

# City of Capitola Agenda



Mayor: Michael Termini  
Vice Mayor: Stephanie Harlan  
Council Members: Kirby Nicol  
Dennis Norton  
Sam Storey  
Treasurer Jacques Bertrand

## CAPITOLA CITY COUNCIL REGULAR MEETING THURSDAY, MARCH 22, 2012

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### **CLOSED SESSION – 6:00 PM** **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 on closed session items only.

#### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (b) of Govt. Code §54956.9:  
Three cases:

1. City of Capitola Insurance Coverage Claim Against Lexington Insurance (Noble Gulch Storm Drain Failure);
2. Pacific Cove Mobile Home Park Pipe Failure and Closure;

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

1. Kevin Calvert, D.D.S. and Pamela Calvert vs. City of Capitola, et al. [Superior Court of the State of California for County of Santa Cruz, Case #CV 172804]
2. Katie Saldana vs. City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV 172324]
3. Foremost Insurance Company vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173228]
4. Truck Insurance vs. the City of Capitola, et al. [Superior Court of the State of California for the County of Santa Cruz, Case #CV173071]

#### **CONFERENCE WITH LABOR NEGOTIATOR** (Govt. Code §54957.6)

Negotiator: Jamie Goldstein, City Manager

Employee Organizations: Association of Capitola Employees, Capitola Police Captains, Capitola Police Officers Association, Confidential Employees, Mid-Management Group, and Department Head Group.

#### **LIABILITY CLAIMS** (Govt. Code §54956.95)

Claimant: Jeff & Kate McCarthy-Lewis

Claimant: Michael J. O’Leary

Agency claimed against: City of Capitola

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**REGULAR MEETING OF THE CAPITOLA CITY COUNCIL – 7:00 PM****1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council Members Stephanie Harlan, Dennis Norton, Kirby Nicol, Sam Storey, and Mayor Michael Termini

**2. PRESENTATIONS**

A. Proclamation to Frank Phanton for his service on the Capitola Architectural & Site Review Committee from February 2003 through February 2012.

B. Proclamation to Police Chief Mike Card for 35 years of service.

C. Presentation from Veronica Elsea, Pedestrian Safety Work Group Chair, regarding Pedestrian Safety Work Group.

**3. REPORT ON CLOSED SESSION****4. ADDITIONS AND DELETIONS TO AGENDA****5. PUBLIC COMMENTS**

*Oral Communications allows time for members of the Public to address the City Council 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.*

**6. COUNCIL/STAFF ANNOUNCEMENTS****7. COMMITTEE APPOINTMENTS****8. CHECK REGISTER**

**ALL MATTERS LISTED ON THE REGULAR MEETING OF THE CAPITOLA CITY COUNCIL AGENDA SHALL BE CONSIDERED AS PUBLIC HEARINGS.**

**9. CONSENT CALENDAR**

*All items listed in the "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 request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Government.*

*Note that all Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and further reading waived.*

A. Approve City Council Minutes of the Special Meeting of February 16, 2012.

**RECOMMENDED ACTION:** Approve Minutes.

## 9. CONSENT CALENDAR (continued)

- B. Receive City Treasurer's Report for Month ended February 29, 2012 (Unaudited).  
RECOMMENDED ACTION: Receive Report.
- C. Consideration of approving a request from the Capitola Public Safety and Community Service Foundation for a Special Event Permit for the 7th Annual Capitola Rod & Custom Classic Car Show in Capitola Village on Saturday and Sunday, June 9 and 10, 2012.  
RECOMMENDED ACTION: Approve Special Event Permit.
- D. Consideration of approving a Special Event Permit for the Mermaid Triathlon and Duathlon to be held on Saturday, October 6, 2012, in various areas of Capitola.  
RECOMMENDED ACTION: Approve Special Event Permit.
- E. Deny liability claims and forward to the City's liability insurance carrier:  
1. Jeff and Kate McCarthy-Lewis, in the amount of \$1,437.54;  
2. Michael J. O'Leary, in the amount of \$48,265.11.  
RECOMMENDED ACTION: Deny Liability Claims.

## 10. GENERAL GOVERNMENT/PUBLIC HEARINGS

*General Government items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each General Government item:*  
1) Staff explanation; 2) Council questions; 3) Public comment; 4) Council deliberation;  
5) Decision.

