



# MINUTES

## Meeting of the Scotts Valley City Council

**Date: June 16, 2021**

**Time: 6:00 pm**

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	Zoom Videoconference	The agenda was posted 6-11-21 at City Hall and on the Internet at <a href="http://www.scottsvalley.org">www.scottsvalley.org</a> .

### CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 6:02 pm.

### MOMENT OF SILENCE

### ROLL CALL

#### ELECTED OFFICIALS PRESENT:

Derek Timm, Mayor  
Jim Reed, Vice Mayor  
Jack Dilles, Council Member  
Donna Lind, Council Member  
Randy Johnson, Council Member

#### CITY STAFF MEMBERS PRESENT:

Tina Friend, City Manager  
Kirsten Powell, City Attorney  
Steve Walpole, Chief of Police  
Taylor Bateman, Community Development Director  
Casey Estorga, Administrative Services Director  
Scott Hamby, Interim Public Works Director  
Tracy Ferrara, City Clerk

### SPECIAL SET MATTERS

- (1) Mayor Timm presented a Mayor's Proclamation declaring June as LGBTQ Pride month in the City of Scotts Valley.
- (2) Fire Chief Ron Whittle and Fire Captain Greg Vandervoort from the Scotts Valley Fire Protection District gave a presentation on fire safety. They stated that the Fire District will perform property inspections to assist with fire safety.

## **COMMITTEE REPORTS**

CM Dilles reported that the Santa Cruz County Integrated Waste Management Local Task Force met and discussed food waste recycling mandates that will be implemented by the State in January 2022.

CM Dilles reported that he attended the AMBAG meeting as an alternative for Mayor Timm, where the Board discussed the Regional Housing Needs Assessment (RHNA) report that is being prepared in response to State guidelines. He stated that surveys will be going out to local Planning Departments by July 1<sup>st</sup> requesting information related to the RHNA.

CM Dilles reported that as a member of the Santa Margarita Groundwater Agency, he attended a Groundwater Sustainability Conference, where they received information related to the success and failure of Groundwater Sustainability Plans that are required of agencies in California in order to maintain healthy water for the next forty years.

CM Dilles reported that the Affordable Housing Subcommittee met regarding Agenda Item 3, Bay Village, which will be discussed later.

CM Dilles reported that the Seniors Advisory Council met and discussed the rollout of the new State Master Plan for Aging and planning meetings locally in order to implement goals to be consistent with the Master Plan.

CM Dilles reported that the Monterey Bay Area Resources District met and they discussed e-bike incentives.

CM Lind reported that the Santa Cruz Metropolitan Transit District met and discussed increasing ridership of the Highway 17 bus. She stated that they are also working on getting e-busses online.

CM Lind reported that she is working on the 4<sup>th</sup> of July parade planning and announced that it will be in person this year with the annual fly-over.

CM Johnson reported that the Santa Cruz County Regional Transportation Commission met and discussed the wild animal crossing near Laurel Curve on Highway 17, which begins construction in September. They also discussed a trail feasibility study of the Capitola Trestle.

Mayor Timm reported that the Economic Recovery Subcommittee met and they are working on the future recovery of businesses post-COVID. He reported that a survey is being prepared for businesses in order to get communication back on how the Subcommittee can help. They are also working on promoting businesses in Scotts Valley.

## CITY MANAGER REPORT

**COVID-19 Update:** June 15<sup>th</sup> was the long-anticipated date of the California's reopening and lifting of most pandemic restrictions. OSHA is slated to take up the issue of requirements for employee masking at its meeting tomorrow night (June 17). The Governor indicated that rules adopted will be effective immediately. The City Council Economic Recovery Committee is tracking and will push out a notice to our business list with an update on the rules.

### City Staffing Update:

- Last week, we said good-bye to retiring Associate Planner Brenda Stevens. Brenda has been part of the Scotts Valley staff for 28 years in various roles. She interacted with thousands of residents, contractors and architects and served our community well. Brenda will be sorely missed. We wish her well in retirement!
- Last week, we also welcomed our new HR/Payroll Analyst Laurie Hardison. A Scotts Valley local, Laurie is filling a critical role to support operations of her home city. Welcome Laurie!

