



AGENDA COVER
Regular Joint Meeting of the
**CAPITOLA CITY COUNCIL/
REDEVELOPMENT AGENCY**
MEETING DATE: TUESDAY, NOVEMBER 22, 2011

CITY COUNCIL CHAMBERS: 420 CAPITOLA AVENUE, CAPITOLA

CLOSED SESSION
REGULAR JOINT MEETING

6:00 P.M.
7:00 P.M.

Elected Officials

Dennis Norton, Mayor
Michael Termini, Vice Mayor
Stephanie Harlan, Council Member
Kirby Nicol, Council Member
Sam Storey, Council Member

Jacques Bertrand, City Treasurer

City Staff Members

Jamie Goldstein, City Manager
John G. Barisone, City Attorney
Pamela Greeninger, City Clerk
Mike Card, Chief of Police
Susan Westman, Interim
Community Development Director
Steven Jesberg, Public Works Director
Lisa Murphy,
Administrative Services Director

Notice regarding City Council/Redevelopment Agency Meetings: The Capitola City Council and Redevelopment Agency meet jointly on the 2nd and 4th Thursday of each month at 7:00 p.m., in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

Agenda and Agenda Packet Materials: The City Council/Redevelopment Agency Agenda and the complete agenda packet are available on the Internet at the City's website: www.ci.capitola.ca.us. Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola.

Agenda Document Review: The complete agenda packet is available at City Hall and at the Capitola Branch Library, 2005 Wharf Road, Capitola, on the Monday prior to the Thursday meeting. Need more information? Contact the City Clerk's office at 831-475-7300.

Agenda Materials Distributed after Distribution of the Agenda Packet: Pursuant to Government Code §54957.5, materials related to an agenda item submitted after distribution of the agenda packet are available for public inspection at the Reception Office at City Hall, 420 Capitola Avenue, Capitola, California, during normal business hours.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the City Council Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24-hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.

Televised Meetings: City Council/Redevelopment Agency meetings are cablecast "Live" on Charter Communications Cable TV Channel 8 and are recorded to be replayed at 12:00 Noon on the Saturday following the meetings on Community Television of Santa Cruz County (Charter Channel 71 and Comcast Channel 25). Meetings are streamed "Live" on the City's website at www.ci.capitola.ca.us by clicking on the Home Page link "View Capitola Meeting Live On-Line." Archived meetings can be viewed from the website at anytime.

It is the intent of the City Council to adjourn by 11:30 p.m.



AGENDA

Regular Joint Meeting of the CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY Tuesday, November 22, 2011

6:00 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE

An announcement regarding the items to be discussed in Closed Session will be made in the City Hall Council Chambers prior to the Closed Session. Members of the public may, at this time, address the City Council/Redevelopment Agency Directors on closed session items only.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Govt. Code §54956.9a)

Bill Newman, et al. (residents of Surf & Sand Mobile Home Park) vs. Surf and Sand, LLC, Ronald Reed, et al. (Surf and Sand, LLC; Ronald Reed, Cross-Complainants vs. City of Capitola) [Superior Court County of Santa Cruz, Unlimited Jurisdiction, Case No. CV 171783]

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:

- Two cases: 1) Noble Gulch Storm Drain Failure in Pacific Cove Mobile Home Park
2) Pacific Cove Mobile Home Park Flooding and Closure

7:00 P.M. - REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY

ROLL CALL AND PLEDGE OF ALLEGIANCE

Council Members/Directors Stephanie Harlan, Michael Termini,
Kirby Nicol, Sam Storey, and Mayor/Chairperson Norton

*** * * PRESENTATIONS * * ***

Mayor's Proclamation Designating November 2011
"Pancreatic Cancer Awareness Month"

- 1. REPORT ON CLOSED SESSION**
- 2. ORAL COMMUNICATIONS**
 - A. Additions and Deletions to Agenda

2. ORAL COMMUNICATIONS – Continued

B. Public Comments

Oral Communications allows time for members of the Public to address the City Council/Redevelopment Agency on any item not on the Agenda. Presentations will be limited to three minutes per speaker. Individuals may not speak more than once during Oral Communications. All speakers must address the entire legislative body and will not be permitted to engage in dialogue. All speakers are requested to print their name on the sign-in sheet located at the podium so that their name may be accurately recorded in the minutes. A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

C. Staff Comments

D. City Council/RDA Director/Treasurer Comments/Committee Reports

City Council Members/Redevelopment Agency Directors/City Treasurer may comment on matters of a general nature or identify issues for staff response or future council/RDA consideration. Council Members/RDA Directors/Committee Representatives may present oral updates from standing committees at this time.

E. Committee Appointments

- 1) Council Member Harlan's appointment to the Finance Advisory Committee.

F. Approval of Check Register Reports

- 1) City: Approval of City Check Register Reports dated October 21, October 28, November 4, and November 10, 2011.
- 2) RDA: Approval of Redevelopment Agency Check Register Reports dated October 21 and November 4, 2011.

3. **CONSENT CALENDAR**

All matters listed under "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Council votes on the action unless members of the public or the City Council/Redevelopment Agency request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following "Other Business."

- A. Approve Reading by Title of all Ordinances and Resolutions and declare that said Titles which appear on the Public Agenda shall be determined to have been read by Title and Further Reading Waived.

3. CONSENT CALENDAR - Continued

- B. City/RDA: Approve Minutes of the Regular Joint Meetings of the City Council/Redevelopment Agency of October 13 and 27, 2011.
- C. Receive Planning Commission Action Minutes for the Regular Meeting of November 3, 2011.
- D. Receive City Treasurer's Report for Month ended September 30, 2011 (Unaudited).
- E. RDA: Receive Quarterly Redevelopment Agency Treasurer's Report for Quarter ended September 30, 2011 (Unaudited).
- F. Receive City Treasurer's Report for Month ended October 31, 2011 (Unaudited).
- G. Consider Capitola Soquel Chamber of Commerce request to suspend parking meter enforcement and increase the parking time limit from 2 to 3 hours in Capitola Village from Thursday, November 24 through Sunday, December 25, 2011. Staff recommendation: approve request.
- H. Receive and Approve the 2012 Meeting Schedules for the City Council/Redevelopment Agency and for the Planning Commission/Architectural and Site Review Committee.
- I. Adopt Resolution Establishing Days for Closure of City Offices during the 2012 Calendar Year.
- J. Adopt Resolution approving a revised Job Description for the position of Records Manager.

4. PUBLIC HEARINGS

Public Hearings are intended to provide an opportunity for public discussion of each item listed as a Public Hearing. The following procedure is followed for each Public Hearing listed: 1) Staff Explanation; 2) Public Discussion; 3) Council Comments; 4) Close public portion of the Hearing; 5) City Council discussion; and 6) Decision.

4. PUBLIC HEARINGS - Continued

NOTE: Any person seeking to challenge a City Council decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the City Council, shall be required to commence that court action within ninety (90) days following the date on which the decision becomes final as provided in Code of Civil Procedure §1094.6. Please refer to code of Civil Procedure §1094.6 to determine how to calculate when a decision becomes “final.” Please be advised that in most instances the decision become “final” upon the City Council’s announcement of its decision at the completion of the public hearing. Failure to comply with this 90-day rule will preclude any person from challenging the City Council decision in court.

- A. Public Hearing to consider adoption of an Ordinance Adding Chapter 17.70 to the Capitola Municipal Code providing a Procedure for Reasonable Accommodation in the City’s Land Use and Zoning and Building Regulations [1st Reading]. Presentation: Community Development Department.
- B. Public Hearing to Consider an Ordinance Amending the Capitola Municipal Code to allow Sandwich Board Signs [1st Reading]. Presentation: Community Development Department.
- C. Public Hearing on CDBG-funded Green Economy and Job Creation Final Report. Presentation: Community Development Department.

5. OTHER BUSINESS

- A. Report on next steps for a Skate Park at Monterey Park. Staff recommendation: accept report and project work plan.
- B. Report from Police Department on Domestic Violence. Staff recommendation: receive report.
- C. RDA: Resignation of Capitola Redevelopment Agency Treasurer. Staff recommendation: accept resignation and appoint the City Manager to serve as Interim RDA Treasurer, until such time as a Finance Director is appointed.

AT THIS POINT, ITEMS REMOVED FROM CONSENT CALENDAR WILL BE CONSIDERED

6. COUNCIL/RDA DIRECTOR/STAFF COMMUNICATIONS

7. ADJOURNMENT

Adjourn to the next Regular Joint Meeting of the City Council/ Redevelopment Agency to be held on Thursday, December 8, 2011, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Mayor's Proclamation

Designating November 2011 "Pancreatic Cancer Awareness Month"

WHEREAS, in 2011 an estimated 43,030 people will be diagnosed with pancreatic cancer this year in the United States and over 37,660 will die from the disease; and

WHEREAS, pancreatic cancer is the deadliest cancers and is the fourth leading cause of cancer death in the United States; and

WHEREAS, there is no cure for pancreatic cancer and there have been no significant improvements in early detection, treatments, or survival rates in the last 40 years; and

WHEREAS, when symptoms of pancreatic cancer present themselves, it is usually too late for an optimistic prognosis, and 74 percent of pancreatic cancer patients die within the first year of their diagnosis while 94 percent die within the first five years; and

WHEREAS, incidence of pancreatic cancer is approximately 50 percent higher in African Americans than in other ethnic groups; and

WHEREAS, the Federal Government invests less money in pancreatic cancer research than it does in any of the other leading cancer killers; and pancreatic cancer research constitutes only two percent of the National Cancer Institute's federal research funding, a figure far too low given the severity of the disease, its mortality rate, and how little is known about how to arrest it; and

WHEREAS, the Pancreatic Cancer Action Network is the first and only national patient advocacy organization that serves the pancreatic cancer community in Capitola and nationwide by focusing its efforts on public policy, research funding, patient services, and public awareness and education related to the developing effective treatments and a cure for pancreatic cancer; and

WHEREAS, the good health and well-being of the residents of Capitola are enhanced as a direct result of increased awareness about pancreatic cancer and research into early detection, causes, and effective treatments.

NOW, THEREFORE, I, Dennis Norton, Mayor of the City of Capitola, do hereby proclaim the month of November 2011 as "**Pancreatic Cancer Awareness Month**" in the City of Capitola and urge all citizens to join the Pancreatic Cancer Action Network and its affiliates in Capitola to support those patients currently battling pancreatic cancer, as well as to those who have lost their lives to the disease.



Dennis R. Norton, Mayor

Signed and sealed this 22nd day of November 2011



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: FINANCE DEPARTMENT
 DATE: NOVEMBER 16, 2011
 SUBJECT: APPROVAL OF CITY CHECK REGISTER REPORTS

Recommended Action: By motion and roll call vote, that the City Council approve the attached Check Register Reports for October 21, October 28, November 4, and November 10, 2011.

DISCUSSION:

The attached Check Registers for:

Date	Starting Check #	Ending Check #	Total Checks	Amount
10/21/11	67858	67932	95	\$372,919.02
10/28/11	67933	67982	50	\$193,443.62
11/4/11	67983	68053	71	\$384,072.86
11/10/11	68054	68108	55	\$76,670.24
10/21/11 Payroll				\$164,806.00
11/4/11 Payroll				\$163,550.95
Total				\$1,355,462.69

The check register of October 14, 2011 ended with check #67857.

Following is a list of checks issued for more than \$10,000.00, and a brief description of the expenditure:

Check	Issued to:	Dept.	Purpose	Amount
67867	Cale Parking Systems	PW	Pay Stations	\$193,269.50
67881	Garden City Construction	PW	Rispin Hazard Elim. Project	\$80,775.62
67924	WestAmerica Bank	PW	Sweeper Payment	\$36,567.12
67933	Atchison, Barisone, et al	CM	Sep2011 Legal Services	\$11,130.00
67941	Design, Community & Environment	CDD	General Plan Update	\$12,769.95
67953	PG&E	PW	Monthly Electric	\$12,605.01
67969	SC Regional 911	PD	Q2 Contract, 911 Service	\$122,962.50
67987	Belfor	CM	Flood Recovery Exp	\$205,659.00
67992	CalPERS Health Ins	CM	Nov Health Ins, Employee funded	\$51,387.16
67995	City of Scotts Valley	PD	DUI Enforcement, Grant funded	\$10,408.31

checks issued for more than \$10,000.00 (cont.)

68000	Design,Community&Environ	CDD	Gen Plan Update, CDBG Grants	\$40,793.71
68030	SCC Conf & Visitor Council	CM	TMD Pass-thru, Q1 FY11/12	\$15,485.58
68058	Bowman & Williams Inc	PW	Pac Cove Slope Engineering	\$10,667.50
68062	Chrisp Co	PW	Pay Station Numbering	\$16,788.87

On March 28, 2002, Council adopted Ordinance 838, which amended the City Municipal Code as follows:

"3.28.010 Auditing. All claims for salaries and wages of officers and employees and payroll-related withholdings, assessments, and attachments against the treasury of the City and all other claims for payment may be audited and allowed by the City Manager or his/her designee prior to payment thereof."

"3.28.050 Approval. All claims against the City treasury are to be allowed for payment by the City Manager or his/her designee and are to be presented to the City Council as an informational item as part of their regularly scheduled meetings after their issuance for ratification."

RESOLUTION NO. 2683 On September 22, 1994, Resolution No. 2683 was passed and adopted by the City Council. This resolution includes the following text:

Be it hereby resolved by the City Council of the City of Capitola that the City Manager is authorized, as cash shortages arise, to make temporary cash loans between and among the General Fund and all other City funds except the Redevelopment Agency; Special Assessment District funds; and The Village and Beach Parking Fund; and

Be it further resolved that such inter-fund loans shall be repaid by the borrowing fund to the lending fund as soon as, in the opinion of the City Manager, it is fiscally prudent to do so; and

Be it further resolved that the City Manager shall report to the City Council at its next regularly scheduled meeting, the amounts of such Interfund loans actually made; the funds from which and to which such Interfund loans were made; and the anticipated date the loans will be repaid.

The bank statement reconciliation has not been completed for the month. Bank reconciliation is completed and reported in conjunction with the monthly Treasurer's report. All checks on these registers have been deducted from the corresponding fund's cash balance. Interfund loans are not recorded on the financial records on a regular basis, except at year-end for financial reporting purposes.

There are several significant timing issues that create cash flow shortages:

- Triple flip delay of Sales Tax from monthly to December and April (~\$500,000/2x year)
- One quarter of the annual Worker's Compensation premium was paid in July (\$100,000)
- One half of the Self Insurance/Liability annual payment was paid in July (\$32,669)
- One third of the Police Communication JPA annual payment was paid in July (\$146,121)

As of 11/16/11 the total cash available is \$1,713,701. The General Operating Fund has a cash balance of \$50,062. Internal Service Funds (#2210 through #2214) were created for City budget purposes and are reclassified for financial reporting into the General Fund. The Compensated Absences Fund (#2216) has a positive cash balance of \$32,104. The Capital Improvement Projects has a positive cash balance of \$897,512. By Council direction the Emergency Reserves Fund (#1020) may not participate in cash loans; the Emergency Reserves Fund has a fund balance of \$82,910.77.

For cash flow purposes these funds are available to the General Fund. A consolidation of these cash balances results in a cash position of \$1,713,701.

The following table shows the funds that are consolidated:

CASH POSITION - CITY OF CAPITOLA 11/16/11

	Net Balance
General Fund	50,062
Worker's Comp. Ins. Fund	91,704
Self Insurance Liability Fund	36,974
Stores Fund	11,418
Information Technology Fund	48,006
Equipment Replacement	56,683
Compensated Absences Fund	32,104
Contingency Reserve Fund	100,000
Public Employee Retirement - PERS	388,984
Open Space Fund	256
Capital Improvement Projects	897,512
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	1,713,701

The Emergency Reserve Fund balance is \$82,910.77 and is not included above.

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, loans in the amount of \$1,304,895.66 were made from the following funds to the general fund:

Loans Between funds:	
Contingency Reserve	\$604,895.66
Equipment Replacement	\$275,000.00
Information Technology	\$125,000.00
Self Insurance Liability	\$200,000.00
Worker's Comp. Ins. Fund	\$100,000.00
Total Loans	\$1,304,895.66

It is anticipated that these loans to General Fund will be repaid by June 30, 2012.

ATTACHMENTS:

Check Registers for October 21, October 28, November 4, and November 10, 2011.

Report Prepared By: Linda Benko
AP Clerk

Reviewed and Forwarded
by City Manager:

Checks dated 10/21/11 numbered 67858 to 67932 for a total of \$372,919.02 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 10/21/11 the unaudited cash balance is \$1,940,570

CASH POSITION - CITY OF CAPITOLA 10/21/11

	<u>Net Balance</u>
General Fund	68,120
Worker's Comp. Ins. Fund	74,779
Self Insurance Liability Fund	105,519
Stores Fund	7,978
Information Technology Fund	98,010
Equipment Replacement	105,933
Compensated Absences Fund	35,038
Contingency Reserve Fund	200,000
Public Employee Retirement - PERS	376,062
Open Space Fund	256
Capital Improvement Projects	868,874
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>1,940,570</u></u>


The Emergency Reserve Fund balance is \$83,990.77 and is not included above.

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, loans in the amount of \$1,084,895.66 were made from the following funds to the general fund:

- From Contingency Reserve fund: \$734,895.66
- From Equipment Replacement fund: \$200,000.00
- From Information Technology fund: \$50,000.00
- From Self Insurance Liability fund: \$100,000.00

It is anticipated that these loans to General Fund will be repaid by June 30, 2012.



 Steve Jesberg, Acting City Manager



 Jacques J.J. Bertrand, City Treasurer

 10/21/11
 Date

 10.21.11
 Date

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67858	10/21/2011	Open			A TOOL SHED	\$305.33
	Invoice		Date	Description		Amount
	796469-5		10/05/2011	Rental - forklift		\$265.00
	800069-5		10/18/2011	Rental - roto-tiller		\$40.33
67859	10/21/2011	Open			ADAMSON POLICE PRODUCTS	\$3,384.56
	Invoice		Date	Description		Amount
	INV58429		09/26/2011	Ammunition, PD		\$3,384.56
67860	10/21/2011	Open			ADVANCED BLIND AND SHADE	\$70.21
	Invoice		Date	Description		Amount
	Order6580z		10/06/2011	Computer Room Miniblind Fund 1320, PEG		\$70.21
67861	10/21/2011	Open			AFLAC	\$464.50
	Invoice		Date	Description		Amount
	AFLAC10-21-11		10/19/2011	Employee Health Ins deduction, Employee funde		\$464.50
67862	10/21/2011	Open			ALLSAFE LOCK COMPANY	\$333.33
	Invoice		Date	Description		Amount
	42777		10/03/2011	Tractor Keys		\$7.29
	42603		08/24/2011	Key the PD		\$326.04
67863	10/21/2011	Open			AT&T	\$19.12
	Invoice		Date	Description		Amount
	Oct2011		10/01/2011	Oct 2011 Long Distance Service		\$7.81
	Oct2011z		10/01/2011	Oct 2011 Long Distance Service-Fund 2211, IT		\$11.31
67864	10/21/2011	Open			B & B SMALL ENGINE REPAIR	\$72.83
	Invoice		Date	Description		Amount
	251006		09/28/2011	Mower blades & oil mix		\$72.83
67865	10/21/2011	Open			BANK OF AMERICA	\$2,796.71
	Invoice		Date	Description		Amount
	Sep-Oct2011		10/06/2011	Charges to City Credit Card Fund 1000, General Fund=\$818.30 Fund 2211, IT=\$1978.41		\$2,796.71
67866	10/21/2011	Open			BRESLIN-KESSLER, PAUL	\$1,200.00
	Invoice		Date	Description		Amount
	BK-Oct11		10/19/2011	Private Tennis Lesson, LF		\$1,200.00
67867	10/21/2011	Open			CALE PARKING SYSTEMS USA, INC.	\$193,269.50
	Invoice		Date	Description		Amount
	124788		09/30/2011	Pay Stations + custom paint color Fund 1316, Parking Reserve		\$193,269.50
67868	10/21/2011	Open			CAPITOLA PEACE OFFICERS ASSOC.	\$778.08
	Invoice		Date	Description		Amount
	POA10-21-11		10/19/2011	POA Dues, Employee Funded		\$778.08

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67869	10/21/2011 Invoice 18729	Open	Date 09/23/2011	Description Late Fall Brochure, 19,200 Copies	CASEY PRINTING	\$2,978.71
67870	10/21/2011 Invoice 1044622	Open	Date 09/23/2011	Description Cleaning supplies	CLEAN SOURCE	\$764.26
67871	10/21/2011 Invoice 1098 1099	Open	Date 09/30/2011 09/30/2011	Description Storm Water Education and Outreach Services Soquel Creek Monitoring -Water Quality	COASTAL WATERSHED COUNCIL	\$3,494.75
67872	10/21/2011 Invoice 746	Open	Date 09/12/2011	Description PD speedometer certification	COMMERCIAL SPEEDOMETER SERVICE	\$210.00
67873	10/21/2011 Invoice 60094-Sep11	Open	Date 09/30/2011	Description Sep Drinking Water Service, All sites	CRYSTAL SPRINGS WATER CO.	\$142.92
67874	10/21/2011 Invoice 3503 3509	Open	Date 09/27/2011 09/27/2011	Description Traffic paint Traffic paint	DAVLIN COATINGS, INC.	\$1,926.90
67875	10/21/2011 Invoice 307185	Open	Date 10/04/2011	Description Lift ramp-Fund 1311, Wharf Fund	DOGHERRA'S INC.	\$150.00
67876	10/21/2011 Invoice 3	Open	Date 10/01/2011	Description BIA Communications Manager Fund 1321, BIA	FERRASCI-HARP, AMY	\$637.50
67877	10/21/2011 Invoice 11-658625 11-658352 11-658353	Open	Date 10/12/2011 10/07/2011 10/07/2011	Description 55 Gal Oil 509 Gal Ethanol 150 Gal Diesel	FLYERS ENERGY, LLC	\$3,348.62
67878	10/21/2011 Invoice 2012-00000349	Open	Date 10/17/2011	Description EF Instructor Payment	FOX, HELENA	\$557.70
67879	10/21/2011 Invoice 17873	Open	Date 09/24/2011	Description Equipment, Gonzalez-PD	GALLI UNIFORM COMPANY	\$155.77
67880	10/21/2011 Invoice 17871	Open	Date 09/24/2011	Description Uniform Purchase, PD	GALLI UNIFORM COMPANY	\$64.90

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67881	10/21/2011 Invoice G10330-3	Open	Date 09/25/2011	Description Rispin Mansion Hazard Elimination Project Fund 1200, CIP	GARDEN CITY CONSTRUCTION INC.	\$80,775.62
67882	10/21/2011 Invoice Oct2011-1 Oct2011-2	Open	Date 10/17/2011 10/17/2011	Description Mechanic 10/03-10/07/11 Mechanic 10/10-10/14/11	HOWARD, CHARLIE	\$1,440.00
67883	10/21/2011 Invoice ICMA10-21-11	Open	Date 10/19/2011	Description Retirement Plan Contribution, Employee Funded	ICMA RETIREMENT TRUST 457	\$6,254.98
67884	10/21/2011 Invoice 945692-1	Open	Date 09/21/2011	Description Parking violation forms	InnerWorkings	\$954.15
67885	10/21/2011 Invoice 50222195	Open	Date 10/13/2011	Description Car battery	INTERSTATE BATTERY SYS. OF SAN JOSE	\$87.63
67886	10/21/2011 Invoice 101211	Open	Date 10/12/2011	Description Backflow testing	JIM CLARK BACKFLOW	\$109.10
67887	10/21/2011 Invoice 115966	Open	Date 09/21/2011	Description Background Investigation, PD	JOHNSON, ROBERTS, & ASSOCIATES	\$32.50
67888	10/21/2011 Invoice 4580013	Open	Date 08/31/2011	Description Pay station set up assistance thru 8/31/11 Fund 1316, Parking Reserve	KIMLEY-HORN AND ASSOCIATES, INC.	\$938.40
67889	10/21/2011 Invoice 92311	Open	Date 09/23/2011	Description Sept 2011 Uniform Cleaning, PD	KING'S CLEANERS	\$614.25
67890	10/21/2011 Invoice 6251159	Open	Date 09/30/2011	Description FY 11/12 Seasonal Temp Labor	LABOR READY SOUTHWEST INC.	\$920.10
67891	10/21/2011 Invoice 18715 18813	Open	Date 09/21/2011 10/14/2011	Description Remove stone pine on Monterey Avenue Grind tree stump	LEWIS TREE SERVICE INC.	\$660.00
67892	10/21/2011 Invoice PDues10-21-11	Open	Date 10/19/2011	Description Pension Dues, Employee Funded	LIUNA PENSION FUND	\$484.00

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67893	10/21/2011 Invoice 2012-00000345	Open	Date 10/13/2011	Description Officials Oct 8 to 15, 2011	LUICH, JAY	\$99.00 \$99.00
67894	10/21/2011 Invoice Oct-Petty Cash	Open	Date 10/14/2011	Description Replenish Petty Cash	MARCHESE, HELEN	\$330.11 \$330.11
67895	10/21/2011 Invoice R8	Open	Date 10/18/2011	Description Riparian Restoration FY 11/12	McMENAMIN, GEORGE	\$562.50 \$562.50
67896	10/21/2011 Invoice 47526827	Open	Date 09/30/2011	Description Internet Access-Fund 2211, IT	MEGAPATH COVAD COMMUNICATIONS	\$643.86 \$643.86
67897	10/21/2011 Invoice 277464 276734 277003	Open	Date 09/29/2011 09/22/2011 09/26/2011	Description Auto Parts, Parks 2001 F-250 Auto Parts, Radar Trailer Shop Parts	MID-COUNTY AUTO SUPPLY	\$458.03 \$52.93 \$313.37 \$91.73
67898	10/21/2011 Invoice Sep2011	Open	Date 10/03/2011	Description Sep 2011 Mat and Uniform Cleaning, All Sites	MISSION LINEN SUPPLY	\$846.48 \$846.48
67899	10/21/2011 Invoice MBA11-0324c	Open	Date 08/12/2011	Description Claim Settlement, Drivon et al Fund 2213, Self-Insurance Liability	MONTEREY BAY AREA SELF INSURANCE	\$4,124.64 \$4,124.64
67900	10/21/2011 Invoice 2150	Open	Date 07/01/2011	Description FY11/12 Membership Fund 2211, IT	MUNICIPAL INFORMATION SYSTEMS ASSO	\$160.00 \$160.00
67901	10/21/2011 Invoice 41457-2012	Open	Date 10/03/2011	Description NRPA membership	NATIONAL RECREATION & PARKS ASSOC.	\$150.00 \$150.00
67902	10/21/2011 Invoice 223388 223390	Open	Date 10/03/2011 10/04/2011	Description Actuator Assembly Actuator Assembly	NORTH BAY FORD	\$30.06 \$15.03 \$15.03
67903	10/21/2011 Invoice 79857 79858 79859	Open	Date 09/26/2011 09/26/2011 09/26/2011	Description CL2 base rock - Rosedale CL2 base rock & asplait - Wesley Asphalt - Rosedale Fund 1310, Gas Tax	OLIVE SPRINGS QUARRY, INC.	\$716.42 \$10.37 \$344.17 \$361.88

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67904	10/21/2011	Open			ORCHARD SUPPLY HARDWARE	\$194.76
	Invoice		Date	Description		Amount
	6013-1234596		09/27/2011	Painting supplies		\$30.80
	6014-4797318		09/27/2011	Steel rake & misc.		\$24.88
	6013-9874637		09/28/2011	Rivets		\$12.62
	6008-3522531		09/28/2011	Batteries & rivets		\$24.28
	6014-4787625		09/29/2011	Misc.		\$17.30
	6013-1234951		09/30/2011	Misc.		\$47.00
	6011-3526807		09/30/2011	Broom		\$37.88
67905	10/21/2011	Open			PACIFIC VETERINARY SPECIALISTS INC.	\$1,049.25
	Invoice		Date	Description		Amount
	180347		12/13/2010	Animal Control Expense		\$258.25
	179670		11/29/2011	Animal Control Expense		\$134.50
	175063		09/01/2010	Animal Control Expense		\$271.50
	174514		08/22/2010	Animal Control Expense		\$103.50
	173454		08/04/2010	Animal Control Expense		\$133.00
	173336		08/04/2010	Animal Control Expense		\$148.50
67906	10/21/2011	Open			PALACE ART & OFFICE SUPPLIES	\$1,015.89
	Invoice		Date	Description		Amount
	926207		10/06/2011	Office supplies-PD		\$112.09
	925662		10/04/2011	Paper-PD		\$46.44
	15175		10/13/2011	Patrol room furniture		\$887.11
	C922868		10/12/2011	Returned Office Supplies, City Hall		(\$12.86)
	C924685		10/14/2011	Return Office Supplies		(\$16.89)
67907	10/21/2011	Open			PFX PET SUPPLY, LLC	\$54.69
	Invoice		Date	Description		Amount
	CD11716434		09/22/2011	Dog Food, PD		\$54.69
67908	10/21/2011	Open			RODGERS, PETER, A	\$99.00
	Invoice		Date	Description		Amount
	2012-00000344		10/13/2011	Officials Oct 8 to 15, 2011		\$99.00
67909	10/21/2011	Open			SANTA CRUZ FIRE EQUIPMENT CO.	\$189.76
	Invoice		Date	Description		Amount
	90446		10/11/2011	Annual Extinguisher Maint, Corp Yd		\$189.76
67910	10/21/2011	Open			SANTA CRUZ SENTINEL	\$265.22
	Invoice		Date	Description		Amount
	4135165-090211		09/30/2011	Legal Ad-CDD, Acct 2040516		\$265.22
67911	10/21/2011	Open			SCOTTS VALLEY FIRE PROTECTION DISTR	\$4,496.00
	Invoice		Date	Description		Amount
	1112-1		10/17/2011	FY 2011/12 HazMat Team Contribution		\$4,496.00
67912	10/21/2011	Open			SENTINEL PRINTERS, INC.	\$206.42
	Invoice		Date	Description		Amount
	292708		09/22/2011	Business Cards, Swift		\$107.42
	292753		09/27/2011	Business Cards, Foster Fund 2210, Stores		\$99.00

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67913	10/21/2011	Open			STEVE WESTEN CONSULTING	\$260.00
	Invoice		Date	Description		Amount
	20110913		09/13/2011	Jan-Sep2011 BIA Consulting Svcs, Brochure Fund 1321, BIA		\$260.00
67914	10/21/2011	Open			SUMMIT UNIFORM CORP	\$431.92
	Invoice		Date	Description		Amount
	43189		09/22/2011	Uniform Purchase, Evans		\$431.92
67915	10/21/2011	Open			THE INTERNET CONNECTION INC. - GOT.NI	\$150.00
	Invoice		Date	Description		Amount
	3917-15579		10/01/2011	Website Hosting, Oct 2011		\$150.00
67916	10/21/2011	Open			THILL, WENDY	\$80.00
	Invoice		Date	Description		Amount
	2012-00000343		10/13/2011	Officials Oct 8 to 15, 2011		\$80.00
67917	10/21/2011	Open			TLC ADMINISTRATORS, INC.	\$2,000.00
	Invoice		Date	Description		Amount
	20111019		10/14/2011	Replenish Flex Cash at TLC, Employee Funded		\$2,000.00
67918	10/21/2011	Open			UNION BANK OF CALIFORNIA	\$277.93
	Invoice		Date	Description		Amount
	PARS10-21-11		10/19/2011	Retirement Plan Contribution, Employee Funded		\$277.93
67919	10/21/2011	Open			UNITED PARCEL SERVICE	\$10.44
	Invoice		Date	Description		Amount
	954791401		10/01/2011	Shipping-PD		\$10.44
67920	10/21/2011	Open			UNITED WAY OF SANTA CRUZ COUNTY	\$40.00
	Invoice		Date	Description		Amount
	UW10-21-11		10/19/2011	United Way Employee Contribution		\$40.00
67921	10/21/2011	Open			UPEC LIUNA LOCAL 792	\$1,687.50
	Invoice		Date	Description		Amount
	UPEC10-21-11		10/19/2011	Union Dues, Employee Funded		\$1,687.50
67922	10/21/2011	Open			VERIZON WIRELESS-ACCT#572015869-0000	\$112.08
	Invoice		Date	Description		Amount
	1018232740		10/03/2011	Monthly Access Charges T-1 Line Fund 2211, IT		\$112.08
67923	10/21/2011	Open			WATSONVILLE POLICE DEPT	\$250.00
	Invoice		Date	Description		Amount
	Sept 2011		10/06/2011	Range for Sept 2011		\$250.00
67924	10/21/2011	Open			WESTAMERICA BANK	\$36,567.12
	Invoice		Date	Description		Amount
	Note526-00952		10/06/2011	Sweeper payment (principal & interest) Fund 1310, Gas Tax		\$36,567.12
67925	10/21/2011	Open			WESTERN STATES ARTS FEDERATION	\$450.00
	Invoice		Date	Description		Amount
	11-314		09/27/2011	CaFE Online Application & Jury Fee Fund 1315, Public Art		\$450.00

City Checks Issued 10/21/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67926	10/21/2011	Open			WHEELER, MARK, S	\$2,219.01
	Invoice		Date	Description		Amount
	Exam		10/14/2011	Reimb Cert Bldg Official Exam Exp		\$995.00
	Books		10/14/2011	Reimb Bldg Manuals Purchase		\$101.50
	Travel		10/14/2011	Reimb Travel Exp, Bldg Cert Tng Course		\$1,122.51
67927	10/21/2011	Open			WILEY, PRICE & RADULOVICH, LLP	\$320.00
	Invoice		Date	Description		Amount
	20507		08/31/2011	Labor & Employment Advice		\$320.00
67928	10/21/2011	Open			WITMER-TYSON IMPORTS INC.	\$500.00
	Invoice		Date	Description		Amount
	T8805		09/01/2011	K-9 training August 2011		\$500.00
67929	10/21/2011	Open			Alameda County Sheriff's Office	\$282.00
	Invoice		Date	Description		Amount
	2012-00000352		10/14/2011	Internal Affairs class for Dally, POST		\$282.00
67930	10/21/2011	Open			La Quinta Inn & Suites Dublin	\$297.00
	Invoice		Date	Description		Amount
	2012-00000354		10/17/2011	POST lodging		\$297.00
67931	10/21/2011	Open			Third Degree Communications, INC	\$395.00
	Invoice		Date	Description		Amount
	2714		10/09/2011	Interview & Interrogation for Thompson		\$395.00
67932	10/21/2011	Open			Yamagiwa, Joyce	\$500.00
	Invoice		Date	Description		Amount
	11-107		10/13/2011	Tree Removal Deposit #11-107		\$500.00
Check Totals:				Count	95	Total \$372,919.02

Checks dated 10/28/11 numbered 67933 to 67982 for a total of \$193,433.62 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 10/28/11 the unaudited cash balance is \$1,807,096

CASH POSITION - CITY OF CAPITOLA 10/28/11

	<u>Net Balance</u>
General Fund	25,107
Worker's Comp. Ins. Fund	91,704
Self Insurance Liability Fund	87,619
Stores Fund	13,820
Information Technology Fund	51,933
Equipment Replacement	56,683
Compensated Absences Fund	35,038
Contingency Reserve Fund	200,000
Public Employee Retirement - PERS	376,062
Open Space Fund	256
Capital Improvement Projects	868,874
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>1,807,096</u></u>

The Emergency Reserve Fund balance is \$83,990.77 and is not included above.

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, loans in the amount of \$1,384,895.66 were made from the following funds to the general fund:

- From Contingency Reserve fund: \$734,895.66
- From Equipment Replacement fund: \$275,000.00
- From Information Technology fund: \$125,000.00
- From Self Insurance Liability fund: \$150,000.00
- From Worker's Comp Ins Fund: \$100,000.00

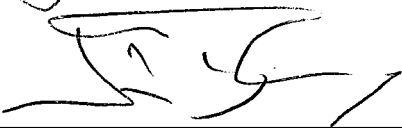
It is anticipated that these loans to General Fund will be repaid by June 30, 2012.



