

MINUTES

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

Date: September 17, 2008

POSTING:

The agenda was posted on 9-12-08
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 Barrett
Council Member Aguilar
Council Member Bustichi
Council Member Reed

City Manager Ando
City Attorney Powell
Public Wks Director Anderson
Police Chief Weiss
Community Development Dir Wooden
Contract Planner Westman
Building Official Strasser
City Clerk Ferrara

SPECIAL SET MATTER **Presentation of Responsible Alcohol Merchant Awards (RAMA):** Mayor Johnson gave a brief history and background on the Responsible Alcohol Merchant Awards (RAMA) and presented the RAMA's for 2008 to the following five vendors in Scotts Valley: Leo's Liquors; Valero Energy Corporation; Long's Drug Store; and Village Bottle Shoppe. Kevin Mangan, a Junior at Scotts Valley High School, gave additional history and background on RAMA, and stated that he, along with over 175 youth, participated in RAMA training and interviews this year. He stated that RAMA is a collaborative effort between the Santa Cruz County Friday Night Live Partnership and Together for Youth, an initiative of United Way of Santa Cruz County. He congratulated the 2008 RAMA winners and thanked them for being involved in a program that helps better the community. Mr. Mangan introduced PC Weiss who thanked everyone involved in RAMA. PC Weiss stated that RAMA is a wonderful program that is so successful because of the cooperation and participation of the different merchants.

COMMITTEE REPORTS CM Bustichi reported that the Santa Cruz Metropolitan Transit District (SCMTD) met to discuss concerns about delays that are occurring due to increased ridership. He reported that the SCMTD is working on the scheduling conflicts, however, there are financial impacts associated with the increase in ridership, so it may take some time.

CM Aguilar reported that the Association of Monterey Bay Area Governments (AMBAG) met and their main focus was the Erosion Master Plan for the Monterey Bay. She stated that AMBAG is working on modifications, and the report should be out by November.

CM Aguilar reported that the League of California Cities had a phone conference regarding the Governor's possible VETO of the State budget. She stated that the Governor was looking for unanimous support from the League regarding his VETO, however, that was not given. She stated that the League agreed to send a letter with their concerns regarding the proposed State budget.

Mayor Johnson reported that the Santa Cruz County Regional Transportation Commission (SCCRTC) met and received an update on the Highway 1 widening project. He stated that originally the widening project stopped at Morrissey Boulevard, however, extending the widening from Morrissey to Soquel has now been funded, and the cost will be between \$16 - \$20 million.

PUBLIC COMMENT

Frank Kertai, President of the Heritage Parks Association and Candidate for City Council, urged everyone in the community to review and submit comments for the proposed Town Center, because it will have an impact on the entire City. He stated that the report is available for review on the City's website and that comments are due to the City by October 3. He expressed his concerns about safety due to the proposed reduced lane widths on Mt. Hermon Road. He requested that the City Council address the examination of the Mid-Town Interchange, especially because of the proposed Target, and stated that the Mid-Town Interchange is listed as one of the primary mitigating factors for the Town Center project in the Draft Town Center EIR. He stated that if the proposed Town Center and proposed Target are both approved, the 30,000 car trips per day currently on Mt. Hermon Road will almost double.

Paul Bach, Responsible Local Development Political Action Committee (RLDPAC), stated that he had emailed a 3-minute video to all the City Council Members. He stated that the video is an interview with someone in Berkeley that describes the impact that traffic has had in Berkeley since Target closed one store and opened another store less than five miles away. He stated that at a previous City Council meeting, VM Barrett had requested that the Mid-Town Interchange be placed on a future City Council agenda. He stated that the Mid-Town Interchange is used as a mitigating factor in the Town Center EIR and the Target EIR, and he would like to see it addressed before the EIR's are completed. He expressed his concerns about traffic and safety in relation to the proposed one foot reduction of lane widths on Mt. Hermon Road. He stated that the RLDPAC is retaining a traffic engineer to do a study of the traffic. He also questioned what the process was to add the Mid-Town Interchange to the agenda, and stated that he would like to see it on the agenda.

VM Barrett reported that the Cultural Council will be holding its annual Open Studios Tour in October. He stated that the studios are open from 11:00 am to 6:00 pm, and that the South County tour will be October 4-5, North County will be October 11-12, and an Encore weekend will be held October 18-19. He stated that open studios calendars are available for sale at most book stores.

He stated that the calendars are available in Scotts Valley at Artists.com, The Art Store, Santa Cruz County Bank, Surf City Coffee, and Zinnia's.

CM Bustichi asked City staff if the Town Center project uses the Mid-Town Interchange as a mitigating factor. PC Westman responded that the Mid-Town Interchange is not used as a mitigating factor in the Town Center EIR.

CM Bustichi questioned if the Gateway South office building, that was approved in 2007 on the proposed Target site, used the Mid-Town Interchange as a mitigating factor. PC Westman responded that the EIR for the Gateway South office building did not use the Mid-Town Interchange as a mitigating factor.