**Outside the Frame Project:** Scotts Valley is participating in an innovative collaboration of the four cities in the county and county parks. Called Outside the Frame, this project encourages our community to get outside and into our beautiful parks. Each Mayor helped identify artists who painted five 4' by 4' pictures frames. Each frame is installed along a hike in each city's parks, to create a unique art hike. The installation in Scotts Valley will be in Glenwood East Preserve and completed by Friday, June 18<sup>th</sup>. Mayor Timm will be leading Scotts Valley's art hike on Sunday, June 20<sup>th</sup> at 1:00 p.m. We encourage the community to join the art hike and

## PUBLIC COMMENT TIME

Byron Clenenden, Scotts Valley resident, expressed concerns regarding fire mitigation on the Erba Lane hillside and stated that he misses having the landscape debris boxes on Erba Lane.

Gretchen Brune, Scotts Valley resident, expressed concerns regarding fire mitigation on the Erba Lane hillside.

Natasha Katznelson, Scotts Valley resident, expressed concerns regarding fire safety on Erba Lane.

### ALTERATIONS TO CONSENT AGENDA

CM Dilles requested that a separate vote be taken on Items M and N as he has a conflict of interest related to those items.

Ilo Nilsson, Bluebonnet/Bean Creek Community, requested that Item F be moved to the regular agenda for public comment.

Mayor Timm stated that due to CM Dilles' conflict of interest, the consent agenda will be voted on in two sections with Items M and N to be voted in Section 2. He recommended that Item F be heard after Item 6 on the regular agenda due to the large number of public hearings on the regular agenda.

**M/S: Lind/Reed**

**To approve Consent Agenda Section 1 as amended moving Item F to the regular agenda for discussion to be heard after Item 6.**

**Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)**

### CONSENT AGENDA SECTION 1

- A. Approve City Council minutes of 5-19-21
- B. Approve check registers dated 5-28-21
- C. Authorize the Mayor to execute the Fourth Amendment to Professional Services Agreement with Logan & Powell, LLP
- D. Approve Resolution No. 1847.3 granting consent to the County of Santa Cruz for the renewal of the Santa Cruz County Tourism Marketing District in the City of Scotts Valley predicated on the continuation of exemption of not-for-profit organizations from the TMD
- E. Authorize the City Manager to execute a subrecipient agreement, with any changes or amendments approved by the City Attorney, with the Boys and Girls Clubs of Santa Cruz County for CDBG-CV funding
- G. Authorize the City Manager to execute a three-year agreement, in a form approved by the City Attorney and any amendments thereto, with NeoGov for a not-to-exceed amount of \$85,609.62 for human resources services
- H. Approve Resolution No. 1139.25 approving the Investment Policy for the City of Scotts Valley

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- I. Approve Resolution No. 1007.34 making certain findings including the selection of the two factors stated in the Fiscal Impact section above and adopting the 2021/2022 appropriations limit of \$220,044,816
- J. Authorize the City Manager to execute a professional services agreement, and any amendments thereto, with HouseKeys, in a form approved by the City Attorney, for the administration of the City's Below Market Rate (BMR) Program in an amount not to exceed \$75,000
- K. Approve the following documents for Skypark Field Repairs:
  - (1) Authorize a budget expenditure appropriation in the amount of \$140,346 from the General Fund, including the contract cost of \$116,955, plus a 20% contingency in the amount of \$23,391.
  - (2) Authorize the City Manager to execute the attached agreement with K&D Landscaping, Inc., and any amendments thereto in a form approved by the City Attorney, for the Skypark Field Repair Project.
- L. Approve the ratified terms for the FY 2021/22-2023/24 Memoranda of Understanding between the City and the PBU and PSA groups and authorize the City Manager to sign once finalized and authorize the City Manager and the Administrative Services Director to take any administrative actions necessary to effectuate the terms and conditions of the agreements
- O. Approve the non-collection of fees for the Library Summer Reading Performance to be held at Siltanen Park on July 24, 2021 from 1:00 to 4:00 pm