 Jamie Goldstein, City Manager

10/28/11

 Date



 Jacques J.J. Bertrand, City Treasurer

11.4.11

 Date

City Check Issued 10/28/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67933	10/28/2011 Invoice 1040-001Sep11	Open	Date 09/30/2011	Description Sep 2011 Contract Legal Services	ATCHISON, BARISONE, & CONDOTTI	\$11,130.00 \$11,130.00
67934	10/28/2011 Invoice Draw11	Open	Date 10/20/2011	Description Draw down acct to process new request 1370 HOME Re-Use Fund	BAY AVENUE SENIOR HOUSING, LP	\$3,079.00 \$3,079.00
67935	10/28/2011 Invoice FY11/12 Q1	Open	Date 10/20/2011	Description Seismic Mapping Fee	CA DEPARTMENT OF CONSERVATION	\$689.27 \$689.27
67936	10/28/2011 Invoice Sep2011	Open	Date 10/02/2011	Description Animal Control Exp, Sep 2011	CHANTICLEER VET HOSPITAL	\$1,335.55 \$1,335.55
67937	10/28/2011 Invoice Oct-Nov2011	Open	Date 10/11/2011	Description T-1 Line-Fund 2211, Info Technology	Charter Communications	\$131.93 \$131.93
67938	10/28/2011 Invoice 8855	Open	Date 09/30/2011	Description Sep 2011 Cleaning Service	CLEAN BUILDING MAINTENANCE	\$3,542.00 \$3,542.00
67939	10/28/2011 Invoice R211533	Open	Date 09/30/2011	Description 5-Bronze Plaques	CRESTOR INC.	\$861.30 \$861.30
67940	10/28/2011 Invoice 190499	Open	Date 09/30/2011	Description Portable toilets-Sep2011 Fund 1311, Wharf Fund	D & G SANITATION	\$515.79 \$515.79
67941	10/28/2011 Invoice 11350	Open	Date 07/31/2011	Description General Plan Update Professional Service Fund 1313, General Plan=\$7376.51 Fund 1350, CDBG Grant=\$5393.44	DESIGN, COMMUNITY & ENVIRONMEI	\$12,769.95 \$12,769.95
67942	10/28/2011 Invoice 292097	Open	Date 09/29/2011	Description Aug2011 Legal Services	ENDEMAN, LINCOLN, TUREK & HEATE	\$102.03 \$102.03
67943	10/28/2011 Invoice 40324	Open	Date 09/30/2011	Description Indenti calls - PD	ENTERSECT CORP	\$8.95 \$8.95
67944	10/28/2011 Invoice 2522221-Oct2011	Open	Date 10/17/2011	Description storage for evidence	EXTRA SPACE STORAGE OF SC INC -	\$262.00 \$262.00

City Check Issued 10/28/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67945	10/28/2011	Open			GALLI UNIFORM COMPANY	\$257.62
	Invoice		Date	Description		Amount
	17889		09/28/2011	Uniform Purchase, Parking Enforcement		\$257.62
67946	10/28/2011	Open			HOSE SHOP	\$229.22
	Invoice		Date	Description		Amount
	342359		10/06/2011	Sweeper parts Fund 1310, Gas Tax Fund		\$229.22
67947	10/28/2011	Open			LOOMIS	\$1,204.53
	Invoice		Date	Description		Amount
	10943092		09/30/2011	Armored Car Service, Oct 2011		\$1,204.53
67948	10/28/2011	Open			Mainstreet Media dba GOODTIMES	\$200.00
	Invoice		Date	Description		Amount
	64437		09/29/2011	Capitola Village Ad, BIA Funded Fund 1321, BIA		\$200.00
67949	10/28/2011	Open			MID-COUNTY AUTO SUPPLY	\$90.27
	Invoice		Date	Description		Amount
	278012		10/04/2011	Sweeper parts		\$11.86
	278055		10/04/2011	Auto parts, PW 1991 F-150 Pick up		\$17.22
	277891		10/03/2011	Snap Ring Assort., Shop use		\$10.78
	277927		10/03/2011	auto parts, radar trailer		\$50.41
67950	10/28/2011	Open			MONTEREY BAY SYSTEMS	\$591.63
	Invoice		Date	Description		Amount
	118259		09/30/2011	Copier Maint, Savin CLP31DN		\$119.99
	118255		09/30/2011	Jul-Sep11 Copier Contract, PD		\$471.64
67951	10/28/2011	Open			MV TRANSPORT INC.	\$4,900.50
	Invoice		Date	Description		Amount
	35720		10/03/2011	FY 11/12 Beach Shuttle Service, 9/20/11		\$4,900.50
67952	10/28/2011	Open			ORCHARD SUPPLY HARDWARE	\$89.31
	Invoice		Date	Description		Amount
	6013-1235535		10/03/2011	Paint thinner		\$29.22
	6007-3524202		10/05/2011	Gravel		\$17.28
	6007-2434449		10/06/2011	Adj. wrenches - Cary		\$25.96
	6011-4791284		10/19/2011	Padlock for PD		\$10.81
	6007-3526845		10/17/2011	Electrical Supplies, IT		\$6.04
67953	10/28/2011	Open			PACIFIC GAS & ELECTRIC	\$12,605.01
	Invoice		Date	Description		Amount
	2012-00000358		10/20/2011	Monthly Elec Fund 1000, General Fund=\$3671.86 Fund 1300, SLESF=\$197.04 Fund 1310, Gas Tax Fund=\$6859.13 Fund 1311, Wharf Fund=\$1876.98		\$12,605.01

City Check Issued 10/28/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67954	10/28/2011	Open			PACIFIC GAS & ELECTRIC	\$260.72
	Invoice		Date	Description	Amount	
	Sep-OctPCElec		10/20/2011	Pac Cove MHP Elec and Gas	\$260.72	
67955	10/28/2011	Open			PACIFIC GAS & ELECTRIC	\$95.11
	Invoice		Date	Description	Amount	
	Sep-Oct11		10/20/2011	Elec Usage, Rispin	\$95.11	
67956	10/28/2011	Open			PACIFIC PRODUCTS AND SERVICES,	\$441.98
	Invoice		Date	Description	Amount	
	11216		09/30/2011	Anchors	\$441.98	
67957	10/28/2011	Open			PALACE ART & OFFICE SUPPLIES	\$1,266.68
	Invoice		Date	Description	Amount	
	925800		10/05/2011	Office supplies-PD	\$84.40	
	926505		10/10/2011	Office Supplies, City Hall	\$33.38	
	926296		10/07/2011	Office Supplies, City Hall	\$139.32	
	15372		10/10/2011	Cabinet for Captains office	\$926.84	
	926782		10/11/2011	Office Supplies, City hall	\$38.80	
	926885		10/12/2011	Office Supplies, City Hall	\$16.89	
	926980		10/12/2011	Office Supplies, City Hall	\$27.05	
67958	10/28/2011	Open			PHIL ALLEGRI ELECTRIC, INC.	\$1,140.37
	Invoice		Date	Description	Amount	
	16281		10/03/2011	Light repair	\$277.00	
	16282		10/03/2011	Track lighting, Council Chambers	\$863.37	
67959	10/28/2011	Open			PITNEY BOWES INC.	\$660.23
	Invoice		Date	Description	Amount	
	416241		10/03/2011	Jul-Sep Postage Meter Rental, City Hall	\$207.84	
	471286		10/01/2011	Contract Maint, Postage Meter, City Hall	\$452.39	
				Fund 2210, Stores Fund		
67960	10/28/2011	Open			QUENVOLD'S SAFETY SHOEMOBILES	\$135.31
	Invoice		Date	Description	Amount	
	16728		10/14/2011	Safety shoes - Turcotte	\$135.31	
67961	10/28/2011	Open			RED SHIFT INTERNET SERVICES	\$115.11
	Invoice		Date	Description	Amount	
	1473695		10/01/2011	Oct2011 Internet Access	\$49.94	
	1473694		10/01/2011	Oct2011 Internet Access	\$65.17	
67962	10/28/2011	Open			SACRAMENTO MAGAZINES CORP.	\$350.00
	Invoice		Date	Description	Amount	
	560197		02/22/2011	Advertising, BIA Funded	\$350.00	
				Fund 1321, BIA		
67963	10/28/2011	Open			SALDANA, LISA	\$563.11
	Invoice		Date	Description	Amount	
	20111021		10/20/2011	Reimb. Travel Exp	\$563.11	

City Check Issued 10/28/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67964	10/28/2011 Invoice Q1 FY11/12	Open	Date 10/20/2011	Description Qtrly Community Grant Payment	SANTA CRUZ AIDS PROJECT	\$2,287.50
67965	10/28/2011 Invoice 10-11Haz	Open	Date 09/28/2011	Description FY10/11 Haz Waste Collection Prog, final	SANTA CRUZ COUNTY DEPT OF PUBLI	\$2,793.00
67966	10/28/2011 Invoice 11-12CMCMC	Open	Date 10/04/2011	Description FY11-12 Contract Mgmt Ctr Maint Costs	SANTA CRUZ COUNTY HUMAN SERVI	\$485.00
67967	10/28/2011 Invoice Oct 2011	Open	Date 10/04/2011	Description Oct 2011 SCAN Charges	SANTA CRUZ COUNTY INFORMATION	\$502.78
67968	10/28/2011 Invoice 373086	Open	Date 09/28/2011	Description Electrical Supplies, IT	SANTA CRUZ ELECTRONICS, INC.	\$3.89
67969	10/28/2011 Invoice Q2 FY11/12 Q2SCRMS Debt11-12	Open	Date 09/01/2011 09/01/2011 09/15/2011	Description Q2 Regional 911 2nd qrt SCRMS 11/12 first half debt service FY11/12	SANTA CRUZ REGIONAL 911	\$122,962.50
67970	10/28/2011 Invoice Q1 FY11/12	Open	Date 10/20/2011	Description Quarterly Comm Grant Payment	SANTA CRUZ TODDLER CARE CENTE	\$308.50
67971	10/28/2011 Invoice Swift-9-30 20111021	Open	Date 09/30/2011 10/21/2011	Description Reimb Home Depot Purch for Museum Reimb Museum Painting Purchase	SWIFT, STEVE	\$154.51
67972	10/28/2011 Invoice 5623772-0	Open	Date 10/14/2011	Description Nov2011 Employee Life and Disability Ins	THE HARTFORD -PRIORITY ACCOUNT	\$1,780.75
67973	10/28/2011 Invoice Oct-3	Open	Date 10/24/2011	Description Volleyball Officials Oct 22 2011	THILL, WENDY	\$40.00
67974	10/28/2011 Invoice CN1N013314	Open	Date 10/01/2011	Description Photocopy Expense, Jun-Sep2011 Fund 2210, Stores Fund	TRI-COUNTY BUSINESS SYSTEMS INC	\$917.90
67975	10/28/2011 Invoice 954791411	Open	Date 10/08/2011	Description Shipping-PD	UNITED PARCEL SERVICE	\$20.74

City Check Issued 10/28/2011

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67976	10/28/2011 Invoice 188004287	Open	Date 10/08/2011	Description Monthly Lease Payment, PD Copier	US BANCORP EQUIPMENT FINANCE, Amount \$287.57	\$287.57
67977	10/28/2011 Invoice 20609	Open	Date 09/30/2011	Description Labor & Employment Advice	WILEY, PRICE & RADULOVICH, LLP Amount \$509.50	\$509.50
67978	10/28/2011 Invoice T8855	Open	Date 10/01/2011	Description K-9 training Sept 2011	WITMER-TYSON IMPORTS INC. Amount \$500.00	\$500.00
67979	10/28/2011 Invoice 2001133-002	Open	Date 10/25/2011	Description Refunds - Rec	Anderson, Pamela Amount \$85.00	\$85.00
67980	10/28/2011 Invoice 2001124-002	Open	Date 10/25/2011	Description Class refund	Gibson, David Amount \$36.00	\$36.00
67981	10/28/2011 Invoice 2001129-002	Open	Date 10/25/2011	Description Refunds - Rec	Heien, Janet Amount \$96.00	\$96.00
67982	10/28/2011 Invoice 2001125-002	Open	Date 10/25/2011	Description Refunds - Rec	Torres, Belen Amount \$48.00	\$48.00
Check Totals:				Count	50	Total \$193,443.62

Checks dated 11/4/11 numbered 67983 to 68053 for a total of \$384,072.86 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 11/4/11 the unaudited cash balance is \$1,773,616

CASH POSITION - CITY OF CAPITOLA 11/4/11

	<u>Net Balance</u>
General Fund	97,759
Worker's Comp. Ins. Fund	91,704
Self Insurance Liability Fund	86,974
Stores Fund	11,437
Information Technology Fund	50,605
Equipment Replacement	56,683
Compensated Absences Fund	35,038
Contingency Reserve Fund	100,000
Public Employee Retirement - PERS	376,062
Open Space Fund	256
Capital Improvement Projects	867,099
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>1,773,616</u></u>

The Emergency Reserve Fund balance is \$83,990.77 and is not included above.

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, loans in the amount of \$1,254,895.66 were made from the following funds to the general fund:

Loans Between funds:	
Contingency Reserve	\$604,895.66
Equipment Replacement	\$275,000.00
Information Technology	\$125,000.00
Self Insurance Liability	\$150,000.00
Worker's Comp. Ins. Fund	\$100,000.00
Total Loans	<u>\$1,254,895.66</u>


It is anticipated that these loans to General Fund will be repaid by June 30, 2012.



 Jamie Goldstein, City Manager

11/4/11

 Date



 Jacques J.J. Bertrand, City Treasurer

11.10.11

 Date

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67983	11/04/2011	Open			ALLSAFE LOCK COMPANY	\$82.08
	Invoice		Date	Description		Amount
	42854		10/19/2011	Keys-PD		\$82.08
67984	11/04/2011	Open			APTOS LANDSCAPE SUPPLY, INC.	\$163.90
	Invoice		Date	Description		Amount
	322624		10/18/2011	Landscape supplies		\$39.50
	322650		10/18/2011	Boulders		\$83.36
	323149		10/27/2011	Topsoil		\$41.04
67985	11/04/2011	Open			AUTOMATED TEST ASSOCIATES	\$92.00
	Invoice		Date	Description		Amount
	37961		10/22/2011	October meter reading - Wharf, fund 1311		\$25.00
	37962		10/22/2011	October meter reading - Pac Cove MHP		\$67.00
67986	11/04/2011	Open			BACK TO EDEN LANDSCAPING INC.	\$575.00
	Invoice		Date	Description		Amount
	2810		10/18/2011	Monthly Landscape Fee, Pac Cove MHP		\$575.00
67987	11/04/2011	Open			BELFOR	\$205,659.00
	Invoice		Date	Description		Amount
	10133-1EMS		07/01/2011	Replace Lost Check, Emerg Svc Pymt		\$105,659.00
	10133-EMS2		06/29/2011	Remaing Balance, Emer Svcs, Phase 1 Inv		\$51,139.54
	10133-3Recon1		08/25/2011	Reconstruction Services, Payment 1		\$48,860.46
				Fund 1020, Emergency Reserve		
67988	11/04/2011	Open			BIG CREEK LUMBER	\$688.18
	Invoice		Date	Description		Amount
	2960673		10/24/2011	Cliff Drive fence		\$688.18
67989	11/04/2011	Open			BIGGS CARDOSA ASSOCIATES	\$1,775.00
	Invoice		Date	Description		Amount
	59422		10/05/2011	Rispin Prof Services Sep2011		\$884.00
	59423		10/05/2011	Rispin - special inspection		\$891.00
				Fund 1200, CIP		
67990	11/04/2011	Open			CA DEPARTMENT OF TRANS.	\$1,047.76
	Invoice		Date	Description		Amount
	SL120163		10/24/2011	7/11 - 9/11 signals and lighting		\$1,047.76
				Fund 1310, Gas Tax		
67991	11/04/2011	Open			CALIFORNIA LAW ENFORCEMENT ASSOCIATION	\$370.50
	Invoice		Date	Description		Amount
	Nov2011		10/19/2011	Nov 2011 Long Term Disability Ins, PD		\$370.50
67992	11/04/2011	Open			CalPERS Health Insurance	\$51,387.16
	Invoice		Date	Description		Amount
	2647630112-Nov11		10/28/2011	Nov 2011 Health Ins, Employee Funded		\$51,387.16
67993	11/04/2011	Open			CAPITOLA PEACE OFFICERS ASSOCIATION	\$778.08
	Invoice		Date	Description		Amount
	POA11-4-11		10/28/2011	POA Dues, Employee Funded		\$778.08

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
67994	11/04/2011	Open			CDW GOVERNMENT INC.	\$1,328.84
	Invoice		Date	Description		Amount
	ZXK7088		10/08/2011	Computer Purchase, IT		\$835.90
	ZXG3304		10/07/2011	Computer Monitors, 5 each		\$492.94
				Fund 2211, Info Technology		
67995	11/04/2011	Open			CITY OF SCOTTS VALLEY	\$10,408.31
	Invoice		Date	Description		Amount
	20111025		10/25/2011	DUI Enforcement Grant pass thru		\$10,408.31
67996	11/04/2011	Open			CLEAN SOURCE	\$1,317.94
	Invoice		Date	Description		Amount
	1064063		10/11/2011	Cleaning supplies		\$1,317.94
67997	11/04/2011	Open			CRUZIO THE INTERNET STORE INC.	\$39.95
	Invoice		Date	Description		Amount
	28750-25		10/02/2011	webhosting 10/23-11/22/11		\$39.95
				Fund 1313, Gen Plan Update		
67998	11/04/2011	Open			CVS PHARMACY INC.	\$5.34
	Invoice		Date	Description		Amount
	9957		10/21/2011	Parking supplies		\$5.34
67999	11/04/2011	Open			DE LAGE LANDEN FINANCIAL SVCS	\$334.07
	Invoice		Date	Description		Amount
	11388312		10/28/2011	Monthly Lease Cost, City Hall Copier, Sharp		\$334.07
				Fund 2210, Stores		
68000	11/04/2011	Open			DESIGN, COMMUNITY & ENVIRONMENT	\$40,793.71
	Invoice		Date	Description		Amount
	11438		08/31/2011	August 2011 Professional Services		\$26,754.35
	11514		09/30/2011	September 2011 Professional Services		\$14,039.36
				Fund 1313, Gen Plan Update=\$33,021.38		
				Fund 1350, CDBG Grant=\$7,772.33		
68001	11/04/2011	Open			EDGAR, MARIA V.	\$1,000.00
	Invoice		Date	Description		Amount
	2011-12		10/28/2011	Recycling Program, NB Middle School		\$1,000.00
				Grant Funded		
68002	11/04/2011	Open			EWING IRRIGATION	\$74.43
	Invoice		Date	Description		Amount
	4003997		10/13/2011	Irrigation parts		\$74.43
68003	11/04/2011	Open			FLYERS ENERGY, LLC	\$4,484.43
	Invoice		Date	Description		Amount
	11-661150		10/14/2011	433 Gal Ethanol		\$1,730.41
	11-661151		10/14/2011	140 Gal Diesel		\$566.43
	11-663471		10/20/2011	396 Gal Ethanol		\$1,509.14
	11-663472		10/20/2011	170 Gal Diesel		\$678.45
68004	11/04/2011	Open			FLYNN, CAROLYN	\$2,600.00
	Invoice		Date	Description		Amount
	CBF-9-2011-2		09/30/2011	Contract services for Sept.2011		\$2,600.00
				Fund 1350, CDBG Grant		

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68005	11/04/2011	Open			GALLI UNIFORM COMPANY	\$188.89
	Invoice		Date	Description		Amount
	7		10/05/2011	Name Tapes, Mendoza-PD		\$15.86
	11		10/06/2011	Uniform Purchase, Sandretti-PD		\$237.93
	10		10/06/2011	Returned Uniform Item, Sandretti-PD		(\$64.90)
68006	11/04/2011	Open			HOWARD, CHARLIE	\$1,430.00
	Invoice		Date	Description		Amount
	10/17-10/21/11		10/31/2011	Mechanic		\$720.00
	10/24-10/28/11		10/31/2011	Mechanic		\$710.00
68007	11/04/2011	Open			HOWELLS, NANCY	\$313.30
	Invoice		Date	Description		Amount
	2012-00000378		10/31/2011	Instructor Payment, Rec		\$313.30
68008	11/04/2011	Open			HUB INTERNATIONAL OF CA INS. SERVICES	\$146.67
	Invoice		Date	Description		Amount
	Oct2011		11/01/2011	Insurance for Block Party Fund 2213, Self Insurance Liability		\$146.67
68009	11/04/2011	Open			ICMA RETIREMENT TRUST 457	\$5,725.81
	Invoice		Date	Description		Amount
	ICMA11-4-11		10/28/2011	Retirement Plan Contribution Employee Funded		\$5,725.81
68010	11/04/2011	Open			INTERWEST CONSULTING GROUP INC.	\$491.34
	Invoice		Date	Description		Amount
	11391		09/06/2011	plan check for 1820 43rd ave		\$491.34
68011	11/04/2011	Open			LAW ENFORCEMENT PSYCHOLOGICAL SERVICES, INC	\$350.00
	Invoice		Date	Description		Amount
	1011512		10/05/2011	New Hire Eval		\$350.00
68012	11/04/2011	Open			MARTIN, BRIAN, K.	\$197.90
	Invoice		Date	Description		Amount
	6-2011		10/14/2011	Q3 Grant Management, PD Fund 1300, SLESF		\$197.90
68013	11/04/2011	Open			McMENAMIN, GEORGE	\$675.00
	Invoice		Date	Description		Amount
	9R		11/02/2011	Riparian Restoration FY 11/12		\$675.00
68014	11/04/2011	Open			MID-COUNTY AUTO SUPPLY	\$92.56
	Invoice		Date	Description		Amount
	278737		10/10/2011	Sweeper parts		\$7.50
	278806		10/11/2011	auto parts, CSO Vehicle		\$26.73
	278870		10/11/2011	Oil		\$58.33
68015	11/04/2011	Open			MILLER'S TRANSFER & STORAGE CO.	\$164.80
	Invoice		Date	Description		Amount
	82551		10/06/2011	Records Management, Sep handling/Oct St		\$164.80

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68016	11/04/2011	Open			MONTEREY BAY AREA SELF INSURANC	\$498.91
	Invoice		Date	Description		Amount
	Drivon		10/11/2011	Claim MBA11-0324, Drivon et al		\$498.91
				Fund 2213, Self Insurance Liability		
68017	11/04/2011	Open			MONTEREY BAY SYSTEMS	\$307.63
	Invoice		Date	Description		Amount
	118695		10/05/2011	Q1 FY11/12 Maint Contract, PD Copier		\$307.63
68018	11/04/2011	Open			MORRONE'S DRAPERIES	\$251.23
	Invoice		Date	Description		Amount
	23941		10/25/2011	Repair vertical blinds Community Center		\$251.23
68019	11/04/2011	Open			NICHOLS, LIZ	\$130.12
	Invoice		Date	Description		Amount
	CalPERS2011		10/28/2011	Reimb Travel Exp, CalPERS Conference		\$130.12
68020	11/04/2011	Open			ORCHARD SUPPLY HARDWARE	\$174.55
	Invoice		Date	Description		Amount
	6013-7826620		10/11/2011	Misc.		\$5.83
	6008-8783146		10/12/2011	Misc. tools - Cary		\$44.19
	6011-1139980		10/13/2011	Hand pruners		\$36.78
	6013-7827722		10/18/2011	Tools - Cary		\$24.94
	6013-1237543		10/17/2011	Carb cleaner		\$9.29
	6010-9064023		10/18/2011	Pitch fork		\$19.47
	6044-4791224		10/19/2011	Misc.		\$10.27
	6011-4791512		10/20/2011	Wasp spray		\$23.78
68021	11/04/2011	Open			PACIFIC GALLERY & CUSTOM FRAMING	\$21.10
	Invoice		Date	Description		Amount
	7892		10/20/2011	Museum Expense		\$21.10
68022	11/04/2011	Open			PACIFIC VETERINARY SPECIALISTS INC	\$447.47
	Invoice		Date	Description		Amount
	196188		10/06/2011	Animal Control Expense, PD		\$153.00
	195163		09/12/2011	Animal Control Expense, PD		\$109.29
	199055		10/26/2011	Animal Control Expense-PD		\$185.18
68023	11/04/2011	Open			PALACE ART & OFFICE SUPPLIES	\$2,002.20
	Invoice		Date	Description		Amount
	927553		10/14/2011	Paper-PD		\$46.44
	927371		10/13/2011	Office supplies-PD		\$287.00
	927220		10/13/2011	Office Supplies, City Hall		\$25.60
	927513		10/14/2011	Office Supplies, City Hall		\$3.18
	927569		10/21/2011	Shredder-PD		\$1,639.98
68024	11/04/2011	Open			PENINSULA COMMUNICATIONS	\$7,510.00
	Invoice		Date	Description		Amount
	SO 6097		10/13/2011	50% deposit for Handheld Radios, PD-Gran		\$7,510.00

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68025	11/04/2011 Invoice 20110925	Open	Date 10/25/2011	Description Postage Refill, City hall meter Fund 2210, Stores	PITNEY BOWES INC.	\$2,019.99
68026	11/04/2011 Invoice 5181436	Open	Date 10/13/2011	Description Door closer - CPD	ProBUILD COMPANY LLC	\$81.92
68027	11/04/2011 Invoice 2011-341	Open	Date 10/05/2011	Description Printing, Capitola Muni Code	QUALITY CODE PUBLISHING LLC	\$3,076.42
68028	11/04/2011 Invoice RR119344 RR119345	Open	Date 10/12/2011 10/12/2011	Description FY 11/12 Traffic Signal Maintenance FY 11/12 Traffic Signal Maintenance Fund 1310, Gas Tax	REPUBLIC ITS INC.	\$1,569.48
68029	11/04/2011 Invoice 7719-554269	Open	Date 10/13/2011	Description Bulb, New Brighton Gym	ROYAL WHOLESALE ELECTRIC	\$25.78
68030	11/04/2011 Invoice 20110930	Open	Date 10/28/2011	Description 1st Qtr 11/12 TMD Pass-Through	SCC CONFERENCE & VISITORS COUNCIL	\$15,485.58
68031	11/04/2011 Invoice 11342	Open	Date 10/04/2011	Description Fingerprinting, New Hire	SCC OFFICE OF EDUCATION	\$30.00
68032	11/04/2011 Invoice 90445 90459 90514 90516 90515	Open	Date 10/11/2011 10/14/2011 10/17/2011 10/17/2011 10/17/2011	Description Annual Fire Ext. Maintenance, New Brighton Annual Fire Ext. Maintenance, Museum Annual Fire Ext. Maintenance, City Hall Annual Fire Ext Maint., PD & Vehicles Annual Fire Ext. Maintenance, Corp Yd	SANTA CRUZ FIRE EQUIPMENT CO.	\$930.66
68033	11/04/2011 Invoice 1012-2	Open	Date 10/11/2011	Description State Mandated Cost Reimbursement repor	SHIELDS CONSULTING GROUP INC.	\$2,500.00
68034	11/04/2011 Invoice 10202011	Open	Date 10/20/2011	Description Capitola PD Drywall work	SMITH, BRET	\$283.24
68035	11/04/2011 Invoice 301981	Open	Date 10/19/2011	Description Esplanade plants	SOQUEL NURSERY GROWERS, INC.	\$139.51

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68036	11/04/2011	Open			SPORT ABOUT	\$675.81
	Invoice		Date	Description		Amount
	3939		10/05/2011	Sports leagues t-shirt awards		\$648.00
	3973		10/19/2011	T-shirts - Softball		\$27.81
68037	11/04/2011	Open			SWIFT, CAROLYN	\$115.00
	Invoice		Date	Description		Amount
	KS-10-2011		10/28/2011	Reimb workshop expense, Museum		\$115.00
68038	11/04/2011	Open			TRI COUNTY TROPHY & ENGRAVING	\$120.16
	Invoice		Date	Description		Amount
	10-6930		10/26/2011	Locker plates-PD		\$120.16
68039	11/04/2011	Open			UNION BANK OF CALIFORNIA	\$257.34
	Invoice		Date	Description		Amount
	PARS11-4-11		10/28/2011	PARS Contribution for 11-4-11 payroll Employee Funded		\$257.34
68040	11/04/2011	Open			WAV Inc.	\$195.00
	Invoice		Date	Description		Amount
	367405		10/28/2011	Repair for handheld radios, PD		\$195.00
68041	11/04/2011	Open			WESTAMERICA BANK	\$16.36
	Invoice		Date	Description		Amount
	0116-Int		10/24/2011	Interest Payment to close note Fund 1310, Gas Tax		\$16.36
68042	11/04/2011	Open			WESTERN ALLIED MECHANICAL INC.	\$1,289.00
	Invoice		Date	Description		Amount
	61297		10/20/2011	HVAC Maint, All City Sites		\$1,289.00
68043	11/04/2011	Open			WHITLOW CONCRETE, INC.	\$4,895.00
	Invoice		Date	Description		Amount
	5252		10/13/2011	Sidewalk repair		\$1,395.00
	5251		10/13/2011	Base installation for pay stations Fund 1310, Gas Tax=\$3,500.00		\$3,500.00
68044	11/04/2011	Open			ZUMAR INDUSTRIES INC.	\$1,712.64
	Invoice		Date	Description		Amount
	133868		10/12/2011	Pay station signs		\$1,712.64
68045	11/04/2011	Open			Capitola Del Mar HOA	\$500.00
	Invoice		Date	Description		Amount
	2012-00000382		10/22/2011	Refund tree deposit #11-019		\$500.00
68046	11/04/2011	Open			By the Beach Productions	\$1,500.00
	Invoice		Date	Description		Amount
	20111031		10/31/2011	Refund Bandstand Deposit		\$1,500.00
68047	11/04/2011	Open			Cheaper Than Dirt	\$100.97
	Invoice		Date	Description		Amount
	6882406		10/27/2011	Weapons Cleaning Supplies-PD		\$100.97

City Checks Issued 11/4/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68048	11/04/2011 Invoice 12133974	Open	Date 10/27/2011	Description Refund cite 12133974	Donatelli, Peggy	\$10.00 \$10.00
68049	11/04/2011 Invoice 11133904	Open	Date 10/27/2011	Description Refund cite 11133904	Gagnon, Carrie	\$36.00 \$36.00
68050	11/04/2011 Invoice 11131402	Open	Date 10/27/2011	Description Refund cite 11131402	grossman, Elizabeth	\$58.00 \$58.00
68051	11/04/2011 Invoice 11134038	Open	Date 10/27/2011	Description Refund cite 11134038	Labella, Nicholas	\$10.00 \$10.00
68052	11/04/2011 Invoice 7476638	Open	Date 10/19/2011	Description Signs for the wall	Quill Corporation	\$124.40 \$124.40
68053	11/04/2011 Invoice 20110801	Open	Date 10/28/2011	Description Reimb Museum Supplies Exp.	SMITH, LINDA	\$189.44 \$189.44
Check Totals:				Count	71	Total \$384,072.86

Checks dated 11/10/11 numbered 68054 to 68108 for a total of \$76,670.24 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 11/10/11 the unaudited cash balance is \$1,674,825

CASH POSITION - CITY OF CAPITOLA 11/10/11

	<u>Net Balance</u>
General Fund	8,251
Worker's Comp. Ins. Fund	91,704
Self Insurance Liability Fund	36,974
Stores Fund	11,418
Information Technology Fund	48,006
Equipment Replacement	56,683
Compensated Absences Fund	35,038
Contingency Reserve Fund	100,000
Public Employee Retirement - PERS	388,984
Open Space Fund	256
Capital Improvement Projects	897,512
TOTAL GENERAL FUND & COUNCIL DESIGNATED FUNDS	<u><u>1,674,825</u></u>

The Emergency Reserve Fund balance is \$82,910.77 and is not included above.

On a fiscal year basis the City's annual budget balances expenditures and revenue in the General Fund. Due to the timing of revenue receipts, during most of the fiscal year General Fund expenditures will outpace revenue.

To resolve this cash flow issue, loans in the amount of \$1,304,895.66 were made from the following funds to the general fund:

Loans Between funds:	
Contingency Reserve	\$604,895.66
Equipment Replacement	\$275,000.00
Information Technology	\$125,000.00
Self Insurance Liability	\$200,000.00
Worker's Comp. Ins. Fund	\$100,000.00
Total Loans	<u>\$1,304,895.66</u>

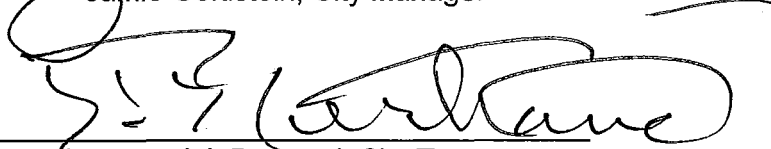
It is anticipated that these loans to General Fund will be repaid by June 30, 2012.



 Jamie Goldstein, City Manager

11/10/11

 Date



 Jacques J.J. Bertrand, City Treasurer

11-10-11

 Date

City Checks Issued 11/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68054	11/10/2011 Invoice 42540	Open	Date 08/17/2011	Description Open file cab and make keys-PD	ALLSAFE LOCK COMPANY	\$68.83
68055	11/10/2011 Invoice 30090	Open	Date 10/13/2011	Description Sep2011 Addtl Legal Services	ATCHISON, BARISONE, & CONDOTTI	\$8,101.78
68056	11/10/2011 Invoice 252171 252150 252139	Open	Date 10/19/2011 10/19/2011 10/19/2011	Description Air filters Filter & spark plug Air filters	B & B SMALL ENGINE REPAIR	\$283.47
68057	11/10/2011 Invoice 20111007	Open	Date 11/07/2011	Description Reimb Meals, Rifle Instructor School	BLANKENSHIP, LELAND	\$188.37
68058	11/10/2011 Invoice 6814 6811	Open	Date 11/03/2011 11/03/2011	Description Engineering Services, Oct2011 Pac Cove Slope Failure Engineering Svcs Fund 1020, Emergency Res=\$1080.00 Fund 1200, CIP=\$9587.50	BOWMAN & WILLIAMS, INC.	\$10,667.50
68059	11/10/2011 Invoice 876528	Open	Date 11/03/2011	Description Oct2011 Fingerprint & Background Service	CA DEPARTMENT OF JUSTICE	\$374.00
68060	11/10/2011 Invoice 1682	Open	Date 11/01/2011	Description Banners-Fund 1313, Gen Plan Update	CADILLAC DESIGNS	\$246.40
68061	11/10/2011 Invoice 9324	Open	Date 09/29/2011	Description Custom Gun Rack, PD	CAMPBELL INDUSTRIAL SUPPLY	\$962.56
68062	11/10/2011 Invoice 11110405	Open	Date 10/29/2011	Description Install numbers for pay stations Fund 1316, Parking Reserve	CHRISP COMPANY	\$16,788.87
68063	11/10/2011 Invoice BdMtg-2011	Open	Date 10/28/2011	Description Luncheon Training Conf x 3, Nov 18	CITY CLERKS ASSOC. OF CALIFORNI/	\$120.00
68064	11/10/2011 Invoice R211539	Open	Date 10/14/2011	Description Bronze Plaques	CRESTOR INC.	\$344.52

City Checks Issued 11/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68065	11/10/2011 Invoice 2989-120	Open	Date 10/25/2011	Description Web hosting 11/15/11-2/14/12	CRUZIO THE INTERNET STORE INC.	\$65.70
68066	11/10/2011 Invoice 201109	Open	Date 09/30/2011	Description Metal Work, PD Lobby Security	DAMSEN, TOM	\$900.00
68067	11/10/2011 Invoice 75056-in 75179-in	Open	Date 10/13/2011 10/18/2011	Description Badge 516, 521 and 584 bagde 483	ENTENMANN-ROVIN	\$258.52
68068	11/10/2011 Invoice 92401863	Open	Date 10/18/2011	Description ArcView Maint Contract Fund 2211, Info Technology	ENVIRONMENTAL SYS RESEARCH IN.	\$1,157.75
68069	11/10/2011 Invoice 2522221-Nov11	Open	Date 10/27/2011	Description Evidence storage Nov 2011	EXTRA SPACE STORAGE OF SC	\$282.00
68070	11/10/2011 Invoice 7-668-42429	Open	Date 10/28/2011	Description Shipping Exp, City Hall	FEDERAL EXPRESS	\$126.28
68071	11/10/2011 Invoice 2012-00000388	Open	Date 11/01/2011	Description BIA Communications Manager Fund 1321, BIA	FERRASCI-HARP, AMY	\$975.00
68072	11/10/2011 Invoice CBF-10-2011-2 CBF-10-2011-2DRI	Open	Date 10/31/2011 10/31/2011	Description Contract Services 10/1-10/31/11 Contract Services 10/1-10/31/11 Fund 1313, Gen Plan Update=\$1700 Fund 1350, CDBG Grants=\$1100	FLYNN, CAROLYN	\$2,800.00
68073	11/10/2011 Invoice 29	Open	Date 10/13/2011	Description Uniform Purchase, Blankenship	GALLI UNIFORM COMPANY	\$248.92
68074	11/10/2011 Invoice 666359	Open	Date 10/18/2011	Description Boulders/Esplanade Park	GRANITE ROCK COMPANY	\$34.18
68075	11/10/2011 Invoice 13651	Open	Date 10/03/2011	Description Parking & Pay Stations Markers	HAWKINS TRAFFIC SAFETY SUPPLY	\$2,317.37
68076	11/10/2011 Invoice 1341	Open	Date 10/21/2011	Description 2012 Calendar-Museum	KAREN NEVIS FINE ARTS	\$122.00

City Checks Issued 11/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68077	11/10/2011 Invoice 2011-10	Open	Date 10/20/2011	Description Uniform cleaning-PD	KING'S CLEANERS	\$750.50
68078	11/10/2011 Invoice A148309 A149333	Open	Date 10/19/2011 11/03/2011	Description Painting supplies Coro check	KING'S PAINT AND PAPER, INC.	\$41.08
68079	11/10/2011 Invoice 1121	Open	Date 10/14/2011	Description Data Entry and project mgnt	LAMOREAUX/TRIAXIAL DATA SYS.	\$1,477.80
68080	11/10/2011 Invoice 216703	Open	Date 10/13/2011	Description Wheel Alignments, PD071	LLOYD'S TIRE SERVICE INC.	\$89.50
68081	11/10/2011 Invoice in1238522	Open	Date 10/13/2011	Description Gloves-PD	MICROFLEX CORP #774353	\$376.08
68082	11/10/2011 Invoice 279199 279077 279155 279119 280271 280422 279462 279638 279581 278921	Open	Date 10/14/2011 10/13/2011 10/13/2011 10/13/2011 10/24/2011 10/18/2011 10/17/2011 10/18/2011 10/18/2011 10/12/2011	Description Sweeper parts Sweeper parts Sweeper Parts Misc Supplies, Shop Use Misc. Misc Supplies, Sign Frame Project Shop Equipment, Battery Charger Auto Parts, PD Vehicles Auto Parts, John Deere Loader auto parts	MID-COUNTY AUTO SUPPLY	\$408.77
68083	11/10/2011 Invoice 2923	Open	Date 10/12/2011	Description Background Investigation, Law Enforceme	MID-STATE INVESTIGATIONS, INC.	\$450.00
68084	11/10/2011 Invoice 21105075	Open	Date 10/20/2011	Description Speed Sensor Kit, Street Sweeper Fund 1310, Gas Tax Fund	NIXON-EGLI EQUIPMENT CO.	\$629.52
68085	11/10/2011 Invoice 223590	Open	Date 10/17/2011	Description Auto parts	NORTH BAY FORD	\$294.54

City Checks Issued 11/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68086	11/10/2011	Open			ORCHARD SUPPLY HARDWARE	\$221.29
	Invoice		Date	Description		Amount
	6013-1238694		10/24/2011	Paint thinner		\$29.22
	6011-4792493		10/24/2011	Misc.		\$51.90
	6014-9872719		10/24/2011	Misc.		\$39.54
	6010-10784608		10/24/2011	Misc.		\$20.70
	6012-9876089		10/25/2011	Nails		\$9.71
	6007-7787970		10/26/2011	Tarp		\$32.46
	6011-4793110		10/26/2011	Misc.		\$19.84
	6011-4799438		10/11/2011	Plants		\$17.92
68087	11/10/2011	Open			PACIFIC VETERINARY SPECIALISTS	\$561.45
	Invoice		Date	Description		Amount
	198149		10/14/2011	Animal Control Exp, PD		\$49.45
	168880		04/30/2010	Animal Control Exp, PD		\$48.00
	168433		04/22/2010	Animal Control Exp, PD		\$146.00
	171467		06/24/2010	Animal Control Exp, PD		\$110.50
	192832		08/10/2011	Animal Control Exp, PD		\$159.50
	186990		04/04/2011	Animal Control Expense		\$48.00
68088	11/10/2011	Open			PALACE ART & OFFICE SUPPLIES	\$442.63
	Invoice		Date	Description		Amount
	929245		10/26/2011	Office supplies-PD		\$336.42
	929094		10/26/2011	Office Supplies, City Hall		\$12.93
	929318		10/27/2011	Office Supplies-Rec		\$93.28
68089	11/10/2011	Open			PENINSULA COMMUNICATIONS	\$102.84
	Invoice		Date	Description		Amount
	14247		10/14/2011	Motorola speaker/microphone Valdez		\$102.84
68090	11/10/2011	Open			PHOENIX GROUP INFORMATION SYS	\$1,648.92
	Invoice		Date	Description		Amount
	92011070		10/14/2011	Sept 2011		\$1,648.92
68091	11/10/2011	Open			QUENVOLD'S SAFETY SHOEMOBILES	\$1,517.12
	Invoice		Date	Description		Amount
	46638		10/14/2011	Shoes, PW		\$1,517.12
68092	11/10/2011	Open			RAY ALLEN MANUFACTURING LLC	\$350.80
	Invoice		Date	Description		Amount
	269065		08/08/2011	Animal services Supplies		\$350.80
68093	11/10/2011	Open			ROSEMAN, LEWIS	\$2,947.24
	Invoice		Date	Description		Amount
	101511		10/15/2011	Parking Meter Maint, Oct 2011		\$2,947.24
68094	11/10/2011	Open			SACRAMENTO MAGAZINES CORP.	\$350.00
	Invoice		Date	Description		Amount
	562205		10/18/2011	BIA Magazine Ad, BIA Funded Fund 1321, BIA		\$350.00

City Checks Issued 11/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68095	11/10/2011	Open			SANTA CRUZ MUNICIPAL UTILITIES	\$764.90
	Invoice		Date	Description		Amount
	Sep-Oct11		11/07/2011	WATER BILLS FOR STREET MEDIANS		\$764.90
68096	11/10/2011	Open			SPRINT	\$3,586.43
	Invoice		Date	Description		Amount
	974855313-119		10/29/2011	Cell Phone Service, Oct 2011		\$3,586.43
68097	11/10/2011	Open			STATE BOARD OF EQUALIZATION	\$204.25
	Invoice		Date	Description		Amount
	00011165566		11/02/2011	Water Rights for 7/1/11-6/30/12		\$204.25
68098	11/10/2011	Open			STRELOW CONSULTING	\$455.00
	Invoice		Date	Description		Amount
	101104		10/17/2011	Bag Reduction Ordinance		\$455.00
68099	11/10/2011	Open			SUMMIT UNIFORM CORP	\$633.26
	Invoice		Date	Description		Amount
	43397		10/05/2011	Uniform Exp-Weagle, PD		\$408.10
	43488		10/14/2011	Uniform Exp-Vazquez, PD		\$225.16
68100	11/10/2011	Open			SUPERIOR COURT	\$125.00
	Invoice		Date	Description		Amount
	410		10/13/2011	Open Access Inquiry Fee, FY11/12		\$125.00
68101	11/10/2011	Open			THE INTERNET CONNECTION INC.	\$150.00
	Invoice		Date	Description		Amount
	3917-15610		11/01/2011	Nov 2011 Internet Access		\$150.00
68102	11/10/2011	Open			THOMPSON, CHRISTIAN	\$50.00
	Invoice		Date	Description		Amount
	1656Refund		11/07/2011	Refund payroll ded. not deposited to accts		\$50.00
68103	11/10/2011	Open			TLC ADMINISTRATORS, INC.	\$175.00
	Invoice		Date	Description		Amount
	14957		11/01/2011	Nov 2011 Admin Fee, Section 125 Plan		\$175.00
68104	11/10/2011	Open			TLC ADMINISTRATORS, INC.	\$3,627.80
	Invoice		Date	Description		Amount
	93030-Nov11		11/07/2011	Dental & Vision Employee Ins. Employee Funded		\$3,627.80
68105	11/10/2011	Open			TRI-COUNTY BUSINESS SYSTEMS INC	\$5.91
	Invoice		Date	Description		Amount
	AR1N002171		10/12/2011	Shipping, Toner Cartridge Fund 2210, IT		\$5.91
68106	11/10/2011	Open			US BANCORP EQUIPMENT FINANCE	\$67.61
	Invoice		Date	Description		Amount
	188987028		10/21/2011	Copier Lease Payment, Rec		\$67.61

City Checks Issued 11/10/11

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
68107	11/10/2011	Open			Van Den Heuvel, Dana	\$3,630.98
	Invoice		Date	Description		Amount
	20111021		10/21/2011	PERS Pymts for D VanDenHuevel,		\$1,815.49
	20111104		11/04/2011	in advance of IDR		\$1,815.49
68108	11/10/2011	Open			WHITLOW CONCRETE, INC.	\$3,100.00
	Invoice		Date	Description		Amount
	5258		10/21/2011	Concrete work, Lawn Way Drainage		\$3,100.00
Check Totals:				Count	55	Total: \$76,670.24



Item #: 2.F.2)

CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: FINANCE DEPARTMENT
DATE: NOVEMBER 16, 2011
SUBJECT: APPROVAL OF RDA CHECK REGISTER REPORTS

Recommended Action: By motion and roll call vote, that the RDA Board approve the Check Register Reports dated October 21 and November 4, 2011 as submitted.