- A. Consideration of approving the proposed 41<sup>st</sup> Avenue Public Art Project; approving a contract with Troy Corliss in the amount not to exceed \$200,000, and authorize the City Manager to execute a contract.  
RECOMMENDED ACTION: Approve the Public Art Project.
- B. Consideration of a Zoning Code Amendment to Title 17 of the Capitola Municipal Code to modify the parking standards for single room occupancy, and amending the Industrial Zone regulations to allow an emergency shelter.  
RECOMMENDED ACTION: Introduce Ordinance.
- C. Receive update regarding the financial management recommendations, and consideration of an amendment to the Title 3 Section 20.050 of the Capitola Municipal Code pertaining to budget transfers and budget amendments.  
RECOMMENDED ACTION: Receive update, approve the financial management recommendations, and introduce Ordinance.
- D. Consideration of Permanent Quarter Cent Sales Tax Measure for November 6, 2012 Election and Resolution Ordering Election and Requesting Consolidation with the Presidential General Election.  
RECOMMENDED ACTION: Adopt Resolution.

## 10. GENERAL GOVERNMENT/PUBLIC HEARINGS (continued)

- E. Consideration of authorizing the City Manager to issue a Request for Proposal (RFP) to develop a hotel on the McGregor Property.  
RECOMMENDED ACTION: Direct the City Manager to accept and review proposals and provide a recommendation to the City Council for consideration.

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

## 11. COUNCIL/STAFF COMMUNICATIONS

- A. Staff Comments  
 B. City Council/Treasurer Comments/Committee Reports

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

## 12. ADJOURNMENT

Adjourn to the next Regular Meeting of the City Council to be held on Thursday, April 12, 2012, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

**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.

**Notice regarding City Council:** The Capitola City Council meets on the 2nd and 4th Thursday of each month at 7:00 p.m. (or in no event earlier than 6:00 p.m.), in the City Hall Council Chambers located at 420 Capitola Avenue, Capitola.

**Agenda and Agenda Packet Materials:** The City Council Agenda and the complete agenda packet are available on the Internet at the City's website: [www.ci.capitola.ca.us](http://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 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](http://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.



## CITY COUNCIL AGENDA REPORT

### MEETING OF MARCH 22, 2012

FROM: FINANCE DEPARTMENT  
SUBJECT: CITY CHECK REGISTER REPORT

**RECOMMENDED ACTION:** Receive the attached Check Register Reports for March 2 and March 9, 2012.

**DISCUSSION:** The attached Check Registers for:

Date	Starting Check #	Ending Check #	Total Checks	Amount
3/2/12	69005	69048	44	\$85,268.78
3/9/12	69049	69118	70	\$137,783.89
3/9/12 Payroll				\$169,468.52

The check register of February 24, 2012 ended with check #69004.

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
69016	CalPERS Health Ins	CM	Mar2012 Ins Premium, Employee Funded	\$51,806.60
69054	Atchison, Barisone & Condotti	CM	Jan 2012 Legal Services	\$13,428.87
69103	SCC Dept of Public Works	CM	FY11/12 Co-Op Haz Waste Prog	\$18,276.00
69104	SCC Planning Dept	CM	Homeless Action Partnership	\$14,552.00

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)
- Annual Worker's Compensation premium was prepaid in January (\$467,344)
- Annual Self Insurance/Liability Premium was prepaid in January (\$65,338)

As of 3/14/12 the total cash available is \$1,668,882. The General Operating Fund has a cash balance of \$382,190. 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 \$82,995. The Capital Improvement Projects has a positive cash balance of \$617,734. By Council direction the Emergency Reserves Fund (#1020) may not participate in cash loans; the Emergency Reserves Fund has a fund balance of \$148,804.

For cash flow purposes these funds are available to the General Fund. A consolidation of these cash balances results in a cash position of \$1,668,882.