CM Bustichi questioned if the currently proposed Target project uses the Mid-Town Interchange as a mitigating factor. PC Westman stated that she did not have the answer to that, because she has not had the opportunity to study the Target traffic information.

Scott Hamby, WW Environmental Program Manager for Scotts Valley, stated that last Saturday, September 13, the City held its 6th Annual E-Waste event. He stated that the City teamed up with Scotts Valley Rotary to put this event on, that there were more than 300 participants, and that 15 tons of e-waste had been collected. He stated that City's appliance recycling event will be held on October 11, from 9:00 am to 1:00 pm, on Erba Lane across from the Fire Station.

Mayor Johnson congratulated PC Weiss and the Scotts Valley Police Department on their very successful annual inspection.

ALTERATIONS TO CONSENT AGENDA

Paul Bach, RLDPAC, requested that Item E be moved to the regular agenda for discussion.

M/S: Barrett/Aguilar

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

Carried 5/0

Consent Agenda:

- A. Approve Joint City Council/RDA meeting minutes of 9-3-08
- B. Approve check register – 9-8-08
- C. Approve State Supplemental Law Enforcement Services Fund (SLESF) / Citizens Option for Public Safety (COPS) grant fund expenditures for 2007/08
- D. Approve job title and specification, changing the City's Senior Laboratory Technician/Industrial Waste Inspector to Senior Wastewater Laboratory Analyst
- F. Approve the inventory of surplus equipment and authorize the Purchasing Officer to dispose of such equipment in accordance with Section 2.70.130 of the Purchasing Ordinance

**ALTERATIONS TO
REGULAR AGENDA**

M/S: Barrett/Bustichi
To approve the Regular Agenda as amended moving Item E to the regular agenda for discussion.
Carried 5/0

REGULAR AGENDA

- E. Approve contract for professional services with Gruen Gruen + Associates to prepare an economic impact study for the proposed Gateway South retail store on La Madrona Drive**

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

Paul Bach, RLDPAC, stated that he was concerned because he did not see that the comments and requests made by CM Bustichi and VM Barrett at the September 3rd City Council meeting had been incorporated into the contract. He requested that the City Council not approve this contract until it can be renegotiated to include their comments from September 3rd. He stated that he believes it is important to include housing in the contract. Mr. Bach stated that both the Target study and the Town Center study include the Mid-Town Interchange and numbers for traffic for the Mid-Town Interchange.

Frank Kertai, President of the Heritage Parks Association and Candidate for City Council, stated that he thinks there a number of things that should be looked at as part of the economic impact study for the proposed Target project. He expressed his concerns about a lack of proper infrastructure for the increased traffic that will be caused by the proposed Target project and the proposed Town Center project. He requested that the infrastructure costs be evaluated and urged the Council to look at the current proposal further. He also requested that the Council look at the potential impact of the proposed Target project on the Town Center, because he feels that the Target project may have a negative impact on the Town Center project.

CM Bustichi asked City staff if all of the comments made at the September 3rd City Council meeting would be incorporated in the study to be performed by Gruen Gruen + Associates.

CA Powell responded that Mr. Gruen will be provided with a copy of the minutes from the September 3rd City Council meeting and he knows that those are items that the Council would like to be considered. She also stated that in the current Scope of Work the following items are included: Section 3, Identify the Existing and Planned Supply of Competitive Stores Within the Trade Area Definition and Estimate Current Sales Within Trade Area, includes analysis of the impact on the Town Center project, as well as other businesses within the City; Section 5, references the property value spillover effects; and Section 7b, will include the impact of the proposed development on the City's General Fund.

CM Bustichi stated that he is satisfied that the comments made by himself and VM Barrett have been incorporated. CM Bustichi stated that he does not want to delay the economic study because he would like to get the facts so that there is no more speculation.

VM Barrett asked if the Mid-Town Interchange could be included in the economic study.

CDD Wooden responded that the Target traffic study and EIR have not been completed at this time. She stated that the Mid-Town Interchange is not included as a mitigating factor for the Town Center project, and the City does not have the Target traffic study yet, so the City doesn't know if the Mid-Town Interchange will be included as a mitigating factor for the Target project, although it is the City's belief that it will not be a mitigating factor. She stated that in the event the City determines that the Mid-Town Interchange should be included as a mitigation, then the cost of that would be included in an update to the economic study to see what other fiscal impacts there might be.

CA Powell stated that if in fact the Mid-Town Interchange was required as a mitigation measure for the Target project, as with all mitigation measures, that would be an obligation of the applicant, not the City.

CM Aguilar requested that City staff obtain a letter of clarification from Gruen Gruen + Associates stating that they will incorporate the comments made by CM Bustichi and VM Barrett at the September 3rd City Council meeting in their study. CDD Wooden responded that she would take care of this.

Chuck Walker, City Council Candidate, questioned what the limitations are regarding what can be discussed regarding Target. He also asked for clarification on the accuracy of sales tax revenue numbers that are on the pro-Target website. Mayor Johnson responded that more accurate numbers should be available after the economic study is prepared. Mr. Walker asked if impacts to the Town Center would be included in the study. Mayor Johnson responded that the analysis of those impacts would be included.