DISCUSSION

The attached Check Registers for the referenced date:

Date	Starting Check #	Ending Check #	Total Checks	Amount
10/21/11	3004	3008	5	\$7,053.62
11/4/11	3009	3011	3	\$16,128.68

The prior RDA check register report of October 7, 2011 ended with check number 3003.

The following check was issued for more than \$10,000.00:

Check	Issued to:	Dept.	Purpose	Amount
3011	Housing Authority of SCC	CDD	Sep 2011 Prof Services	\$11,892.00

As of 11/16/11 the unaudited cash balance in the RDA account is \$2,262,558 allocated as follows:

RDA Operating Fund \$2,293,541
RDA Low/Mod Housing Fund (\$30,983)

ATTACHMENTS

Check Register Reports dated:
October 21 and November 4, 2011

Report Prepared By: **Linda Benko**
AP Clerk

Reviewed and Forwarded
By Executive Director:

RDA Checks Issed 10/21/11

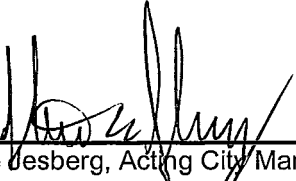
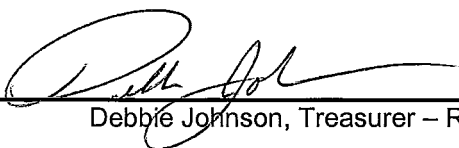
Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
3004	10/21/2011 Invoice 2	Open	Date 10/12/2011	Description Library Project Planning & Architectural De	ANDERSON BRULE ARCHITECTS, INC	\$1,500.00 \$1,500.00
3005	10/21/2011 Invoice 102243 102614	Open	Date 08/16/2011 09/15/2011	Description FY 2011-2012 RDA Legal Services Non-housing counsel re: RDA continuance	GOLDFARB & LIPMAN, LLP	\$2,889.62 \$48.00 \$2,841.62
3006	10/21/2011 Invoice 15109	Open	Date 10/11/2011	Description Clares Street Traffic Calming Project	HARRIS & ASSOCIATES	\$400.00 \$400.00
3007	10/21/2011 Invoice 12-03CTA/CSD	Open	Date 10/04/2011	Description Sept 2011 Tech Assist. & Security Deposit	HOUSING AUTHORITY OF SCC	\$2,075.00 \$2,075.00
3008	10/21/2011 Invoice Ord962	Open	Date 09/28/2011	Description Publication of Ordinance 962	SANTA CRUZ RECORD	\$189.00 \$189.00
Check Totals:				Count	5	Total \$7,053.62

The above listed checks have been printed and released under the RDA Executive Director's approval. Included are checks numbered 3004 through 3008 for \$7,053.62.

These checks has been reviewed and authorized for distribution.

The unaudited cash balance in the RDA account as of 10/21/11 is \$2,278,678.37

RDA Operating Fund \$2,296,936.24
 Low/Mod Housing Fund (\$18,257.87)


 Steve Desberg, Acting City Manager 10/21/11 Date

 Debbie Johnson, Treasurer – RDA 10/21/11 Date

RDA Checks Issued 11/4/11

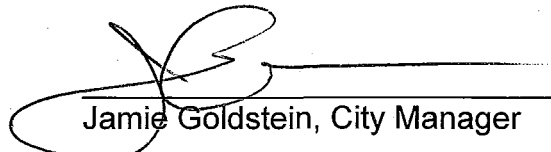
Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
3009	11/04/2011 Invoice RDA2011-09	Open	Date 10/28/2011	Description City Co-Op Agreement, Sep 2011	CAPITOLA CITY TREASURER	\$3,402.18
3010	11/04/2011 Invoice 103021	Open	Date 10/19/2011	Description FY 2011-2012 RDA Legal Services	GOLDFARB & LIPMAN, LLP	\$834.50
3011	11/04/2011 Invoice 12-03 CMHP	Open	Date 10/13/2011	Description Sept 2011 Professional Services	HOUSING AUTHORITY OF THE COUN	\$11,892.00
Check Totals:					3	Total \$16,128.68

The above listed checks have been printed and released under the RDA Executive Director's approval. Included are checks numbered 3009 through 3011 for \$16,128.68.

These checks has been reviewed and authorized for distribution.

The unaudited cash balance in the RDA account as of 11/4/11 is \$2,262,557.94

RDA Operating Fund	\$2,293,540.90
Low/Mod Housing Fund	(\$30,982.96)



 Jamie Goldstein, City Manager
 11/4/11
 Date



Item #: **3.B.**

CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: OFFICE OF THE CITY CLERK/REDEVELOPMENT AGENCY SECRETARY

DATE: NOVEMBER 16, 2011

SUBJECT: **CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY MINUTE APPROVAL:**
MINUTES OF THE REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/
REDEVELOPMENT AGENCY OF OCTOBER 13 AND 27, 2011

Recommended Action: By motion of the City Council/Redevelopment Agency Directors, approve the subject minutes as submitted.

DISCUSSION

Attached for City Council/Redevelopment Agency review and approval are the Minutes to the Regular Joint Meeting of October 13 and October 27, 2011.

ATTACHMENTS

October 13 and 27, 2011 Minutes

Report Prepared By: Pamela Greeninger, MMC
City Clerk/RDA Secretary

Reviewed and Forwarded by
City Manager/Executive Director: _____

**CITY OF CAPITOLA
CITY COUNCIL/REDEVELOPMENT AGENCY**

October 13, 2011
Capitola, California

MINUTES OF A REGULAR JOINT MEETING

5:30 P.M - CLOSED SESSION - CITY MANAGER’S OFFICE

At 5:33 p.m. in the City Hall Council Chambers, Mayor/Chairperson Norton noted that all Council Members/Redevelopment Agency Directors were present. Mayor/Chairperson Norton made an announcement regarding the items to be discussed in Closed Session, as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Govt. Code §54956.9a)

Surf and Sand, LLC vs. City of Capitola, et al. (Surf & Sand Mobile Home Park)
[Superior Court of the State of California for County of Santa Cruz, Case #CV 167716]
Surf and Sand, LLC vs. City of Capitola, et al. (Surf & Sand Mobile Home Park)
[U.S. District Court N.D., Case No. C09-05542 RS (Judge Richard Seeborg)]
Bill Newman, et al. (residents of Surf & Sand Mobile Home Park) vs. Surf and Sand, LLC,
Ronald Reed, et al. (Surf and Sand, LLC; Ronald Reed, Cross-Complainants vs. City
of Capitola) [Superior Court County of Santa Cruz, Unlimited Jurisdiction, Case No. CV
171783]

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:
Two Cases: 1) Noble Gulch Storm Drain Failure in Pacific Cove Mobile Home Park
2) American Alternative Insurance Corporation vs. City of Capitola

CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Govt. Code §54956.8)

Property: McGregor Drive, APN 36-341-02 (City of Capitola, Owner)
City Negotiator: City Manager
Negotiating Parties: City and Soquel Creek Water District
Under Negotiation: Real Property Lease/Sale

PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Government Code Section 54957)

Title: City Manager

LIABILITY CLAIMS (Govt. Code §54956.95)

Claimant: Capitola Associates, LLC
Claimant: Mid-Century Insurance Company, subrogee of Blue Water Steakhouse, Inc.
Claimant: Farmers Insurance Exchange, subrogee of Hot Feet, Inc.
Claimant: Farmers Insurance Exchange, subrogee of Raymond Apolskis,
dba Surf N Shack
Claimant: Nubia R. Jordan, dba Capitola Dreams Swimwear
Agency claimed against: City of Capitola

No one from the public was present for the announcement regarding the Closed Session; therefore, the City Council/Redevelopment Agency recessed at 5:34 p.m. to the Closed Session in the City Manager’s Office.

7:00 P.M. – OPEN SESSION**REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY**

Mayor/Chairperson Norton called the Regular Joint Meeting of the Capitola City Council/Redevelopment Agency to order at 7:04 p.m. on Thursday, October 13, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Council Members/Directors Stephanie Harlan, Michael Termini, Kirby Nicol, Sam Storey and Mayor/Chairperson Dennis Norton

ABSENT: City Treasurer Jacques Bertrand

OTHERS: Redevelopment Agency Treasurer Debbie Johnson

STAFF: City Manager/Executive Director Jamie Goldstein, City Attorney/RDA General Counsel John G. Barisone [*for Closed Session only*], Deputy City Attorney Adair Paterno, Community Development Director/Deputy Executive Director Derek Johnson, Chief of Police Michael Card, Public Works Director Steve Jesberg, Administrative Services Director Lisa Murphy, and City Clerk/Secretary Pamela Greeninger

*** * * PRESENTATIONS * * ***

**Presentation by Dan Haifley, Executive Director of
O'Neill Sea Odyssey [330-30]**

Dan Haifley, Executive Director of O'Neill Sea Odyssey, reported on the progress made by the O'Neill Sea Odyssey over the past 12 to 14 years in providing an ocean education program about the ocean for the youth of our community. Utilizing a PowerPoint Presentation (copy on file), Mr. Haifley discussed highlights of the basic program, the special program for physically challenged youth, awards received for the program, and positive impacts received by participants. He said over 60,000 youth have participated in the program since its inception. Mr. Haifley commented on, and passed out, preliminary information regarding their "Long-term Study," which seeks to examine the effects the O'Neill Sea Odyssey has on long-term environmental knowledge, attitudes and behaviors.

Ed Kramer wished to thank Mr. Haifley for his presentation. Mr. Kramer explained that he is blind and that he had an opportunity to go out on the Monterey Bay with about 100 low-income students from Salinas. He said it was a wonderful experience.

Mayor Norton thanked Mr. Haifley for his presentation.

1. REPORT ON CLOSED SESSION [520-25]

Deputy City Attorney Adair Paterno said all members of the city council were present for the closed session, as were City Attorney John Barisone, herself, and City Manager Jamie Goldstein. The closed session commenced at 5:30 p.m. She reported on the Closed Session as follows:

- Announced there were three matters discussed under existing litigation in Closed Session (as listed on the posted agenda), and that no reportable action was taken by the council on those matters in closed session.
- Reported that the City Council discussed two items of anticipated litigation and took no reportable action in closed session.

1. REPORT ON CLOSED SESSION (Continued)

- With respect to the conference with Real Property Negotiators, Deputy City Attorney Adair Paterno reported that the City Council, by a 5-0 vote, agreed to enter into an option to purchase agreement with the Soquel Creek Water District in concept, whereby the Soquel Creek Water District will have a 9-month option to purchase a portion of the McGregor Drive property to build a pump station.
- The city manager had a public employee performance evaluation, and the City Council took no reportable action in Closed Session.
- There was limited discussion of the liability claims, and those claims will be handled under the consent agenda.

2. ORAL COMMUNICATIONS**A. Additions and Deletions to Agenda**

1) Mayor Norton announced that Public Hearing Item 4.B. pertaining to Mobile Home Park Rent Stabilization would be reordered prior to Public Hearing Item 4.A. pertaining to consideration of a preliminary development plan for a proposed Planned Development rezoning at 1575 38th Avenue.

2) Mayor Norton also said that Other Business Item 5.F. regarding consideration of a resolution supporting termination of the Southern Sea Otter Translocation Program would be reordered following Item 5.C. about single-use plastic and paper carryout bags.

B. Public Comments

The following people addressed the City Council regarding their concerns relating to SmartMeters: Angela Flynn, Ed Kramer, Ms. Tucker, Marilyn Garrett, a woman living on 44th Avenue in Capitola, a woman from Cabrillo Mobile Home Estates, and a resident of Santa Cruz named Jim.

In addition, Tony Kuspa, a resident of Santa Cruz, submitted a written copy of a song, which he sang to the Council, entitled, "Confessions of a Meter-Reader-Depleter-Meter."

C. Staff Comments - None**D. City Council/RDA Director/Treasurer Comments/Committee Reports**

1) Council Member Harlan stated that she missed the AMBAG meeting last night because she attended the City Council's joint special meeting with the Finance Advisory Committee; however, she has received information from AMBAG staff she would like to report.

Council Member Harlan also commented on the blue printing report she had brought to the council's attention at a previous meeting and informed the Council the AMBAG was not going to be able to finish responding to all the comments received on the report due to lack of funding.

Council Member Harlan then reported on action taken at the October 12, 2011, AMBAG meeting, as follows: A motion was made, seconded, and passed unanimously to retain AMBAG in its current form as the Regional Council of Governments and the Metropolitan Planning Organization, and to direct staff to identify and address any and all performance-related issues going forward and to report to the Board at its January 2012 meeting, along with providing a timeline to addressing the issues.

2. D. 1) ORAL COMMUNICATIONS (Continued)

Council Member Harlan said the AMBAG board also directed staff to discuss the MOU between AMBAG and the RTPA (Regional Transportation Planning Agency) in order to appropriately fund the Regional Transportation Demand Model and avoid any duplication of transportation planning efforts.

2) Council Member Harlan reported that she attended the League of California Cities Annual Conference in San Francisco, where she went to several very informative sessions. She said many of the sessions at the conference were predominantly relating to economic development. She said it was good to network with other cities, and she learned that many other cities have more challenging problems than we have in Capitola.

3) Council Member Termini announced there would be a ceremony for the Tile Wall Dedication tomorrow afternoon, October 14, at 3:00 pm, at the wall located at Monterey and Bay Avenues.

4) Mayor Norton noted as much as he appreciates Target coming to our community and filling a large vacancy in our shopping center, he is disappointed that they are using outside labor when our local labor force is in need of work. He would like the city to consider a policy requiring businesses to use a certain percentage of local labor, and to set that matter for a future agenda.

E. Committee Appointments – None

F. Approval of Check Register Reports1) **City: Approval of City Check Register Reports dated September 16, 23 and 30, 2011. [300-10]**

ACTION: Council Member Harlan moved, seconded by Council Member Termini, to approve the Check Register Reports dated September 16, 23, and 30, 2011, including checks numbered 67547 through 67581 in the amount of \$61,258.82, checks numbered 67582 through 67674 in the amount of \$1,121,591.93, and checks numbered 67675 through 67734 in the amount of \$197,844.95, respectively; and payroll disbursements for the September 23, 2011, payroll in the amount of \$176,187.73, for a Grand Total of \$1,556,883.43, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

2) **RDA: Approval of Redevelopment Agency Check Register Report dated September 23, 2011. [760-25]**

ACTION: Director Harlan moved, seconded by Director Storey, to approve the Check Register Report dated September 23, 2011, including checks numbered 2996 through 2999 in the amount of \$8,040.00, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

3. **CONSENT CALENDAR**

Mayor/Chairperson Norton asked if there were any items on the Consent Calendar that members of the public or the City Council/Redevelopment Agency Directors wished to pull for separate discussion.

Mayor/Chairperson Norton said he had a question regarding Item 3.C. pertaining to an Amendment to Design, Community & Environment DCE contract. *[See discussion under that item on Page 12090.]*

3. CONSENT CALENDAR (Continued)

Council Member Termini and Mayor Norton announced that they would recuse themselves from voting on Item 3.E.1), the Liability Claim of Capitola Associates, LLC, due to a conflict of interest.

Council Member Harlan noted that she would be abstaining on Item 3.B., the Minutes to the meeting of September 20, 2011, since she was absent.

CONSENT CALENDAR ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the Consent Calendar, as recommended. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None. *[Note: Council Member Harlan abstained from voting on Item 3.B., Minutes of the September 20, 2011 Special Meeting, since she was absent.]* DISQUALIFIED: Council Member Termini and Mayor Norton *[for Item 3.E.1) Capitola Associates, LLC, only.]*

A. Approve Reading by Title of all Ordinances and Resolutions and declare that said Titles which appear on the Public Agenda shall be determined to have been read by Title and Further Reading Waived.

ACTION: The City Council/Redevelopment Agency Directors unanimously approved the reading by title of all Ordinances and Resolutions and declared that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

B. Approve Minutes of the Special Closed Session Meeting of the City Council of September 20, 2011.

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to approve the Minutes of the Special Closed Session Meeting of the City Council of September 20, 2011, as submitted. The motion carried on the following vote: AYES: Council Members Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: Council Member Harlan.

C. Approve 1st Amendment to the Agreement with The Planning Center|Design, Community & Environment (formerly Design, Community & Environment) in an amount not to exceed \$30,000 for work on the Village Hotel Project. [500-10 A/C: The Planning Center|Design, Community & Environment]

Prior to action on the Consent Calendar, Mayor Norton questioned the original contract with Design, Community & Environment, stating he thought there was a provision in that original contract that addressed a Capitola Village hotel.

Community Development Director Johnson discussed the cooperation agreement entered into a between the City and Barry Swenson Builders to expand the scope of work for hotel planning. There was some amount of planning for a Village hotel called for in the original agreement; however, additional work is recommended to prepare for the EIR. Community Development Director Johnson also stated that the \$30,000 for this additional work was provided by Barry Swenson Builders.

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to authorize the City Manager to execute a contract amendment with The Planning Center|Design, Community & Environment (formerly Design, Community & Environment) in an amount not to exceed \$30,000 for inclusion of the Capitola Village Hotel Facilitation and Design Project, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

3. C. CONSENT CALENDAR (Continued)

- D. Accept update report on the Rispin Property Hazard Abatement Project and, by 4/5 vote approval, make the determination that all hazards at the Rispin Property have not been eliminated and there is need to continue action. [275-60]**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to accept the update report on the Rispin Property Hazard Abatement Project and made the determination that all hazards at the Rispin Property, as detailed in the March 1, 2011, Notice of Summary Abatement Order to Abate Dangerous Buildings and Grounds, have not been eliminated, and there is a need to continue action. The motion carried on the following vote: AYES: Council Member Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- E. Deny liability claims and forward to the City's liability insurance carrier. [Claims Binder]**

- 1) **Capitola Associates, LLC: \$541,724.72 (Continued from 9/22/11) [Note: Council Member Termini and Mayor Norton recused themselves on this claim only.]**
- 2) **Mid-Century Insurance Company; subrogee of Blue Water Steakhouse, Inc.: \$4,784.00**
- 3) **Farmers Insurance Exchange; subrogee of Hot Feet, Inc.: \$13,531.54**
- 4) **Farmers Insurance Exchange; subrogee of Raymond Apolskis, dba Surf N Shack: \$886.00**
- 5) **Nubia R. Jordan, dba Capitola Dreams Swimwear: \$102,320.00**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to deny the claims of the above-listed claimants and directed staff to forward the claims to the City's liability insurance carrier. The motion carried on the following vote: AYES: Council Members Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: Council Member Harlan. ABSTAIN: None. DISQUALIFIED: Council Member Termini and Mayor Norton *[for Item 3.E.1) Capitola Associates, LLC, only.]*

- F. Adopt Resolution providing for the extension of Additional Vehicle Registration Service Fees for the Operation of the City's Vehicle Abatement Program. [490-10/500-10 A/C: Santa Cruz County JPA Abandoned Vehicle Abatement Program]**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to adopt **Resolution No. 3892, Resolution Extending the Additional Vehicle Registration Service Fees for Operation of the Vehicle Abatement Program**, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- G. Receive and file the Fourth Quarter and Full Year Sales Tax and Transient Occupancy Tax Status Report for FY2010-2011 (Unaudited) for the City of Capitola. [390-70]**

ACTION: Council Member Nicol moved, seconded by Council Member Storey, to receive and file Fourth Quarter and Full Year Sales Tax and Transient Occupancy Tax Status Report for FY2010-2011 (Unaudited) for the City of Capitola, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

4. PUBLIC HEARINGS

B. Public Hearing to consider adoption of an Ordinance Repealing Capitola Municipal Code Chapter 2.18 pertaining to Mobile Home Park Rent Stabilization. [2nd Reading] Presentation: City Attorney. [750-25]

Deputy City Attorney Adair Paterno provided a brief report on the proposed ordinance repealing Mobile Home Park Rent Stabilization and responded to questions of Council Members. Utilizing a PowerPoint Presentation she provided background information on the first reading of the ordinance, notification to interested parties, a Park Summary for Castle, Cabrillo, Surf & Sand and Pacific Cove Mobile Home Parks and current park status for each park. In addition, she commented on the Surf & Sand Mobile Home Park litigation and recommended action.

Mayor Norton asked how many people wished to speak to this item, and he announced that each speaker would be given 2 minutes to address the council.

Mayor Norton opened the public hearing at 7:55 p.m.

The following people spoke against adoption of the proposed ordinance. Several speakers urged the council to postpone this item to the next meeting, as the city would still be within the deadline for adopting the ordinance to repeal rent control.

Nicholas Whitehead, resident of a Santa Cruz County mobile home park

Emily Zimmerman, Worker's Benefit Council, urged the council to do its job and safeguard low-income housing for mobile home park residents.

Rod Quartararo, employee and representative of Bay Federal Credit Union, believes the council needs to put more time into considering the effects of the ordinance and also must support people who need affordable lending.

Marcos Brindall, resident of a mobile home park in Soquel, believes the affect of repealing the city's rent control ordinance will affect the entire state.

Stephanie Johnson, the daughter of a resident at Surf and Sand Mobile Home Park

Mardi Brick, resident of De Anza Mobile Home Park in Santa Cruz

Carol Terrence, member of GSMOL

Melinda Taylor, resident of Surf and Sand Mobile Home Park

Sharon Shelgren, resident of Surf and Sand Mobile Home Park

Margaret Dixon, resident of Surf and Sand Mobile Home

Laurie Beamish, resident of Surf and Sand Mobile Home Park

Mark Saint John asked about a request by Council Member Termini concerning how many people had leases at Surf & Sand Mobile Home Park.

Jack Olson, resident of Surf and Sand Mobile Home Park

Allen Roselle, resident of Santa Cruz

Carol Lerno, Space 56 at Pacific Cove Mobile Home Park, commented on property taxes when a coach sells.

Mayor Norton closed the public hearing at 8:38 p.m.

After comments from each council member, the following action was taken:

ACTION: Council Member Nicol moved, seconded by Mayor Norton, to adopt **Ordinance No. 963, Ordinance Repealing Chapter 2.18 of the Capitola Municipal Code pertaining to Mobile Home Park Rent Stabilization**, as submitted. The motion carried on the following vote: AYES: Council Members Nicol, Storey, and Mayor Norton. NOES: Council Members Harlan and Termini. ABSENT: None. ABSTAIN: None.

The Council took a short break at 8:55 p.m. and reconvened at 9:07 p.m.

Mayor Norton announced that he is reordering Item 5.A. at this time since Supervisors' Ellen Pirie and John Leopold were in attendance.

5. A. Discussion regarding Redistricting of Supervisorial Boundaries. Staff recommendation: receive report. [580-20]

Community Development Director Johnson summarized the written agenda report. The proposed redistricting map was placed on the screen for view during the discussion.

Santa Cruz County Supervisors John Leopold and Ellen Pirie addressed the council and responded to questions regarding the supervisorial boundary redistricting. Supervisor Pirie thanked the council for reordering this agenda item.

Mayor Norton explained his reasons for placing this matter on the agenda. He believes the most logical boundary would be Soquel Creek. Council members responded to the mayor's comments.

Mayor Norton thanked Supervisors Pirie and Leopold for attending tonight's meeting to respond to the council's concerns and questions regarding the redistricting issue.

ACTION: The City Council received the report and comments from Supervisors Pirie and Leopold. No action was taken.

The City Council then considered Public Hearing Item 4.A.

4. PUBLIC HEARINGS

A. Public Hearing to consider Application #11-060, a Preliminary Development Plan for a proposed Planned Development Rezoning to construct a four-story, 67-unit Senior Housing Project in the CN (Neighborhood Commercial) Zoning District, located at 1575 38th Avenue (APN 034-181-17). Property owner: Maureen A. Romac; Representative: Steve Thomas. Presentation: Community Development Department. [730-10]

Senior Planner Bane summarized the written agenda report and, utilizing a PowerPoint Presentation, discussed the proposed planned development project. He first discussed the plans reviewed by the Planning Commission and concerns that were expressed. Six members of the public spoke in opposition to the project at the Planning Commission meeting, expressing concerns regarding the mass, scale, and height of the proposed development.

Senior Planner Bane then discussed revised plans that were submitted after the Planning Commission meeting. Following his presentation, Senior Planner Bane responded to questions of Council Members.

Community Development Director Johnson commented that this site has been identified as an opportunity site. This could be one of the first projects to remake 38th Avenue and set the stage for future development.

At 9:45 p.m. Mayor Norton opened this item to the applicant for presentation.

Ric de la Cruz, representative for the applicants, introduced the applicants, Maureen Romac and Steve Thomas, who addressed the Council.

4. A. PUBLIC HEARINGS (Continued)

Maureen Romac discussed the benefits this project will have for active seniors in their community. This project will benefit commercial businesses adjacent to the site.

Steve Thomas, operator of Capitola Freight and Storage, currently located on the site, discussed the environmental aspects of the proposed building, the new plans resulting from comments from the Planning Commission, the need for this type of housing for seniors in our community, etc.

Mr. de la Cruz reviewed the proposed project utilizing a PowerPoint Presentation. He said their project team is interested in hearing from the council members as to whether he and his team are on the right track for this type of development.

Mayor Norton opened the public hearing at 10:12 p.m.

The following people expressed their **opposition** to and concerns about the impacts the development, as proposed, would have on the single family residences adjacent to the site. There were concerns about not enough green space, inadequate parking, mass and height of the building, density, inadequacy of the site for this type of development, proposed change in the zoning for the site, etc.

Kim Frey, resident on Bulb Avenue (submitted written information entitled, "*Green Space, urbanity, and health: how strong is the relation?*")

Don Mosegaard, resident on Bulb Avenue

Teresa, resident on Bulb Avenue

Bart, the owner of the commercial property adjacent to the site

The following people spoke in **support** of the proposed development:

Terry Westberg, encouraged the City to work with Maureen and Steve to develop this type of project in Capitola. She believes a development of this nature geared for active senior living would benefit the community.

Robert, resident since 1965, offered his support of the proposed development, as there is a need in our community for a project of this type.

Mayor Norton closed the hearing at 10:27 p.m.

Council Members asked staff for a comparison between the current CN Zoning requirements and Planned Development requirements for the site. They expressed concerns about the design, the scale, the zoning change to Planned Development, second-floor side yard setbacks, pedestrian safety along 38th Avenue, adequate parking for customers, residents, and guests, and impacts to the neighboring properties. The Council would hope that the applicant would work with the neighbors to address their concerns and create buffers between the project and the neighbors.

There was considerable council discussion and responses to council members' questions from Mr. de la Cruz, project architect Nancy Huyck, and property owner Steve Thomas.

ACTION: The City Council considered the proposed project in concept and provided comments to the applicant. No action was taken on this item.

At 11:05 p.m., Council Member Storey suggested looking at the agenda to see if there were any items that could be continued. The council decided to continue with the agenda items.

4. PUBLIC HEARINGS (Continued)

B. Public Hearing to consider adoption of an Ordinance Repealing Capitola Municipal Code Chapter 2.18 pertaining to Mobile Home Park Rent Stabilization. [2nd Reading] Presentation: City Attorney.

This item was reordered prior to Item 4.A. *[See Page 12092 for discussion and action.]*

5. OTHER BUSINESS

A. Discussion regarding Redistricting of Supervisorial Boundaries.

This item was reordered for discussion after Item 4.B. *[See Page 12093 for discussion.]*

B. Continued consideration of adoption of an Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.060 and 8.36.070 of the Capitola Municipal Code pertaining to the use of Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware [1st Reading]. Staff recommendation: adopt ordinance. [930-30]

Administrative Services Director Murphy discussed the changes that were made based on council's direction at the last meeting and responded to questions of council members.

Community Development Director Johnson commented on the CEQA Notice of Exemption that was prepared for this ordinance.

Mayor Norton asked if anyone from the public wanted to address this item.

Laura Kasa, Save Our Shores, thanked the council for taking up this issue. She discussed her participation in speaking to store managers about removing Styrofoam from their businesses. Ms. Kasa was impressed with the positive responses from the business owners and urged the Council to approve the proposed ordinance tonight.

ACTION: Council Member Harlan moved approval of the ordinance.

Under discussion of the motion, Council Member Nicol commented that the staff report speaks to banning the sale of all Styrofoam products; however, the ordinance talks only about the use, not the sale, of such products. He referred to Section 8.36.035, paragraph T., under Section 1 of the draft ordinance. Council Member Nicol also expressed concern that the council is adopting an unclear ordinance that is unenforceable.

After discussion of Council Member Nicol's concerns and additional council discussion, Administrative Services Director Murphy suggested eliminating the words, "the use of" from the first sentence of paragraph T. under Section 8.36.010, so that the sentence would read, "Restricting polystyrene foam products that are not wholly encapsulated or encased by a more durable material..." Council Member Nicol then suggested that those words also be eliminated from the ordinance title.

Council Member Harlan then moved, seconded by Council Member Termini, to pass the proposed Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.060 and 8.36.070 of, and Adding Section 8.36.035 to, the Capitola Municipal Code pertaining to Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware to a second reading, as modified. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

5. OTHER BUSINESS (Continued)

C. Conceptual review of an Ordinance to Reduce Single-Use Plastic and Paper Carryout Bags. Staff recommendation: provide direction to staff. [930-30]

Administrative Services Director Murphy said the draft ordinance is modeled after the ordinance adopted by the County of Santa Cruz and is before the council for conceptual review and direction. She said the ordinance would not apply to low-income residents, and she clarified that single-use plastic carry-out bags are not the plastic bags used to contain produce. Following her presentation, she responded to questions from council members.

Community Development Director Johnson commented on CEQA requirements. He said one approach would be to use a Notice of Exemption (NOE); however, there is potential for a challenge of such an ordinance. Deputy City Attorney Paterno agreed with Community Development Director Johnson that there is a potential the city could be challenged.

Mayor Norton said volunteers from Save our Shores and the Capitola Commission on the Environment would be willing to promote education of the ordinance.

Mayor Norton asked if anyone from the public wanted to address this item.

Laura Kasa, Save our Shores, said these plastic bags are the types of bags found during their Coastal Clean-Ups.

Uriah Langmeyer, member of the Capitola Commission on the Environment, read a letter from the commission supporting adoption of the proposed ordinance.

Community Development Director Johnson responded to questions of council members pertaining to the financial implications, including a cost of \$10,000 for a negative declaration and possible challenge.

ACTION: No action was taken. Staff will return at a future meeting with an ordinance for consideration.

D. Resolution Approving the Submission of an Application to the Santa Cruz County Regional Transportation Commission for Funding under the 2012 State Transportation Improvement Program (STIP) for the Bay Avenue/Capitola Avenue Roundabout and the Park Avenue Sidewalks Transportation Projects in Capitola. Staff recommendation: adopt resolution. [770-05/940-40]

Public Works Director Jesberg summarized the written agenda report and responded to questions of council members. He said the two projects staff is recommending are the Bay Avenue/Capitola Avenue Roundabout and the Park Avenue Sidewalks. He said the city needs to establish a priority, and staff would recommend the Park Avenue sidewalks be the first priority.

Council Member Termini commented that there would not be enough money for a roundabout. Public Works Director Jesberg stated that other funding may be available.

Council Member Storey discussed the proximity of his residence to the Park Avenue Sidewalk Project and said he believes he is within 500 feet of the project and would need to recuse himself from voting on this item.

ACTION: Council Member Nicol moved, seconded by Council Member Harlan, to adopt **Resolution No. 3893, Resolution Approving the Submission of Applications to the Santa Cruz County Regional Transportation Commission (SCCRTC) for Transportation Funding for the Bay Avenue/Capitola Avenue Roundabout and Park Avenue Sidewalks**, as submitted, and prioritizing the Park Avenue Sidewalk Project. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None. DISQUALIFIED: Council Member Storey.

5. OTHER BUSINESS

- E. Consideration of the City of Capitola's participation in the Code for America 2012 City Fellowship Program in the amount of \$2,500. Staff recommendation: Council discretion. [500-10 A/C: Code for America]**

City Manager Goldstein summarized the written agenda report and responded to questions of council members.

Limited discussion was followed by this action:

ACTION: Council Member Harlan moved, seconded by Mayor Norton, to authorize the City Manager to contribute \$2,500 to the City of Santa Cruz for the Code for America 2012 City Fellowship Program. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- F. Consider adoption of a Resolution Supporting Termination of the Southern Sea Otter Translocation Program. Staff recommendation: Council discretion. [400-10]**
Mayor Norton commented on this item as he asked to have it included on the agenda.