The following table shows the funds that are consolidated:

**CASH POSITION - CITY OF CAPITOLA 3/14/12**

	<u>Net Balance</u>
General Fund	382,190
Worker's Comp. Ins. Fund	58,210
Self Insurance Liability Fund	195,219
Stores Fund	2,222
Information Technology Fund	10,332
Equipment Replacement	10,065
Compensated Absences Fund	82,995
Contingency Reserve Fund	-
Public Employee Retirement - PERS	309,660
Open Space Fund	256
Capital Improvement Projects	617,734
<b>TOTAL GENERAL FUND &amp; COUNCIL DESIGNATED FUNDS</b>	<b><u>1,668,882</u></b>

The Emergency Reserve Fund balance is \$148,804.17 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 \$939,895.66 were made from the following funds to the general fund:

Loans Between funds:	
Contingency Reserve	\$464,895.66
Equipment Replacement	\$325,000.00
Information Technology	\$150,000.00
 Total Loans	 <u>\$939,895.66</u>

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

**ATTACHMENTS:**

1. Check Register for March 2, 2012
2. Check Register for March 9, 2012

Report Prepared By: Linda Benko  
AP Clerk

Reviewed and Forwarded  
by City Manager 

Checks dated 3/2/12 numbered 69005 to 69048 for a total of \$85,268.78 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 3/2/12 the unaudited cash balance is \$1,844,224

**CASH POSITION - CITY OF CAPITOLA 3/2/12**

	<u>Net Balance</u>
General Fund	562,975
Worker's Comp. Ins. Fund	58,210
Self Insurance Liability Fund	195,219
Stores Fund	6,134
Information Technology Fund	13,648
Equipment Replacement	10,065
Compensated Absences Fund	82,995
Contingency Reserve Fund	-
Public Employee Retirement - PERS	296,719
Open Space Fund	256
Capital Improvement Projects	618,004
<b>TOTAL GENERAL FUND &amp; COUNCIL DESIGNATED FUNDS</b>	<u><u>1,844,224</u></u>


The Emergency Reserve Fund balance is \$151,804.17 and is not included above.

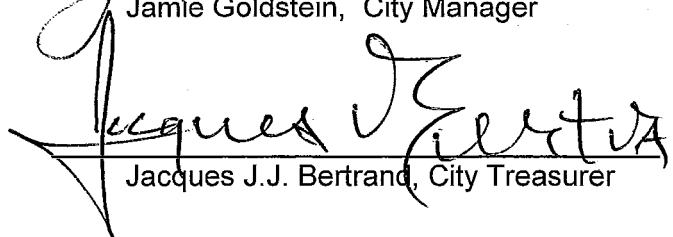
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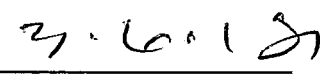
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Information Technology	<u>\$150,000.00</u>
Total Loans	\$939,895.66

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 \_\_\_\_\_  
 Jamie Goldstein, City Manager

  
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 Jacques J.J. Bertrand, City Treasurer

\_\_\_\_\_  
 3/2/12  
 Date

  
 \_\_\_\_\_  
 Date



# City Checks Issued 3/2/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69005	03/02/2012	Open			ADT SECURITY SERVICES, INC.	\$256.41
	Invoice		Date	Description		Amount
	65342045		02/11/2012	Mar-May12 Alarm, 422 Capitola Ave.		\$139.54
	65342052		02/11/2012	Mar-May 31, 2012 38th Ave.		\$116.87
69006	03/02/2012	Open			AUTOMATED TEST ASSOCIATES	\$92.00
	Invoice		Date	Description		Amount
	38376		02/22/2012	Feb 2012 Wharf meter reading		\$25.00
	38377		02/22/2012	Feb 2012 Pac Cove MHP meter reading		\$67.00
69007	03/02/2012	Open			BAY AREA POLYGRAPH	\$400.00
	Invoice		Date	Description		Amount
	381		02/23/2012	New Hire Polygraphs, PD		\$400.00
69008	03/02/2012	Open			BAY PHOTO LAB	\$111.49
	Invoice		Date	Description		Amount
	2317088		02/03/2012	Museum Display Expense		\$30.11
	2319771		02/06/2012	Museum Display Expense		\$81.38
69009	03/02/2012	Open			BEEMERSHOP, INC	\$291.36
	Invoice		Date	Description		Amount
	23604		02/15/2012	BMW Motorcycle, Sidestand Bracket repair		\$291.36
69010	03/02/2012	Open			BEN'S MOTORCYCLE WORKS	\$35.21
	Invoice		Date	Description		Amount
	0457		02/24/2012	Harley Road King side stand		\$35.21
69011	03/02/2012	Open			BIG CREEK LUMBER	\$161.84
	Invoice		Date	Description		Amount
	2967288		02/09/2012	Plywood		\$87.16
	2967289		02/09/2012	Plywood		\$74.68
69012	03/02/2012	Open			BRESLIN-KESSLER, PAUL	\$26.65
	Invoice		Date	Description		Amount
	2012-00000582		02/27/2012	Winter Instr.Payments-Last		\$26.65
69013	03/02/2012	Open			C&N TRACTORS	\$122.14
	Invoice		Date	Description		Amount
	7236W		02/09/2012	auto parts		\$122.14
69014	03/02/2012	Open			CA DEPARTMENT OF JUSTICE	\$17.00
	Invoice		Date	Description		Amount
	895468		02/17/2012	H & S testing, Jan 2012, PD		\$17.00
69015	03/02/2012	Open			CA DEPT OF TRANSPORTATION	\$885.80
	Invoice		Date	Description		Amount
	SL120470		02/09/2012	Signals & Lighting billing Oct-Dec 2011		\$885.80
69016	03/02/2012	Open			CalPERS Health Insurance	\$51,806.60
	Invoice		Date	Description		Amount
	Mar2012		02/28/2012	Mar12 Health Ins Premium, Employee Funde		\$51,806.60

