

MINUTES

Meeting of the Scotts Valley City Council

Date: May 6, 2015

POSTING:

The agenda was posted on 5-1-15
at City Hall, the SV Senior Center, and
the SV Library, by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

Present:

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

City Manager Ando
City Attorney Powell
Comm Dev Dir/Deputy City Mgr Kates
Public Wks Director Hamby
Police Chief Weiss
City Clerk Ferrara

COMMITTEE REPORTS

CM Reed reported that the Library Board met and adopted their preliminary budget for 2015/2016. He reported that the Board also heard a report from the subcommittee that has been handling the governance agreement that is being worked on should the Library Board not renew under its current terms when it expires in 2017.

CM Johnson reported that the Joint City/School Subcommittee met and discussed a youth in government day, which would be held in the Spring of 2016. He reported that they also discussed traffic circulation at the high school, which has improved, and joint use of facilities between the City and the School District.

Mayor Bustichi reported that the Santa Cruz Metropolitan Transit District (SCMTD) will be meeting this Friday. They are continuing to work on their structural deficit issues and looking at revenue sources. They are also looking at ways to stabilize their para-transit service

Mayor Bustichi reported that the Finance Committee met with the City Manager, and they will be holding a series of public meetings regarding the structural deficit, and understanding City finances and revenue resources.

CITY MANAGER REPORT

- Cleanup work has started at Linear Park. On Monday crews began removing the invasive Coyote Brush and placing generous amounts of wood chip mulch to help keep the ground from drying out and to help prevent weed growth.

- Public Work's crews have been by restriping yellow and double yellow areas throughout the city. This work is continuing this week.
- Paving crews will be replacing an 80 foot section of east bound lane on Granite Creek Road near the City Limits. This section of road is on a turn and is failing. The work is scheduled for next week.
- The draft Housing Element will be going to the Planning Commission on May 14 and then to City Council on June 3.
- Retaining walls and foundation have started with the first new building for the 1440 project at the former Bethany University campus. This building is the spa building.
- Sergeant Dave Ball represented our agency by attending the California Peace Officer Memorial Service in Sacramento, held at the State Capitol this last Monday. Sergeant Ball participated with over 100 allied agencies in a procession to the State Capitol. The event included family members of peace officers who died in the line of duty and serves to remember and honor their sacrifice.
- On April 26th members of the Police Department participated in the first annual "Never Forget" First Responders relay. Detective Michael Birley, Officer Paul Lopez, Reserve Officer Mitchell Pfyl and our Explorer Jonathan Granger-Jones all ran the 10 K event, which raises money for the Fallen Officer Foundation. Twenty teams participated in this event, and our team came in second in overall time. Other Department staff members attended to lend their support.
- A Sycamore Tree was donated by Brenda Tealer and Stephen Hoversten, Modern Woodsmen of America, and planted at Hocus Pocus Park. It is about 20 feet tall and will grow quickly to provide nice shade for the park.
- The Summer Activity Guide is now online.

PUBLIC COMMENT

VM Lind announced that the Scotts Valley Chamber of Commerce is hosting an appreciation Chamber Mixer, open to the community, to show appreciation for the Scotts Valley Police Department. She stated that this is National Memorial Week to remember fallen officers and the family friendly event will be held on April 28 at 5:30 at MacDorsa Park.

ALTERATIONS TO CONSENT AGENDA

M/S: Aguilar/Lind

To approve the Consent Agenda.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

Consent Agenda:

- A. Approve City Council meeting minutes of 4-15-15
- B. Approve check register – 4-27-15, 4-13-15
- C. Approve site rental agreement between the City of Scotts Valley and Jazzercise for use of the Scotts Valley Community Center from May 1, 2015 to April 30, 2016

- D. Approve the attendance of the Economic Development Subcommittee (Mayor Bustichi and Council Member Johnson) at the 2015 ICSC Conference in Las Vegas, Nevada, May 17-20, 2015
- E. Approve letter of support for SB 16 (Beall) for Transportation Funding
- F. Approve agreement for professional services between the City of Scotts Valley and the Biotic Resources Group for the mitigation and monitoring report plan for the Shugart Park Pathway and Footbridge Project

ALTERATIONS TO REGULAR AGENDA

Mayor Bustichi requested that Item 5 be heard as the second item on the agenda.

M/S: Aguilar/Johnson

To approve the Regular Agenda as amended moving Item 5 to be heard as the second item on the agenda.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

REGULAR AGENDA

1. **Consideration of loan agreement with the developer of the approved hotel located at 5030 Scotts Valley Drive, APN 022-091-61**

Mayor Bustichi recused himself due to a potential financial conflict of interest.

CM Ando presented the written staff report and responded to questions from Council. He stated that Ken Hira of Kosmont Companies was available for Council questions.

Ken Hira, Kosmont Companies, provided additional information regarding this item and responded to questions from Council.

CM Aguilar questioned if there are any guarantees or security for the monies so they can continue to be used on a revolving basis.

CA Powell responded that the City could record a promissory note or deed of trust, that would have to be updated periodically, and would protect the funds. She also requested that the money only be released when furniture and fixtures are needed.

CA Powell reported that the City received a letter from Weinberg, Roger & Rosenfeld, on behalf of Carpenters Local Union No. 505, stating that they believe this loan arrangement would trigger prevailing wage on the project. CA Powell stated that she does not believe that to be the case because we are not providing funding for construction, the City is only providing funding for operating capital, furniture, fixtures, and equipment. She stated that the City will work with the developer to verify those issues.