M/S: Bustichi/Barrett

To approve the contract for professional services with Gruen Gruen + Associates to prepare an economic impact study for the proposed Gateway South retail store on La Madrona Drive as amended to include a letter of clarification from Gruen Gruen + Associates, stating that they will incorporate comments made at the September 3rd City Council meeting by CM Bustichi and VM Barrett.

Carried 5/0

1. Discussion: Storm Water Management Plan

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

CM Aguilar questioned what the legal requirements are with an unfunded mandate, should the City not have the resources to implement the mandate.

CA Powell responded that the City is looking at all of our options, and staff will bring back additional information at the October 1 City Council meeting.

CM Aguilar recommended that CA Powell include discussions with legislators.

CA Powell stated that one of the other issues that staff is looking into is the possibility that the mandates of this program could be contradictory to our obligations to provide housing opportunities.

CM Aguilar requested that under the education element, staff include that the City is investing 9C monies into the O'Neill Sea Odyssey program ,and that the City will attempt to apply for any monies available to implement this mandate.

CM Aguilar questioned what the consequences would be of not having a permit.

CA Powell responded that there could be monetary consequences from the Board and possibly third parties.

PWD Anderson stated that if the City does not have a permit, the Board will issue a permit to the City, and the Board will add language in the permit incorporating the mandates.

CM Bustichi questioned if the Storm Water Management Plan would change over the years. PWD Anderson responded that it would. CM Bustichi recommended that the SWMP be reviewed by the Water Subcommittee as it changes over the years so that it can be evaluated more thoroughly. The Water Subcommittee would then bring their recommendations to the entire City Council for consideration.

VM Barrett questioned if the City has any idea what our watershed area is. PWD responded that it is not difficult to establish the size of the City's watershed, but establishing the impervious surfaces such as roads and the developed amount, is a challenge.

CM Bustichi stated that this may be a good thing once it is achieved, however, he stated that he is very concerned about the fiscal impact of this mandate on the City, businesses, and homeowners.

CM Aguilar questioned the potential issue with the Department of Fish and Game if they are not getting enough water into the streams. PWD Anderson responded that this issue had been brought up, but not addressed, because it is a different jurisdiction.

Charlie McNiesh, Scotts Valley Water District General Manager, stated that the SVWD will be happy to participate if necessary. He stated that there are opportunities to apply for grant funds to retrofit parking lots throughout the City, and the SVWD will help address issues when they can.

CM Reed stated that there are still many unanswered questions as to the implementation of this plan, and he is very concerned about the fiscal impact.

Paul Bach, RLDPAC, expressed concerns about the potential runoff from the proposed Target project into Carbonero Creek, and stated that he would like the economic study for Target to consider the potential toxic runoff into Carbonero Creek.

Frank Kertai, President of the Heritage Parks Association and Candidate for City Council, questioned the implications of the mandate with respect to new development, and recommended the impacts of the Town Center and Target be considered.

CM Bustichi questioned if the cost for mitigations for new development, such as Target or the Town Center, regarding drainage or environmental issues, would be born by the developer and not the City of Scotts Valley.

CA Powell responded that any impacts of future development would be born by the developer and not the City.

PUBLIC HEARINGS

- 2. Consideration of amendment to the Green Building Ordinance to require the installation of high efficiency toilets, waterless urinals, and dual plumbing in all new commercial construction and requirement for high efficiency toilets in all new residential construction**

BO Strasser presented the written staff report and responded to questions from Council.

Charlie McNiesh, Scotts Valley Water District General Manager, responded to questions from Council regarding their RWQCB permit, and the financial impacts to the SVWD should their revenues decrease due to the impacts of this ordinance. GM McNiesh stated that if water sales go down they will eventually have to raise their rates; however, he feels this is the least expensive venture for water customers, as compared to the cost of a desalinization plant for example.

PUBLIC HEARING OPENED - 8:00 PM

Chuck Walker, SV resident, questioned the definition of a high efficiency toilet and stated that he wants to be sure that the devices used are functional. He also questioned potential hazardous material problems with leaks due to the use of recycled water, and what the requirements for clean-up would be.

CM Aguilar clarified that recycled water is not a hazardous material.

PUBLIC HEARING CLOSED - 8:11 PM

M/S: Barrett/Aguilar

To approve the first reading and introduction of Ordinance No. 16.123.1, amending Chapter 17.51 of the Scotts Valley Municipal Code by amending Section 17.51.010 and adding Section 17.51.025 regarding green building requirements, and waive the reading thereof.

Carried 5/0

REGULAR AGENDA
(Resumed)

3. Future Council/RDA agenda items

None.

ADJOURNMENT

The meeting adjourned at 8:13 p.m.

Approved:

Randy Johnson, Mayor / Chair

Attest:

Tracy A. Ferrara, City Clerk / Secretary