## CONSENT AGENDA SECTION 2

**M/S: Lind/Reed**

**To approve Consent Agenda Section 2.**

**Carried 4/1 (AYES: Johnson, Lind, Reed, Timm; ABSENT: Dilles)**

- M. Approve the following Polo Ranch documents:
  - (1) Resolution No.1830.07, to approve the Final Map, Tract No. 1575, PD07-006 APN'S 024-281-04 and 024-281-03;
  - (2) Resolution No. 960.89, authorizing execution of the Subdivision Improvement Agreement for the Polo Ranch Subdivision, Tract No. 1575, end of Santa's Village Road, APN 024-281-04; and
  - (3) Resolution No. 960.90, authorizing execution of the Subdivision Improvement Agreement for the Polo Ranch Subdivision, Tract No. 1575, end of Santa's Village Road, APN 024-081-04.
- N. Approve the non-collection of fees for Music In The Park concert at Siltanen Park on September 26, 2021

**ALTERATIONS TO REGULAR AGENDA**

*M/S: Reed/Lind*

*To approve the Regular Agenda as amended moving Item F to the regular agenda for discussion to be heard after Item 6.*

*Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)*

**REGULAR AGENDA**

**PUBLIC HEARING(S)** (To be heard after 6:30 p.m.)

- PUBLIC HEARING: Pinewood Estates Landscape Maintenance Assessment District: Resolution No. 1213.35; Annual Engineer's Report Pinewood Estates**

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

**PUBLIC HEARING OPENED – 7:13 PM**

No one came forward.

**PUBLIC HEARING CLOSED – 7:13 PM**

*M/S: Lind/Dilles*

*To approve Resolution No. 1213.35 ordering and authorizing the levy and collection of assessments therein pursuant to the Landscaping and Lighting Act of 1972 for the Pinewood Estates Landscaping Maintenance District.*

*Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)*

- PUBLIC HEARING: Skypark Open Space Maintenance Assessment District No. 1: Resolution No. 1555-SP-033; Annual Engineer's Report Skypark)**

CM Reed recused himself from this item due to a conflict of interest as he lives in the Skypark residential development.

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

**PUBLIC HEARING OPENED – 7:18 PM**

Rodney Stanton, Skypark resident, proposed that the City Council consider allowing residents to move their fences along the back of the residential properties that back up to the Linear Park so that there is less property for the City to maintain.

Gillian McGlaze, Skypark resident, did not have sound, however, CM Lind stated that Gillian had reached out to her to work with City staff in order to coordinate volunteers to do some of the work on the Linear Park.

#### **PUBLIC HEARING CLOSED – 7:22 PM**

In response to Mr. Stanton's question regarding expansion of lots, CA Powell stated that there are restrictions, limitations and legal hurdles related to the ability of the City to sell public open space or park land.

#### **M/S: Lind/Dilles**

**To approve Resolution No. 1555-SP-033 ordering and authorizing the levy and collection of assessments therein pursuant to the Landscaping and Lighting Act of 1972 for the Skypark Open Space Maintenance Assessment District.**

**Carried 4/1 (AYES: Dilles, Johnson, Lind, Timm; ABSENT: Reed)**

- 3. PUBLIC HEARING: Consider approval for a Planned Development Zoning Permit, Land Division, Design Review Application and Environmental Review in the High Density Residential General Plan and Zoning District for a ten-lot subdivision for the construction of ten units (six detached single-family dwellings and two attached duet/duplexes) and related site improvements on a 1.04 acre site located on Erba Lane (No Situs), APN's 022-481-18 and 022-481-22**

CDD Bateman introduced Paula Bradley, Planning Consultant, who presented the written staff report, provided a PowerPoint presentation and responded to questions from Council.