Limited Council discussion was followed by this action:

ACTION: Council Member Termini moved, seconded by Council Member Harlan, to adopt **Resolution No. 3894, Resolution Supporting the Termination of the Southern Sea Otter Translocation Program**, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

6. COUNCIL/RDA DIRECTORS/STAFF COMMUNICATIONS

Council Member Harlan asked staff to look at the new palm trees located in front of the new Marriott Fairfield Inn hotel. She said the manager pointed out to her that the trees are growing up to the power lines.

7. ADJOURNMENT

The City Council/Redevelopment Agency adjourned at 11:52 p.m. to its next Regular Joint Meeting to be held on Thursday, October 27, 2011, at 7:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Dennis R. Norton, Mayor
Redevelopment Agency Chairperson

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk
Redevelopment Agency Secretary

**CITY OF CAPITOLA
CITY COUNCIL/REDEVELOPMENT AGENCY**

October 27, 2011
Capitola, California

MINUTES OF A REGULAR JOINT MEETING

6:00 P.M - CLOSED SESSION - CITY MANAGER’S OFFICE

At 6:01 p.m. in the City Hall Council Chambers, Mayor/Chairperson Norton noted that all Council Members/Redevelopment Agency Directors were present. Mayor/Chairperson Norton made an announcement regarding the items to be discussed in Closed Session, as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Govt. Code §54956.9a)

- Surf and Sand, LLC vs. City of Capitola, et al. (Surf & Sand Mobile Home Park)
[Superior Court of the State of California for County of Santa Cruz, Case #CV 167716]
- Surf and Sand, LLC vs. City of Capitola, et al. (Surf & Sand Mobile Home Park)
[U.S. District Court N.D., Case No. C09-05542 RS (Judge Richard Seeborg)]
- Bill Newman, et al. (residents of Surf & Sand Mobile Home Park) vs. Surf and Sand, LLC, Ronald Reed, et al. (Surf and Sand, LLC; Ronald Reed, Cross-Complainants vs. City of Capitola) [Superior Court County of Santa Cruz, Unlimited Jurisdiction, Case No. CV 171783]

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

- Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:
- Three Cases: 1) Noble Gulch Storm Drain Failure in Pacific Cove Mobile Home Park
- 2) Pacific Cove Mobile Home Park Flooding and Closure
- 3) Save the Plastic Bag Coalition v. County of Santa Cruz

No one from the public was present for the announcement regarding the Closed Session; therefore, the City Council/Redevelopment Agency recessed at 6:10 p.m. to the Closed Session in the City Manager’s Office.

7:00 P.M. – OPEN SESSION

REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY

Mayor/Chairperson Norton called the Regular Joint Meeting of the Capitola City Council/Redevelopment Agency to order at 7:10 p.m. on Thursday, October 27, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE OF ALLEGIANCE

- PRESENT:** Council Members/Directors Stephanie Harlan, Michael Termini, Kirby Nicol, Sam Storey and Mayor/Chairperson Dennis Norton
- ABSENT:** City Treasurer Jacques Bertrand
- OTHERS:** Redevelopment Agency Treasurer Debbie Johnson
- STAFF:** City Manager/Executive Director Jamie Goldstein, City Attorney/RDA General Counsel John G. Barisone, Community Development Director/Deputy Executive Director Derek Johnson, Chief of Police Michael Card, Public Works Director Steve Jesberg, Administrative Services Director Lisa Murphy, and Deputy City Clerk/Deputy Secretary Liz Nichols

* * * PRESENTATIONS * * *

**Presentation by Laura E. Segura, Executive Director of
Women's Crisis Support [330-30]**

Laura Segura gave a presentation on Women's Crisis Support, an agency that has been in Santa Cruz County for 34 years providing support to victims of rape. October is domestic violence awareness month and education is a major part of the agency's prevention efforts. The City of Capitola contributes \$3,613 annually to Women's Crisis Support.

Council Member Termini asked Chief Card why the rape frequency is higher in Capitola than in other areas of the County. Chief Card responded that Capitola has seen an increase in frequency this year, with a 30% increase in 2010.

Council Member Nicol questioned the statistics. City Manager Goldstein suggested staff come back at the next meeting with a report.

Laura Segura informed the public one can call 1-888-900-4232 to contact Women's Crisis Support to report domestic violence or rape.

1. REPORT ON CLOSED SESSION [520-25]

City Attorney Barisone reported on the items discussed in Closed Session as follows:

The two Surf & Sand lawsuits were not discussed in closed session.

The Council heard from the City Attorney and Deputy City Attorney Adair Paterno with regard to the Newman litigation. He said in that case the cross-complaint against the City of Capitola is still pending, and a status report was given to Council in that matter. No reportable action was taken.

The Council heard from the City Attorney and the City Manager regarding the March Noble Gulch storm drain failure, as well as the related Pacific Cove Mobile Home Park flooding and closure, for which there has been threatened litigation. The Council received a status report on those matters and took no reportable action in Closed Session.

The Council heard from the City Attorney and the City Manager regarding the Save the Plastic Bag coalition vs. County of Santa Cruz lawsuit. The Council received a status report in that matter and took no reportable action.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda - None

B. Public Comments

1) Carin Hanna invited everyone to the Santa Cruz Art Tour the first Friday of every month beginning November 4, 2011, from 6:00 p.m. to 9:00 p.m. Several businesses in Capitola will participate.

2) Terry Campion discussed the possible skate park.

3) Ethan Bearman discussed Cortez Park.

C. Staff Comments

1) Public Works Director Jesberg reported that Thursday, November 3, 2011, the new parking pay stations will be operating in Capitola Village.

2) City Manager Goldstein advised that Target is expected to pull their final building permit for the new Target store, which is opening in July of 2012.

2. ORAL COMMUNICATIONS (Continued)

D. City Council/RDA Director/Treasurer Comments/Committee Reports

1) Council Member Harlan discussed the planning of the Sanctuary Scenic Trail. The Santa Cruz Regional Transportation Commission has hired consultants to work on plans for the trail. A draft of the plans will be presented to the public. Council Member Harlan's recommendation was to keep an eye on the sanctuary as closely as possible.

Mayor Norton said he also participated in the discussion of the planning of the Sanctuary Scenic Trail. Three trails will be combined: the Sanctuary Scenic Trail, the Rail Trail, and the Coastal Trail. Incorporated in the plan is the connection to all the state parks, parklands, and open-space beaches.

2) Council Member Termini asked to have the Women's Crisis Support phone number listed on the City scroll. Also he reminded the public that Sunday, October 30, 2011, is the Capitola Halloween Parade.

E. Committee Appointments - None

F. Approval of Check Register Reports1) **City: Approval of City Check Register Reports dated October, 7 and October 14, 2011. [300-10]**

ACTION: Council Member Storey moved, seconded by Council Member Nicol, to approve the Check Register Reports dated October 7, and 14, 2011, including checks numbered 67735 through 67789 in the amount of \$93,203.07, and checks numbered 67790 through 67857 in the amount of \$86,057.41, respectively; and payroll disbursements for the October 7, 2011, payroll in the amount of \$184,816.30, for a Grand Total of \$364,076.78, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

2) **RDA: Approval of Redevelopment Agency Check Register Report dated October 7, 2011. [760-25]**

ACTION: Director Harlan moved, seconded by Director Termini, to approve the Check Register Report dated October 7, 2011, including checks numbered 3000 through 3003 in the amount of \$60,020.75, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

3. **CONSENT CALENDAR**

Mayor/Chairperson Norton asked if there were any items on the Consent Calendar that members of the public or the City Council/Redevelopment Agency Directors wished to pull for separate discussion. No items were pulled.

CONSENT CALENDAR ACTION: Council Member/Director Nicol moved, seconded by Council Member/Director Termini, to approve the Consent Calendar, as recommended. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

A. **Approve Reading by Title of all Ordinances and Resolutions and declare that said Titles which appear on the Public Agenda shall be determined to have been read by Title and Further Reading Waived.**

ACTION: The City Council/Redevelopment Agency Directors unanimously approved the reading by title of all Ordinances and Resolutions and declared that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

3. CONSENT CALENDAR (Continued)

- B. City/RDA: Approve Minutes of the Regular Joint Meeting of the City Council/Redevelopment Agency of September 22, 2011, and the Special Joint Study Session Meeting of the City Council, Redevelopment Agency, and the Finance Advisory Committee of October 12, 2011.**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to approve the Minutes of the Regular Joint Meeting of the City Council/Redevelopment Agency of September 22, 2011, and the Special Joint Study Session Meeting of the City Council, Redevelopment Agency, and the Finance Advisory Committee of October 12, 2011, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None. *[NOTE: Council Member Harlan abstained from voting on the Minutes of September 22, 2011, since she was absent.]*

- C. Receive Planning Commission Action Minutes for the Regular Meeting of October 20, 2011. [740-50]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to receive the Planning Commission Action Minutes for the Regular Meeting of October 20, 2011, as submitted. The motion carried on the following vote: AYES: Council Member Harlan, Termini, Nicol, Storey and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- D. Accept update report on the Rispin Property Hazard Abatement Project and, by 4/5 vote approval, make the determination that all hazards at the Rispin Property have not been eliminated and there is need to continue action. [275-60]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to accept the update report on the Rispin Property Hazard Abatement Project and made the determination that all hazards at the Rispin Property, as detailed in the March 1, 2011, Notice of Summary Abatement Order to Abate Dangerous Buildings and Grounds, have not been eliminated and there is a need to continue action. The motion carried on the following vote: AYES: Council Member Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT:

- E. Adopt Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.060 and 8.36.070 of the Capitola Municipal Code pertaining to the use of Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware [2nd Reading]. [930-30]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to adopt **Ordinance No. 965, Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.60 and 8.36.070 of, and Adding Section 8.36.035 to, the Capitola Municipal Code Pertaining to Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware**, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None.

- F. Receive the Quarterly Departmental Financial Report for First Quarter Ending September 30, 2011. [380-05]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to receive the Quarterly Departmental Financial report for the First Quarter Ending September 30, 2011, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- G. RDA: Receive RDA Quarterly Treasurer's Report for the Quarter Ended June 30, 2011. [760-25]**

ACTION: Director Nicol moved, seconded by Director Termini, to accept the RDA Treasurer's Report for the month ended June 30, 2011, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

4. PUBLIC HEARINGS

A. Public Hearing to consider Zoning Code Amendments to Title 17 of the Capitola Municipal Code called for in the City's Housing Element. Presentation: Community Development Department. [730-85/740-40]

Community Development Director Johnson summarized the written agenda report and responded to questions of council members.

Mayor Norton opened the public hearing at 8:50 p.m.

Bruce Arthur asked how the residents affected by these zoning changes were notified. He stated that he did not receive any notification that his zoning was going to be changed. Community Development Director Johnson explained the public notice process which was used.

Mayor Norton closed the public portion of the hearing at 9:00 p.m.

Community Development Director Johnson answered Council's questions and presented information on the proposed ordinance revisions. The ordinance changes included adding an ordinance for single room occupancy units, emergency shelters, transient and supportive housing and reasonable accommodation. After discussing each item there was agreement to move forward with the reasonable accommodation ordinance, but to delay the other three items.

ACTION: Council Member Termini moved, seconded by Council Member Nicol, to pass the proposed Ordinance Adding Chapter 17.70 providing a Procedure for Reasonable Accommodation in the City's Land Use and Zoning and Building Regulations to a second reading, with the provision the ordinance would be rewritten to make certain a request for reasonable accommodation would not exempt a project from any other discretionary approval requirements (including Conditional Use Permit, Design Review, General Plan Amendment, Zoning Change, etc.), and that the ordinance would be clear that any reasonable accommodation decision made by the Community Development Director or other review body would be appealable to the Planning Commission. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

It was then unanimously decided to continue the following proposed ordinances related to housing actions called for in the City's 2007-2014 Housing Element to a future public hearing:

- 1) Ordinance Adding Chapter 17.100 and Section 17.03.572 regarding Single Room Occupancy Units, Adding Chapter 17.101 and Section 17.03.573 regarding Small Ownership Units, and Amending Sections 17.22.050, 17.24.060, and 17.27.060 to Allow Single Room Occupancy Units and Small Ownership Units in Commercial/Residential (CR), Neighborhood commercial (CN), and Community Commercial (CC) Zoning Districts;
- 2) Ordinance Amending Section 17.36.040 to Add Subsection H. pertaining to Emergency Shelters; and
- 3) Ordinance Amending Chapter 17.03 by Adding Sections 17.03.665 and 17.03.688 to define Supportive Housing and Transitional Housing to provide that those uses are and shall be subject only to those Restrictions on Residential Uses applicable to the type of Residential Structure Involved.

5. OTHER BUSINESS

- A. Consider recommendations pertaining to Community Development Director and Finance Director vacancies. Staff recommendation: 1) authorize the City Manager to execute a Professional Services Agreement in an amount not to exceed \$70,000 with Susan Westman for Interim Community Development Director; 2) authorize the City Manager to proceed with recruitment for a full time Finance Director; and 3) adopt a resolution amending the FY2011-12 budget approving associated budget revisions. [330-10/650-05/500-10 A/C: Westman, Susan]**

City Manager Goldstein summarized the written agenda report.

Susan Westman said she is pleased to be back, and she looks forward to the opportunity to work with everyone again.

Council Member Termini was very pleased to have Susan Westman working for the city again, and the other council members welcomed her aboard.

ACTION: Council Member Nicol moved, seconded by Council Member Harlan, to take the following actions:

1. Authorized the City Manager to execute a Professional Services Agreement in an amount not to exceed \$70,000 with Susan Westman as Interim Community Development Director;
2. Authorized the City Manager to begin recruitment for a full-time Finance Director; and
3. Adopted **Resolution No. 3896, Resolution Amending the FY2011-12 Budget by Transferring \$70,000 from the Community Development Department Salary Account to the Community Development Department Contract Services Account to Fund the Interim Community Development Contract**, as submitted.

The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- B. SB 375 Sustainable Community Strategy for Greenhouse Gas Emission Reduction. Staff recommendation: receive report. [430-05]**

Community Development Director Johnson summarized the written agenda report and responded to questions of council members.

ACTION: It was the consensus of the City Council to accept the SB 375 Sustainable Community Strategy and Greenhouse Gas Emissions Reduction Planning Report, as submitted.

6. COUNCIL/RDA DIRECTORS/STAFF COMMUNICATIONS

Police Chief Card discussed the retail tobacco licensing fee. Mayor Norton asked if administration of the fee would cost more than the revenue.

7. ADJOURNMENT

The City Council/Redevelopment Agency Meeting was adjourned at 10:06 p.m. to its next Regular Joint Meeting to be held on Thursday, November 10, 2011, at 7:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Dennis R. Norton, Mayor
Redevelopment Agency Chairperson

ATTEST: _____
Liz Nichols, Deputy City Clerk
Deputy Redevelopment Agency Secretary



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: COMMUNITY DEVELOPMENT DIRECTOR
DATE: NOVEMBER 3, 2011
SUBJECT: PLANNING COMMISSION ACTION MINUTES OF NOVEMBER 3, 2011

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

Commissioners: Ron Graves, Ed Newman, Linda Smith and
Chairperson Gayle Ortiz
Absent: Commissioner Mick Routh
Staff: Community Development Director Derek Johnson
Interim Community Development Director Susan Westman
Senior Planner Ryan Bane
Minute Clerk Danielle Uharriet

2. ORAL COMMUNICATIONS

- A. Additions and Deletions to Agenda - NONE
- B. Public Comments - NONE
- C. Commission Comments - NONE
- D. Staff Comments - NONE

3. APPROVAL OF MINUTES

- A. October 20, 2011 Regular Planning Commission Meeting

APPROVED 4-0

4. CONSENT CALENDAR

NONE

5. PUBLIC HEARINGS

- A. **2205 & 2265 41st AVENUE** #11-110 **APN: 034-191-03**

Conditional Use Permit for a medical office use in the CC (Community Commercial) Zoning District.

Environmental Determination: Categorical Exemption

Property Owner: James Fenton Co. Inc, filed 10/17/11

Representative: Dr. Victor Li

APPROVED 4-0

B. 809 BAY AVENUE

#10-038

APN: 035-021-43

Six month review of an approved amendment to a Master Use Permit (Nob Hill Center) to relocate the recycling facilities on the site located in the CC (Community Commercial) Zoning District.

Property Owner: Bay Creek Properties / Filed 5/18/10

Representative: Craig French

NO ACTION REQUIRED.

C. ZONING AMENDMENTS TO ALLOW SANDWICH BOARD SIGNS IN THE CENTRAL VILLAGE AND NEIGHBORHOOD COMMERCIAL ZONE DISTRICTS

The Planning Commission shall consider an amendment of the Capitola Municipal Code to allow sandwich board signs in the Central Village and Neighborhood Commercial Zone Districts subject to a City permit and certain conditions and standards. The proposed amendment will expire on November 30, 2012 unless extended by Resolution by the City Council.

RECOMMENDED THE ORDINANCE BE DEFERRED UNTIL THE REVIEW OF THE SIGN ORDINANCE IS COMPLETED THROUGH THE GENERAL PLAN PROCESS.

3-1, COMMISSIONER SMITH DISSENTING.

D. REVIEW OF THE 41ST AVENUE/CAPITOLA MALL RE-VISIONING PLAN

The Planning Commission will review, comment, and make recommendations to the City Council on the 41st Avenue/Capitola Mall Re-Visioning Plan.

RECOMMENDED THE CITY COUNCIL REVIEW AND ACCEPT THE REPORT FOR INCLUSION INTO THE GENERAL PLAN.

4-0

6. INFORMATIONAL ITEM

A. GREENHOUSE GAS EMISSIONS REDUCTION PLANNING

Received a briefing on SB 375 and greenhouse gas emissions reduction planning.

NO ACTION REQUIRED.

7. DIRECTOR'S REPORT

8. COMMISSION COMMUNICATIONS

9. ADJOURNMENT

Adjourned to a Regular Meeting of the Planning Commission to be held on Thursday, December 1, 2011 at 6:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: CITY TREASURER

DATE: OCTOBER 27, 2011

SUBJECT: TREASURER'S REPORT FOR THE MONTH ENDED SEPTEMBER 30, 2011
(UNAUDITED)

Recommended Action: By motion, that the City Council accept the September 2011 Treasurer's Report (unaudited) for the City of Capitola.

BACKGROUND

California Government Code Section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances. The attachment provides various financial data and analysis for the City of Capitola funds, and the State Treasurer's Office (Local Agency Investment Fund) "LAIF" interest rates.

DISCUSSION - EXECUTIVE SUMMARY AT SEPTEMBER 30, 2011

The City Cash Position at September 30, 2011 totals \$3,345,100. LAIF deposits include \$2,552,300 of City and Assessment District Funds. The LAIF investment return as of September 30, 2011 was .378%.

The General Fund Balance Sheet consists of:

Total Assets	\$2,271,500 (includes Rispin receivable of \$1,350,000)
Total Liabilities	\$2,091,700
Total Fund Balance	\$ 179,800 (includes Rispin receivable of \$1,350,000)

Fund Balance

General Fund	\$ 179,800
Designated Reserves:	929,100
Capital Improv. Projects	955,800
Special Revenues:	1,293,500
Debt Service	(600)
Internal Services:	1,038,000
Total	\$ 4,395,600

FISCAL IMPACT: None.

ATTACHMENTS: 1) September 30, 2011 City Treasurer's Report, and 2) LAIF rates

Report Prepared By:

Reviewed and Forwarded By:

Lisa Saldana
Supervising Accountant

Jacques Bertrand, City Treasurer

cc: cdiac_investments@treasurer.ca.gov (June & December reports only, within 60 calendar days)

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Treasurer's Report for Month Ended September 30, 2011 (UNAUDITED)

BACKGROUND

California government code section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances. Additionally with the passage of Chapter 687, Statutes of 2000 (AB 943 Dutra), effective January 1, 2001 cities are now required to forward copies of their second and fourth quarter calendar year investment portfolio reports to the California Debt and Investment Advisory Commission (CDIAC) within 60 days.

The CDIAC will use the report as an additional opportunity to examine public investment practices in a more consistent basis than before.

Cities, such as the City of Capitola, that are 100 percent invested in the Local Agency Investment Fund (LAIF) are exempt from the new investment portfolio reporting requirements and are only required to send a letter to CDIAC indicating the total and composition of their investments. This Treasurer's Report will satisfy our reporting requirement to the CDIAC.

The following pages provide various financial data and analysis for the City of Capitola's Funds collectively as well as specifically for the City's General (Operating) Fund, with an attachment from the State Treasurer's Office of quarterly LAIF rates from the 1st quarter of 1977 to present.

DISCUSSION

The following information is for the month ended September 30, 2011. Such information is unaudited.

CASH BALANCE BY FUND

As of September 30, 2011, the LAIF deposits include \$2,552,300 of City and Assessment District funds. The LAIF investment return as of September 30, 2011 was .378%. The following summarizes the City's total cash balance of \$3,345,100 at September 30, 2011 amongst the funds:

		September 30, 2011
<u>General Fund</u>		74,900
<u>Special Revenues</u>	S L E S F	9,400
	SCC NARCOTICS ENFORCEMENT TEAM	(4,700)
	GAS TAX	4,600
	WHARF FUND	61,300
	DEVELOPMENT FEES FUND	3,400
	PEG CABLE TV ACCESS FUND	66,600
	CAPITOLA VILLAGE & WHARF BIA	34,400
	GREEN BUILDING	56,900
	PARIING RESERVE FUND	180,300
	TECHNOLOGY FEE FUND	15,000
	CDBG - GRANTS	18,100
	CDBG PROGRAM INCOME	(16,300)
	CDBG PROGRAM INCOME 07-08 RLF	-
	HOUSING PROGRAM LOAN FUND	2,100
	HOME GRANT FUND	5,200
	AFFORDABLE HOUSING TRUST FUND	166,900
	BEGIN GRANT FUND	60,000
	PUBLIC ART FUND	259,900
	OPEN SPACE PURCHASE	300
	GENERAL PLAN UPDATE	336,800
<u>Internal Service</u>	WORKER'S COMPENSATION	74,800
	SELF INSURANCE	110,000
	STORES	8,800
	INFORMATION TECHNOLOGY	101,300
	EQUIPMENT REPLACEMENT	105,900
	PUBLIC EMPLOYEE RETIREMENT	311,700
<u>Reserves</u>	EMERGENCY RESERVES	105,200
	CONTINGENCY RESERVES	200,000
	COMPENSATED ABSENCES	35,000
<u>Capital Projects</u>	VARIOUS CAPITAL PROJECTS	955,500
<u>Debt Service</u>	DEBT SERVICE FUND	1,800
TOTAL ALL FUNDS		<u><u>3,345,100</u></u>
	General Fund	74,900
	Internal Services	712,500
	Reserves	340,200
		<u><u>1,127,600</u></u>

GENERAL FUND SUMMARY BALANCE SHEET

The following is the General Fund summary balance sheet:

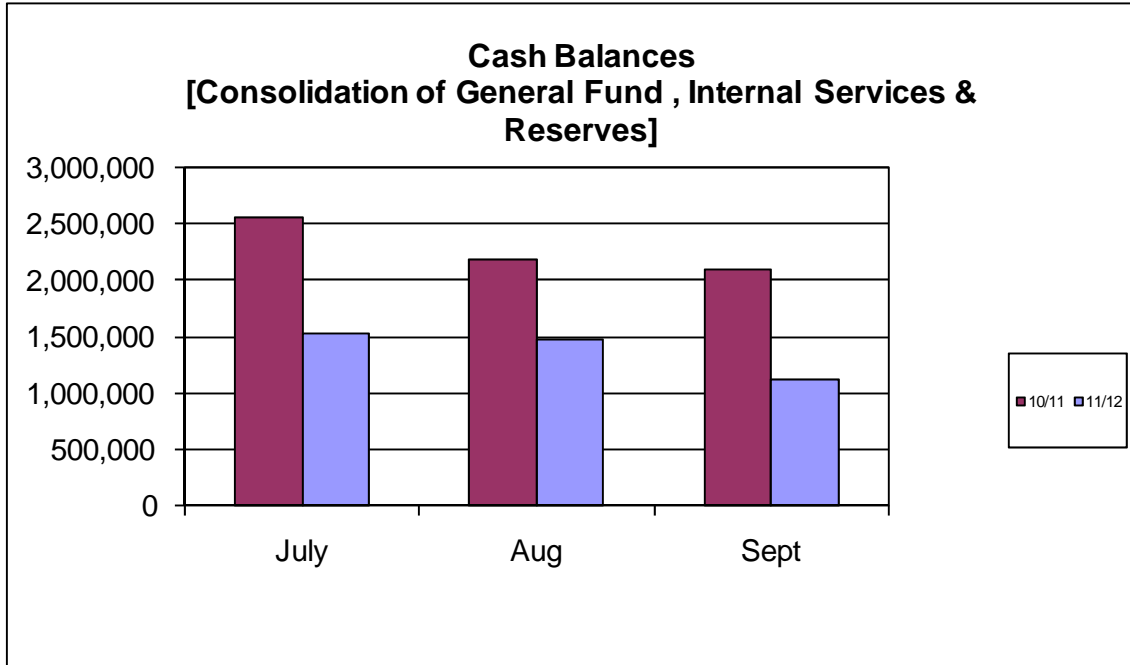
General Fund: Summary Balance Sheet	6/30/2011	Incr/Decr	9/30/2011
Cash	(240,500)	315,400	74,900
Prepaid Expenditures	3,800	(100)	3,700
Accounts Receivable	59,200	(36,800)	22,400
Accounts Receivable - Intergovernmental ¹	1,140,500	(938,000)	202,500
Accounts Receivable - RDA (Rispin)	1,350,000	-	1,350,000
Short Term Loans - RDA	-	-	-
Long Term Loans - RDA	618,000	-	618,000
TOTAL ASSETS	\$ 2,931,000	\$ (659,500)	\$ 2,271,500
Accounts Payable	261,200	(122,800)	138,400
Payroll Related Liabilities	335,800	(389,300)	(53,500)
Other Deposits and Other Liabilities	243,800	(32,600)	211,200
Deferred Revenue -- RDA	618,000	-	618,000
Deferred Revenue	368,700	(146,000)	222,700
Due to Other Funds	-	954,900	954,900
TOTAL LIABILITIES	\$ 1,827,500	\$ 264,200	\$ 2,091,700
FUND BALANCE ²			
Rispin Mansion Transaction	1,350,000	-	1,350,000
Fund Balance Reserves	12,600	-	12,600
Available Fund Balance:			
Prior Year Fund Balance	-	-	(219,900)
Current Year Operating Results	-	(962,900)	(962,900)
Net, Available Fund Balance	\$ (258,700)	\$ (962,900)	\$ (1,182,800)
TOTAL FUND BALANCE	\$ 1,103,500	\$ (962,900)	\$ 179,800

¹ A/R-Intergovernmental is primarily for State Mandated Cost Reimbursements.

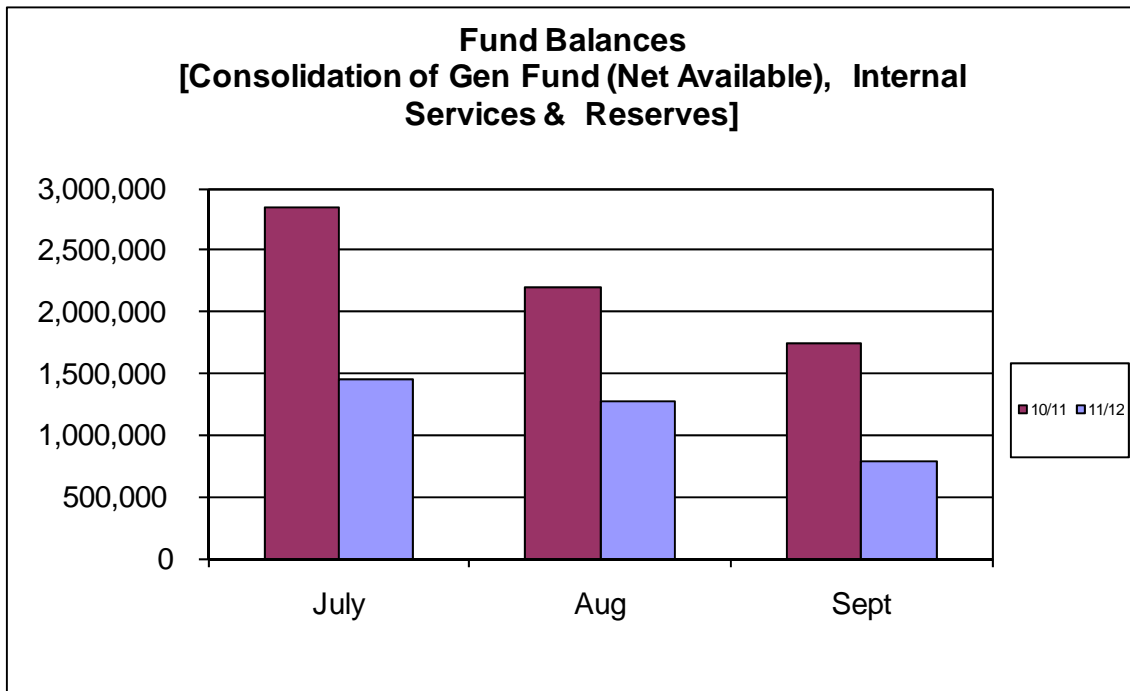
² Fund Balance is segregated for the amounts related to the Rispin Mansion Note Payable to the City and amount available.

CASH BALANCE & FUND BALANCE

The following graphs compare the monthly Cash and Fund Balance totals in the consolidated General Fund, Internal Service Funds, and Reserves for FY 10/11 and FY 11/12.



September 30, 2011 Total= \$1,127,600: Gen Fund= \$74,900, Internal Service= \$712,500, Reserves= \$340,200



September 30, 2011 Total= \$784,300: Gen Fund= (\$1,182,800), Internal Service= \$1,038,000, Reserves= \$929,100

CHANGES IN TOTAL FUND BALANCE

This table presents the ending Fund Balances for the City's major fund types. (It excludes agency funds where the City acts merely as a third party custodian of an outside party's funds.)

	Beginning Fund Balance: 7/01/11	Incr/(Decr) July-Aug	Revenue	Expenditure	Interfund Transfers	Unaudited Fund Balance: 9/30/11
<u>General Fund: Rispin</u>	1,350,000	-		-	-	1,350,000
<u>General Fund: Reserved</u>	12,600	-		-	-	12,600
<u>General Fund: Available</u>	(219,900)	(602,400)	597,100	(957,600)	-	(1,182,800)
<u>Designated Reserves:</u>	-					-
Emergency Reserves @ 5%	134,700	(30,800)	130,000	(144,700)	-	89,200
Compensated Absences	64,700	(28,600)	0	(1,100)	-	35,000
Contingency Reserves @10%	934,900	-	0	(130,000)	-	804,900
	-					-
<u>Capital Improv. Projects:</u>	1,053,900	(74,100)	0	(24,300)	-	955,500
Open Space Purchase	300	-	0	0	-	300
<u>Special Revenues:</u>	-					-
Gas Tax	-	1,800	23,500	(12,200)	-	13,100
Law Enforcement Grants	9,900	(500)	5,000	(5,300)	-	9,100
PEG Cable TV Access	77,500	(1,300)	0	(9,600)	-	66,600
Capitola & Wharf BIA	5,500	38,400	(800)	(3,100)	-	40,000
Development Fees	2,000	-	0	0	-	2,000
Wharf Fund	46,400	17,000	7,700	(4,800)	-	66,300
Green Building	48,700	8,200	0	0	-	56,900
Parking Reserve Fund	180,700	(400)	0	0	-	180,300
Technology Fee Fund	11,300	2,700	1,000	0	-	15,000
CDBG-Grants (Reimburseme	(4,100)	(700)	34,700	0	-	29,900
CDBG - Program Income	(15,500)	(900)	0	0	-	(16,400)
CDBG - Prog Inc 07-08 RLF	-	-	0	0	-	-
HOME Program Re-Use	5,100	(4,100)	1,000	0	-	2,000
HOME Grant Fund	5,200	-	993,900	(993,900)	-	5,200
Affordable Housing Trust	343,100	(160,000)	0	(16,200)	-	166,900
Begin Grant Fund	60,000	-	0	0	-	60,000
Public Art Program	127,700	130,000	9,100	(7,000)	-	259,800
General Plan Maintenance	303,300	25,500	8,000	0	-	336,800
	-					-
<u>Debt Service:POB</u>	252,900	(304,800)	51,300	0	-	(600)
<u>Internal Services:</u>	-					-
Equipment Replacement	305,900	-	0	0	-	305,900
Information Technology	173,200	(17,400)	0	(4,500)	-	151,300
Public Employee Retirement	473,700	(208,000)	165,900	(146,100)	-	285,500
Self-Insurance Liability	277,400	(51,000)	0	(14,600)	-	211,800
Stores	14,300	(4,400)	0	(1,200)	-	8,700
Worker's Compensation	174,800	(100,000)	0	0	-	74,800
	-					-
	-					-
TOTAL CITY	6,210,200	(1,365,800)	2,027,400	(2,476,200)	-	4,395,600

General Fund Balance: Fund Balance is segregated for: the amounts related to the Rispin Mansion Note Payable to the City, the amount reserved for disabled parking, and amount available.

General Fund Revenues: For the month ending September 30, 2011, total revenues were \$597,100 which included Sales Tax of \$228,900 (38%), Charges for Services of \$113,700 (19%), Transient Occupancy Tax of \$110,700 (19%), and Fines and Forfeitures of \$40,700 (7%).

General Fund Expenditures: For the month ending September 30, 2011, total expenditures were \$957,600 which includes Staffing for (2) pay periods of \$619,400 (65%), and Contract Services of \$232,100 which includes \$100,700 for 911 JPA payment and \$63,500 for Community Grants, (24%).

CDBG Grant Fund: This fund operates on a reimbursement basis. Therefore the balance will be negative as expenditures are incurred prior to reimbursement.

Internal Services: Internal Service Fund transactions consist of quarterly General Fund transfers and budgeted expenditures. As of September 30, 2011 no transfers have taken place.

ATTACHMENT 2



Bill Lockyer
California State Treasurer

**Pooled Money Investment Account
PMIA Average Monthly Effective Yields**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378			



CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: FINANCE DEPARTMENT

DATE: NOVEMBER 4, 2011

SUBJECT: RDA QUARTERLY TREASURER'S REPORT FOR THE QUARTER ENDED
SEPTEMBER 30, 2011

Recommended Action: By motion, accept the RDA Quarterly Report for the quarter ended September 30, 2011, as submitted.

BACKGROUND

Capitola Redevelopment Agency's cash position and investment portfolio are shown below as of the quarter ended September 30, 2011. This complies with regulations contained in California Government Code Section 53646. The RDA follows the practice of pooling cash and investments for the RDA funds under its control. Interest earned on pooled cash and investments is allocated quarterly to the funds based on the respective fund's average quarterly cash balance. Interest earned is credited directly to each fund. Capitola RDA cash and investments are composed of operating cash and cash invested in Local Agency Investment Fund (LAIF). The LAIF interest rate for quarter ended September 30, 2011 was 0.38%.

DISCUSSION

RDA cash balance at quarter end was:

Total RDA Cash, 09/30/11			
	RDA Operating	Low/Moderate Income Housing	Total RDA Cash
Bank of America	\$ 2,266,848	\$ (17,604)	\$ 2,249,244
Local Agency Investment Fund (LAIF)	\$ 7,138	\$ 1,471	\$ 8,608
Total RDA Cash	\$ 2,273,986	\$ (16,133)	\$ 2,257,852

The negative Low/Moderate Income Housing balance results from payment of pre-existing obligations and California Department of Finance (DOF) direction not to increase or decrease RDA funds until resolution of the current State of California Supreme Court Case No. S194861, *California Redevelopment Association v. Ana Matosantos*. Both RDA Funds will be adequately covered by receipt of the December property tax distribution which is allowed by Court and DOF direction.

Report prepared by: Lonnie Wagner, Accountant II

**Reviewed and forwarded
By Executive Director:** _____



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: CITY TREASURER

DATE: NOVEMBER 18, 2011

SUBJECT: TREASURER'S REPORT FOR THE MONTH ENDED OCTOBER 31, 2011
(UNAUDITED)

Recommended Action: By motion, that the City Council accept the October 2011 Treasurer's Report (unaudited) for the City of Capitola.

BACKGROUND

California Government Code Section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances.

The attachment provides various financial data and analysis for the City of Capitola funds, and the State Treasurer's Office (Local Agency Investment Fund) "LAIF" interest rates.

DISCUSSION - EXECUTIVE SUMMARY AT OCTOBER 31, 2011

The City Cash Position at October 31, 2011 totals \$2,988,300. LAIF deposits include \$2,405,400 of City and Assessment District Funds. The LAIF investment return as of October 31, 2011 was .385%.

The General Fund Balance Sheet consists of:

Total Assets	\$2,280,900 (includes Rispin receivable of \$1,350,000)
Total Liabilities	\$2,403,600
Total Fund Balance	(\$ 122,700) (includes Rispin receivable of \$1,350,000)

Fund Balance

General Fund	\$ (122,700)
Designated Reserves:	534,500
Capital Improv. Projects	869,100
Special Revenues:	1,046,900
Debt Service	16,500
Internal Services:	1,271,400
Total	\$ 3,615,700

FISCAL IMPACT: None.

ATTACHMENTS - 1) October 31, 2011 City Treasurer's Report, and 2) LAIF rates

Report Prepared By:

Reviewed and Forwarded By:

Lisa Saldana
Supervising Accountant

Jacques Bertrand, City Treasurer

cc: cdiac_investments@treasurer.ca.gov (June & December reports only, within 60 calendar days)

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Treasurer's Report for Month Ended October 31, 2011 (UNAUDITED)

BACKGROUND

California government code section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances. Additionally with the passage of Chapter 687, Statutes of 2000 (AB 943 Dutra), effective January 1, 2001 cities are now required to forward copies of their second and fourth quarter calendar year investment portfolio reports to the California Debt and Investment Advisory Commission (CDIAC) within 60 days.

The CDIAC will use the report as an additional opportunity to examine public investment practices in a more consistent basis than before.

Cities, such as the City of Capitola, that are 100 percent invested in the Local Agency Investment Fund (LAIF) are exempt from the new investment portfolio reporting requirements and are only required to send a letter to CDIAC indicating the total and composition of their investments. This Treasurer's Report will satisfy our reporting requirement to the CDIAC.

