihood and cost of repurchasing and repurposing property that would be needed to build the Mid-Town Interchange?

An earlier traffic study has already concluded that Mt. Hermon Road at Scotts Valley Drive should be eight lanes wide -- two wider than it is now. This is before any further development.

At the July 16, 2008 City Council meeting this council approved the 22 Blake Lane project which converted a single family home into six homes. These six homes are expected to generate a combined 57 trips per day. This traffic will directly feed into Scotts Valley Drive and ultimately Mt. Herman Road.

Also at the July 16, 2008 City Council meeting, this council considered the proposed development of the Oak Creek Park Mixed-Use Planned Development at 3640 Glen Canyon Road. This development as planned identifies two commercial buildings and up to ten town houses. What are the expected traffic impacts from this project?

An April 14, 2008 memo from CALTRANS Transportation Planner Ms. Calate to Scotts Valley Planner Ms. Fodge regarding the Negative Declaration for the Oak Creek Mixed Use Development contradicted the conclusions of the traffic study performed for that project. The cumulative affects of that project were incorrectly calculated in the study. **That memo additionally states that SR 17 currently operates at Level of Service (LOS) F.** Because the Department is responsible for the safety, operations, and maintenance of the State transportation system, their Level of Service (LOS) standards should be used to determine the significance of the project's impact. CALTRANS endeavors to maintain a target LOS at the transition between LOS C and LOS D on all State transportation facilities. **In cases where a State facility is already operating at an unacceptable LOS, any additional trips added should be considered a significant cumulative traffic impact, and should be mitigated accordingly.**

According to the city's planning documents, as part of the mitigation measures for this development, the developer shall contribute \$20,000 to improve the Mt. Hermon Road/Scotts Valley Drive intersection, to reduce project-specific impacts on the City's current road network before the construction of the Mid-Town Interchange. If the city of Scotts Valley continues to use the Mid-Town Interchange as a mitigating factor, then the city should have a comprehensive plan for the development of that Mid-Town Interchange.

Two major developments are being currently considered in Scotts Valley. These are the Town Center project and the Target Shopping Center project. While the final traffic reports for these projects have not been released, the traffic impacts can be estimated. The preliminary traffic report for the Target project estimated an additional 9,100 trips per day. This is for a project of 155,000 sq. ft. of retail. The Town Center plan calls for approximately 174,000 additional sq. ft. of retail space. It seems reasonable to estimate an additional 11,000 plus trips per day from this project. The combined totals from both projects would result in an excess of over 20,000 trips per day – almost twice the population of Scotts Valley! And this does not take into account the affect of 804 high density housing units already approved last September!

Without a viable plan to mitigate this volume of additional traffic, building both of these projects will result in gridlock for this city. We have already exceeded our capacity. Unlike a hurricane where the floodwaters recede, once built, these projects would generate the projected level of traffic an on-going basis. I ask the city council once again – what is the city's long term traffic plan? What are the mitigation plans? What will they cost? Who will pay for this? And finally, why are you ignoring these problems?

Thank you!

Frank Z. Kertai
President Heritage Parks Association