# City Checks Issued 3/2/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69017	03/02/2012 Invoice 61831	Open	Date 02/27/2012	Description Gator letter set, patrol room - PD	CATTO'S GRAPHICS, INC.	\$651.00 \$651.00
69018	03/02/2012 Invoice 2012-00000583	Open	Date 02/27/2012	Description Winter Instr.Payments-Rec	CLARK, DAVE	\$20.15 \$20.15
69019	03/02/2012 Invoice 1135884-01	Open	Date 02/10/2012	Description Doggie bags	CLEAN SOURCE	\$243.56 \$243.56
69020	03/02/2012 Invoice 212563	Open	Date 02/17/2012	Description Service Call, Phone Line reprogramming	COMMUNICATION SERVICE CORP.	\$95.00 \$95.00
69021	03/02/2012 Invoice XFN8D1DTS	Open	Date 02/02/2012	Description Four Computer Systems	DELL COMPUTERS	\$1,852.69 \$1,852.69
69022	03/02/2012 Invoice Cherry Avenue #2	Open	Date 02/20/2012	Description Cherry Avenue Street Rehabilitation Project	EARTHWORKS PAVING CONTRACTORS	\$1,342.80 \$1,342.80
69023	03/02/2012 Invoice 292276	Open	Date 02/03/2012	Description Dec 2011 Legal Exp, Hillsboro v City	ENDEMAN, LINCOLN, TUREK & HEATER	\$190.50 \$190.50
69024	03/02/2012 Invoice 7-793-96719	Open	Date 02/17/2012	Description Shipping Exp, Jan 2012	FEDERAL EXPRESS	\$139.30 \$139.30
69025	03/02/2012 Invoice 12-698546 12-698547	Open	Date 02/09/2012 02/09/2012	Description 455 Gal Ethanol 100 Gal Diesel	FLYERS ENERGY, LLC	\$2,173.79 \$1,766.97 \$406.82
69026	03/02/2012 Invoice 4/2-4/4/12	Open	Date 02/28/2012	Description QSP/QSD Training-Building	FRANKLIN, DAVID	\$1,100.00 \$1,100.00
69027	03/02/2012 Invoice 221	Open	Date 01/31/2012	Description Minium Uniform Exp	GALLI UNIFORM COMPANY	\$168.87 \$168.87
69028	03/02/2012 Invoice 99141	Open	Date 02/28/2012	Description Insurance for Rec Ctr rental	HUB INTERNATIONAL OF CA INSURANCE	\$100.21 \$100.21