The following pages provide various financial data and analysis for the City of Capitola's Funds collectively as well as specifically for the City's General (Operating) Fund, with an attachment from the State Treasurer's Office of quarterly LAIF rates from the 1st quarter of 1977 to present.

DISCUSSION

The following information is for the month ended October 31, 2011. Such information is unaudited.

CASH BALANCE BY FUND

As of October 31, 2011, the LAIF deposits include \$2,405,400 of City and Assessment District funds. The LAIF investment return as of October 31, 2011 was .385%. The following summarizes the City's total cash balance of \$2,998,300 at October 31, 2011 amongst the funds:

		October 31, 2011
<u>General Fund</u>		88,400
<u>Special Revenues</u>	S L E S F	9,000
	SCC NARCOTICS ENFORCEMENT TEAM	(4,000)
	GAS TAX	(51,100)
	WHARF FUND	63,700
	DEVELOPMENT FEES FUND	3,400
	PEG CABLE TV ACCESS FUND	66,600
	CAPITOLA VILLAGE & WHARF BIA	33,600
	GREEN BUILDING	56,900
	PARIING RESERVE FUND	6,800
	TECHNOLOGY FEE FUND	15,300
	CDBG - GRANTS	12,700
	CDBG PROGRAM INCOME	(16,900)
	CDBG PROGRAM INCOME 07-08 RLF	-
	HOUSING PROGRAM LOAN FUND	-
	HOME GRANT FUND	5,200
	AFFORDABLE HOUSING TRUST FUND	166,900
	BEGIN GRANT FUND	60,000
	PUBLIC ART FUND	259,400
	OPEN SPACE PURCHASE	300
	GENERAL PLAN UPDATE	328,700
<u>Internal Service</u>	WORKER'S COMPENSATION	91,700
	SELF INSURANCE	87,600
	STORES	13,800
	INFORMATION TECHNOLOGY	50,600
	EQUIPMENT REPLACEMENT	56,700
	PUBLIC EMPLOYEE RETIREMENT	376,100
<u>Reserves</u>	EMERGENCY RESERVES	84,000
	CONTINGENCY RESERVES	200,000
	COMPENSATED ABSENCES	35,000
<u>Capital Projects</u>	VARIOUS CAPITAL PROJECTS	868,900
<u>Debt Service</u>	DEBT SERVICE FUND	19,000
TOTAL ALL FUNDS		<u><u>2,988,300</u></u>
	General Fund	88,400
	Internal Services	676,500
	Reserves	319,000
		<u><u>1,083,900</u></u>

GENERAL FUND SUMMARY BALANCE SHEET

The following is the General Fund summary balance sheet:

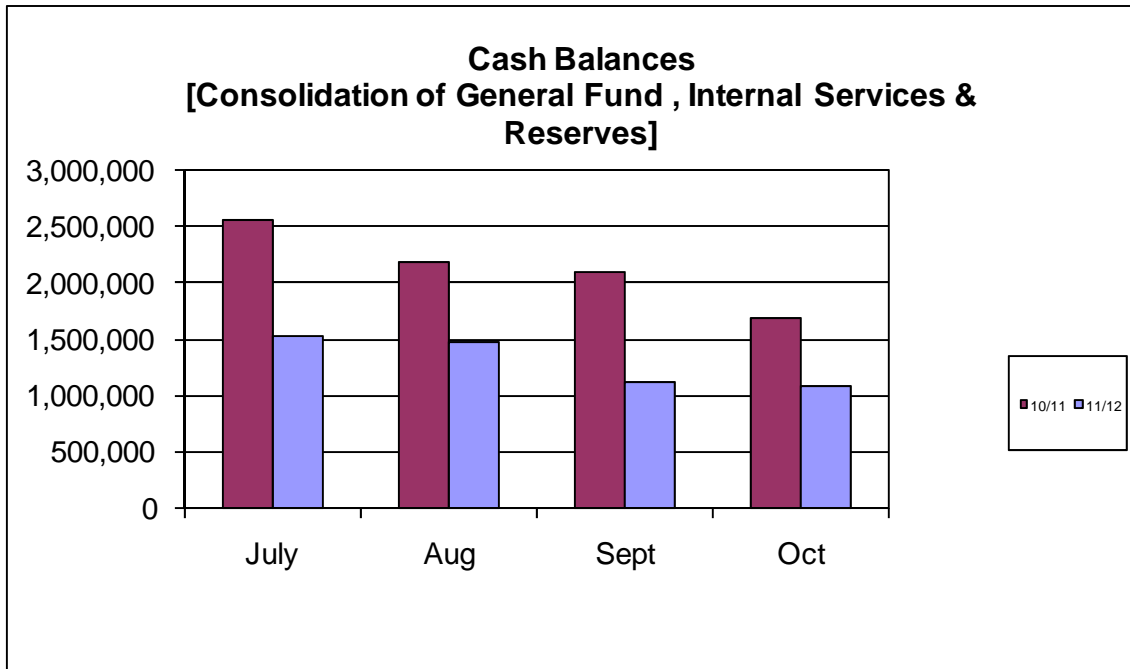
General Fund: Summary Balance Sheet	6/30/2011	Incr/Decr	10/31/2011
Cash	(240,500)	328,900	88,400
Prepaid Expenditures	3,800	(100)	3,700
Accounts Receivable	59,200	(35,200)	24,000
Accounts Receivable - Intergovernmental ¹	1,140,500	(943,700)	196,800
Accounts Receivable - RDA (Rispin)	1,350,000	-	1,350,000
Short Term Loans - RDA	-	-	-
Long Term Loans - RDA	618,000	-	618,000
TOTAL ASSETS	\$ 2,931,000	\$ (650,100)	\$ 2,280,900
Accounts Payable	261,200	(118,600)	142,600
Payroll Related Liabilities	335,800	(395,100)	(59,300)
Other Deposits and Other Liabilities	243,800	(13,300)	230,500
Deferred Revenue -- RDA	618,000	-	618,000
Deferred Revenue	368,700	(151,800)	216,900
Due to Other Funds	-	1,254,900	1,254,900
TOTAL LIABILITIES	\$ 1,827,500	\$ 576,100	\$ 2,403,600
FUND BALANCE ²			
Rispin Mansion Transaction	1,350,000	-	1,350,000
Fund Balance Reserves	12,600	-	12,600
Available Fund Balance:			
Prior Year Fund Balance	-	-	(219,900)
Current Year Operating Results	-	(1,265,400)	(1,265,400)
Net, Available Fund Balance	\$ (258,700)	\$ (1,265,400)	\$ (1,485,300)
TOTAL FUND BALANCE	\$ 1,103,500	\$ (1,265,400)	\$ (122,700)

¹ A/R-Intergovernmental is primarily for State Mandated Cost Reimbursements.

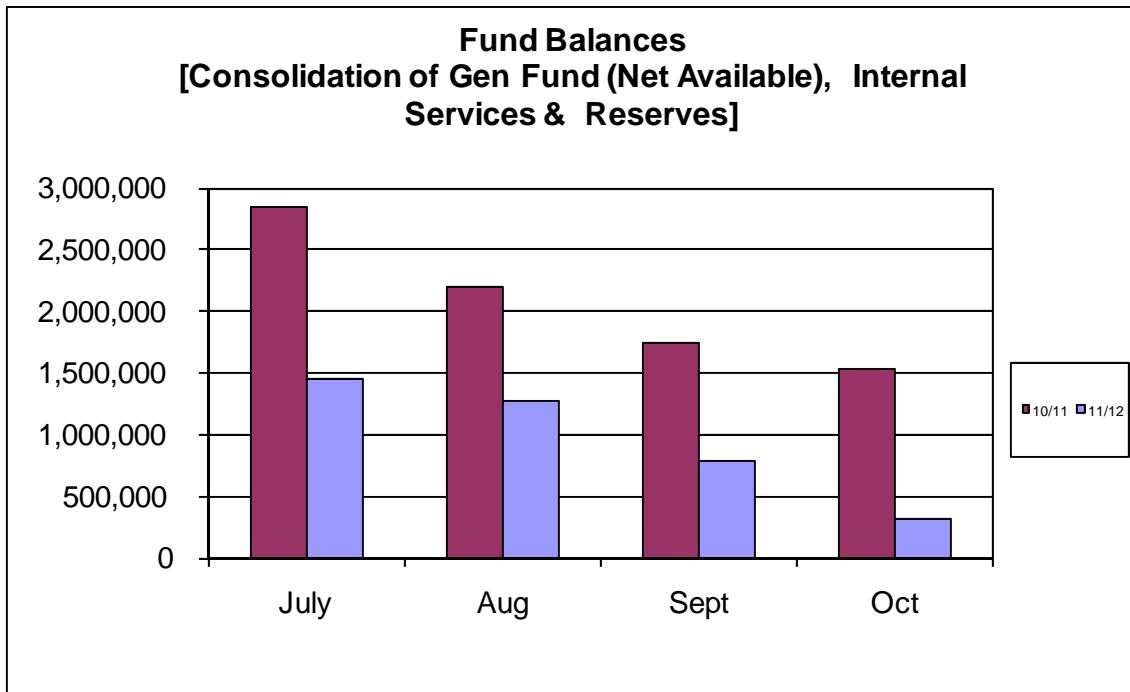
² Fund Balance is segregated for the amounts related to the Rispin Mansion Note Payable to the City and amount available.

CASH BALANCE & FUND BALANCE

The following graphs compare the monthly Cash and Fund Balance totals in the consolidated General Fund, Internal Service Funds, and Reserves for FY 10/11 and FY 11/12.



October 31, 2011 Total= \$1,083,900: Gen Fund= \$88,400, Internal Service= \$676,500, Reserves= \$319,000



October 31, 2011 Total= \$320,600: Gen Fund= (\$1,485,300), Internal Service= \$1,271,400, Reserves= \$534,500

CHANGES IN TOTAL FUND BALANCE

This table presents the ending Fund Balances for the City's major fund types. (It excludes agency funds where the City acts merely as a third party custodian of an outside party's funds.)

	Beginning Fund Balance: 7/01/11	Incr/(Decr) July-Sept	Revenue	Expenditure	Interfund Transfers	Unaudited Fund Balance: 10/31/11
General Fund: Rispin	1,350,000	-		-	-	1,350,000
General Fund: Reserved	12,600	-		-	-	12,600
General Fund: Available	(219,900)	(1,199,200)	661,600	(727,800)	-	(1,485,300)
Designated Reserves:	-					-
Emergency Reserves @ 5%	134,700	(45,500)	0	(394,600)	-	(305,400)
Compensated Absences	64,700	(29,700)	0	0	-	35,000
Contingency Reserves @10%	934,900	(130,000)	0	0	-	804,900
	-					-
Capital Improv. Projects:	1,053,900	(98,400)	0	(86,700)	-	868,800
Open Space Purchase	300	-	0	0	-	300
Special Revenues:	-					-
Gas Tax	-	13,100	0	(53,500)	-	(40,400)
Law Enforcement Grants	9,900	(800)	4,600	(4,800)	-	8,900
PEG Cable TV Access	77,500	(10,900)	0	(100)	-	66,500
Capitola & Wharf BIA	5,500	34,500	0	(1,400)	-	38,600
Development Fees	2,000	-	0	0	-	2,000
Wharf Fund	46,400	19,900	8,200	(9,200)	-	65,300
Green Building	48,700	8,200	0	0	-	56,900
Parking Reserve Fund	180,700	26,800	0	(200,700)	-	6,800
Technology Fee Fund	11,300	3,700	400	0	-	15,400
CDBG-Grants (Reimburseme	(4,100)	34,000	0	(5,400)	-	24,500
CDBG - Program Income	(15,500)	(900)	0	(600)	-	(17,000)
CDBG - Prog Inc 07-08 RLF	-	-	0	0	-	-
HOME Program Re-Use	5,100	(3,100)	1,000	(3,100)	-	(100)
HOME Grant Fund	5,200	-	0	0	-	5,200
Affordable Housing Trust	343,100	(176,200)	0	(100)	-	166,800
Begin Grant Fund	60,000	-	0	0	-	60,000
Public Art Program	127,700	132,100	0	(500)	-	259,300
General Plan Maintenance	303,300	33,500	1,200	(9,800)	-	328,200
	-					-
Debt Service:POB	252,900	(253,500)	17,100	0	-	16,500
Internal Services:	-	-				-
Equipment Replacement	305,900	25,800	0	0	-	331,700
Information Technology	173,200	7,500	0	(6,200)	-	174,500
Public Employee Retirement	473,700	(188,300)	55,300	(17,100)	-	323,600
Self-Insurance Liability	277,400	(33,500)	0	(5,000)	-	238,900
Stores	14,300	2,000	0	(5,300)	-	11,000
Worker's Compensation	174,800	16,900	0	0	-	191,700
	-					-
	-					-
TOTAL CITY	6,210,200	(1,812,000)	749,400	(1,531,900)	-	3,615,700

General Fund Balance: Fund Balance is segregated for: the amounts related to the Rispin Mansion Note Payable to the City, the amount reserved for disabled parking, and amount available.

General Fund Revenues: For the month ending October 31, 2011, total revenues were \$661,600 which included Sales Tax of \$258,900 (39%), Charges for Services of \$87,800 (13%), Transient Occupancy Tax of \$84,800 (12%), and Fines and Forfeitures of \$75,900 (11%).

General Fund Expenditures: For the month ending October 31, 2011, total expenditures were \$727,800 which includes Staffing for (2) pay periods of \$510,100 (70%), and Contract Services of \$162,300, (22%).

CDBG Grant Fund: This fund operates on a reimbursement basis. Therefore the balance will be negative as expenditures are incurred prior to reimbursement.

Internal Services: Internal Service Fund transactions consist of quarterly General Fund transfers and budgeted expenditures.

ATTACHMENT 2



Bill Lockyer
California State Treasurer

**Pooled Money Investment Account
PMIA Average Monthly Effective Yields**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385		



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: POLICE DEPARTMENT

DATE: NOVEMBER 1, 2011

SUBJECT: REQUEST FROM THE CAPITOLA SOQUEL CHAMBER OF COMMERCE TO SUSPEND PARKING METER/PAY STATION ENFORCEMENT AND TO INCREASE THE PARKING LIMIT FROM 2 HOURS TO 3 HOURS IN CAPITOLA VILLAGE FROM THURSDAY, NOVEMBER 24 THROUGH SUNDAY, DECEMBER 25, 2011

Recommended Action: By motion and roll call vote, that the City Council:

1. Approve suspending the parking meter/pay station enforcement in the Capitola Village from Thursday, November 24, 2011 through Sunday, December 25, 2011, and
2. Approve increasing the parking time limit from 2 to 3 hours during this time period.

BACKGROUND

The City Council has approved suspending parking meter enforcement during the Holiday Season since 2001, with the exception of 2003. Last year the Council considered and approved a request from the Chamber to increase the parking time limit from 2 to 3 hours during the Holidays.

DISCUSSION

The purpose of the parking meters has always been to encourage parking rotation for the Village business community. Although the late Fall and early Winter season is not as filled with tourists as the early Spring and early Fall season, the need for the parking meters still exists.

The Capitola Soquel Chamber of Commerce has submitted their annual request to the City to bag the parking meters in Capitola Village from Thursday, November 24, 2011 through Sunday, December 25, 2011. This year the City is implementing pay stations in certain areas of the Village. By approving the Chamber's request, the Council would be authorizing bagging of parking meters on Capitola and Monterey Avenues and suspending pay station operation in the Village to encourage holiday shopping in the Village. In addition to suspending meter and pay station operation, the Chamber is requesting a 3-hour limit on the free parking for the Holiday Season.

FISCAL IMPACT

It is estimated that last year's suspension of the parking meters cost the City \$10,000. The FY2011/12 budget takes into account suspending parking meter and pay station enforcement during this time period; therefore, there is no budget impact.

ATTACHMENTS

1. Letter dated October 7, 2011 from the Capitola Soquel Chamber of Commerce
2. Letter dated November 1, 2011 for the Capitola Soquel Chamber of Commerce

Report Prepared By: Denice Pearson
Administrative/Records Analyst

**Reviewed and Forwarded
By City Manager:** _____



716-G Capitola Avenue
Capitola, CA 95010
Phone: (831) 475-6522
Fax: (831) 475-6530

capitola soquel
CHAMBER of COMMERCE

October 7, 2011

RECEIVED
OCT 11 2011
CITY OF CAPITOLA

City of Capitola
Lisa Murphy
420 Capitola Avenue
Capitola, Ca. 95010

Hello Lisa:

The Capitola-Soquel Chamber of Commerce would like to make Our annual request to bag the parking meters in Capitola Village starting Thursday, November 24, 2011 thru Sunday, December 25, 2011. We would like to provide free parking to visitors shopping and dining during the Holiday Season.

I look forward to hearing from the City of Capitola regarding our request.

Sincerely,

Toni Castro
CEO



716-G Capitola Avenue
Capitola, CA 95010
Phone: (831) 475-6522
Fax: (831) 475-6530

capitola soquel
CHAMBER of COMMERCE

November 1, 2011

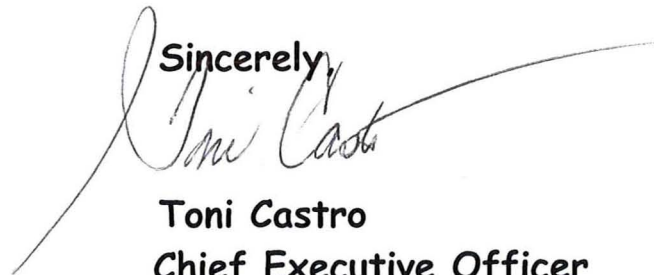
City of Capitola
420 Capitola Avenue
Capitola, Ca. 95010

The Capitola-Soquel Chamber of Commerce would like to request a 3 hour limit on free parking for the Holiday Season starting Thanksgiving, November 24th, 2011 thru Christmas Day, December 25th, 2011.

We had previously sent a Letter requesting Free Parking for that time period.

The merchants in Capitola Village would appreciate your consideration of this request.

Sincerely,



Toni Castro
Chief Executive Officer



Item #: 3.H.

CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: CITY CLERK'S OFFICE

DATE: NOVEMBER 18, 2011

SUBJECT: 2012 MEETING SCHEDULES FOR THE CITY COUNCIL/REDEVELOPMENT AGENCY AND THE PLANNING COMMISSION/ARCHITECTURAL & SITE REVIEW COMMITTEE

Recommended Action: By motion, receive the 2012 City Meeting Schedules as an informational item and direct staff to post this information at City Hall, the Capitola Branch Library, on the City's website, and distribute to department heads, newspapers, and various groups that regularly submit items to the City.

DISCUSSION

At the end of each calendar year staff prepares the meeting schedules for the following year. Attached are the proposed schedules for City Council/Redevelopment Agency and Planning Commission/Architectural and Site Review Committee for 2012.

Regular joint meetings of the City Council/Redevelopment Agency are held on the second and fourth Thursday of the month at 7:00 p.m., with the exception of the second meeting in November, which falls on the Thanksgiving holiday and is generally held on the Tuesday prior to Thanksgiving. There is no second meeting held in December due to the Christmas holiday. Next year is an election year; therefore, a Special City Council Meeting has been tentatively scheduled for Tuesday, December 4, 2012, to confirm election results and seat newly elected officials. Pursuant to past practice one meeting has been scheduled for the month of August, as this is the month the City Council generally takes vacation.

Regular meetings of the Planning Commission are held on the first Thursday of the month at 7:00 p.m. in the City Hall Council Chambers. Since City Hall offices will be closed the week of December 24 through December 28, 2011, the regular meeting of the Planning Commission for January has been rescheduled for Thursday, January 19, 2012. The meeting date is being changed since staff will not be working the week the agenda packet would normally be prepared and distributed for a January 5 meeting.

Regular meetings of the Architectural & Site Review Committee are generally held on the second and fourth Wednesday of each month at 3:30 p.m. In the event there are no items for review by the committee, meetings would be cancelled and noticed accordingly.

All Regular Meetings of the City Council/Redevelopment Agency and Planning Commission meetings are televised "Live" on Charter Communications Cable Channel 8, and rebroadcast by Community Television of Santa Cruz County on the Saturday following the meeting beginning at 12 Noon on Charter Cable Channel 71 and Comcast Cable Channel 25. In addition, "Live Streaming" of the meetings can be viewed via the Internet from the City's website at: www.ci.capitola.ca.us. Videos of Capitola City Council/Redevelopment Agency and Planning Commission meetings are archived and can be viewed from the City's website.

FISCAL IMPACT – None

ATTACHMENTS

1. 2012 City Council/Redevelopment Agency Meeting Dates and Deadline for Submittal of Agenda Items
2. 2012 Meeting Schedules for the Planning Commission and Architectural & Site Review Committee

Report Prepared By: Pamela Greeninger, MMC
City Clerk

**Reviewed and Forwarded
By City Manager:** _____

CITY OF CAPITOLA 2012

CITY COUNCIL/REDEVELOPMENT AGENCY MEETING DATES AND DEADLINE FOR SUBMITTAL OF AGENDA ITEMS

SUBMITTAL DATE (MONDAY *)	MEETING DATE (THURSDAY)
DECEMBER 19, 2011	JANUARY 12
JANUARY 9	JANUARY 26
JANUARY 23	FEBRUARY 9
FEBRUARY 6	FEBRUARY 23
FEBRUARY 21*	MARCH 8
MARCH 5	MARCH 22
MARCH 26	APRIL 12
APRIL 9	APRIL 26
APRIL 23	MAY 10
MAY 7	MAY 24
MAY 29*	JUNE 14
JUNE 11	JUNE 28
JUNE 25	JULY 12
JULY 9	JULY 26
JULY 23	AUGUST 9
AUGUST 27	SEPTEMBER 13
SEPTEMBER 10	SEPTEMBER 27
SEPTEMBER 24	OCTOBER 11
OCTOBER 9*	OCTOBER 25
OCTOBER 22	NOVEMBER 8
NOVEMBER 5	TUESDAY, NOVEMBER 20 ♦
Tentative - Election Results	TUESDAY, DECEMBER 4
NOVEMBER 26	DECEMBER 13

Regular Joint Meetings of the City Council/Redevelopment Agency
are held on the second and fourth Thursdays of each month at 7:00 p.m.
in the Capitola City Hall Council Chambers, 420 Capitola Avenue, Capitola, CA
Items to be included on a particular agenda must be submitted to the City Manager's Office
NO LATER than 5 p.m. on the submittal date so that a staff report may be prepared.
Items received after that date will be scheduled for the next available agenda.

NOTE: * SUBMITTAL DATE IS ON THE TUESDAY FOLLOWING A HOLIDAY
♦ DUE TO THANKSGIVING HOLIDAY, THE MEETING WILL BE HELD ON TUESDAY



Item #: 3.I.

CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: CITY CLERK'S OFFICE
DATE: NOVEMBER 18, 2011
SUBJECT: RESOLUTION ESTABLISHING DAYS FOR CLOSURE OF CITY OFFICES DURING
THE 2012 CALENDAR YEAR

Recommended Action: By motion and roll call vote, adopt the proposed Resolution Establishing Days for Closure of City Offices during the 2012 Calendar Year.

DISCUSSION

Ordinance No. 497 provides that *"The City Council may, from time to time, designate holidays which shall be granted to employees with pay. The Council may also by resolution designate holidays upon which the City offices shall be closed."* In November of each year staff reviews the calendar for the following year as it relates to holidays and prepares a resolution for adoption by the City Council.

A draft resolution for the 2012 Calendar Year is attached for your consideration. As has been done for the past several years and is consistent with employee Memoranda of Understanding, the proposed resolution identifies the Holiday Closure of City Hall offices during the week between the Christmas and the New Year's Day holidays. In addition, since Lincoln's Birthday falls on Sunday, it will be observed on Monday, February 13, 2012, and since Veterans Day falls on Sunday, November 11, it will be observed on Monday, November 12, 2012. There are no conflicts with holidays falling on regular meeting dates during 2012.

FISCAL IMPACT

None

ATTACHMENTS

Draft Resolution

Report Prepared By: Pamela Greeninger, MMC
City Clerk

**Reviewed and Forwarded
By City Manager** _____

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
ESTABLISHING DAYS FOR CLOSURE OF CITY OFFICES
DURING THE 2012 CALENDAR YEAR

WHEREAS, Ordinance No. 497 provides that days for closure of City Offices may, from time to time, be set by Council resolution; and

WHEREAS, it is the desire of the City Council of the City of Capitola to establish days for closure of City Offices during the 2012 calendar year.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola as follows: City Offices, except for essential City services such as the Police Department, shall be closed on the following days occurring in calendar year 2012, unless otherwise noted:

- | | |
|------------------------------------------------------------------------|-----------------------------------------|
| January 2 (Monday) | New Years Day |
| January 16 (Monday) | Martin Luther King, Jr. Birthday |
| February 13 (Monday) | Lincoln’s Birthday |
| February 20 (Monday) | Washington’s Birthday (Presidents’ Day) |
| May 28 (Monday) | Memorial Day |
| July 4 (Wednesday) | Independence Day |
| September 3 (Monday) | Labor Day |
| October 8 (Monday) | Columbus Day |
| November 12 (Monday) | Veterans Day |
| November 22 & 23
(Thursday & Friday) | Thanksgiving Holiday |
| December 25 (Tuesday) | Christmas Holiday |
| December 24, 26, 27, & 28
(Monday, Wednesday,
Thursday & Friday) | Holiday Closure |

The foregoing does not preclude the scheduling of any City Council or Planning Commission meetings on such days. For purposes of Government Code Section 6704, Saturdays and Sundays are also days for closure of the City business office.

The foregoing is not in any sense intended to define holidays, for which employees do or do not receive additional compensation. Employees paid holidays are defined in relevant Memoranda of Understanding.

I HEREBY CERTIFY that the above and foregoing resolution was passed and adopted by the City Council of the City of Capitola at its regular meeting held on the 22nd day of November, 2011, by the following vote:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk



Item #: **3.J.**

CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: CITY MANAGER'S DEPARTMENT
DATE: NOVEMBER 18, 2011
SUBJECT: APPROVE REVISED JOB DESCRIPTION FOR RECORDS MANAGER

Recommended Action: By motion and roll call vote, adopt the proposed Resolution Approving a Revised Job Description for the position of Records Manager.

BACKGROUND

The Records Manager position is assigned to the Police Department and is responsible for supervision of the Police Department Records Division, including supervision of the Records Clerks. This position has evolved over the last 10 years and since position is currently vacant this provides an opportunity to revise the job description to update the responsibilities and eliminate outdated language.

DISCUSSION

The Records Manager is responsible for managing all aspects of the records management system in the Police Department, ensures compliance with laws, policies and procedures and oversees the preparation, processing, indexing, storage, retention and disposition of all reports and citations. The most significant revision to the description includes the elimination of the supervision of the Code Enforcement Officers, and the essential duties and the knowledge, skills and abilities required for the position have been more clearly defined.

FISCAL IMPACT

There will be no fiscal impact.

ATTACHMENT

Draft Resolution

Report Prepared By: Lisa Murphy, Administrative Services Director

**Reviewed and Forwarded
By City Manager:** _____

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
APPROVING A REVISED JOB DESCRIPTION FOR
THE POSITION OF RECORDS MANAGER**

WHEREAS, Section 2.44.030 of the Capitola Municipal Code establishes the City Manager as the personnel officer and authorizes him to prepare class specifications and job descriptions, which shall become effective upon Council approval; and

WHEREAS, the Records Manager job description was last updated in 1999, and the position has significantly evolved over the years to include additional duties and responsibilities; and

WHEREAS, the most significant revision to the job description includes the elimination of the supervision of the Code Enforcement Officers, and the essential duties and knowledge, skills and abilities required for the position have been more clearly defined; and

WHEREAS, a new job description for the Records Manager position is attached as Exhibit "A" and herein incorporated by reference.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Capitola does hereby approve the job description for the Records Manager position, which is included herein as Exhibit A.

I HEREBY CERTIFY that the foregoing resolution was passed and adopted by the City Council of the City of Capitola on the 22nd day of November, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk

EXHIBIT A

City of Capitola

RECORDS MANAGER**GENERAL PURPOSE**

The Records Manager (RM) is a full-time supervisory position responsible for the supervision of Records Clerks, and reports directly to the Captain managing the Support Services Division. The RM must be able to perform all the functions assigned to Records Clerks

SUPERVISION RECEIVED

Works under the general guidance and direction of the Captain managing the Support Services Division.

SUPERVISION EXERCISED

Exercises supervision over records clerks and other personnel as assigned. .

ESSENTIAL DUTIES AND RESPONSIBILITIES

The RM is responsible for managing all aspects of the records management system. The RM ensures efficiency and compliance with laws, policies and procedures; and oversees the preparation, processing, indexing, storage, retention and disposition of all reports and citations. The RM is the custodian of records for the Capitola Police department, accepting legal liability for the release of police records. The RM responds to all record inquiries and subpoenas.

The RM must be able to apply laws, court decisions, rules and regulations on the use and confidentiality of police reports. The RM also develops new and continuing training to ensure compliance levels for employees governed by law.

Ensure that department records are properly maintained, distributed, filed and purged in accordance with policies, procedures and regulations.

Apply laws, court decisions, rules and regulations on use and confidentiality of police reports. Develops new and continuing training needs to ensure that training compliance levels for employees governed by state mandated training are maintained.

Prepare employee performance evaluations.

Serve as the agency terminal coordinator and primary contact for DOJ/NCIC coordinator and information distribution.

Coordinate the completion of department and state statistical reports: ensuring that legally required data are provided to DOJ.

Confer with citizens, attorneys, peace officer and city officials on problems and requests as they relate to records, communication and training.

Investigate complaints/concerns pertaining to employee performance.

Testify in court and other legal proceedings.

DESIRED MINIMUM QUALIFICATIONS**Knowledge:**

- Principles and techniques of management, supervision and training
- Principles of public and police administration, organization, budgeting, and personnel management
- Functions and relationships of the criminal justice system
- Manual and automated records management systems.
- Criminal justice information systems
- Laws, regulations and principles governing records management
- Relevant federal, state and local laws and how to apply them

Skills:

- Telephone, personal computer industry standard software and specialized software, 45 wpm keyboard skills, copy machine, fax, cash register, calculator, hand truck.

Abilities:

- Assemble, analyze, evaluate data, and prepare clear and concise reports.
- Ability to interpret and apply oral or written material/instructions, including the ability to listen to or read abstract or directive instructional material and to apply that data correctly to practical circumstances.
- The position of RM has an office in an open, oftentimes noisy area of the police department. The RM may be required to answer phones, screen calls, service a public window, often all at the same time. Operation of a cash register while selling permits and releasing vehicles is also required. The RM also provides support to the Administrative Assistant as needed.
- Due to the extensive legal and physical responsibilities of the RM, and the required management of Criminal Offender Record Information, the RM must pass an exhaustive background investigation, a psychological examination, and a thorough physical.
- Ability to interpret and apply oral and written materials in directing and evaluating subordinate employees.
- Ability to supervise and evaluate performance of records clerks and other personnel as assigned.
- Ability to ensure compliance with federal, state and local ordinances relating to reporting of crimes, arrests, reports and citations.
- Ability to ensure all telephone contacts are appropriately handled.

EDUCATION & EXPERIENCE:**Required:**

1. High school graduation or GED and five years of increasing responsibility as a records clerk or related position in a municipal police records section/division, with prior supervisory or lead experience.
2. License or Certificate: Possession of an appropriate valid California driver's license.

Preferred:

1. Successful completion of 2 years of college-level course work in Business or Public Administration, Administration of Justice, or a related field.

WORKING CONDITIONS

Position requires prolonged sitting, standing, walking, reaching, twisting, turning, kneeling, bending, squatting and stooping in the performance of daily activities. The position also requires grasping, repetitive hand movement and fine coordination in using a computer keyboard. Additionally, the position requires far and near vision when reading and using a computer. The ability to hear normal speech and other audible events, even in combination with other environmental noise. This includes hearing voices transmitted by radio and telephone. The ability to speak clearly in English and to be understood by others under normal or highly stressful circumstances, either directly or through amplified, radio or telephonic transmission. The need to lift, drag and push files, paper and documents weighing up to 25 pounds is also required. The noise level in the work environment is usually moderate.

OTHER

Some of these requirements may be accommodated for otherwise qualified individuals requiring and requesting such accommodations.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

Effective Date: 11-22-11



Item #: 4.A.

CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: NOVEMBER 18, 2011

SUBJECT: PUBLIC HEARING TO CONSIDER ADOPTION OF AN ORDINANCE ADDING CHAPTER 17.70 TO THE CAPITOLA MUNICIPAL CODE PROVIDING A PROCEDURE FOR REASONABLE ACCOMMODATION IN THE CITY'S LAND USE AND ZONING AND BUILDING REGULATIONS [1ST READING]

Recommended Action: By motion and roll call vote, pass the proposed Ordinance Adding Chapter 17.70 to the Capitola Municipal Code providing a Procedure for Reasonable Accommodation in the City's Land Use and Zoning and Building Regulations to a second reading, as submitted.

BACKGROUND

On February 11, 2010, the City Council adopted Resolution No. 3803, which approved the 2007-2014 Housing Element. The Housing Element contained six action items to be completed within one year of the Housing Element's adoption including the adoption of a Reasonable Accommodation Ordinance as required by the Federal Fair Housing Act and the California Fair Employment and Housing Act. While the one-year deadline has passed, the Housing Element remains in substantial compliance as the City has been working towards fulfilling the City's commitment. In accordance with Government Code sections 65854 and 65855 a ten-day legal notice was provided for this public hearing.

On October 27, 2011, the City Council considered the draft Reasonable Accommodation Ordinance along with the other items listed in the Housing Element for action. The Council found that the proposed Reasonable Accommodation Ordinance should be revised to clarify two procedural points. The Council wanted to be sure that a request for reasonable accommodation would not exempt a project from any other discretionary approval requirements (including Conditional Use Permit, Design Review, General Plan Amendment, Zoning Change, etc.). The Council also wanted the ordinance to be clear that any reasonable accommodation decision made by the Community Development Director or other review body would be appealable to the Planning Commission.

In order to accommodate these requested changes a revised ordinance has been prepared. Based on the revisions that were made to the ordinance since the first reading on October 27, the revised ordinance requires a first reading. If passed, the second reading and final adoption of the ordinance will be placed on the next agenda for December 8, 2011.

Planning Commission Review

The Planning Commission reviewed the draft Reasonable Accommodation Ordinance on October 20, 2011. The Planning Commission felt that the proposed ordinance to provide a process for persons with disabilities to be of value. There was clear consensus that the proposed ordinance would assist residents with disabilities that needed an expedited process for the approval of a waiver or modification of development standards.

DISCUSSION

The Federal Fair Housing Act and the California Fair Employment and Housing Act prohibit discrimination against individuals with disabilities and require cities and counties to take affirmative action to eliminate regulations and practices that deny housing opportunities to individuals with disabilities. Specifically, fair housing laws require that cities and counties provide individuals with disabilities flexibility in the application of land use, zoning and building regulations, practices and procedures, by modifying or waiving certain requirements when it is necessary in order to eliminate barriers to housing. In Policy 3.1 of Chapter 6 of the 2007-2014 Housing Element the City committed to adopting a reasonable accommodation ordinance within one year.

This ordinance will amend the zoning code to allow the Community Development Director or a designee to grant modifications or waivers to the zoning and land use requirements to give individuals with disabilities equal access to housing opportunities. The addition of this ordinance puts the City of Capitola in compliance with state and federal Fair Housing law.

Once the final ordinance has been adopted by the City Council the ordinance will be submitted to the California Coastal Commission for certification. A resolution to that effect will be brought to Council for adoption at the second reading of the ordinance.

CEQA Review

The Reasonable Accommodation ordinance under consideration in this report was included as a part of the Housing Element Update 2007-2014 and reviewed in the Housing Element's Initial Study and Negative Declaration. The study concluded that no significant environmental impacts would be associated with the project. No further review is required.

FISCAL IMPACT

There are no costs involved in the adoption of the proposed ordinance revision other than the cost of staff time involved in preparing the documents. The staff time involved will be paid for through the City's General Plan Maintenance Fund. Adopting the proposed ordinances is important in order for the City to maintain its Housing Element in compliance with the State Department of Housing and Community Development (HCD). Not having a housing element in compliance with HCD would make us less competitive in our future applications for Federal funding (CDBG and HOME Programs, for example) and would also make us ineligible to apply for some state funded programs (the BEGIN program and the Workforce Housing Awards Program, for example).

ATTACHMENTS

Draft Reasonable Accommodation Ordinance

Report Prepared By: David Foster, Housing and Redevelopment Project Manager
Marisa Lee, Community Development Intern

**Reviewed and Forwarded
By City Manager:** _____

ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
ADDING CHAPTER 17.70 TO THE CAPITOLA MUNICIPAL CODE PROVIDING A
PROCEDURE FOR REASONABLE ACCOMMODATION IN THE CITY’S LAND USE
AND ZONING AND BUILDING REGULATIONS**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAPITOLA AS FOLLOWS:

Section 1. Chapter 17.70 is hereby added to the Capitola Municipal Code to read as follows:

“CHAPTER 17.70

PROCEDURE FOR REASONABLE ACCOMMODATION

- 17.70.010 Purpose
- 17.70.020 Applicability
- 17.70.030 Notice to the Public of Availability of Accommodation Process
- 17.70.040 Application Requirements
- 17.70.050 Review Authority
- 17.70.060 Review Procedure
- 17.07.070 Findings and Decision
- 17.07.080 Appeal of Determination
- 17.07.090 Severability

17.70.010 Purpose

This Chapter provides a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act (the Acts) in the application of zoning laws and other land use regulations, policies and procedures.

17.70.020 Applicability

A. A request for reasonable accommodation may be made by any person with a disability, their representative or any entity, when the application of a zoning law or other land use regulation, policy or practice acts as a barrier to fair housing opportunities. A person with a disability is a person who has a physical or mental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such impairment or anyone who has a record of such impairment. This Chapter is intended to apply to those persons who are defined as disabled under the Acts.

B. A request for reasonable accommodation may include a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of their choice. A request for reasonable accommodation shall comply with Section 17.70.040 (Application Requirements).