CM Reed stated that he wanted assurances that if the City Council doesn't approve this loan agreement, this project cannot be built.

Anatol Shliapnikoff, developer of the hotel project at 5030 Scotts Valley Drive, spoke to the Council regarding his loans and financial investment for this project and responded to questions from Council.

M/S: Johnson/Reed

To authorize the City Manager to enter into a loan agreement with the developer of the approved hotel located at 5030 Scotts Valley Drive, APN 022-091-61, subject to the terms outlined in the staff report and addressed by the City Council above.

Carried 3/1/1 (AYES: Johnson, Lind, Reed; NOES: Aguilar; ABSENT: Bustichi)

5. Discussion and consideration of policy options for outdoor storage uses in the City of Scotts Valley

Mayor Bustichi recused himself due to a potential financial conflict of interest.

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

M/S: Johnson/Reed

To approve the following policy options for outdoor storage uses in the City of Scotts Valley:

- 1. Allow outdoor storage in Light-Industrial I-L zone subject to use permit approval;**
- 2. Do not allow on Mt. Hermon Road and Scotts Valley Drive no matter the zone;**
- 3. Do not allow in the Service-Commercial C-S zone;**
- 4. Do not allow next to housing;**
- 5. Permitted outdoor storage uses may remain until their use permits expire;**
- 6. Phase-out unpermitted outdoor storage uses to vacate properties by July 1, 2016;**
- 7. Use the draft definition of outdoor storage in the May 6, 2015 City Council staff report; and**
- 8. Staff to prepare design standards to screen outdoor storage uses for City Council review.**

Carried 4/0/1 (AYES: Aguilar, Johnson, Lind, Reed; ABSENT: Bustichi)

2. Consider approval of non-collection of Community Center rental fees for the Scotts Valley Sports Complex (SVSC) Fundraiser Events

CM Ando presented the written staff report and responded to questions from Council. He stated that Brian Davis, representing SVSC, was available for questions.

Brian Davis, SVSC representative, spoke regarding this request and responded to questions from Council.

CM Aguilar expressed concerns in regards to waiving the entire fee, however, she stated would be willing to waive the fee for the first event and recommended getting sponsors for the second and third events.

M/S: Johnson/Reed

To approve the non-collection of rental fees for use of the Scotts Valley Community Center for the Scotts Valley Sports Complex Fundraiser (SVSC) Events, scheduled to be held on May 29, June 19, and July 17, 2015. Insurance, cleaning, and additional permit fees would be required.

Carried 4/1 (AYES: Bustichi, Johnson, Lind, Reed; NOES: Aguilar)

PUBLIC HEARINGS

3. **Consideration of Planning Commission recommended approval to the City Council for a Planned Unit Development Amendment to relocate a previously designated development envelope for a single-family dwelling and related property improvements on a vacant 5-acre parcel at 11 Ridgecrest Drive, APN 022-471-05**

SP Fodge presented the written staff report and responded to questions from Council. She stated that the property owner, Steve Benedum, and his architect, Steve Elmore, were available for questions.

PUBLIC HEARING OPENED - 7:55 PM

Steve Elmore, project designer, spoke regarding the debris wall, and responded to questions from Council.

PUBLIC HEARING CLOSED - 8:00 PM

M/S: Aguilar/Lind

To approve Resolution No. 1750.1 approving planned unit development amendment PUD88-002.3 to allow the relocation of a previously identified development envelope for future construction of a single-family dwelling and related property improvements on lot #1 in the Ridgecrest Subdivision at 11 Ridgecrest Drive, APN 022-471-05.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

M/S: Aguilar/Lind

To approve Resolution No. 1253.3 approving a final amendment LD88-001.1 (as shown on non-title sheet Volume 82 Page 19 of Tract No. 1264 for the Ridgecrest Subdivision) in accordance with the state map act to relocate a previously identified development envelope for construction of a single-family dwelling and related property improvements on lot #1 in the Ridgecrest Subdivision at 11 Ridgecrest Drive, APN 022-471-05.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

4. **Consider approval of fee adjustments for various Police, Administrative, Facility Rental, and Recreation fees**

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

PUBLIC HEARING OPENED - 8:18 PM

No one came forward.

PUBLIC HEARING CLOSED - 8:18 PM

M/S: Lind/Johnson

To approve Resolution No. 1198.64 amending certain fees and charges for City Police, Administrative, Facility Rental, Planning, Building, and Public Works services.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

M/S: Aguilar/Lind

To approve Resolution No. 1593.18 amending certain fees and charge for City recreation services.

Carried 5/0 (AYES: Aguilar, Bustichi, Johnson, Lind, Reed)

REGULAR AGENDA

(Resumed)

6. Future Council agenda items

None.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 8:20 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 re employee negotiations with SEIU, Mid Management Group, Management Group, Scotts Valley Police Bargaining Unit, Scotts Valley Police Supervisors Association.

RECONVENE TO OPEN SESSION

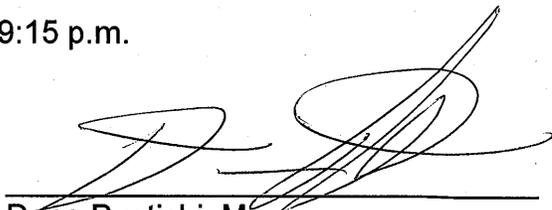
The City Council reconvened to open session at 9:15 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Bustichi announced that there was nothing to report.

ADJOURNMENT The meeting adjourned at 9:15 p.m.

Approved:


Dene Bustichi, Mayor

Attest:


Tracy A. Ferrara, City Clerk