Charlie Eadie, Applicant Representative, spoke regarding the project and responded to questions from Council.

Larry Abitbol, Property Owner/Applicant, spoke regarding the project and the proposed art component, and responded to questions from Council.

#### **PUBLIC HEARING OPENED – 8:27 PM**

Matt Morrasy, spoke in support of the project.

Natasha Katznelson, spoke in opposition of the project due to pedestrian and vehicle traffic concerns, parking overflow impacts and water impacts.

Carol Netzley, expressed concerns about water and traffic, and encouraged rentals instead of home ownership.

Eric Brune, expressed concerns about pedestrian and vehicles traffic, fire-house safety, park access and off-site parking.

## **PUBLIC HEARING CLOSED – 8:41 PM**

After Council discussion regarding affordable housing, the following change was made to condition number 49 of the Conditions of Approval as follows:

49. ~~Pursuant to Section 14 of the Scotts Valley Municipal Code the project shall comply with all applicable affordable housing requirements including the dedication of units and payment of in-lieu fees.~~

Before a Final Map is recorded, the developer shall enter into an Affordable Housing Agreement with the City. The Agreement shall include either one of the two following options as mutually agreed upon by the City and the developer. In the event City staff and the developer cannot agree on the option, the City Council shall be the final decision maker on the appropriate option.

**Option #1** would require one low-income unit and one-moderate income unit to be provided. These two units would be 3-bedroom rental units. There would be no in-lieu fee required because the applicant will be providing 2 units rather than the 1 required unit.

**Option #2** would require the provision of one 3-bedroom low-income unit. The in-lieu fee would be used to subsidize the difference between the affordable sales price of a moderate-income unit and the affordable sales price of a low-income unit. In the event the in-lieu payment is more than the price differential, the excess funds shall be paid to the City as the project's in-lieu fee contribution. In the event the in-lieu payment is less than the price differential, the developer shall be responsible for the shortfall to provide a low-income unit.

***M/S: Lind/Dilles***

***To approve Resolution No. 1997 approving the Mitigated Negative Declaration for a ten-lot subdivision in the High Density Residential General Plan and Zoning District for ten units (six detached single-family dwellings and two attached duet/duplexes), and related site improvements on a 1.04-acre site located on Erba Lane (no situs), APN's 22-481-18 AND 22.***

***Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)***

***M/S: Lind/Dilles***

***To approve first reading and introduction of Ordinance No. 16-ZC-230 approving a Planned Development District Overlay (PD19-001) for the "Bay Village Planned Development" for a ten-lot subdivision in the High Density Residential General Plan and Zoning District for ten units (six detached single-family dwellings and two attached duet/duplexes), and related site improvements on a 1.04-acre site located on Erba Lane (no situs), APN's 22-481-18 AND 22, and waive the reading thereof.***



**Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)**

***M/S: Lind/Reed***

***To approve Resolution No. 1997.1 approving a Land Division (LD09-001) for the “Bay Village Planned Development” for a ten-lot subdivision in the High Density Residential General Plan and Zoning District for ten units (six detached single-family dwellings and two attached duet/duplexes), and related site improvements on a 1.04-acre site located on Erba Lane (no situs), APN’s 22-481-18 AND 22 as amended above with the changes to condition number 49 in the Conditions of Approval.***

**Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)**

***M/S: Lind/Dilles***

***To approve Resolution No. 1997.2 approving Planned Development Permit (PD19-001) and Design Review (DR19-005) for the “Bay Village Planned Development” for a ten-lot subdivision in the High Density Residential General Plan and Zoning District for ten units (six detached single-family dwellings and two attached duet/duplexes), and related site improvements on a 1.04-acre site located on Erba Lane (no situs), APN’s 22-481-18 AND 22 as amended above with the changes to condition number 49 in the Conditions of Approval.***

**Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)**

4. **PUBLIC HEARING: Consider approval for a Planned Development Zoning Permit, Minor Land Division, Environmental Review and Design Review Application in the High Density Residential General Plan and Zoning District for a three-lot subdivision and a common parcel, for two new single-family dwellings and a new detached two-car garage for the existing single-family dwelling on a 0.43-acre site located at 4303 B Scotts Valley Drive, APN 022-902-11**

CDD Bateman introduced Paula Bradley, Planning Consultant, who presented the written staff report, provided a PowerPoint presentation and responded to questions from Council.