17.70.030 Notice to the Public of Availability of Accommodation Process

Notice of the availability of reasonable accommodation shall be prominently displayed at public information counters in the planning, zoning and building departments, advising the public of the availability of the procedure for eligible individuals. Forms for requesting reasonable accommodation shall be available to the public in the Planning and Building and Safety departments.

17.70.040 Application Requirements

A. Application. A request for reasonable accommodation shall be submitted on an application form provided by the Department, or in the form of a letter, to the Community Development Department, and shall contain the following information:

1. The applicant's name, address and telephone number.
2. The name and address of the property owner.
3. The address of the property for which the request is being made.
3. The current actual use of the property.
4. The basis for the claim that the individual is considered disabled under the Acts;
5. Description of the requested accommodation and the regulation(s), policy or procedure for which accommodation is sought.
6. Why the reasonable accommodation is necessary to make the specific property accessible to the individual.

B. Review with other land use applications. If the project for which the request for reasonable accommodation is being made also requires some other discretionary approval (including Conditional Use Permit, Design Review, General Plan Amendment, Zone Change, Annexation, etc.), then the applicant shall file the information required by Subsection A together for concurrent review with the application for discretionary approval.

C. A request for reasonable accommodation in regulations, policies, practices and procedures may be filed at any time that the accommodation may be necessary to ensure equal access to housing. A reasonable accommodation does not affect an individual's obligation to comply with other applicable regulations not at issue in the requested accommodation.

D. If an individual needs assistance in making the request for reasonable accommodation, the jurisdiction will provide assistance to ensure that the process is accessible.

17.70.050 Review Authority

A. Community Development Director. A request for reasonable accommodation shall be reviewed by the Community Development Director (Director) if no approval is sought other than the request for reasonable accommodation.

B. Other review authority. A request for reasonable accommodation submitted for concurrent review with another discretionary land use application shall be reviewed by the authority reviewing the discretionary land use application.

17.70.060 Review Procedure.

A. Director Review. The Director, or his or her designee, shall make a written determination within 45 days and either grant, grant with modifications, or deny a request for reasonable accommodation in compliance with Section 17.07.070 (Findings and Decision).

If necessary to reach a determination on the request for reasonable accommodation, the reviewing authority may request further information from the applicant consistent with fair housing laws, specifying in detail the information that is required. In the event that a request for additional information is made, the 45 day period to issue a decision is stayed until the applicant responds to the request.

B. Other review authority. The written determination on whether to grant or deny the request for reasonable accommodation shall be made by the authority responsible for reviewing the discretionary land use application in compliance with the applicable review procedure for the discretionary review. The written determination to grant or deny the request for reasonable accommodation shall be made in compliance with Section 17.07.070 (Findings and Decision).

17.07.070 Findings and Decision.

A. Findings. The written decision to grant or deny a request for reasonable accommodation will be consistent with the Acts and shall be based on consideration of the following factors:

1. Whether the housing, which is the subject of the request, will be used by an individual disabled under the Acts;
2. Whether the request for reasonable accommodation is necessary to make specific housing available to an individual with a disability under the Acts;
3. Whether the requested reasonable accommodation would impose an undue financial or administrative burden on the City;
4. Whether the requested reasonable accommodation would require a fundamental alteration in the nature of a City program or law, including but not limited to land use and zoning;
5. Potential impact on surrounding uses;
6. Physical attributes of the property and structures; and
7. Other reasonable accommodations that may provide an equivalent level of benefit.

B. Conditions of approval. In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings required by Subsection A.

17.07.080 Appeal of Determination

A determination by the reviewing authority to grant or deny a request for reasonable accommodation may be appealed to the Planning Commission. All appeals must be made within ten (10) working days of the reviewing authority's decision and must be in writing. All appeals shall contain a statement of the grounds of the appeal.

If an individual needs assistance in filing an appeal on an adverse decision, the jurisdiction will provide assistance to ensure that the appeals process is accessible.

17.07.090 Severability

If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid and/or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance."

Section 2 This ordinance shall take effect and be in full force after its final adoption by the City Council and after an amendment to Capitola's Local Coastal Plan is approved by the California Coastal Commission.

This ordinance was introduced on the 22nd day of November, 2011, and was passed and adopted by the City Council of the City of Capitola on the ____ day of _____, 2011, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:
- DISQUALIFIED:

APPROVED:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

DATE: NOVEMBER 18, 2011

SUBJECT: PUBLIC HEARING TO CONSIDER AN ORDINANCE AMENDING THE MUNICIPAL CODE PERTAINING TO SANDWICH BOARD SIGNS [1ST READING]

Recommended Action: That the City Council conduct a public hearing and review the proposed Ordinance Amending Section 17.57.040 D. of the Capitola Municipal Code pertaining to Prohibited Signs, and Adding Sections 17.57.020 B. 4. and 17.57.060 F. to the Municipal Code pertaining to the use of Sandwich Board Signs in the Central Village and Neighborhood Commercial Zoning Districts. If approved, a motion to pass the proposed ordinance to a second reading would be in order.

BACKGROUND

The City's current sign ordinance specifically prohibits sandwich board signs in Capitola. In September 2011, the Community Development Department responded to several complaints about the placement of sandwich board signs in the Village. Staff initiated an enforcement effort throughout Capitola. Over a dozen merchants were sent Courtesy Notices throughout the Village area and to 41st Avenue merchants.

Following the distribution of Courtesy Notices, the Capitola Village and Wharf Business Improvement Area (BIA) approached the City with a request to develop a program to allow sandwich board signs under certain conditions. The prior Community Development Director, Derek Johnson, met with BIA representatives and discussed a draft ordinance. The draft being presented allows for sandwich board signs in the Central Village and Neighborhood Commercial Zoning Districts for a one year trial period. Sandwich board signs would not be allowed in the Community Commercial Zoning District.

The draft ordinance was considered by the Planning Commission on November 3, 2011. The Planning Commission recommended to the City Council by a 3-1 vote that this change to the ordinance be delayed pending the completion of a comprehensive sign ordinance review scheduled in 2013 as part of the General Plan Update.

During the Planning Commission's discussion there were three main areas of concern expressed. Those were:

1. The Commissioners expressed concern the sandwich board signs would be a hazard and a liability because they were going to be located on the public sidewalk.

2. The Commissioners expressed concern about the visual impacts of having sandwich board signs in the Village particularly if a number of businesses took advantage of the new ordinance.
3. The Commissioners were uncomfortable with the Community Development Director issuing over-the-counter sandwich board sign permits. Most other signs require Planning Commission review through the Design Review process. The Commission also recommended that, if the City were to allow sandwich board signs, a process should be established to make certain all other signage on the property is in conformation with the City's sign regulation before a sandwich board sign permit is issued.

DISCUSSION

Before you tonight is the ordinance which was presented to the Planning Commission. The intent of that ordinance is to temporarily allow sandwich board signs within the Neighborhood Commercial and Central Village Zone Districts for a one-year period. The ordinance would establish the requirements and standards of these signs. This was presented to the Planning Commission as a temporary 12 month trial program. At the end of the first 12 months, the City Council could extend the program as is, adopt a modified version of the ordinance, or take no action at which point the temporary program would end and the ordinance would no longer be in effect.

In order to try and address some of the issues which were raised by the Planning Commission and the public there are a few additional items which the Council may want to consider when reviewing the ordinance.

1. The Commission expressed concern that the sign would be a hazard and a liability to the City because they were going to be located on the public sidewalk.

The current City ordinances do not allow for the placement of sandwich board signs on the public sidewalk. While the Public Works Director has determined these signs would not require an encroachment permit, the City Council will need to amend Section 9.40 of the municipal code which currently prohibits sign placement upon any City street, path or right-of-way. If the Council moves forward with this sandwich board sign ordinance, a revision of Section 9.40 will be provided for Council consideration on December 8, 2011. The revision of Section 9.40 would be a language change to add an exemption for sandwich board signs approved by the City of Capitola.

The permitting process could require that property owners who place a sandwich board sign on the public sidewalk to indemnify or hold harmless the City but realistically this will not stop someone from including the City in a law suit if one is filed. There could be additional restrictions placed on the location of the sandwich board signs beyond the proposed requirement for a 48 inch level path of travel, but this would be difficult to enforce without spending extensive staff time monitoring the placement of the sign. The Council could consider only allowing the signs on private property which greatly reduces the number of businesses which could take advantage of the ordinance but would allow businesses which have an entry area to place a sign on their property and eliminate the concerns of the signs being on the public sidewalk.

2. The Commission expressed concern about the visual impacts of having sandwich board signs in the village particularly if a number of businesses took advantage of the new ordinance.

Zoning regulations are constantly debated and rewritten to try to deal with the issue of visual impacts. It is impossible to write regulations which satisfy everyone's concerns about visual impact. The ordinance as written will establish standards for the construction of the sandwich board signs and prohibits them from having any lights, balloons, flags or other attachments. Dilapidated sandwich board signs shall be replaced at the discretion of the Community Development Director. None of these requirements will likely be satisfactory if one views sandwich board signs themselves as inherently unsightly, regardless of their design.

As the ordinance is currently written it would allow any business in the village to have a sandwich board sign. While it is doubtful all business would take advantage of the new ordinance it could result in as many as 50 signs.

3. The Commissioners were uncomfortable with the Community Development Director issuing over the counter sandwich board sign permits. Most other signs require Planning Commission review through the Design Review process. They also wanted to make certain all other signage on the property is in conformation with the City's sign regulations before a sandwich board sign permit is issued.

The draft ordinance currently allows for sandwich board sign permits to be issued over the counter by the Community Development Director. Most signs are approved by the Planning Commission as part of an application. If the Council felt there should be more review by the Planning Commission the ordinance could easily be revised to have the Community Development Director issue the over the counter permit with notification to the Planning Commission who would be authorized to appeal the permit and then place it on the Planning Commission's agenda for review. If the Commission was concerned about a particular sandwich board sign it would then give them the opportunity to consider the sign. This process would not require a lot of additional staff work but would add to the time line for issuing the permits.

All sandwich board signs would require a new permit and would be subject to design standards outlined in the ordinance. All existing signs would need to be in compliance, should the ordinance be adopted, non-compliant signs would be subject to code enforcement. The ordinance provides that a sandwich board sign shall be no larger than 24 inches in width and 42 inches in height when standing. Multiple business locations can have a larger sign if used by multiple tenants.

Another issue discussed at the Planning Commission was a concern about sign content. As you are aware from recent court cases, the City is legally precluded from regulating the content of most signs but can regulate a sign's location, sign and materials.

Should the City Council approve the proposed sign ordinance amendment, the Local Coastal Plan would need to be modified and an amendment submitted to the Coastal Commission for consideration.

CEQA REVIEW

Two sections of the California Environmental Quality Act apply to the proposed amendments, which would temporarily allow sandwich board signs in the Central Village and Neighborhood Commercial Zone Districts. Section 15311(a) of the CEQA Guidelines consists of the construction, or replacement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities, including but not limited to on-premises signs.

Section 15061 (b) (3) provides that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

Sign placement in an existing urban environment will not have a significant impact on the environment. Allowing sandwich board signs in the Central Village and Neighborhood Commercial Zone Districts would be insignificant as it is already a built out environment with urban amenities and would have a minimal impact on visual resources and the environment.

FISCAL IMPACT

None

ATTACHMENTS

1. Draft Ordinance (Revised after Planning Commission meeting)
2. Sandwich Board Sign Ordinance presented to the Planning Commission.
3. Section 9.40 of the Municipal Code
4. Excerpt from 11/3/11 Planning Commission Draft Minutes

Report Prepared By: Susan Westman, Interim Community Development Director

**Reviewed and Forwarded
by the City Manager _____**

ORDINANCE NO.

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING SECTION 17.57.040 D. OF THE MUNICIPAL CODE PERTAINING TO
PROHIBITED SIGNS AND ADDING SECTIONS 17.57.020 B. 4. AND 17.57.060 F.
TO THE MUNICIPAL CODE PERTAINING THE USE OF SANDWICH BOARD SIGNS IN THE
CENTRAL VILLAGE AND NEIGHBORHOOD COMMERCIAL ZONING DISTRICTS**

THE CITY COUNCIL OF THE CITY OF CAPITOLA HEREBY ORDAINS AS FOLLOWS:

Section 1. Section 17.57.020 B. 4. is added to the Capitola Municipal Code to read as follows:

“4. Sandwich board signs as allowed in this chapter.”

Section 2. Section 17.57.040 D. of the Capitola Municipal Code is amended to read as follows:

“D. Sandwich board and other movable freestanding signs; except as allowed in this chapter.”

Section 3. Section 17.57.060 F. is added to the Capitola Municipal Code to read as follows:

“F. Sandwich board signs are permitted in the Central Village and Neighborhood Commercial Zoning Districts subject to the following standards:

1. Sandwich board signs require a sign permit prior to the placement of the sign.
2. Sandwich board signs shall be no larger than twenty-four inches in width and thirty-six inches in height, and no materials such as papers, balloons, wind socks, etc., may be added to the sign to increase its height and/or width. The height of such signs may not be artificially increased above the allowed maximum by placing material underneath the base of such sign.
3. Sandwich board signs shall not interfere with pedestrian ingress or egress as required by the Building Code or obstruct vehicular traffic sight distance requirements. A forty eight inch wide path of travel on concrete or similar material must be maintained around the sandwich board.
4. Only one sandwich-board sign is permitted per parcel. Multiple tenants must share a sandwich board sign. A larger sign for multiple tenants may be granted at the discretion of the Community Development Director, but in no case shall it be greater than 10 square feet.
5. Sandwich board signs must be designed to withstand strong winds and to prevent a hazard.
6. Sandwich board signs must be placed on a sidewalk or landscaped area immediately adjacent to the business. No sandwich board sign shall be placed on the roadway or in a parking space.
7. Sandwich board signs may be used only during the hours when the business is open to the public.
8. Sandwich board signs shall be constructed of weather resistant material and shall relate to their surroundings in terms of color and texture so that they are complementary to the overall design of the building and are not in visual competition with other conforming signs in the area.
9. Damaged or dilapidated sandwich board signs shall be required to be replaced at the discretion of the Community Development Director.
10. No sandwich board sign shall contain foil, mirrors, bare metal or other reflective materials to attract attention, or which could create hazardous conditions to motorists, bicyclists, or pedestrians.
11. No sandwich board sign may be illuminated.”

Section 4. Section 3 of this Ordinance shall remain in effect for 12 months from the date of the Coastal Commission approval of the amendment to the City's Local Coastal Plan.

Section 5. This ordinance shall take effect and be in full force after its final adoption by the City Council and after an amendment to Capitola's Local Coastal Plan is approved by the California Coastal Commission.

This ordinance was introduced on the 22nd day of November, 2011, and was passed and adopted by the City Council of the City of Capitola on the ___ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk

DRAFT ORDINANCE TO PLANNING COMMISSION ATTACHMENT 2

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AMENDING SECTIONS 17.57.040 D. OF THE MUNICIPAL CODE PERTAINING TO PROHIBITED SIGNS AND ADDING SECTION 17.57.020 B. 4. AND. 17.57.060 F. PERTAINING THE USE OF SANDWICH BOARD SIGNS IN THE CENTRAL VILLAGE AND NEIGHBORHOOD COMMERCIAL ZONE DISTRICTS

THE CITY COUNCIL OF THE CITY OF CAPITOLA ORDAINS AS FOLLOWS:

Section 1. Section 17.57.020 B. 4. Is added to the Capitola Municipal Code to read as follows:

“ Sandwich board signs as allowed in this chapter”

Section 2. Section 17.57.04 D of the Capitola Municipal Code is amended to read as follows:

“ Sandwich board and other movable freestanding signs; except as allowed in this chapter.”

Section 3. Section 17.57.060 F is added to the Capitola Municipal Code to read as follows:

“ Sandwich board signs are permitted in the Central Village, Neighborhood Commercial and Zone Districts subject to the following standards:

1. Sandwich board signs require a sign permit prior to the placement of the sign.
2. Sandwich board signs shall be no larger than twenty-four (24) inches in width and forty-two (42) inches in height when unfolded. The maximum area that shall be used for lettering or graphics shall not exceed five (5) square feet.
3. No materials such as papers, balloons, wind socks, etc., may be added to the sign to increase its height and/or width.
4. Sandwich board signs shall not interfere with pedestrian ingress or egress as required by the Building Code or obstruct vehicular traffic sight distance requirements. A forty eight (48) inch level path of travel on concrete of similar material must be maintained around the sandwich board.
5. Only one sandwich-board sign is permitted per parcel. Multiple tenets must share a sandwich board sign or individual sandwich board signs are allowed for every twenty-five (25) feet of street frontage, but in no case shall there be more than one sandwich board sign per business. A larger sign for multiple tenets may be granted at the discretion of the Community Development Director, but in no case shall it be no larger than thirty two (32) inches in width and forty eight (48) inches in height and the maximum area that shall be used for lettering or graphics shall not exceed eight (8) square feet.
6. Sandwich board signs must be designed to withstand strong winds and not present a hazard.
7. Sandwich board signs must be placed on a sidewalk or landscaped area immediately adjacent to the business. No sandwich board sign shall be placed on the roadway or in a parking space.
8. Sandwich board signs may be used only during the hours when the business is open to the public.
9. Sandwich board signs shall be constructed of weather resistant material and shall relate to their surroundings in terms of color and texture so that they are complementary to the overall design of the building and are not in visual competition with other conforming signs in the area.
10. Damaged or dilapidated sandwich board signs shall be replaced at the discretion of the Community Development Director.

- 11. No sandwich board sign shall contain foil, mirrors, bare metal or other reflective materials to attract attention or which could create hazardous conditions to motorist, bicyclist, or pedestrians.
- 12. No sandwich board sign may contain lights of any kind.”

Section 3. Section 3 of this Ordinance shall remain in effect through November 30, 2012 and thereafter be of no force and effect. This Section 3 of this Ordinance shall only remain operative and effective as of December 31, 2012 if, prior to November 30, 2012 the City Council adopts a Resolution confirming its intent that this Section 3 shall remain operative.

Section 4. This ordinance shall be in full force and take effect thirty (30) days after its final adoption.

This ordinance was introduced on the 10th day of November 2011, and was passed and adopted by the City Council of the City of Capitola on the 22nd day of November 2011, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Dennis R. Norton, Mayor

ATTEST:

_____, MMC
Pamela Greeninger, City Clerk

CAPITOLA MUNICIPAL CODE

Chapter 9.40 SIGNS ON PUBLIC PROPERTY OR RIGHTS-OF-WAY

9.40.010 Signs prohibited—Exceptions.

No signs shall be erected, affixed or placed in or upon any public street, path or right-of-way subject to the following exceptions:

A. Signs informing the general public of civic or nonprofit events, upon approval of the city council;

B. Legal notices, identification, informational, safety or directional signs erected or required by governmental bodies or public utilities.

9.40.020 Signs on utility poles or apparati.

Nothing in this chapter shall be construed as allowing signs to be placed upon privately owned poles or apparati. (See California Penal Code Sections 556, 556.1, 556.3.)

C. ZONING AMENDMENTS TO ALLOW SANDWICH BOARD SIGNS IN THE CENTRAL VILLAGE AND NEIGHBORHOOD COMMERCIAL ZONE DISTRICTS

The Planning Commission shall consider an amendment of the Capitola Municipal Code to allow sandwich board signs in the Central Village and Neighborhood Commercial Zone Districts subject to a City permit and certain conditions and standards. The proposed amendment will expire on November 30, 2012 unless extended by Resolution by the City Council.

Community Development Director Johnson presented the staff report.

Commissioner Graves stated that the overall ordinance should be reviewed for typos prior to City Council review. The effective date of the ordinance should be corrected to be one year from the date of final adoption. He questioned if the ordinance intends to allow a business to advertise products to be sold. He noted that the current sign ordinance prohibits product advertising.

Community Development Director Johnson stated that the proposed ordinance was not designed to regulate sign content.

Commissioner Newman reiterated the need for the ordinance to be reviewed for syntax and typos. He questioned why the ordinance is specific to the village and not the entire city.

Commissioner Smith questioned how staff intends to measure the effectiveness of the ordinance, as specified. She asked how the minimum and maximum sizes were determined and if there will be any regulation for the materials of the signs other than weather resistant.

Community Development Director Johnson responded that staff would review the effectiveness of the sandwich board signs with the merchants as the measurement. He stated that the sizes are standard sizes for sandwich board type signs. Materials are not regulated.

Commissioner Newman clarified that only staff will be involved in the review and approval process for the sandwich board signs, but all other signs will be reviewed by the Planning Commission per the existing sign ordinance.

The public hearing was opened.

Gary Wetsel, spoke in support of the proposed ordinance. The current sign ordinance is a relic and enforcement is sporadic. The proposed ordinance is a compromise between signs that encourage business and regulation.

Linda Hanson, spoke in opposition to the proposed ordinance as it applies to the Village. She spoke with concerns about the visual impact numerous sandwich board signs will have along the Esplanade and in the village area, and the limited design regulation in the proposed ordinance. She also stated that she was a representative of the Capitola Village Residents Association (CVRA). She stated the result of an informal membership poll of the CVRA was in opposition to the proposed ordinance.

Linda Hanson read a letter submitted by Margaret Kinstler, who wrote in opposition to the proposed ordinance.

Ed Bottorff, spoke in support of the proposed ordinance. He asked several Village businesses about the proposed ordinance and received mixed supported and opposition. Some businesses stated concern about the existing charm of the Village and the potential for 52 sandwich board signs would be a disaster.

Carin Hanna, spoke in support of the proposed ordinance. She stated that some Village businesses could benefit with a sandwich board sign. She supported the one-year trial period and enforcement with an ordinance that has very tight guidelines and that specifies what is allowed.

Boz K_____, merchant in the Mercantile, spoke in support of the proposed ordinance.

The public hearing was closed.

Commissioner Graves stated that the CVRA sent out a survey to the membership with a response in opposition to the proposed ordinance. He suggested that the Mercantile design a wall sign that incorporates all the tenants. He stated that the Village businesses have the capability to design signage within the existing ordinance guidelines that would not degrade the visual aspect of the Village. He was not supportive of the proposed ordinance.

Commissioner Smith stated that the trial period has already happened with the current illegal signs. There is a proliferation of sandwich board signs existing in the Village. If this ordinance were to be considered there needs to be tight design guidelines that are helpful and informative to applicants. The ordinance should regulate content, no products, no prices, no sporting event advertising. The current sign ordinance permits window signs that are poorly designed. Some existing sandwich board signs are higher than the proposed dimensions, but the existing signs are well designed and promote better design than what is proposed. She stated that some illegal sandwich board signs have been displayed for a lengthy period of time that they have become part of the Village aesthetics. Overall, once a sign decision is effective, even enforcement is key to the success.

Commissioner Newman spoke with concerns about the one-year trial period, stating the potential difficulty in ending the program. He questioned the benefit for businesses if everyone was to put out a sandwich board sign. He stated that the sandwich board signs should be considered with the overall sign ordinance overhaul within the General Plan Update process. He was not supportive of allowing sandwich board signs in two specific zoning district and not allowing these signs in other commercial districts. The enforcement of signs should be consistent throughout the city.

Chairperson Ortiz stated that as a business owner she pays for advertising. She was not supportive of the proposed ordinance. She spoke with concerns about the potential for cluttering the visual aesthetics in the Village, ADA violations and the lack of staff ability to control what the signs look like and where the merchants put the signs since they are placed outside daily. She noted that she was unable to find any city in California that allows sandwich board signs. The City Santa Cruz does not have a sandwich board ordinance, but does have issues with enforcement. The current ordinance prohibits sandwich board signs, and they are everywhere without enforcement to control the signs. She questioned if the proposed ordinance required an encroachment permit from Public Works and what possible exposure does the City and businesses have to ADA compliance. She spoke with concerns regarding the review process. She stated that staff alone should not be granting the sign approval. The Planning Commission should review all signs in the Village. She also was concerned about the unequal application of the ordinance to just the Village and the Neighborhood Commercial zoning

district, and continuing to prohibit signs in the most visual commercial corridor in the City, 41st Avenue. She supported reviewing wall sign concepts to keep the sidewalks clear and to allow sandwich board signs on private property.

A MOTION WAS MADE BY COMMISSIONER NEWMAN AND SECONDED BY COMMISSIONER GRAVES TO RECOMMEND THE CITY COUNCIL DEFER CONSIDERATION OF THE PROPOSED ORDINANCE UNTIL THE REVIEW OF THE SIGN ORDINANCE IS COMPLETED THROUGH THE GENERAL PLAN PROCESS.

Under discussion, Commissioner Graves supported seeking alternatives to sandwich board signs, encouraged enforcement, and an overall review of the sign ordinance.

THE MOTION CARRIED ON THE FOLLOWING VOTE: AYES: COMMISSIONERS GRAVES, NEWMAN, AND CHAIRPERSON ORTIZ. NOES: SMITH. ABSENT: ROUTH. ABSTAIN: NONE.

Commissioner Smith opposed the motion stating that 2013 is a long time to wait for a solution.

Chairperson Ortiz requested that staff obtain a letter from the City Attorney regarding the requirement for an encroachment permit from Public Works.



Item #: 4.C.

CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: COMMUNITY DEVELOPMENT DEPARTMENT
DATE: OCTOBER 28, 2011
SUBJECT: PUBLIC HEARING ON THE CDBG-FUNDED GREEN ECONOMY AND JOB
CREATION FINAL REPORT

RECOMMENDED ACTION: Receive public comments and, by motion, accept the *Capitola Green Economy: Job Creation and a Sustainable Future* Report.

BACKGROUND

In late 2009, the City was awarded a \$35,000 grant from the State of California Community Development Block Grant (CDBG) Program to determine if and how Capitola might take advantage of the emerging Green economy. One of the objectives of the Report was to inform the General Plan Update process, leverage the City's expenditures on the General Plan, and ascertain if land use changes could be made to increase the creation of Green Jobs.

DISCUSSION

The attached report, "*The Capitola Green Economy: Job Creation and a Sustainable Future*," was prepared by the General Plan consulting team. The report defines the green economy, and assesses Capitola's Green Job growth potential. The core of the report is the 21 strategies beginning on page 10. These strategies will be folded into the city's General Plan Update and the Climate Action Plan as appropriate. These strategies are oriented towards Capitola's participation at the regional level to develop economic opportunities and to adapt existing jobs to green jobs where feasible.

Depending upon the level of effort by the City, the study concludes that if all 21 strategies are implemented, Capitola could attract between 150 and 600 jobs over and above what is forecasted for the city through 2035. The report also provides a summary of AMBAG's Capitola's Greenhouse Gas Emissions Inventory.

While this report is not in itself a policy document, grant requirements dictate that the Council review and provide input on the recommended strategies.

ATTACHMENTS - "The Capitola Green Economy: Job Creation and a Sustainable Future"

FISCAL IMPACT - None

Report Prepared By: Carolyn Flynn

**Reviewed and Forwarded
By City Manager:** _____

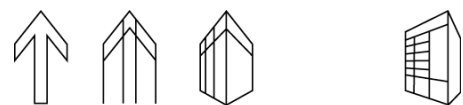
ATTACHMENT

The Capitola Green Economy Job Creation and a Sustainable Future

October 31, 2011

prepared for:
City of Capitola

Funded by a grant from the Community Development Block
Grant Program of the State of California Department of
Housing and Community Development



STRATEGICECONOMICS

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EXECUTIVE SUMMARY

This report defines the green economy, analyzes international, national, and state trends in green job growth and economic development, and assesses Capitola's green job growth potential in the context of the Santa Cruz region. It then presents a list of strategic actions to grow the green economy in Capitola by leveraging the City's role as a residential, retail, and tourism-based economy within a much larger regional economy.

Trends in Green Businesses and Green-Collar Jobs

The green economy encompasses businesses and occupations which improve environmental quality or reduce energy or resource consumption through development and sale of products, services, and practices. The green economy consists of "core" activities and "adaptive" activities.

The *core* green economy drives job growth through creation and sale of new technologies, products, and services, and is most likely to occur in places with research and development activity, access to investment capital, and production facilities. The *adaptive* green economy consists of businesses, households, and public sector agencies which can adopt efficiency and sustainability improvements, thus generating user demand for the green products and services of the core green economy. Meanwhile, changes in land use and transportation patterns can also improve environmental sustainability by reducing automobile use and consumption of water and electricity, while creating construction jobs to build additional infrastructure, housing, and businesses.

The green economy has been rapidly growing throughout the United States and the world due to increased environmental awareness, funding by venture capitalists, and focused government efforts such as components of the recently proposed \$30 billion American Jobs Act. California features the largest share of the United States' green economy and includes a robust base of research universities, venture capital, and clean energy startup companies. California public policy has created demand for green economic activity, while also increasing energy efficiency and decreasing pollution. While the Santa Cruz region has a relatively small base of green economic activity, the nearby San Francisco Bay Area is a state leader.

The Green Economy in Capitola Today

First, it must be understood that economies function at the regional level, and Capitola is a small part of the Santa Cruz regional economy. Capitola's unique niche within the Santa Cruz regional economy includes services for its residents, regional and local retail, and tourism.

Business-level analysis shows virtually no presence of core green economy activities in Capitola since Capitola lacks a major base of research and development and only two blocks of industrial land. Therefore there are weak opportunities to grow core green economy jobs in Capitola, beyond responding to unique and unexpected opportunities.

However, Capitola's residential, retail, and tourism base provides strong potential to grow the adaptive green economy, such as energy efficiency improvements at hotels, stores, and homes. Examples of the adaptive green economy can already be found in Capitola and nearby cities.

The Public Sector Role in Green Economic Development

In general, the public sector creates demand for green economy jobs by providing targeted incentives and enacting regulations requiring environmental improvements. The public sector helps meet demand for those green jobs by ensuring that workers have access to the needed skills and training. The public sector can also encourage growth of the green economy by leading by example, such as implementing efficiency improvements well ahead of the general population.

Capitola's fiscal constraints and broader post-recession economic conditions demand that green economic development efforts be designed in line with five overarching objectives: 1) stimulate economic activity and improve government efficiency, 2) use and reform existing regulatory and economic development tools to promote growth of the green economy, 3) target and focus new efforts to maximize and leverage limited public sector financial resources, 4) engage and involve the community, and 5) lead by example.

Capitola's economic strengths and role within the region as a small economy focused on retail, tourism, and residential services strongly suggest that the City can achieve the greatest and fastest gains by pursuing strategies which create demand for services which adapt existing businesses, homes, and land use patterns to become more environmentally friendly. The City can also support and advocate for regional efforts to grow the regional green economy. Capitola is an unlikely candidate for growth of core green economy jobs – i.e. jobs at research and development or manufacturing facilities – and should focus its efforts on adaptive strategies.

Strategy Recommendations

The report lists 21 recommended strategies for growing the green economy in Capitola and, through regional cooperation, the Santa Cruz region in general. These strategies fall within five categories: 1) preparing the workforce, 2) public policy regulations, requirements, and incentives, 3) land use and transportation reform, 4) public utilities and procurement reform, and 5) promotion and seeding of community engagement and business participation.

Green Economy Gains and Outcomes

Based on implementation of the strategies contained in this report, it is reasonable to project green economy job growth targets of between 150 and 600 new jobs in Capitola between 2010 and 2035. This translates to 35 to 140 businesses in the City over the same period. These jobs reflect Capitola capturing an increasing share of projected regional job growth; that is, a portion of these jobs will exceed those which would otherwise locate in Capitola due to implementation of the strategies. However, outcomes will vary depending on overall market conditions, robustness of Capitola's implementation of the green economy strategies, and the extent to which Capitola can create an appealing environment for the location green businesses and jobs.

I. INTRODUCTION

This report examines the ways in which Capitola can take advantage of the regional, national, and international movement toward building a “green” economy by encouraging the development of local green businesses and jobs. For the purposes of this report, the green economy consists of activity which improves environmental quality or reduces energy or resource consumption through development and implementation of products, services, and best practices.¹ As a result, the economic development strategies outlined in this report also contribute to the City’s goals and obligations for reducing greenhouse gas emissions, as described in Appendix C.

The findings are the result of discussions with local stakeholders and national experts, unique analysis of conditions in Capitola, and review of current literature and practices. Funding for this effort was provided by a Planning and Technical Assistance Community Development Block Grant from the U.S. Department of Housing and Urban Development Planning. Strategic Economics partnered with The Planning Center / Design, Community & Environment and Paladin Law Group LLP to develop this report.

The report opens with an analytical section which examines major international, national, and regional trends in green businesses and related jobs, followed by analysis of the current state of the green economy in Capitola, and the City’s economic role within the Santa Cruz region. The analytical section closes with a description of economic development approaches appropriate for Capitola given the City’s strengths and context, as well as broader economic conditions.

The report then identifies a detailed list of strategies for promoting growth of the green economy in Capitola while making the City a more livable, appealing, and environmentally sustainable community. The recent recession’s lingering effects have placed significant fiscal constraints on Capitola, so the strategies seek to emphasize low-cost, high impact, partnership-driven options in the short-run. Investment in the green economy will have a long-term payoff for Capitola, but the current priority is ensuring effective delivery of day-to-day services.

Finally, the concluding section of this report provides an overview of the benefits resulting from implementing the strategies, including impacts on business growth and job creation in the region and Capitola.

¹ This definition is derived from that used by Karen Chapple in the 2010 report *Innovating the Green Economy in California Regions*.

II. ANALYSIS

TRENDS IN GREEN BUSINESSES AND GREEN-COLLAR JOBS

This section defines the green economy, explains why green business and jobs have become a focus for economic development efforts around the world, and reviews major trends in the green economy.

Defining the Green Economy

The green economy encompasses all economic activity which improves environmental quality or reduces energy or resource consumption through development and implementation of products, services, and practices.

The “green” economy is a broad term encompassing a wide range of innovations, products, services, and practices connected by their positive impact on environmental quality and energy or resource consumption. As a result, researchers have struggled to define and measure the green economy since its activities are spread across many industries and occupations. For example, General Motors, Toyota, and Tesla Motors (an electric car manufacturer) are all automobile manufacturers, yet only Tesla sells purely electric vehicles, while GM and Toyota’s hybrid and plug-in electric vehicles comprise a small portion of their business.

The green economy can be broken down into two major components: “core” activities and “adaptive” activities.

The research and advocacy organization Next10 – similar to other researchers – breaks down the green economy into “core” activities and “adaptive” activities.² The core green economy consists of the creators, producers, and providers of green technologies, products, and services. In contrast, the “adaptive” green economy consists of households and businesses which create demand for products and services by changing methods of production and operation. For example, a researcher into fuel cell technology or seller of wind turbines are part of the core green economy, whereas a household installing energy-efficient light bulbs is adapting its practices to be more efficient while creating demand for a core green economy product.

The core green economy drives economic expansion through innovation, production, and provision of new technologies, products, and services, but is most likely to occur in places with necessary research and development activity, capital access, and/or production facilities.

Innovation is a key driver of economic expansion beyond gains from production efficiency and simple population growth. The core green economy includes research and development and commercialization activities which generate innovation and grow the economy; for this reason, government and popular media attention is often focused on these core activities. Despite this attention, not all locations can capture a large share of the core green economy since it thrives in locations with access to university or private research and development activity, access to startup capital, and/or industrial production facilities. The combination of these factors provides the economic base for growing core green economy businesses, as academic innovations and entrepreneurial ambitions intersect in locations which support production and further research.

² The definition and further explanation can be found in the report *Many Shades of Green: Regional Distribution and Trends in California’s Green Economy, 2011*, by Next10.

The adaptive green economy consists of businesses, households, and public sector agencies which can adopt efficiency and sustainability improvements, thus generating end user demand for the green products and services of the core green economy.

Businesses, households, and public sector agencies become a part of the green economy by adapting purchasing and operations to become more environmentally friendly. Ultimately these end users of products and services drive demand for the products of the core green economy through their purchasing decisions. When they elect to make greener decisions – such as installing insulation or purchasing environmentally-friendly and high-efficiency products – these households, businesses and public sector agencies become a part of the adaptive green economy. These adaptive green activities will also have the greatest impact on reducing local greenhouse gas emissions.

Changes in land use and transportation patterns also influence environmental quality and energy consumption.

Land use – i.e. density, proximity, and mix of housing and businesses – and transportation patterns also affect resource consumption and the vibrancy and resiliency of ecosystems. A place can become more “location-efficient” by including higher densities, mixes of land uses, ready access to transit, access to small-scale retail, and a street environment that encourages local residents to walk, bike, or take transit instead of driving private (and often single-person) automobiles. The reduced automobile usage conserves fuel and reduces pollution, while the often smaller living spaces and shared public spaces of such developments require fewer resources for heating, air conditioning, and maintenance per person. These “green” changes to land use and transportation patterns can generate jobs through the additional construction of development projects in existing developed cities, and infrastructure upgrades.

The Growing Importance of the Green Economy

Increases in environmental awareness and funding by venture capitalists and governments have resulted in rapid expansion of the green economy.

The public has become increasingly focused on environmental sustainability over the past decade as concerns have grown about dependence on foreign energy supplies, vulnerability to fuel price spikes, and the impacts of greenhouse gas emissions and climate change. Further, the crash of the “dot-com” bubble in 2000 and housing market crash of 2007-2008 left investors searching for new investments with long-term promise. There is no consistent definition for measuring venture capital investments in the green economy, but a report by Pew Charitable Trusts shows that between 1999 and 2008, venture capital investment in clean energy in the United States increased from \$360.3 million to \$5.9 billion³, and other measurements show a similar increase. The industry is not recession-proof, however; literature indicates that investments and demand have declined in recent years, partly because energy efficiency improvement installations are dependent on a strong housing and development market, and hard-pressed consumers are more likely to opt for short-term cost savings in their purchases overall.

The green economy provides innovation which expands the economy, while also creating local jobs.

As previously described, the green economy generates innovations which expand the economy. High-tech and high value innovations are likely to initially be manufactured in the United States to take advantage of the skilled workforce and robust patent enforcement. As innovations become commoditized and prices drop, production will likely move overseas. However, the green economy also creates local jobs which cannot be outsourced, such as installation and maintenance of renewable power sources, and home and business efficiency upgrades.

³ *The Clean Energy Economy: Repowering Jobs, Businesses, and Investments Across America*, June 2009.

