

MINUTES

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

Date: December 2, 2009

POSTING:

The agenda was posted on 11-24-09
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
Interim Community Dev Dir Westman
City Clerk Ferrara

SPECIAL SET MATTERS a) Nomination/Motion of Mayor/Chair for 2010

M: Lind

To appoint Vice Mayor Reed as Mayor/Chair for 2010.

Carried 5/0

b) Nomination/Motion of Vice Mayor/Vice Chair for 2010

CM Aguilar nominated CM Lind. CM Lind respectfully declined nomination.

M: Lind

To appoint Council Member Bustichi as Vice Mayor/Vice Chair for 2010.

Carried 4/1 (NOES: Aguilar)

c) The City Council took a recess until 6:30 pm.

COMMITTEE REPORTS

VM Bustichi reported that the SCMTD met. He reported that through the Disabled Business Enterprise (DBE), whenever jurisdictions go out to bid for contracts for work, the SCMTD tries to get a portion of those disadvantaged or small business to come in and bid as a subcontractor to the prime contractor. He stated that they are finding that although they keep trying to set goals for this, they are getting very little participation from disadvantaged businesses, and they are working to increase participation. He stated that the SCMTD is also going after grants to help with infrastructure at the SCMTD.

PUBLIC COMMENT

Frank Kertai, SV resident and President of the Heritage Parks Homeowners Association, read a letter (Attachment A) regarding the Gateway South Draft Supplemental Environmental Impact Report and opposition to the proposed retail store.

Les Dittert, SV resident, spoke regarding the Gateway South Draft Supplemental Environmental Impact Report and in opposition to the proposed retail store.

CM Johnson/Mayor Reed presented a Mayor's Proclamation to Scotts Valley Kiwanis Club.

VM Bustichi announced the Scotts Valley Annual Christmas Tree Lighting festival is being held on December 5, 2009 at 5:00 pm at the Scotts Valley Community Center and invited everyone to attend. He stated that proceeds from this event go to Valley Churches United non-profit organization.

Mayor Reed thanked CM Johnson for his exceptional service as Mayor for the past two years.

**ALTERATIONS TO
CONSENT AGENDA**

***M/S: Bustichi/Johnson
To approve the Consent Agenda.
Carried 5/0***

Consent Agenda:

- A. Approve Joint City Council/RDA meeting minutes of 11-18-09
- B. Approve check register – 11-17-09
- C. Approve revised Job Class Specification for Building Inspector position
- D. Approve establishment of City Council Ad Hoc Subcommittee for SB 211 comprised of Council Member's Bustichi and Lind
- E. Approve annual report for development impact fees for 2008/2009

**ALTERATIONS TO
REGULAR AGENDA**

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

PUBLIC HEARINGS

1. **Consideration of resolution authorizing the City of Scotts Valley to join the CaliforniaFIRST Program; authorizing the California Statewide Communities Development Authority to accept applications from property owners, conduct contractual assessment proceedings and levy contractual assessments within the territory of the City of Scotts Valley; and authorizing related actions**

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

PUBLIC HEARING OPENED - 6:53 PM

No one came forward.

PUBLIC HEARING CLOSED - 6:53 PM

CM Aguilar stated that she has is disappointed in the requirement for applicants to notify their mortgage lenders that they will be in a subordinate position.

M/S: Bustichi/Aguilar

To approve Resolution No. 1837 authorizing the City of Scotts Valley to join the CaliforniaFIRST Program; authorizing the California Statewide Communities Development Authority to accept applications from property owners, conduct contractual assessment proceedings and levy contractual assessments within the territory of the City of Scotts Valley; and authorizing related actions.

Carried 5/0

2. **Consideration of Redevelopment Agency resolution designating certain property as surplus and authorizing its sale in accordance with provisions of Health and Safety Code Sections 33430 & 33431**

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

PUBLIC HEARING OPENED - 7:00 PM

No one came forward.

PUBLIC HEARING CLOSED - 7:00 PM

M/S: Aguilar/Lind

To approve Resolution No. CRA-100, a resolution of the Redevelopment Agency of the City of Scotts Valley, approving the sale of surplus personal property.

Carried 5/0

CM Bustichi recommended that in the future the Council consider setting aside some seed money for a future non-profit group from the roller hockey community, should that group be able to put together a roller hockey facility in Scotts Valley.

3. **Consideration of amendments to the 2009-2014 Housing Element for the City of Scotts Valley and certifying a negative declaration**

ICDD Westman presented the written staff report and responded to questions from Council.

PUBLIC HEARING OPENED - 7:14 PM

No one came forward.

PUBLIC HEARING CLOSED - 7:14 PM

M/S: Lind/Aguilar

To approve Resolution No. 1119.30 certifying a negative declaration and adopting amendments to the 2009-2014 Housing Element, ND09-02 and GPA09-003.

Carried 5/0

ICDD Westman requested that the Affordable Housing Subcommittee meet with her at the beginning of next year to develop new strategies to meet the goals that we have in the Housing Element and look at how our housing program is currently working.