Rick Hochler, Owner/Developer, spoke regarding the project and responded to questions from Council.

#### **PUBLIC HEARING OPENED – 9:46 PM**

No one came forward.

#### **PUBLIC HEARING CLOSED – 9:45 PM**

CM Dilles expressed concerns regarding parking and recommended a parking easement on the existing property.

***M/S: Johnson/Lind***

***To approve Resolution No. 1998 approving the Negative Declaration for the 4303 B Scotts Valley Drive Planned Development for a three-lot Subdivision and a Common Parcel in the High Density Residential General Plan and Zoning District for two single-family homes and a detached two-car garage for the existing single-family home and related site improvements on a 0.43 acre site located at 4303 B Scotts Valley Drive, APN 022-902-11.***

***Carried 4/1 (AYES: Johnson, Lind, Reed, Timm: NOES: Dilles)***

***M/S: Johnson/Reed***

***To approve first reading and introduction of Ordinance No. 16-ZC-231 approving a Planned Development District Overlay (PD19-004) for the 4303 B Scotts Valley Drive Planned Development for a three-lot Subdivision and a Common Parcel in the High Density Residential General Plan and Zoning District for two single-family homes and a detached two-car garage for the existing single-family home and related site improvements on a 0.43 acre site located at 4303 B Scotts Valley Drive, APN 022-902-11, and waive the reading thereof.***

***Carried 4/1 (AYES: Johnson, Lind, Reed, Timm: NOES: Dilles)***

***M/S: Johnson/Reed***

***To approve Resolution No. 1998.1 approving a Minor Land Division No. MLD19-002 for the 4303 B Scotts Valley Drive Planned Development for a three-lot Subdivision and a Common Parcel in the High Density Residential General Plan and Zoning District for two single-family homes and a detached two-car garage for the existing single-family home and related site improvements on a 0.43 acre site located at 4303 B Scotts Valley Drive, APN 022-902-11.***

***Carried 4/1 (AYES: Johnson, Lind, Reed, Timm: NOES: Dilles)***

***M/S: Johnson/Reed***

***To approve Resolution No. 1998.2 approving Planned Development Permit PD19-004 and Design Review DR19-014 for the 4303 B Scotts Valley Drive Planned Development for a three-lot Subdivision and a Common Parcel in the High Density Residential General Plan and Zoning District for two single-family homes and a detached two-car garage for the existing single-family home and related site improvements on a 0.43 acre site located at 4303 B Scotts Valley Drive, APN 022-902-11.***

***Carried 4/1 (AYES: Johnson, Lind, Reed, Timm: NOES: Dilles)***

**5. PUBLIC HEARING: Consider approval of Wastewater Rates for FY 2021/22 through FY 2025/26**

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

**PUBLIC HEARING OPENED – 10:05 PM**

No one came forward.

**PUBLIC HEARING CLOSED – 10:05 PM**

***M/S: Johnson/Lind***

***To approve Resolution No. 1198.73 establishing new wastewater rates for Fiscal Years 2021/22, 2022/23, 2023/24, 2024/25 and 2025/26.***

***Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)***

**REGULAR AGENDA (resumed)**

**6. Policy Direction on Use of American Rescue Plan Act (ARPA) Funds  
(Administrative Services Director Estorga)**

ASD Estorga presented the written staff report and responded to questions from Council.