The Green Economy in California

California features the largest share of the United States' green economy.

The Pew Charitable Trusts shows that California leads the nation in numbers of clean technology businesses, employment, and venture capital investment.⁴ The size of the state's economy and population alone ensure that it will contain a large amount of green economy activity, but it has further benefitted from its unique combination of assets, policies, and different strengths between regions.

California includes a robust base of research universities, venture capital, and clean energy startup companies.

California includes several major research universities and a high concentration of venture capital. According to the Next10 report *2010 California Green Innovation Index*, 25 percent of 2009 venture capital investments in California were made in clean technology, with over \$11.6 billion in investments since 2006 (representing nearly a quarter of global venture capital investment in the green economy). The share of venture capital invested in clean technology in California has continued to increase even as total venture capital investments have decreased. California is also the top state for green technology patents.

California public policy has created demand for green economic activity, while also increasing energy efficiency and decreasing pollution.

Next10 also reports that California's energy and environmental policies have had a positive impact on reducing greenhouse gas emissions and increasing efficiency. Energy use per person has rapidly declined relative to the United States overall since 1980. California greenhouse gas emissions per person are half that of the United States overall.

The Santa Cruz region has a relatively small base of green economic activity, though the nearby San Francisco Bay Area is a state leader.

The Santa Cruz region is relatively small and has a relatively small base of research and development and manufacturing activity, but it is located adjacent to the high concentrations of the green economy found in the San Francisco Bay Area. The report *Innovating the Green Economy in California Regions* shows that the East Bay and Silicon Valley are among the top four California sub-regions for green economy activity in California.

⁴ *ibid*

THE GREEN ECONOMY IN CAPITOLA TODAY

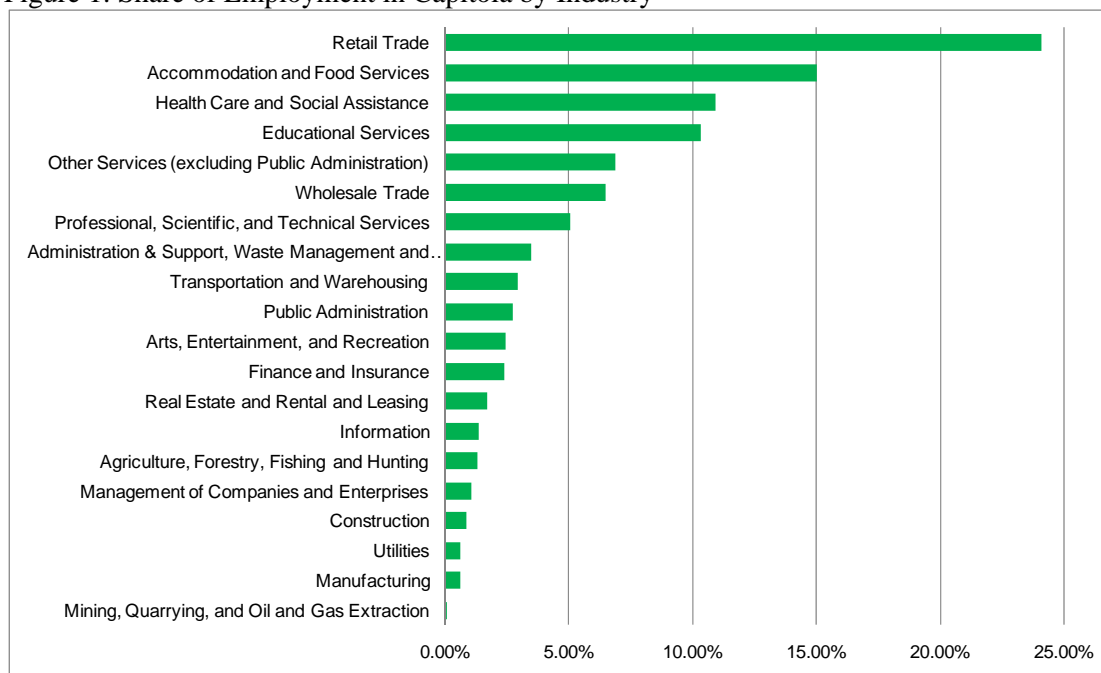
As described above, the green economy encompasses multiple components and a wide variety of activities. The sector is a global and national focus, and California is a leader within the United States. This section examines the Capitola economy to identify the City’s most promising pathways for growing the local green economy. The analysis includes a detailed examination of the City’s existing business base, commute patterns, and observations of its role within the Santa Cruz regional economy.

Economies function at the regional level; Capitola is a small part of the Santa Cruz regional economy. Economic activity is inherently regional, since city boundaries minimally affect the network of business, commute, and human relationships within a region. Workforce development programs generally function at the regional level for this reason. Capitola’s economy is tightly integrated into the wider regional economy encompassing Santa Cruz and Monterey Counties and beyond. Therefore, any strategic approach must first determine Capitola’s role within the regional economy and recognize the diffused impacts that could occur from the local policies of a city of less than 10,000 residents in a county of 262,300.

Capitola’s niche within the Santa Cruz regional economy centers on personal services for its residents, regional and local retail, and tourism.

Strategic Economics previously analyzed the Capitola business market as part of the General Plan “White Paper #2: Economic and Market Conditions.” Research found that Capitola is a largely residential community – which therefore demands related services such as building contractors – with a low concentration of major office or industrial businesses and a heavy concentration of regional retail (41st Avenue), local-serving retail (41st Avenue and Bay Avenue), boutique retail (Capitola Village) and tourism (including hotels and retail supported by tourists). The figure below shows the City’s high concentration of employment in retail, accommodation and food services (hotels and restaurants), and other household-serving industries such as health care and education.

Figure 1: Share of Employment in Capitola by Industry



Source: U.S. Census Longitudinal Employer-Household Dynamics, 2011; Strategic Economics, 2011.

Business-level analysis shows virtually no presence of the core green economy in Capitola; the core green economy is a poor basis for an economic development strategy in Capitola, beyond responding to unique and unexpected opportunities.

Strategic Economics examined Capitola’s base of businesses within the core green economy by applying three different filters to a citywide comprehensive, establishment-level database obtained from data service Dun and Bradstreet. These filters identified businesses and organizations within industries which, based on previous research, have a high likelihood of including core green businesses.⁵ Strategic Economics then individually researched all Capitola businesses and organizations within those industry categories. Ultimately only four Capitola businesses and organizations were found to exist within those core green economy categories: three are building contractors with a green emphasis, and one is a regional governmental entity’s office, not a business.

Capitola’s existing residential, retail, and tourism base provides strong potential to grow the adaptive green economy both within the City and regionally.

While Capitola presently lacks significant opportunity in the core green economy, the City’s base of residential-serving, retail, and tourism businesses opens opportunities to cultivate the City’s adaptive green economy by improving the resource efficiency of residences, retailers, and hotels. Such a strategy, if comprehensively implemented, can also generate marketing buzz that Capitola is an eco-conscious City – potentially increasing visitors and business. Success in the adaptive green economy could, of course, set the foundation for Capitola developing success in the core green economy in the future.

Examples of the adaptive green economy can already be found in Capitola and nearby cities.

Three examples include:

- Capitola Freight & Salvage: This retailer sells new and used building materials which otherwise would have been sent to landfills.
- Pacific Blue Inn: This Santa Cruz hotel was constructed of sustainable materials, designed to be resource-efficient, and provides complimentary bicycles to guests.
- New Leaf Community Market: This local grocery chain emphasizes organic, sustainably and locally-produced products.

Figure 2: Pacific Blue Inn and New Leaf Community Market



Source: pacificblueinn.com, 2011; waymarking.com, 2011.

Capitola’s land use and transportation patterns can also be improved.

Capitola is a small city and contains pockets of areas in which bicycling and walking is easy and comfortable, especially around the Capitola Village. However, much of the City is arranged in a manner making it challenging for residents who walk or bike for errands or work, with poor direct pedestrian connections, intimidating automobile traffic along and near 41st Avenue, and obstructions or indirect road connections between destinations. Currently, for many residents and visitors in Capitola the automobile is the transportation option of choice, but pedestrian and bicycle access improvements in Capitola can

⁵ See Appendix A for detailed information and methodology.

encourage residents and visitors to reduce automobile use for local trips. A major focus of the Capitola General Plan Update is to identify and prioritize land use, pedestrian access and transportation modifications that will improve local sustainability. Notably, 81% of all local jobs projected for Capitola in 2035 by the Association of Monterey Bay Area Governments (see Appendix B, table B-1) will be in the largely lower-wage retail and service industries (though a small portion of service jobs will include professional services). A local commitment to the development and preservation of workforce housing affordable to this income group within residential land use areas will also significantly reduce Capitola's employee commutes.

HOW TO GROW THE GREEN ECONOMY IN CAPITOLA

This section describes how the process of economic development – i.e. the creation or growth of businesses and jobs – functions in the green economy. It then explains how Capitola’s economic niche influences the types of strategies most likely to succeed in the City.

The Public Sector Role in Green Economic Development

*The public sector creates **demand** for green economy jobs through incentives and regulations.*

The public sector is able to create demand for green economy jobs through incentives and regulations which increase the interest or need for households and businesses to invest in resource-efficient technologies, products, and practices. For example, expedited permitting approval for a more efficient new building development is an incentive which can encourage a property developer to save time and money by including sustainable materials and highly-efficient products; this can increase demand for workers with additional skills to design and install such materials. The regulatory version of this example is a green building ordinance, which requires that all building developments meet sustainability and efficiency targets.

*The public sector helps meet demand for green jobs by ensuring that the labor **supply** is well-equipped for those jobs.*

The public sector invests in worker skills through a variety of means, including all levels of public education and the activities of workforce investment boards. The public sector can prepare the workforce to meet demand for green jobs by analyzing career pathways and opportunities and tailoring training and placement activities to match. These activities are typically implemented at higher levels of government (regional and above) since labor is not tied to a specific location. Examples in the Santa Cruz region include the Cabrillo College Green Technology Center for workforce training, and the Green Careers Partnership for aligning resources and placing trainees into green job openings.

The public sector can also encourage growth of the green economy by leading by example.

The public sector can lead by example by following policies requiring resource-efficient purchasing, operations, and facilities development/rehabilitation. In doing so, the public sector creates demand for green products and services while also demonstrating how the green economy can benefit households and businesses.

Green Economic Development Strategy Objectives and Directions for Capitola

Capitola’s fiscal constraints and broader post-recession economic conditions demand that green economic development efforts conform to five overarching objectives.

Capitola has experienced a significant drop in sales tax and other revenues since 2007. Local businesses continue to suffer from on-going consumer caution and should not be burdened by additional requirements that increase the cost of doing business; participation in programs should be voluntary in the short run. While the City must continue to undertake long-term efforts to grow its economy – green or otherwise – the current priority is to maintain city services. Therefore, the green economic development strategies in the following section follow five key objectives:

- Stimulate economic activity and improve government efficiency
- Use and reform existing tools to promote growth of the green economy

- Target and focus new efforts to maximize limited economic resources
- Engage and involve the community
- Lead by example

Under these objectives, the strategies appropriate for Capitola emphasize low-cost and highly cost-effective measures in the next several years, and partnerships with organizations better-positioned to implement some of the strategies. Further, the strategies seek to incentivize economic growth rather than place additional burdens which may slow recovery in the City.

Capitola should focus on building demand within the adaptive green economy and improving land use patterns, while supporting and advocating regional efforts to resolve regional green economy needs.

As stated earlier, Capitola lacks an existing base of research and development and industrial land area to justify focusing on growing businesses within the core green economy. Instead, green economic development strategies for Capitola should focus on the City's strengths: the adaptive green economy (households and businesses), reformation of land use and transportation patterns, and public sector operations. Efforts which are more effectively implemented at the regional level should focus on finding the right partners and City advocacy or assistance, such as partnering with Workforce Investment Board Santa Cruz County and the non-profit organization Ecology Action.

III. STRATEGY RECOMMENDATIONS

This section consists of a matrix showing strategy recommendations for growing the green economy in Capitola and, as a result, improving the City’s environmental sustainability and reducing greenhouse gas emissions.

- Each strategy is followed by a description, recommended implementation actions, and an example of a similar strategy from elsewhere.
- The “Lead Implementing Party” – in most cases Capitola city staff – will be the primary initiator of the strategy. The strategies attempt to maximize implementation efficiency through partnerships and low-cost solutions, but they will inevitably involve an investment and focus of staff time.
- “Partner Organizations” are possible organizations for assistance in carrying out the strategy, since many strategies require resources beyond those available to the City.
- “Timeframe” describes the envisioned time required to implement the strategy. Roughly, “short-term” strategies can be implemented in the next one to three years, “mid-term” strategies in three to six years, and “long-term” strategies in six years or beyond.
- “Priority” is based on the extent to which staff resources should be immediately dedicated to the strategy, since some strategies may require long ongoing effort or higher effort relative to likelihood of success.

Tracking Progress

Strategies within this report will be incorporated into the City's updated General Plan and Climate Action Plan, which will include metrics to monitor their effectiveness over time. Metrics will identify measurable outcomes to help the City evaluate whether the strategies are producing desired results. These metrics will help the City to make any necessary adjustments to the strategies to better help Capitola attract and retain green businesses and jobs.

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
Preparing the Workforce					
1	Promote regional workforce development programs locally	City staff	Short-term	High	Workforce Investment Board Santa Cruz County, Green Careers Partnership, Cabrillo College, Central Coast Energy Services, Ecology Action, Community Action Board
	Description	Since Capitola is part of a regional economy, workforce issues - and funding - function at the regional level. Capitola can support regional workforce development programs related to green jobs through ongoing participation in and promotion of regional workforce organizations.			
	Actions	City staff must actively participate in and be aware of the activities of regional workforce development organizations - such as via the Comprehensive Economic Development Strategy Committee - and determine how best to publicize these efforts locally. Publication outlets include city websites, brochures, including those listed below. Consider or build on existing outreach and regular events to inform business owners and entrepreneurs of available resources.			
	Example	The Green Careers Partnership is a regional collaboration of workforce, educational, and environmental organizations seeking to link workforce development activities with environmental initiatives. Current sponsoring partners include the Santa Cruz and Monterey County Workforce Investment Board, Cabrillo College, Central Coast Energy Services, Ecology Action, and the Community Action Board of Santa Cruz County.			
2	Facilitate small business connections to green economic development and business development programs	City staff	Short-term	High	Central Coast Small Business Development Center (Cabrillo College), Santa Cruz SCORE, Workforce Investment Board Santa Cruz County, Green Careers Partnership, environmental organizations, Capitola Commission on the Environment
	Description	Capitola currently lacks in-house capability to directly assist small businesses with improving their operations, but can instead direct business owners to available resources such as the Central Coast Small Business Development Center. Over time, Capitola can encourage embedding of cost-saving sustainability advice within the programs available to small businesses, and focus on linking green businesses within the City to appropriate resources.			
	Actions	Identify small business assistance programs, especially those with an environmental focus. Publicize availability of this assistance via local partners and the City's own website and other economic development outlets. Consider use of interns to coordinate and promote green programs and pursue grant funding applications.			
	Example	The Central Coast Small Business Development Center at Cabrillo College provides a wide range of services in assisting small businesses with start-up needs, administrative improvements, and connections to loan programs.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
3	Pursue green business incubator opportunities	City staff	Long-term	Low	UC Santa Cruz, Cabrillo College, venture capital organizations, business and environmental non-profit organizations, other educational institutions
	Description	A green business incubator would provide space, support services, and/or advice about pursuing seed funding for new businesses featuring products or services related to the green economy. No such incubator currently exists in the region and Capitola's current options may be limited given the limited existing base of such businesses and lack of a major educational institution, but Capitola can participate in a broader effort to attract such an incubator to the region. Alternately, Capitola could apply the same efforts to a regional incubator effort designed to grow established but small green businesses, or to grow non-core green businesses in a green and sustainable manner.			
	Actions	Monitor interest and availability of resources for creating a green small business incubator. Assess demand for such an incubator via strategy #2 and other efforts by Capitola; participate in any broader efforts to attract an incubator to the region. Advocate for regional resources to be available for such an effort. Develop the technical assistance and finance linkages resulting from strategy #2 to be prepared for capturing opportunities for siting a business incubator in the region. Attract local and regional banks and Small Business Administration representatives to present and mentor at green business development activities and, eventually, the incubator. Develop land use policies that can quickly and easily adapt to demand should a regional center wish to locate in Capitola			
	Examples	The Venture Greenhouse of Dominican University in California (in San Rafael) provides one year of space, funding, administrative mentoring, and financing connections for new "environmentally and socially beneficial ventures." The business incubator operates in partnership with the City of San Rafael and Marin Economic Forum and complements the university's "Green MBA" program. The incubator has existed for less than a year. Other examples include the four-year-old Sonoma Mountain Village in Rohnert Park and the well-established 500 Start-Ups in San Francisco.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
Public Policy Regulations, Requirements, and Incentives					
4	Update the Green Building Ordinance	City staff	Short-term	High	Capitola Planning Commission, Capitola Commission on the Environment
	Description	Capitola currently has a Green Building Ordinance, which needs to be revised in order to meet the new state CALGreen requirements. This strategy proposes making the sustainability standards for new construction or major renovation of buildings in Capitola fully in compliance with state requirements, and strengthening it using an incentive approach to reward exemplary projects which go beyond requirements. The incentive would be public recognition with a new designation, without mandating the additional cost and time burden of LEED Certification. The approach is to style the requirements as LEED-Ready.			
	Actions	Continue Capitola's current revisions to the building code under the requires CALGreen requirements and implementation of an incentive program to reward exemplary projects.			
	Example	The City of Seattle's "Priority Green" program provides incentives for meeting or exceeding sustainability requirements; Seattle also provides assistance in connecting developers of green projects to other sources of low-cost financing for green projects.			
5	Encourage use of grants and loans for efficiency upgrades	City staff	Short-term	High	Environmental organizations
	Description	At any given time there exists a confusing array of grant, loan, and tax incentive options for various resource efficiency upgrades via the government, utility providers, and other sources. The City, in partnership with a local environmental organization, can facilitate connections between residents and businesses with these options.			
	Actions	Partner with a knowledgeable organization to publicize availability of these financing options via the internet, pamphlets, workshops, etc. Work with the county and other regional government entities to ensure that Capitola is included in programs, such as the Property Assessed Clean Energy financing program (PACE).			
	Example	Non-profit organization Ecology Action is leading an element of the Energy Upgrade California program, aimed at coordinating incentives and financing outreach and education of available assistance with resource efficiency improvements.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
6	Require building efficiency improvements upon sale	City staff	Mid-term	Low	Capitola Commission on the Environment, Environmental organizations, Soquel Creek Water District, City of Santa Cruz
	Description	This strategy would require that all commercial and residential buildings be upgraded to meet resource efficiency requirements upon transfer of ownership. Capitola currently has a similar water efficiency requirement for home sales. At a minimum upgrades should include roof insulation, weatherization and heater efficiency upgrades. An expanded program could include whole house efficiency evaluations and solar installations.			
	Actions	Assess the market impact of implementing this requirement. Pass ordinance and set standards for compliance.			
	Example	The City of Berkeley's Residential Energy Conservation Ordinance and Commercial Energy Conservation Ordinance require that energy efficiency improvements are made when structures are sold or significantly renovated; the intent is that the seller pays, but responsibility can be transferred to a buyer (with consent) one time.			
7	Renew the City/Redevelopment Agency's home repair and weatherization program	City staff	Short-term	High	Housing Authority of Santa Cruz County
	Description	Although currently unfunded, Capitola has a housing rehabilitation assistance program that provided assistance through loans and grants to low and moderate-income homeowners. Improvements targeted health and safety, toxic (mold and lead) abatement, handicap access, and energy efficiency. The program helps preserve existing affordable housing and improve residential energy efficiency.			
	Actions	Identify and obtain new funding sources, including the City's Housing Trust Fund and state and federal grants. Expand program to also serve lower-income rental properties.			
	Example	Capitola's existing program has a successful ten year history in collaboration with the Housing Authority. Funding for the program remains the key challenge.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
Land Use and Transportation Reform					
8	Construct safe pedestrian pathways and bikeways	City staff	Long-term	High	Real estate developers
	Description	Safe pedestrian pathways and bikeways will encourage alternatives to automobile use and increase recreational options in Capitola, while also creating construction jobs. Incremental block-by-block improvements to the rail trail could be part of this program with priority given to key lower-cost sections, such as the connection between Jade Street Park and 41st Avenue, and between Bay Avenue and New Brighton State Beach.			
	Actions	Include policies for construction of pedestrian and bicycle improvements in the General Plan, including visions for new pathways connecting destinations and parkland in/near Capitola. Finish complete streets update of the City's Circulation Element and pursue funding from federal, state, and regional sources.			
	Example	The City of Fort Collins, Colorado has increased its bike path mileage by nearly 300% through a clever combination of federal, private sector, and foundation funding.			
9	Encourage adherence to sustainable neighborhood design standards via the General Plan and other policies	City staff	Mid-term	Medium	Capitola Planning Commission, Capitola Commission on the Environment
	Description	The General Plan can present a vision focused on ensuring future projects contribute to sustainable neighborhoods with transportation options, strong linkages between places, and sufficient density to enable concentration of services and retail within convenient distance. Greater density can increase incentives for redevelopment, which can help generate jobs while making Capitola a more sustainably designed city.			
	Actions	Implement the General Plan's sustainable neighborhood design requirements.			
	Example	Background and examples can be found in the document "A Local Government Guide to LEED for Neighborhood Development," available online from the U.S. Green Building Council (usgbc.org).			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
10	Examine economic development opportunities for resolving parking concerns in a sustainable manner	City staff	Mid-term	Medium	Capitola Chamber of Commerce, business/property owners, Capitola Business Improvement Area, Santa Cruz Metropolitan Transit District, Capitola Commission on the Environment
	Description	A parking management program is being prepared for Capitola Village as part of the General Plan process. Based on the analysis, this program may include options for resolving parking concerns while also providing jobs. Examples could include valet parking for off-site lots, circulator shuttles, or improved transit service.			
	Actions	Use the findings of the parking analysis to develop the parking management program with sustainable alternatives.			
	Example	The Santa Barbara Downtown-Waterfront Shuttle is a circulator shuttle which allows visitors to park once and then navigate the entire downtown and waterfront area without a car.			
11	Allow co-working collaborative spaces in Capitola	City staff	Long-term	Low	Capitola Planning Commission, Capitola Commission on the Environment, relevant funders and education partners
	Description	"Co-working" spaces provide shared workstations for the use of clients, ideally providing low-cost office space for entrepreneurs while encouraging creativity through the interactions of the users. Capitola could leverage this concept in the pursuit of green business entrepreneurs by reforming existing permitting and zoning policies to ensure that such spaces are allowed.			
	Actions	Review parking and zoning requirements for shared multi-tenant office space. Reform as needed to allow co-working spaces.			
	Examples	NextSpace and Cruzioworks are two examples of co-working spaces in Santa Cruz. Both offer spaces for members and, more importantly a collaborative and creative environment for networking and exchanges of ideas. Other examples include Hub San Francisco and Hub Berkeley.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
12	Develop a Transportation Demand Management Plan for City and local employees	City staff	Mid-term	Medium	Transportation consultants, Santa Cruz METRO
	Description	A Transportation Demand Management (TDM) Program would offer incentives to encourage the use of alternative modes of transportation by City and local (Village, Bay Ave. & 41st Ave.) employees. Free bus passes, reimbursement for not using a parking space, emergency cab services, etc. will help reduce parking demand and reduce greenhouse gas emissions through reduced commuter traffic.			
	Actions	Obtain funding and hire transportation consultants to complete a TDM study. Implement recommendations of the study.			
	Examples	Warner Center, in the San Fernando Valley of Los Angeles, includes a concentration of office, retail, industrial, and residential uses. The area's Specific Plan has mandated a Transportation Improvement Mitigation Program since the 1990s. The program coordinates shared-ride vans, carpools, and encourages transit use through promotions and subsidies.			
Public Utilities and Procurement Reform					
13	Implement eco-friendly city procurement, construction, and procedure policies	City staff	Mid-term	High	Capitola Commission on the Environment, environmental organizations
	Description	"Eco-friendly procurement policies" require that city purchases, facilities operations, and new facilities all meet resource-efficiency requirements for types of products, materials, construction techniques, etc. Capitola already operates under an "Environmentally Preferred Purchasing Policy" as part of its green business certification, but the extent to which the policy is known and followed is uncertain. Capitola can also include policies regarding use of day-to-day cleaning products and materials (paper, soaps, paint, etc.) used in the maintenance of all City properties; this program could have beneficial results in terms of environmental safety for the City's employees and contracted maintenance staff as well as improved interior air quality in work and meeting spaces.			
	Actions	Implement and ensure adherence to policies requiring that city purchases, procedures, and public facilities meet sustainability and health standards. Renew and maintain Green Business Certification.			
	Example	The City of Portland Sustainable Procurement Policy was passed in 2008 and sets forth guidelines requiring that goods and services purchased by the City "minimize negative environmental impacts, are fair and socially just, and make economic sense."			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
14	Advocate for utility provider requirements and incentives for efficiency improvements	City staff	Mid-term	Low	Santa Cruz County, utility providers, environmental organizations
	Description	Capitola should continue to support the implementation of utility provider requirements and incentives for residential and business energy efficiency upgrades.			
	Actions	Join regional partners in advocating for continuation and expansion of utility provider incentive programs to improve energy efficiency, and advocating for sustainable practices by the providers themselves. Support the County's investigation into implementation of Community Choice Aggregation. Capitola is currently involved with such efforts at the county level.			
	Example	Marin County implemented community choice aggregation, a program in which the county purchases power from its selected sources and the local utility provider handles transmission and billing. The program is estimated to have had millions of dollars in economic impact in the first year alone, as it focused on purchasing power from local renewable sources and encouraging development of more such sources.			
Promotion and Seeding of Community Engagement and Business Participation					
15	Establish a one-stop web resource for available green economic development programs	City staff	Mid-term	High	Environmental organizations; Chamber of Commerce; Capitola Business Improvement Area
	Description	Navigating myriad economic development and incentive programs can be extremely difficult; a one-stop web resource will allow homeowners and business owners an easy way to survey the available options, and can be an outlet for publicizing green efforts in Capitola. Any regular outreach events can also be used to facilitate these connections.			
	Actions	Work with a local environmental organization to establish a one-stop web resource for connecting businesses and citizens to green programs available. Several of the other listed strategies can be supported via this resource. Capitola may also collaborate with other cities to develop a regional resource.			
	Examples	The City of Santa Monica Office of Sustainability and the Environment maintains a website with similar information, as does the City of Cupertino "Cupertino Green Resources" site.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
16	Promote local business use of the Monterey Bay Area Green Business Program	City staff	Mid-term	High	Environmental organizations, Chamber of Commerce, Capitola Business Improvement Area, business and property owners, Monterey Bay Area Green Business Program Task Force
	Description	Businesses certified under a rigorous green certification program have proven that they incorporate sustainable practices into their operations, purchasing, and other actions. A large collection of certified businesses can reflect positively on the local community and is likely to increase business from customers interested in environmental sustainability.			
	Actions	Promote the Monterey Bay Area Green Business Program and publicize businesses in Capitola which have been certified. Over time, consider whether it will be advantageous to develop a program specific to Capitola. Consider whether to support the program via contributions to technical assistance and marketing.			
	Example	The Monterey Bay Area Green Business Program is promoted on the website of the City of Santa Cruz; the program itself is promoted on its own website and the statewide website www.greenbusinessca.org .			
17	Attract a farmers market to Capitola	City staff	Short-term	High	Business organizations, environmental organizations, community supported agriculture, farmers market organizers
	Description	Farmers markets are a visible commitment and personal connection to locally-grown produce, while also helping to create additional demand and jobs for local producers. A farmers market would be a major signal that Capitola is interested in sustainable, organic sourcing of food and provide a means of publicizing other green efforts.			
	Actions	Persist in ongoing efforts to attract a regular farmers market to Capitola. Consider partnering directly with local community supported agriculture (CSA) or regional CSA accelerators like Farm Connection.			
	Example	Santa Cruz Farmers Market organizes and manages five different farmers markets in the Santa Cruz region.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
18	Support green consumer education programs at local events	City staff	Short-term	Medium	Chamber of Commerce, Capitola Business Improvement Area, environmental organizations, Cabrillo College, University of California Santa Cruz
	Description	Green consumer education outreach can create demand for additional services, but must be accessible to be effective. This strategy proposes that Capitola support the addition of green consumer education programs at local events, possibly in conjunction with interested business and environmental organizations.			
	Actions	Communicate to business and non-profit organizations that the City is interested in participating in outreach at major events, including possible appearances/mentions by elected officials and staff.			
	Example	The Capitola Water Festival and other environmentally-focused events exist in Capitola and the Santa Cruz region, but larger events such as the Art and Wine Festival are an opportunity to promote green consumer programs to a much larger and possibly less-aware audience.			
19	Seed citizen engagement through green jobs micro-grant campaigns	City staff	Mid-term	Medium	Environmental organizations, business organizations
	Description	Provide a high-visibility green jobs micro-grant program to solicit and fund new citizen and organization ideas for growing green jobs in Capitola, possibly as part of a high-visibility contest. The most promising applicants would receive a modest grant to launch the ideas.			
	Actions	Include funding for this program in the budget for the existing community grants program. Establish rules and goals for selecting recipients and use and monitoring of grants. Publicize and implement the contest and micro-grants.			
	Example	Minneapolis Climate Change Grants were funded through the American Recovery and Reinvestment Act. Beginning in 2007, Minneapolis awarded grants between \$7,500 and \$10,000 to organizations of all kinds to fund ideas for improving environmental sustainability.			

	Strategy				
#	Actions/Example	Lead Implementing Party	Timeframe	Priority	Partner Organizations
20	Promote recreational activities that engage with Capitola's natural resources	Business organizations	Mid-term	Medium	Chamber of Commerce, Santa Cruz County Conference and Visitors Council, Capitola Recreation Department
	Description	Recreational activities which take advantage of Capitola's scenic beauty can help grow the City's green reputation overall.			
	Actions	Explore options for the beach, Soquel Creek, connections to New Brighton State Beach, and the wharf for the General Plan. Allow recreational uses for high-potential areas under the General Plan.			
	Example	The San Francisco Bay Trail is an effort to create a 500-mile network of bicycling and hiking trails encircling the waterways of the region; numerous gaps still exist in the extensive trail, but efforts have been ongoing since inception in 1987. The Bay Trail provides a connection and recreational traffic to numerous recreational areas, opening new opportunities for businesses offering kayaking, bike rental, and other offerings.			
21	Develop a local business coupon program for transit users and cyclists	Business organizations	Mid-term	Low	City staff, environmental organizations
	Description	Persons arriving to select areas of the City via bicycle or transit are provided discounts or gift certificates to local businesses.			
	Actions	Gauge the support of local business organizations. Partner with those organizations to implement a coupon program.			
	Example	Santa Barbara COOL Car Free discounts are offered to persons with an Amtrak ticket, bus ticket, or bicycle. The discounts are offered by a wide range of businesses in Santa Barbara. The program is run by a consortium led by the Santa Barbara County Air Pollution Control District in conjunction with over 100 business and community partners.			

IV. GREEN ECONOMY GAINS AND OUTCOMES

This document has walked through the green economy’s definition, broad trends in the green economy, analysis of its current positioning within the Capitola economy, green economic development opportunities and approaches in Capitola, and strategies for growing the City’s green economy while also improving environmental quality. Per grant requirements, Strategic Economics has estimated a range of business growth and job creation outcomes from the listed strategies, including openings for Targeted Income Group workers.

Based on implementation of the strategies contained in this report, it is reasonable to project green economy job growth targets of between 150 and 600 new jobs in Capitola between 2010 and 2035. Based on current numbers of employees per business, this translates to 35 to 140 businesses in the City over the same period. These jobs and businesses will be a mix of employment growth already expected to occur in the City, and additional regional jobs captured in Capitola beyond projections for the City due to the City’s increasingly attractive location for green economy jobs.

The table below shows low, medium, and high scenarios for green economy job growth target projections. The outcomes vary depending on overall market conditions, robustness of Capitola’s implementation of the green economy strategies, and uncertainty regarding whether businesses and jobs serving Capitola’s green economy choose to locate in Capitola or another nearby location.

The green economy job growth target projections assume that Capitola’s green economy strategies will result in the City attracting an increased share of green job growth relative to Santa Cruz County by 2035; countywide projections were based on those created by the Association of Monterey Bay Area Governments. Countywide job growth was held constant since the projections are calibrated to capture all growth in the regional economy; AMBAG projections assumed growth in the green economy as part of larger macro-economic trends. The strategies in the Green Economy Report are an important way to help make sure that the region achieves this potential, and to enable Capitola to attract its share of these jobs. Detailed methodology notes, Targeted Income Group benefits, and additional information are included in Appendix B.

Table 1: Green Economy Job and Business Growth Target Projections, 2010 to 2035

Industry	Low		Medium		High	
	Jobs	Businesses	Jobs	Businesses	Jobs	Businesses
Retail	0	0	14	1	42	4
Service	96	26	192	51	288	77
Industrial	7	1	25	3	39	5
Public	26	2	51	4	102	9
Construction	24	9	73	28	122	46
Agriculture	0	0	0	0	0	0
Total	152	38	355	88	593	141

Source: Association of Monterey Bay Area Governments, 2008. Strategic Economics, 2011.

Conclusion

The green economy can prosper in Capitola if the City builds on the strengths of its economy, continues to develop a culture focused on environmental sustainability, and engages in collaborations and partnerships. The strategies in this report emphasize this approach. Their implementation will result in green job and business growth in Capitola by cultivating the adaptive possibilities presented by Capitola’s

healthy base of households and businesses, and allowing Capitola to support and share in countywide green economic growth.

APPENDIX A: CAPITOLA CORE GREEN ECONOMY

ESTABLISHMENT ANALYSIS

This appendix describes Strategic Economics’ method for measuring the existing base of core green economy jobs and businesses in Capitola, as described on page 6 of this report. Classifying and quantifying the extent of the green economy has proven challenging since “green” activities occur within nearly every industry and occupation classification. Nevertheless, several published studies have examined the industry sectors in which green activities are most likely to be found.

Strategic Economics examined the core green economy in Capitola by using the findings of three oft-cited studies. Only the *core* green economy was examined, as opposed to the *adaptive* green economy. Despite the greater promise of the latter in Capitola, statewide and national surveys by the California Employment Development Department and United States Bureau of Labor Statistics are of limited applicability to Capitola since they used a very broad definition of green economic activity and produced varying results. Application of their results to Capitola’s local economy would involve unreasonable presumptions.

Each study of the core green economy produced findings of industry sectors – classified as standardized NAICS or SIC industry codes – which contain the greatest concentrations of green economic activity. These industry codes were used to filter Capitola establishment-level data purchased from data service Dun & Bradstreet. The resulting establishments were then individually vetted through internet research to determine whether they were primarily green businesses.

The source studies and differences between them are described below:

1. **Method One:** *Innovating the Green Economy in California Regions*, 2010, by Karen Chapple and Malo Hutson, The Center for Community Innovation at University of California, Berkeley. Upon review of 25 other studies, the authors selected a narrow definition of the green economy focused on energy, environmental services, green building, manufacturing, transportation, and recycling and remediation.
2. **Method Two:** *The Clean Energy Economy: Repowering Jobs, Businesses, and Investments Across America*, 2009, by The Pew Charitable Trusts in conjunction with Collaborative Economics. Collaborative Economics has spent several years defining and researching the green economy. The authors used a stringent definition of the clean energy economy for their national analysis, focused on core green economy sectors categorized under clean energy, energy efficiency, environmentally friendly production, conservation and pollution mitigation, and training and support.
3. **Method Three:** *Jobs in L.A.’s Green Technology Sector*, 2006, by Patrick Burns and Daniel Flaming, Economic Roundtable. This older report used a broader definition of green technology focused on clean energy, green construction, manufacturing and distribution, utilities, and waste disposal. This broad definition produced many more results in Capitola, requiring careful review to determine if businesses were significantly a part of the green economy.

Results

Method One

Two establishments were identified:

1. Santa Cruz County Resource Conservation District (public agency)
2. Bonjardim & Associates

Method Two

Zero establishments were identified.

Method Three

Forty-nine establishments were identified; of these, three appeared to have green credentials:

1. Santa Cruz County Resource Conservation District (public agency)
2. Friday Construction
3. Earth Works Paving

Conclusion

The results indicate the lack of core green economic activity in Capitola, which is unsurprising given the City's minimal supply of industrial land and primary role as a residential, retail, service, and tourism-focused economy. However, these filters do not identify adaptive green economic activity, as focused on in this report.

APPENDIX B: GREEN ECONOMY JOB GROWTH TARGET PROJECTION METHODOLOGY, AND TARGETED INCOME GROUP BENEFIT

Strategic Economics developed green economy job growth target projections and quantified Targeted Income Group Benefit in accordance with grant funding requirements. As described on page 22, the outcomes will vary depending on overall market conditions, the robustness of Capitola’s implementation of the green economy strategies, and uncertainty regarding whether businesses and jobs serving demand for green products and services from Capitola’s residents will choose to locate in Capitola or another nearby location. Given these uncertainties, Strategic Economics developed low, medium, and high scenarios based on assumptions of greater or lesser capture of job growth in Santa Cruz County from 2010-2035. The scenarios assume that implementation of this report’s strategies will help grow the regional economy and also increase the likelihood that green businesses and jobs will be located in Capitola. This section describes the methodology for determining green economy job growth target projections, and an explanation and methodology for determining opportunity for Targeted Income Group Benefit.

1. Job growth projections for Capitola and Santa Cruz County were obtained from the Association of Monterey Bay Area Governments (AMBAG). These are the authoritative projections for the region reviewed by the state; Capitola’s economic growth was examined in the context of Santa Cruz County because it is most closely tied to this regional economy, although linkages also exist to San Benito and Monterey Counties. The projections are grouped by large industry categories.