City of Capitola  
**City Checks Issued 3/2/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69029	03/02/2012	Open			LIUNA PENSION FUND	\$484.00
	Invoice		Date	Description		Amount
	Feb2012		02/28/2012	Union Pension Dues, employee funded		\$484.00
69030	03/02/2012	Open			LLOYD'S TIRE SERVICE INC.	\$703.10
	Invoice		Date	Description		Amount
	222659		02/08/2012	Four Tires, F-150		\$703.10
69031	03/02/2012	Open			Mainstreet Media dba GOODTIMES	\$600.00
	Invoice		Date	Description		Amount
	64917		10/13/2011	BIA Advertising		\$200.00
	68286		01/26/2012	BIA Advertising		\$200.00
	68727		02/09/2012	BIA Advertising		\$200.00
69032	03/02/2012	Open			McMENAMIN, GEORGE	\$200.00
	Invoice		Date	Description		Amount
	R19		02/29/2012	Riparian Restoration		\$200.00
69033	03/02/2012	Open			MID-COUNTY AUTO SUPPLY	\$52.15
	Invoice		Date	Description		Amount
	292881		02/15/2012	auto parts, all vehicles		\$12.78
	292992		02/16/2012	Sweeper parts		\$6.00
	293119		02/17/2012	auto parts, all vehicles		\$26.92
	293108		02/17/2012	Shop Tool		\$6.45
69034	03/02/2012	Open			MISSION PRINTERS	\$545.13
	Invoice		Date	Description		Amount
	42858		02/08/2012	City Letterhead		\$545.13
69035	03/02/2012	Open			ORCHARD SUPPLY HARDWARE	\$14.26
	Invoice		Date	Description		Amount
	6005-3176052		02/16/2012	Supplies for Community Center		\$14.26
69036	03/02/2012	Open			PALACE ART & OFFICE SUPPLIES	\$268.65
	Invoice		Date	Description		Amount
	944772		02/14/2012	Storage Boxes		\$41.44
	945252		02/16/2012	Office Supplies, City Hall		\$49.70
	945216		02/16/2012	Office Supplies, City Hall		\$155.85
	944968		02/16/2012	Office Supplies, City Hall		\$10.83
	944966		02/16/2012	Office Supplies, City Hall		\$10.83
69037	03/02/2012	Open			PHIL ALLEGRI ELECTRIC, INC.	\$578.27
	Invoice		Date	Description		Amount
	16648		02/16/2012	Two new lights, Council Chambers		\$578.27
69038	03/02/2012	Open			SANTA CRUZ ELECTRONICS, INC.	\$27.97
	Invoice		Date	Description		Amount
	379884		02/01/2012	Electronic Equipment-IT		\$27.97

# City Checks Issued 3/2/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69039	03/02/2012 Invoice 2012-00000581	Open	Date 02/27/2012	Description Winter Instr.Payments-Rec	SHEN, YAMING	\$252.00 \$252.00
69040	03/02/2012 Invoice 9225196070	Open	Date 02/16/2012	Description Six Monitors	STAPLES	\$543.09 \$543.09
69041	03/02/2012 Invoice 2012-01	Open	Date 02/20/2012	Description Jan 2012 Interim Finance Director Services	STATLER, WILLIAM, C.	\$7,850.00 \$7,850.00
69042	03/02/2012 Invoice OSH2-23	Open	Date 02/28/2012	Description Reimb Museum Supplies Purchase	SWIFT, STEVE	\$8.79 \$8.79
69043	03/02/2012 Invoice 3917-15671 3917-15702	Open	Date 01/01/2012 02/01/2012	Description Monthly Website Hosting Exp, City website Monthly Website Hosting Exp, City website	THE INTERNET CONNECTION INC.	\$300.00 \$150.00 \$150.00
69044	03/02/2012 Invoice 6326	Open	Date 02/28/2012	Description Postage for Late Spring brochure-Rec	UNITED STATES POSTAL SERVICE	\$5,300.00 \$5,300.00
69045	03/02/2012 Invoice Feb2012	Open	Date 02/28/2012	Description Employee Contributions, Feb 2012	UNITED WAY OF SANTA CRUZ COUNTY	\$40.00 \$40.00
69046	03/02/2012 Invoice Feb2012	Open	Date 02/28/2012	Description Feb 2012 Union Dues, Employee Funded	UPEC LIUNA LOCAL 792	\$1,817.00 \$1,817.00
69047	03/02/2012 Invoice 2012-00000585	Open	Date 02/28/2012	Description Vehicle Damage, Claim Settlement	SERNA, VICENTE	\$2,500.00 \$2,500.00
69048	03/02/2012 Invoice News-Spring	Open	Date 02/28/2012	Description Postage for City Spring Newsletter	UNITED STATES POSTAL SERVICE	\$900.00 \$900.00
<b>Check Totals:</b>				<b>Count</b>	<b>44</b>	<b>Total</b> <b>\$85,268.78</b>

Checks dated 3/9/12 numbered 69049 to 69118 for a total of \$137,783.89 have been reviewed and authorized for distribution by the City Manager and City Treasurer.