The following Bluebonnet Lane residents requested that the City Council provide funding for Bluebonnet Lane improvements:

Ilo Nilsson  
Kathryn Griffio  
Jolie Witten-Hannah

***M/S: Johnson/Lind***

***To approve Resolution No. 1999 regarding the Receipt and Use of the Coronavirus State and Local Fiscal Recovery Funds from the American Rescue Plan Act of 2021***

***Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)***

**F. Approve the following FY 2021-22 Annual Budget resolutions:**

- (1) Resolution No. 630.41 approving the final FY 2021-22 Annual Budget and making appropriations for the amounts budgeted.**
- (2) Resolution No. 1501.28 approving the continued collection of the Utility Users' Tax for FY 2021-22.**
- (3) Resolution No. 1932.2 approving a minimum reserve policy for the City's General Fund, General CIP Fund, Recreation Enterprise Fund and Wastewater Enterprise Funds (Council Policy No. 04-17)**

ASD Estorga presented the written staff report and responded to questions from Council.

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Karin Meyer, Bluebonnet Neighborhood Safety Committee, gave a PowerPoint presentation and stated that the Bluebonnet neighbors are requesting the following recommendations be included in the FY 2021/22 Budget and CIP, at a cost of \$60,000, as an amendment to the Council approvals tonight in order to resolve the concerns of the Bluebonnet Lane Neighbors:

- Provide Class IV bike lanes to separate bikes and pedestrians from vehicles;
- Narrow car lanes to NACTO standards for traffic calming;
- Provide a raised crosswalk at the Monteville path for seniors and children to cross safely;
- Provide pavement resurfacing to quiet road noise

CM Friend spoke regarding the prioritization of projects in the ATP based on criteria and data. She also spoke regarding the requested mid-block crosswalk and lane widths, which would both need to be analyzed fully before anything can happen. She then reviewed the steps that have been taken by the City in response to neighborhood concerns, which include: (1) Installation of a downhill speed sign; (2) Worked with Santa Cruz Metropolitan Transit District to install a speed bump for cars existing the Metro onto Bluebonnet Lane; (3) Extension of the sidewalk by 430 feet to have a complete sidewalk on Bluebonnet Lane; (4) Modification of a City Ordinance to allow for traffic enforcement in the Metro parking lot; and (5) Striping refreshed on Bluebonnet Lane.

***M/S: Reed/Dilles***

***In accordance with the Scotts Valley Municipal Code, the Council voted to continue the City Council meeting past 11:00 pm.***

***Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)***

Gina Cole, Bike Santa Cruz County, spoke in support of a mid-block crossing on Bluebonnet Lane as she does not feel that a mid-block crossing is a problem based on her research.

***M/S: Lind/Reed***

***To approve Resolution No. 630.41 approving the final FY 2021-22 Annual Budget and making appropriations for the amounts budgeted***

***Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)***

***M/S: Lind/Dilles***

***To approve Resolution No. 1501.28 approving the continued collection of the Utility Users' Tax for FY 2021-22.***

***Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)***

**M/S: Lind/Dilles**

**To approve Resolution No. 1932.2 approving a minimum reserve policy for the City's General Fund, General CIP Fund, Recreation Enterprise Fund and Wastewater Enterprise Funds (Council Policy No. 04-17).**

**Carried 5/0 (AYES: Dilles, Johnson, Lind, Reed, Timm)**

**7. Future Council agenda items**

None.

**CLOSED SESSION:** Mayor Timm announced that City Council would be going into closed session to discuss the following:

- (1) Conference with labor negotiator re employee negotiations with Service Employees International Union (SEIU), Mid-Management Group and Management/Confidential Group.

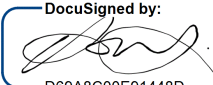
Legal Authority: Government Code Section 54957.6


Name of Case: N/A

Staff Present: City Manager, City Attorney, Administrative Services Director

**ADJOURNMENT**

The meeting adjourned at 11:08 pm.

DocuSigned by:  
  
 Approved: \_\_\_\_\_  
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 Derek Timm, Mayor

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 Tracy A. Ferrara, City Clerk