Table B-1: AMBAG Capitola and Santa Cruz County Employment Projections, 2010-2035

Geography	Industry	2010	2015	2020	2025	2030	2035
Capitola							
	Retail	2,060	2,205	2,249	2,292	2,336	2,383
	Service	4,340	4,669	4,987	5,331	5,699	6,096
	Industrial	154	159	163	168	174	179
	Public	1,148	1,185	1,241	1,299	1,362	1,427
	Construction	340	353	368	383	399	415
	Agriculture	0	0	0	0	0	0
	TOTAL	8,042	8,571	9,008	9,473	9,970	10,500
Santa Cruz County							
	Retail	14,060	14,570	15,110	15,670	16,250	16,850
	Service	47,390	50,980	54,450	58,210	62,220	66,560
	Industrial	16,070	16,540	17,040	17,570	18,110	18,680
	Public	21,100	21,770	22,800	23,880	25,020	26,220
	Construction	10,930	11,380	11,850	12,340	12,840	13,370
	Agriculture	5,520	5,560	5,620	5,680	5,720	5,780
	TOTAL	115,070	120,800	126,870	133,350	140,160	147,460

Note: “Public” includes employees of all levels of government, including education.
Source: AMBAG, 2008; Strategic Economics, 2011.

2. The AMBAG projections were used to determine baseline employment growth by comparing projected growth in Capitola to growth in Santa Cruz County.

Table B-2: AMBAG Projected Share of Santa Cruz County Employment Growth in Capitola

	2010-2035 Job Growth		Capitola Share of Growth
	Capitola	Santa Cruz County	
Retail	323	2,790	11.6%
Service	1,756	19,170	9.2%
Industrial	25	2,610	1.0%
Public	279	5,120	5.4%
Construction	75	2,440	3.1%
Agriculture	0	260	0.0%
TOTAL	2,458	32,390	7.6%

Source: AMBAG, 2008; Strategic Economics, 2011.

3. Based on projected shares and possible outcomes for green jobs growth based on Capitola's implementation of green jobs strategies and growth of green jobs in Santa Cruz County in general, Strategic Economics created assumptions of percentages of new jobs in the County which would be green and attracted to Capitola under three growth target scenarios. These shares differed based on the likelihood that jobs in a particular industry sector could be green. For example, construction jobs are far more likely to grow as part of the green economy, whereas retail jobs will only have a small adaptive component to job growth. Shares were checked against total County growth for reasonableness. By capturing higher shares of job growth in Capitola, the City will expand its employment base beyond that which would otherwise occur, as projected by AMBAG. By starting from the total countywide job growth, this study assumes regional job growth is already accurately projected, but city projections fail to account for future green economic development policies which make Capitola more competitive.

Table B-3: Capitola Green Economy Job Growth Assumptions by Scenario: Capitola Share of Total Job Growth in Santa Cruz County

Industry	AMBAG Total Growth Share Projection	Capitola Green Job Share of Total Growth		
		Low	Medium	High
Retail	11.58%	0.0%	0.5%	1.5%
Service	9.16%	0.5%	1.0%	1.5%
Industrial	0.96%	0.3%	1.0%	1.5%
Public	5.45%	0.5%	1.0%	2.0%
Construction	3.07%	1.0%	3.0%	5.0%
Agriculture	0.00%	0.0%	0.0%	0.0%

Source: AMBAG, 2008; Strategic Economics, 2011.

- The shares of growth were multiplied by projected employment growth in Santa Cruz County to determine the number of new green jobs under the scenarios. These were translated to numbers of businesses by dividing by the average business size by industry category, based on current average sizes found in the Dun & Bradstreet establishment data for Capitola.

Table B-4: Average Business Size by Industry in Capitola

Industry	Employees	Businesses	Average Firm Size
Retail	2,837	266	10.7
Service	2,069	554	3.7
Industrial	579	75	7.7
Public	239	21	11.4
Construction	194	73	2.7
Agriculture	5	3	1.7
TOTAL	5,923	992	6.0

Note: Does not include 65 employees at 42 unclassified establishments.
Source: Dun & Bradstreet, 2011; Strategic Economics, 2011.

Table B-5: Capitola Green Economy Job and Business Growth Projection Scenario Outcomes

Industry	Low		Medium		High	
	Jobs	Businesses	Jobs	Businesses	Jobs	Businesses
Retail	0	0	14	1	42	4
Service	96	26	192	51	288	77
Industrial	7	1	25	3	39	5
Public	26	2	51	4	102	9
Construction	24	9	73	28	122	46
Agriculture	0	0	0	0	0	0
Total	152	38	355	88	593	141

Source: Strategic Economics, 2011.

TARGETED INCOME GROUP BENEFIT

Per funder requirements, this study meets the national objective of primarily benefiting “Targeted Income Group” (TIG) persons, and the “public benefit” is job creation. TIG is defined as “families, households, and individuals whose incomes do not exceed 80 percent of the county median income.” The Capitola green economy strategies enhance these opportunities with their focus on regional workforce advocacy, land use, development, construction, and energy efficiency installations.

Strategic Economics collected 2010 Santa Cruz County wage data by industry from the California Employment Development Department’s Quarterly Census of Employment and Wages (QCEW) and created a weighted average annual wage for the broad industry categories created for the projections. The 2011 HUD Low Income limit for a family of four in Santa Cruz County is **\$80,650**. As shown in the table below, all of the average industry wages fall below this limit, suggesting that the majority of jobs generated under the green economy projection targets will easily fall within TIG requirements. Retail, Public Sector, Construction, and Mining average annual wages also fall below the **\$56,500** low-income limit for a single-person household.

Table B-6: Weighted Average Annual Wages by Industry in Santa Cruz County, 2010

Industry	Average Annual Wage
Retail	\$21,800
Service	\$69,900
Industrial	\$60,300
Public	\$34,600
Construction	\$48,400
Agriculture	\$25,000

Source: California Employment Development Department, 2011; Strategic Economics, 2011.

Based on the wage data shown above and previous findings for Capitola by consulting firm Applied Development Economics showing that 76 percent of industrial jobs, 57 percent of office jobs, and 90 percent of retail jobs qualify for TIG benefit in Capitola, resulting job growth of the medium scenario is likely to result in 67 percent of jobs providing benefits to TIG workers, or 238 TIG jobs out of 355 total.

As shown, the described jobs will serve as employment opportunities for lower-income households. These jobs can also be linked to providing "decent housing and a suitable living environment". Within the construction industry the City can continue to participate in the development and preservation of affordable housing that will serve lower-income households through land use planning and financial investments. Affordable housing developers and local weatherization/rehabilitation programs can lead the way in terms of green-related construction and can target the housing needs of lower-income households.

APPENDIX C: CAPITOLA GREENHOUSE GAS EMISSIONS INVENTORY SUMMARY

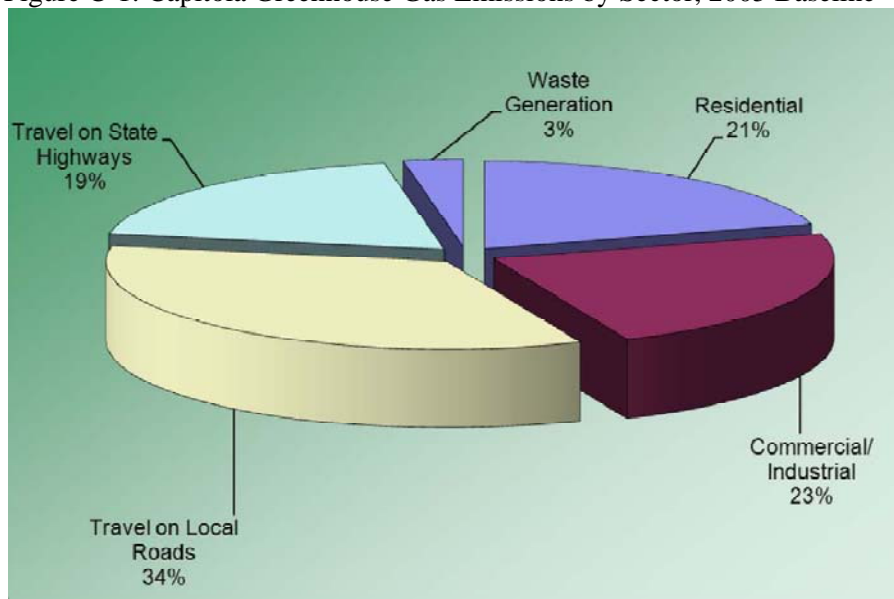
This appendix briefly summarizes the findings of the *City of Capitola Greenhouse Gas Emissions Inventory 2005 Baseline Report*, completed in 2011 by the Association of Monterey Bay Area Governments (AMBAG) under its Energy Watch program. The inventory was completed to inform the development of Capitola’s Climate Action Plan (CAP), which will assist in meeting greenhouse gas emission reduction target requirements under AB 32 and SB 375. Inclusion of this summary is required by grant funder guidelines.

The strategies included within the preceding report will contribute to reductions in greenhouse gas emissions by increasing energy efficiency through environmental awareness, increased demand for energy efficient products and services, growth of environmentally-friendly power sources, and increased shares of trips made via foot and bicycle rather than automobile. The Climate Action Plan, when completed in 2012, will include concrete strategies for meeting greenhouse gas reduction targets. This section includes descriptions of how various strategies described in this report will also help the City to reduce its greenhouse gas emissions.

Community Emissions Inventory Findings

The figure and table below summarize 2005 baseline greenhouse gas emissions attributable to residential, commercial/industrial, transportation, and waste sources in Capitola. Note that “waste generation” quantifies future greenhouse gas emissions resulting from the decomposition of Capitola refuse sent to landfills in 2005. The largest contributor to greenhouse gas emissions is transportation/travel, which is addressed by the strategies categorized as Land Use and Transportation Reform. Commercial/Industrial, Residential, and Waste Generation Emissions can be reduced as businesses and households embrace efficiency improvements and become a part of the adaptive green economy.

Figure C-1: Capitola Greenhouse Gas Emissions by Sector, 2005 Baseline



Source: AMBAG Energy Watch, 2011.

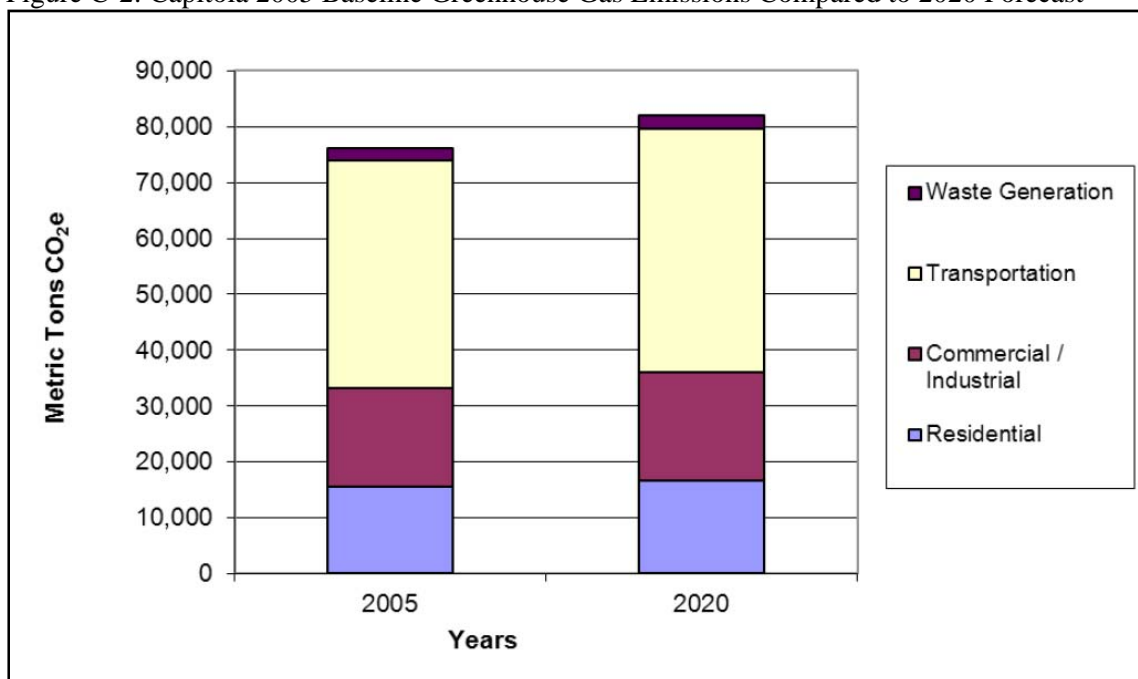
Table C-1: Capitola Greenhouse Gas Emissions by Sector, 2005 Baseline (metric tons of CO2 emitted)

2005 Community Emissions by Sector	Residential	Commercial/ Industrial	Travel on Local Roads	Travel on State Highways	Waste Generation	TOTAL
CO2e (metric tons)	15,590	17,564	26,011	14,705	2,150	76,020
% of Total CO2e	21%	23%	34%	19%	3%	100%

Source: AMBAG Energy Watch, 2011.

The figure and table below compare the Capitola 2005 greenhouse gas emissions baseline against a 2020 “business as usual” scenario based on AMBAG growth projections.

Figure C-2: Capitola 2005 Baseline Greenhouse Gas Emissions Compared to 2020 Forecast



Source: AMBAG Energy Watch, 2011.

Table C-2: Capitola 2005 Baseline Greenhouse Gas Emissions Compared to 2020 Forecast (metric tons of CO2 emitted)

2005 Community Emissions Growth Forecast by Sector	2005	2020	Annual Growth Rate	Percent Change from 2005 to 2020
Residential	15,590	16,678	0.0045	7%
Commercial / Industrial	17,564	19,466	0.0069	11%
Transportation	40,716	43,558	0.0045	7%
Waste Generation	2,150	2,318	0.0050	8%
TOTAL	76,020	82,020	--	8%

Source: AMBAG Energy Watch, 2011.

The following list shows how selected strategies from this report will help reduce the community-generated greenhouse gas emissions from the identified sources.

Table C-3: Community Strategies and Greenhouse Gas Emission (GHG) Reductions

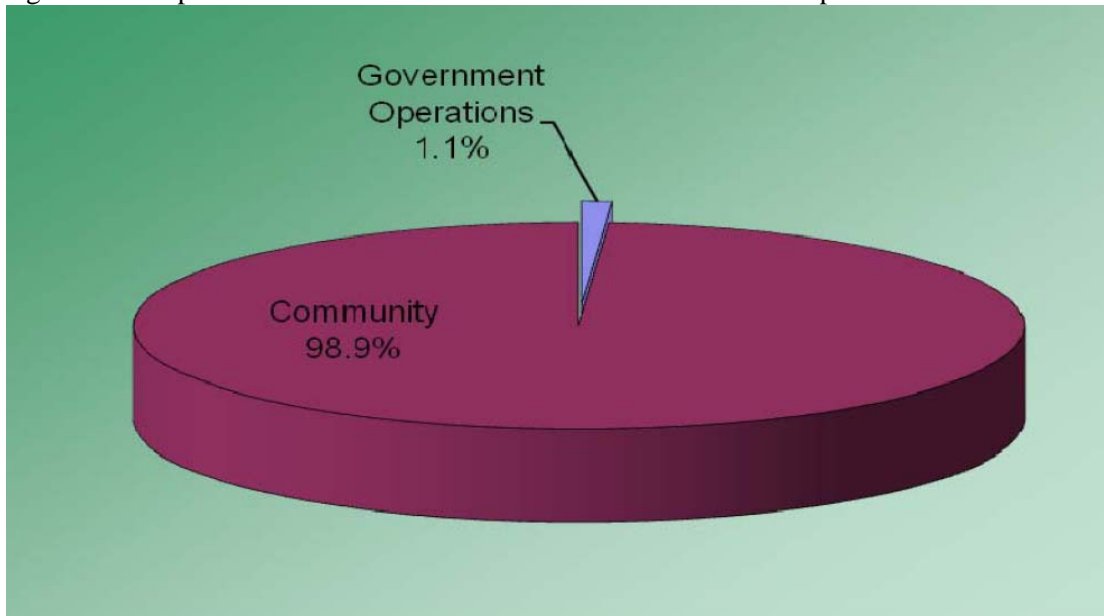
Strategy Number and Name		GHG Sources Affected	Means of Achieving GHG Reduction
1	Promote regional workforce development programs locally	Residential, Commercial/Industrial	Increased emphasis on and knowledge of efficiency techniques/products among workers performing installations and services
2	Facilitate small business connections to green economic development and business development programs	Commercial/Industrial	Increased emphasis on and knowledge of efficiency techniques/products among workers performing installations and services
4	Strengthen the Green Building Ordinance	Residential, Commercial/Industrial	Energy-efficient buildings demand less power, resulting in lower emissions
5	Encourage use of grants and loans for efficiency upgrades	Residential, Commercial/Industrial	Energy-efficient buildings demand less power, resulting in lower emissions
6	Require building efficiency improvements upon sale	Residential, Commercial/Industrial	Energy-efficient buildings demand less power, resulting in lower emissions
7	Renew the City/Redevelopment Agency's home repair and weatherization program	Residential	Energy-efficient buildings demand less power, resulting in lower emissions
8	Construct safe pedestrian pathways and bikeways	Travel on Local Roads	Increased walking and bicycling trips generate lower emissions than automobile use
9	Encourage adherence to sustainable neighborhood design standards via the General Plan and other policies	Travel on Local Roads, Travel on State Highways	Increased walking, bicycling, and transit trips generate lower emissions than automobile use
10	Examine economic development opportunities for resolving parking concerns in a sustainable manner	Travel on Local Roads	Increased walking, bicycling, and transit trips generate lower emissions than automobile use
12	Develop a Transportation Demand Management Plan for City and local employees	Travel on Local Roads, Travel on State Highways	Increased walking, bicycling, and transit trips generate lower emissions than automobile use
14	Advocate for utility provider requirements and incentives for efficiency improvements	Residential, Commercial/Industrial	Energy-efficient buildings demand less energy, resulting in lower emissions
15	Establish a one-stop web resource for available green economic development programs	Residential, Commercial/Industrial	Increased awareness and use of funding for efficiency improvements reduce energy demands, lowering emissions
16	Promote local business use of the Monterey Bay Area Green Business Program	Commercial/Industrial	Growth of energy-efficient practices reduce demand for energy, resulting in lower emissions
18	Support green consumer education programs at local events	Residential	Increased awareness and use of funding for efficiency improvements reduce energy demands, lowering emissions
21	Develop a local business coupon program for transit users and cyclists	Travel on Local Roads, Travel on State Highways	Increased bicycling and transit trips generate lower emissions than automobile use

Government Operations Emissions Inventory Findings

The emissions inventory deals with government operations separately from other sources. These emissions will be particularly influenced by strategy recommendation number 11, “implement eco-friendly city procurement and construction policies.” Capitola has direct and immediate control over the environmental implications of City decisions regarding construction of facilities, purchasing, and operations management.

As shown below, nearly 99 percent of Capitola’s greenhouse gas emissions are generated by non-government sources. However, Capitola can lead by example in attempting to shrink its share of emissions.

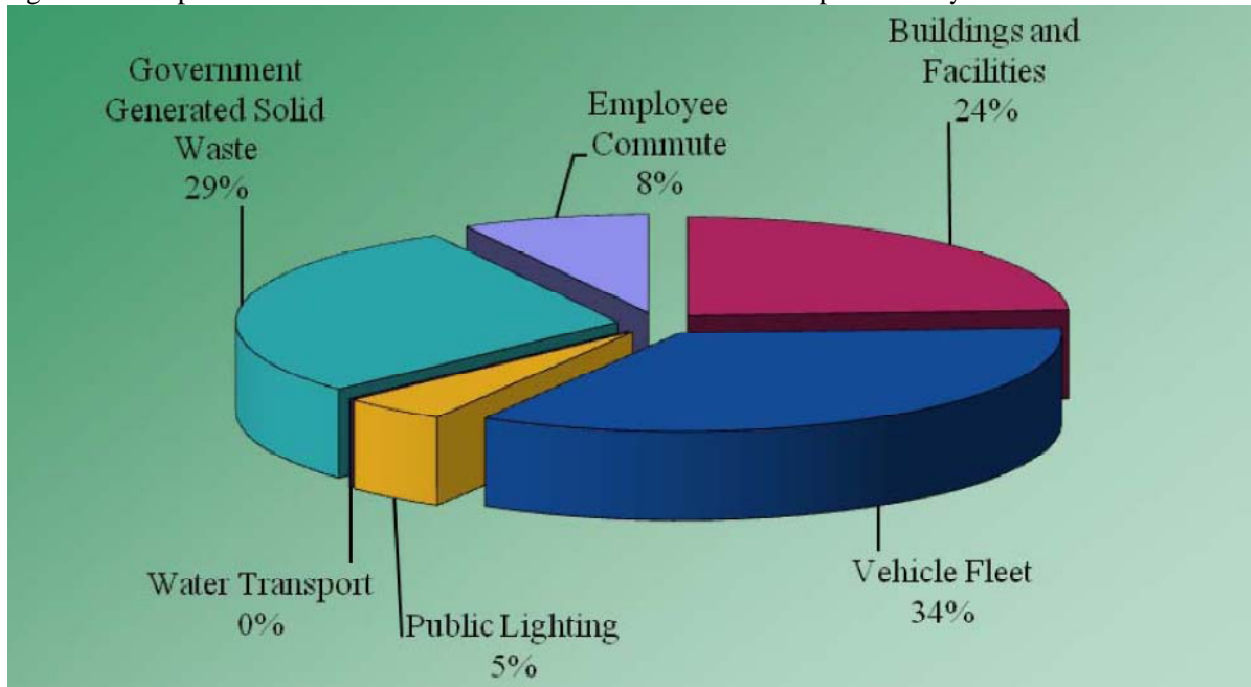
Figure C-3: Capitola Greenhouse Gas Emissions from Government Operations versus the Community



Source: AMBAG Energy Watch, 2011.

The following figure and table show that the greatest contributors to government-generated greenhouse gas emissions are the vehicle fleet, solid waste, and buildings and facilities.

Figure C-4: Capitola Greenhouse Gas Emissions from Government Operations by Sector



Source: AMBAG Energy Watch, 2011.

Table C-4: Capitola Greenhouse Gas Emissions from Government Operations by Sector (metric tons of CO₂ emitted)

Sector	Greenhouse Gas Emissions (metric tons CO ₂ e)
Buildings and Facilities	202
Vehicle Fleet	288
Public Lighting	37
Water Transport	0.10
Government Generated Solid Waste	244
Employee Commute	66
TOTAL	838

Source: AMBAG Energy Watch, 2011.

Table C-5: Government Operations Strategies and Greenhouse Gas Emission Reductions

Strategy Number and Name	GHG Sources Affected	Means of Achieving GHG Reduction
12 Develop a Transportation Demand Management Plan for City and local employees	Employee Commute	Increased walking, bicycling, and transit trips generate lower emissions than automobile use
13 Implement eco-friendly city procurement, construction, and procedure policies	Buildings and Facilities, Vehicle Fleet, Public Lighting, Government Generated Solid Waste	Energy efficiency and emissions reductions can be achieved through energy efficient buildings, energy efficient vehicle fleets, energy efficient public lighting, and policies dictating diversion of waste from landfills where gases are emitted
16 Promote local business use of the Monterey Bay Area Green Business Program	Building and Facilities, Government Generated Solid Waste	Presumably the City would maintain its own certification, requiring certain efficiency practices

Appendix C Conclusion

The greenhouse gas emissions inventory sets forth a useful understanding of the primary contributors to greenhouse gases in Capitola and a “business-as-usual” future growth scenario. The results are useful for understanding how the strategies in this report can address greenhouse gas emission reduction in conjunction with the Climate Action Plan.



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: DEPARTMENT OF PUBLIC WORKS
DATE: NOVEMBER 18, 2011
SUBJECT: MONTEREY PARK SKATE PARK PROJECT PLAN

Recommended Action: Accept this report on the Skate Park Project Work Plan identifying the steps to construct a skate park at Monterey Park.

BACKGROUND

On September 22, 2011, the City Council conceptually supported a project to construct a skate park in Monterey Park. Since that time there has been significant local support for the development of a skate park. This project work plan will provide the framework to capture this support and help develop the financial support necessary to complete the project while providing a clear process required for a successful project.

DISCUSSION

Project Plan:

1. Establish deposit account in City to receive and hold funds donated prior to the development of conceptual plans
2. Identify funding for preliminary layout and skate park sizing concept plans
3. City Manager approve contract for layout and sizing plan report
4. Prepare plan with different sized skate parks
5. City Council consider preliminary plan and choose size of skate park
6. Develop cost estimates
7. Work with community efforts on fundraising
8. City Council award contract for final design when funding in deposit account is available
9. Begin permitting and environmental review
10. Approval of permits and CEQA documents
11. Finalize construction documents
12. Publicly bid project for construction
13. Open bid and award contract
14. Construction

City staff has contacted the design firm of Dreamland Skateparks to provide a proposal to prepare the preliminary layout and skate park sizing options. This proposal had not been received as of the date the agenda was printed, but will hopefully be available at the Council meeting. The cost of this contract can be paid when donated funds are available.

FISCAL IMPACT

At this time it is anticipated that all phases of the project will be funded through donations to the City.

ATTACHMENTS

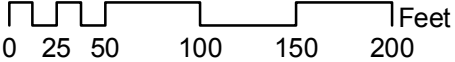
Aerial maps of Monterey Park

Report Prepared By: Steven Jesberg
Public Works Director

**Reviewed and Forwarded
By City Manager:** _____

Monterey Park - 2000 sq ft

ATTACHMENT



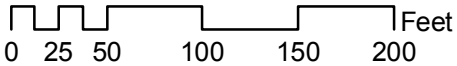
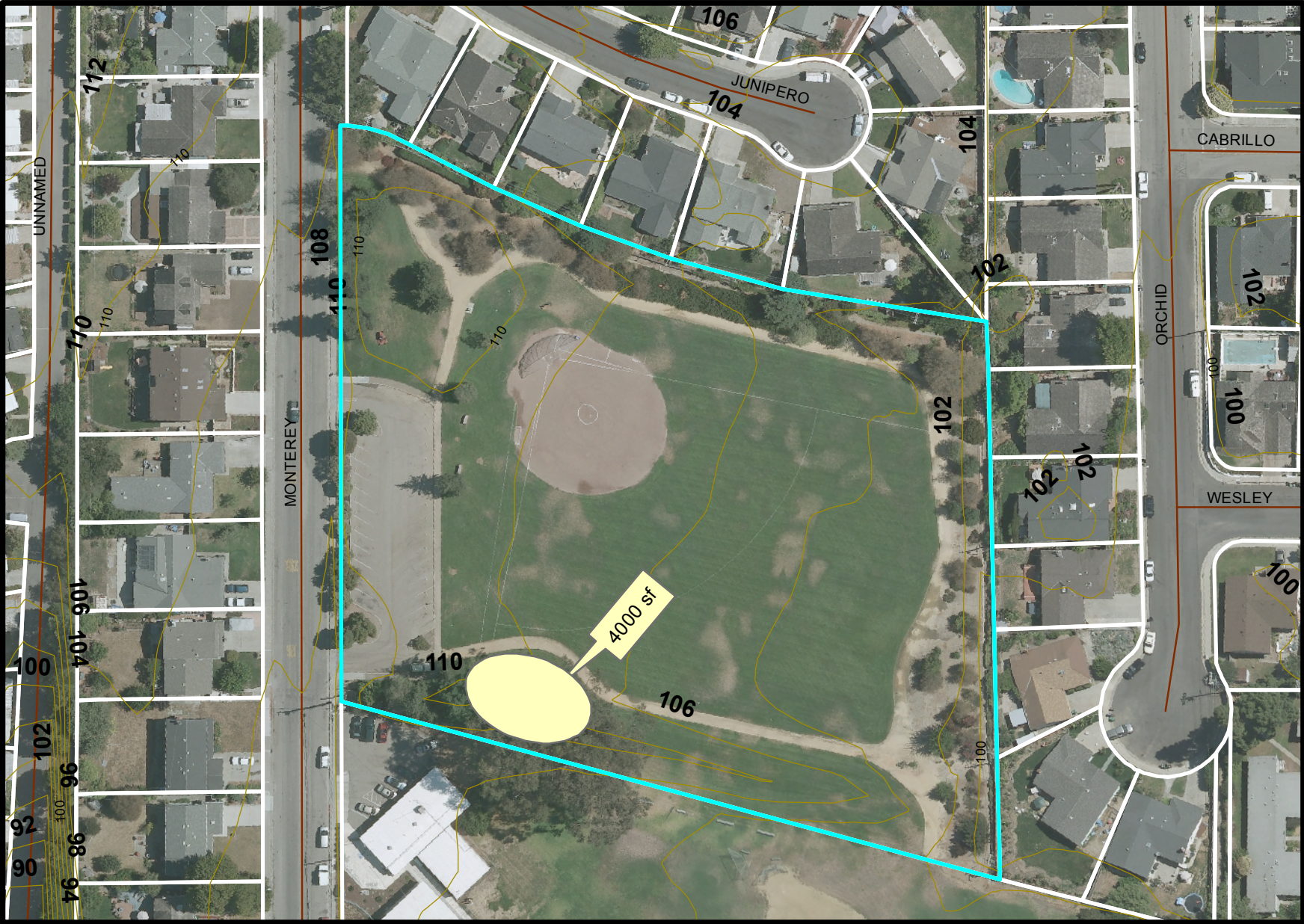
1 inch = 100 feet



Legend

- Monterey Park Boundary
- 2-ft Contours

Monterey Park - 4000 sq ft (Jose Ave Park)



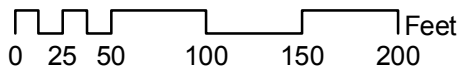
1 inch = 100 feet



Legend

- Monterey Park Boundary
- 2-ft Contours

Monterey Park - 9000 sq ft (Derby Park)



1 inch = 100 feet



Legend

- Monterey Park Boundary
- 2-ft Contours



CITY COUNCIL AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: POLICE DEPARTMENT
DATE: NOVEMBER 4, 2011
SUBJECT: DOMESTIC VIOLENCE REPORT STATISTICS

Recommended Action: By motion, that the City Council receive this report regarding domestic violence crime statistics.

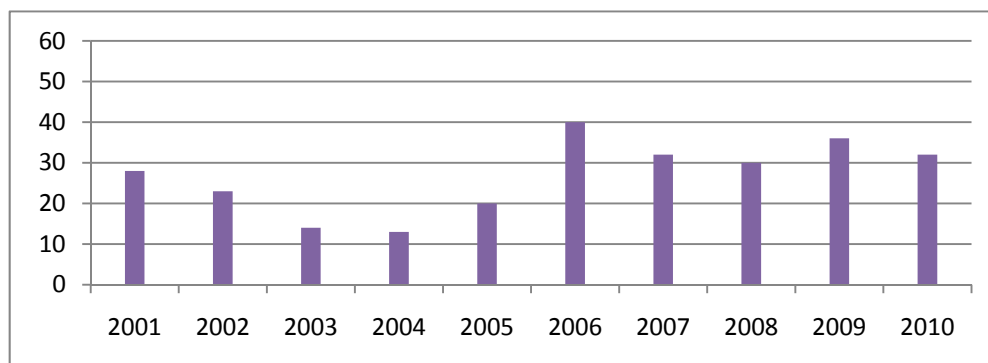
BACKGROUND

On October 27, 2011, the City Council heard a presentation from the Executive Director of Women's Crisis Support, Laura Segura, regarding Domestic Violence within Santa Cruz County, and more specifically, in Capitola. The statistics presented that evening showed Capitola had an increase from 20 reports of Domestic Violence in 2005 to 47 reports in 2009, a total increase of 126%. During the same time, other agencies in the County had a decrease in Domestic Violence reports, between 3% and 36%. Council directed the Police Department to conduct a more thorough audit to try to determine the reason for such an increase.

DISCUSSION

Staff has reviewed the 2009 and 2010 Domestic Violence reports and discovered that numerous reports had been miscategorized as Domestic Violence reports when in fact they were not. The error in reporting was caused by officers marking a box in a window of the report that should only have been completed if the report was concerning Domestic Violence. By marking the box on that particular window those reports were automatically listed as Domestic Violence reports. The errors found only occurred in 2009 and 2010.

An audit was completed for the last ten years and the following chart shows the total number of Domestic Violence Reports in Capitola.



It was discovered the increase from 2005 to 2009 was 16 reports not 27 as originally reported. The increase from 2001 to 2010 was four reports. The average number of reports for the entire ten year period was 27. Because we share the same Records Management System with the other Police Departments in the County, we were able to determine Capitola had less Domestic Violence reports than the other Police Agencies in 2009. In 2010, Scotts Valley and Capitola reduced their Domestic Violence reports to 29 and 32 respectively; and Watsonville and Santa Cruz had an increase in their reports.

There are many reasons why Domestic Violence reports can increase or decrease over time. The reasons can be related to the economy, cultural background, fear of retaliation, embarrassment, education, family dysfunction, and substance abuse. Staff analyzed the data, closely comparing the data in the lowest year (2004) to the highest year (2006), but found no underlying cause for the increase or decrease of reported Domestic Violence.

According to Ms. Segura, Domestic Violence is highly under reported; sometimes up to half of all Domestic Violence incidents go unreported. On average it takes eight separate incidents of Domestic Violence before a victim makes a report. As was stated by Ms. Segura, Domestic Violence is becoming more violent and more serious. The positive is that education and prevention in Santa Cruz County has increased significantly and there are more resources available.

FISCAL IMPACT

None.

ATTACHMENTS

None.

Report Prepared By: Tom Held
Police Captain

**Reviewed and Forwarded
By City Manager:**



Item #: **5.C.**

CAPITOLA REDEVELOPMENT AGENCY AGENDA REPORT

MEETING OF NOVEMBER 22, 2011

FROM: FINANCE DEPARTMENT
DATE: NOVEMBER 18, 2011
SUBJECT: RESIGNATION OF CAPITOLA REDEVELOPMENT AGENCY TREASURER

Recommended Action: By motion:

1. Accept the resignation of Redevelopment Agency (RDA) Treasurer Debbie Johnson effective November 1, 2011.
 2. Establish the practice used by many other redevelopment agencies throughout the State and appoint the City's Finance Director as the RDA Treasurer.
 3. In the interim, appoint the City Manager serve as the RDA Treasurer.
-

BACKGROUND

On April 9, 2009, the Redevelopment Agency (RDA) Directors appointed Debbie Johnson to serve as the Treasurer of the RDA. Ms. Johnson has served in that capacity for the past two and one-half years.

Capitola Redevelopment Agency bylaws, Section 2.06 identify that the "Treasurer shall be appointed by and shall serve at the pleasure of the Board of Directors of the Agency....The Treasurer shall be the Agency's 'Chief Financial Officer' as that term is used in Health and Safety Code 33675 for the 1989-99 and succeeding Statements of Indebtedness." Pursuant to Section 2.09 of the Bylaws, the RDA Treasurer receives \$30 per meeting of the Redevelopment Agency, not to exceed four (4) payments for any calendar month. This compensation was added to the Agency Bylaws on April 12, 2007, by adoption of Redevelopment Agency Resolution No. 2007-4.

State law, through Health and Safety Code 33126, allows that "An agency may select, appoint, and employ such permanent and temporary officers, agents, counsel, and employees as it requires, and determine their qualifications, duties, benefits, and compensation, subject only to the conditions and restrictions imposed by the legislative body on the expenditure or encumbrance of the budgetary funds appropriated to the community redevelopment agency administrative fund."

DISCUSSION

On October 25, 2011, Debbie Johnson submitted her resignation as RDA Treasurer, effective November 1, 2011. A Certificate of Appreciation was scheduled to be presented to Ms. Johnson at the November 10 meeting. Since that meeting was cancelled, staff tried to reschedule the presentation; however, Ms. Johnson is not available for either the November 22 or December 8 meetings. Mayor Norton has made arrangements to deliver her certificate.

In filling this vacancy, staff recommends the Capitola RDA follow the practice of many other agencies throughout the State, which have established the policy of appointing the City's Finance Director to serve as the RDA Treasurer. Lauren Lai served as both Finance Director and RDA Treasurer from February, 2005 through February, 2007. This approach meets the RDA bylaws requirements and state law parameters. However, the RDA by-laws should be amended to eliminate the compensation of \$30 per meeting, since this will be filled by a regular staff member, and as such, added compensation is not needed, nor appropriate.

This results in simpler administration of the RDA's fiscal affairs and more effective integration of the RDA's financial operations with the overall organization. Additionally, since an RDA's treasurer is often viewed as the agency's chief financial officer, this will avoid confusion, be more transparent and enhance accountability.

When Finance Director vacancies occur, it is also common practice for the city manager to serve as the RDA Treasurer in the interim. Accordingly, until the Finance Director position is filled, staff further recommends that the Board appoint the City Manager to serve as Interim RDA Treasurer.

FISCAL IMPACT

There will be modest cost savings (\$720 annually, assuming attendance at 24 meetings annually) in appointing a staff member to serve as the RDA Treasurer.

ATTACHMENTS

RDA Treasurer Resignation

Report Prepared By: Bill Statler, Interim Finance Director

**Reviewed and Forwarded
By Executive Director:** _____

From: Johnson, Debbie (FAC Email) [mailto:djbmwgal@aol.com]
Sent: Tuesday, October 25, 2011 11:58 AM
To: pgreening@ci.capitola.ca.us
Cc: Norton, Dennis; Begun, Robert
Subject: Resignation Letter

ATTACHMENT

To: City of Capitola
420 Capitola Ave
Capitola, Ca. 95010

From: Debbie Johnson
RDA City Treasurer of Capitola

Attention: City Clerk

Dear Pam,

I am writing this letter to inform you that this Thursday 10/27/2011 will be my last City Council Meeting. As of November 1, 2011 I resign my appointed position as The City of Capitola's RDA Treasurer due to personal reasons.

I would like to thank The City Council for appointing and trusting me with this position.

I would like to also thank you for all your kindness.
I would also like to acknowledge and thank the financing staff for making my job so easy, especially Mrs Lonnie Wagner.
Mrs.Wagner worked with me, prepared and explained everything to me in such a professional and detailed manner.
She is such an asset to the City of Capitola.

Again, I am so grateful for this opportunity that i was appointed to and hopefully down the road I will be able to help the City of Capitola.

If I may obtain my Name Plaque for remembrance.It would surely be appreciated.

Please respond that you have received my resignation letter.

Sincerely,

Debbie Johnson
RDA City Treasurer of Capitola