As of 3/9/12 the unaudited cash balance is \$1,812,989

**CASH POSITION - CITY OF CAPITOLA 3/9/12**

	<u>Net Balance</u>
General Fund	536,646
Worker's Comp. Ins. Fund	58,210
Self Insurance Liability Fund	195,219
Stores Fund	2,222
Information Technology Fund	12,923
Equipment Replacement	10,065
Compensated Absences Fund	82,995
Contingency Reserve Fund	-
Public Employee Retirement - PERS	296,719
Open Space Fund	256
Capital Improvement Projects	617,734
<b>TOTAL GENERAL FUND &amp; COUNCIL DESIGNATED FUNDS</b>	<u><u>1,812,989</u></u>

The Emergency Reserve Fund balance is \$148,804.17 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.

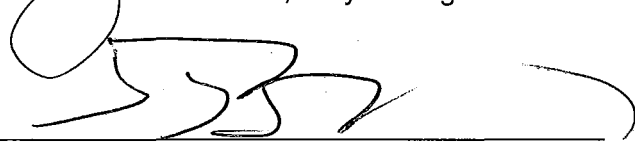
To resolve this cash flow issue, loans in the amount of \$939,895.66 were made from the following funds to the general fund:

Loans Between funds:	
Contingency Reserve	\$464,895.66
Equipment Replacement	\$325,000.00
Information Technology	<u>\$150,000.00</u>
Total Loans	\$939,895.66

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

  
 \_\_\_\_\_  
 Jamie Goldstein, City Manager

3/9/12  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Jacques J.J. Bertrand, City Treasurer

3-14-12  
 \_\_\_\_\_  
 Date

City of Capitola  
**City Checks Issued 3/9/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69049	03/09/2012 Invoice 3641	Open	Date 12/29/2011	Description Fencing-Esplanade Park	ABACHERLI FENCE CO.	\$1,945.00 \$1,945.00
69050	03/09/2012 Invoice 781263	Open	Date 01/27/2012	Description Records team stamp-PD	ACCURATE RUBBER STAMP	\$26.94 \$26.94
69051	03/09/2012 Invoice 4360	Open	Date 02/22/2012	Description Sweeper brooms Fund 1310, Gas Tax	ACME ROTARY BROOM SERVICE	\$978.78 \$978.78
69052	03/09/2012 Invoice 350037	Open	Date 02/28/2012	Description Feb 2012 Supplemental Health Ins Employee Funded	AFLAC	\$464.50 \$464.50
69053	03/09/2012 Invoice 43251 43150	Open	Date 02/15/2012 01/12/2012	Description Fix doors to PD Adjust City Hall doors	ALLSAFE LOCK COMPANY	\$259.98 \$209.98 \$50.00
69054	03/09/2012 Invoice Jan2012	Open	Date 01/31/2012	Description Jan2012 Legal Services	ATCHISON, BARISONE, & CONDOTTI	\$13,428.87 \$13,428.87
69055	03/09/2012 Invoice AutoTemp1	Open	Date 02/29/2012	Description Pacific Cove MHP Relocation Services Fund 1420, The Cove Bond	AUTOTEMP INC.	\$5,985.00 \$5,985.00
69056	03/09/2012 Invoice 2338413	Open	Date 02/20/2012	Description Museum Display Expense	BAY PHOTO LAB	\$23.74 \$23.74
69057	03/09/2012 Invoice 2968035 2967294	Open	Date 02/23/2012 02/09/2012	Description Plywood Return Items, Pac Cove Fence Project	BIG CREEK LUMBER	\$144.82 \$163.22 (\$18.40)
69058	03/09/2012 Invoice 4558	Open	Date 02/17/2012	Description Professional Services, Police Chief Hiring	BOB MURRAY & ASSOCIATES	\$8,624.73 \$8,624.73
69059	03/09/2012 Invoice 125722	Open	Date 02/13/2012	Description 4mb sram memory card Fund 1316, Parking Reserve	CALE AMERICA INC.	\$70.59 \$70.59
69060	03/09/2012 Invoice POA3-9-12	Open	Date 03/07/2012	Description POA Dues, Employee Funded	CAPITOLA PEACE OFFICERS ASSOC.	\$784.08 \$784.08