4. Consideration of adoption of the 2010 Redevelopment Implementation Plan Update for the Scotts Valley Redevelopment Project Area

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

CM Aguilar questioned Item 3, City Loan, on page 15 of the Implementation Plan. She questioned how much money is due to the City from the Redevelopment Agency, what the interest rate is, and the due date for the loan.

CM Ando responded that approximately \$3 million is owed, the interest rate is what the City earns on its investment portfolio, and the due date is prior to the end of Redevelopment Agency, which is 2040.

PUBLIC HEARING OPENED - 7:25 PM

No one came forward.

PUBLIC HEARING CLOSED - 7:25 PM

M/S: Bustichi/Lind

To approve the 2010 Redevelopment Implementation Plan update.

Carried 5/0

REGULAR AGENDA

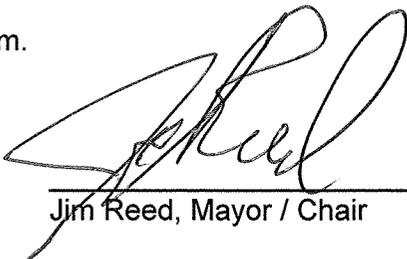
5. Future Council/RDA agenda items

None.

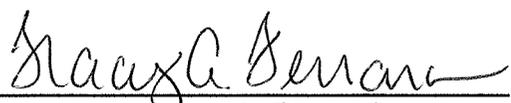
ADJOURNMENT

The meeting adjourned at 7:25 pm.

Approved: _____


Jim Reed, Mayor / Chair

Attest: _____


Tracy A. Ferrara, City Clerk / Secretary

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

Council member Jim Reed's opening line in his latest letter to the editor at the Press Banner is as follows:

“In Frank Kertai's latest attack on the city in these pages, he asked why we waited a week to share the results of our previous week's conversation with Target, in which the retailer said it is no longer under contract with developer Title Two for a Scotts Valley store.”

Mr. Reed attempts to cut me to the quick. And yet it seems I find myself in the position of having to correct Mr. Reed about his remarks. Vice-Mayor Reed and Mayor Johnson waited nearly two weeks, not one, to share with the public the fact that Target was no longer a part of this project. I find it both sad and shameful that elected and appointed city officials deliberately withheld timely information from the community, **and from other council members**, in an attempt to further their own objectives. And they use a scheduled council meeting as an excuse to advance their agenda.

Target removing itself from this planned project is like having the 49ers pull out of locating to a new stadium you were planning to build in your city. ***News of this importance should not have been withheld until the next city council meeting.*** Doing so was wrong. It was disrespectful to community members that were diligently working on their responses for the planned project to a deadline set by the city. They submitted all of their hard work and effort about a project which, unbeknownst to them, had changed dramatically behind their backs.

My so-called **“attack”** was not against the city. This is my home. **I love Scotts Valley.** That is why I have chosen to live and work here. And I want to make sure it remains a great place to live and work. That is why I have contributed a significant amount of my time and effort to review, analyze and provide inputs on a number of issues brought before this city council. When things make no sense, I point this out, ask questions and seek out answers. But it seems that the Mayor and Vice-Mayor are not interested in having any kind of rational dialog, or in answering many of the questions we raise.

The proposed retail project at Gateway South makes no sense. It made no sense when Target was a part of the project. It makes no sense now. Virtually everything about the project is unsuitable for this city: its height, size, scale, footprint, traffic and other impacts – you name it and it is wrong. **Additionally, the project totally ignores the city's responsible hillside development policy with a plan to cut and blast into the hillside as part of the development of this parcel.** This is the single largest stand-alone retail project ever proposed in the history of the city. And this city council has made numerous procedural errors in the handling of this project. Had you or I, the average citizen, applied for a project that asked for a 90% variance to the city's development plan, I doubt that it would ever have made it past the application stage. And yet here we are.

Target, the original proposed tenant has backed out of this project. The property owner has nearly been foreclosed on by the city. The planning commission approved a one year time extension for the Design Review No, DR01-015 for the construction of a 136,000 square foot two-story office building on this site while the landowner was in arrears for nearly a quarter of a million dollars of back taxes. Additionally, hundreds of thousands of dollars in back taxes are due this month on the property. And despite all of this, the applicant has been given another forty-five day extension for their SEIR process by the city. What part of this sounds right to you? *Does any of it?*

It seems every major project submitted to the city of late has sought approval with over-riding considerations. This includes the Town Center project, the Holiday Inn Express, the Polo Ranch Development and now the Retail Project at Gateway South. Over-riding considerations should be reserved for use as an *exception* to the rule. Instead, it would appear that *the exception has become the rule*. Over-use of this mechanism for development will at some point significantly impact our quality of life. Some people believe that has happened already.

I encourage you the public to provide feedback to the city regarding the Gateway South Retail project. The latest deadline this city council has set for these comments has been extended to December 21, 2009. This project is not only inappropriate, it is wrong for this city. Let the city council know. Protect this city from inappropriate development. It is up to you, the members of the community to do so. It is evident this city council is shirking its responsibilities in this regard.

Respectfully,

Frank Z. Kertai