City of Capitola  
**City Checks Issued 3/9/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69061	03/09/2012 Invoice Feb 2012	Open	Date 02/29/2012	Description Animal Control Exp, Feb 2012	CHANTICLEER VET HOSPITAL	\$1,137.90
69062	03/09/2012 Invoice 540	Open	Date 02/09/2012	Description Lock Repair, Sp 45	CHESHIRE RIO PROPERTY MGMT	\$170.00
69063	03/09/2012 Invoice 20120224	Open	Date 02/24/2012	Description Proj Mgmt Services, Public Art project Fund 1315, Public Art	CITY OF SAN JOSE	\$8,197.60
69064	03/09/2012 Invoice 1661	Open	Date 12/31/2011	Description Oct-Dec2011 PEG fees Fund 1320, PEG	COMMUNITY TELEVISION OF SCC	\$4,621.24
69065	03/09/2012 Invoice Feb2012	Open	Date 03/01/2012	Description Feb 2012 Drinking Water, all sites	CRYSTAL SPRINGS WATER CO.	\$134.00
69066	03/09/2012 Invoice 3542	Open	Date 02/28/2012	Description Office supplies-PD	CVS PHARMACY INC.	\$47.08
69067	03/09/2012 Invoice 12782790	Open	Date 02/25/2012	Description Feb/Mar Copier Lease Pymt, Sharp MX70001N Fund 2210, Stores	DE LAGE LANDEN FINANCIAL SVCS	\$334.07
69068	03/09/2012 Invoice XFMRN57T9z	Open	Date 01/13/2012	Description Sales tax on computer purchase Fund 2211, IT	DELL COMPUTERS	\$283.56
69069	03/09/2012 Invoice 308057	Open	Date 02/09/2012	Description Piling removal Fund 1311, Wharf Fund	DOGHERRA'S INC.	\$95.00
69070	03/09/2012 Invoice 4368358	Open	Date 02/15/2012	Description Irrigation supplies - Rotary Park	EWING IRRIGATION	\$41.55
69071	03/09/2012 Invoice B120-Feb 2012	Open	Date 02/23/2012	Description Evidence storage	EXTRA SPACE STORAGE OF SC	\$282.00
69072	03/09/2012 Invoice 12-700977 12-700978 12-702615 12-702616	Open	Date 02/17/2012 02/17/2012 02/24/2012 02/24/2012	Description 520 Gal Ethanol 87 Gal Diesel 517 Gal Ethanol 130 Gal Diesel	FLYERS ENERGY, LLC	\$5,162.77

City of Capitola  
**City Checks Issued 3/9/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69073	03/09/2012	Open			FLYNN, CAROLYN	\$4,350.00
	Invoice		Date	Description		Amount
	CBF-2-2012-G		02/29/2012	Prof Svcs Feb 2012-Fund 1351, CDBG Prog		\$400.00
	CBF-2-2012-DRI		02/29/2012	Prof Svcs Feb 2012-Fund 1350, CDBG Grants		\$3,950.00
69074	03/09/2012	Open			FOLD A GOAL	\$1,377.57
	Invoice		Date	Description		Amount
	76075A		02/16/2012	Paint for lining fields		\$1,377.57
69075	03/09/2012	Open			GALLI UNIFORM COMPANY	\$285.51
	Invoice		Date	Description		Amount
	234		02/03/2012	Uniform Exp, Yeung-Explorer		\$285.51
69076	03/09/2012	Open			GROGAN, JASON	\$1,654.11
	Invoice		Date	Description		Amount
	20120309		03/07/2012	PERS payment in advance of IDR		\$1,654.11
69077	03/09/2012	Voided			GUMBINER & ESKRIDGE LLP	\$0.00
	Invoice		Date	Description		Amount
	Retainer		03/01/2012	Payee printed incorrectly on check		\$0.00
69078	03/09/2012	Open			HOWARD, CHARLIE	\$1,420.00
	Invoice		Date	Description		Amount
	Feb12-3		03/05/2012	Mechanic		\$690.00
	Feb12-4		03/05/2012	Mechanic		\$730.00
69079	03/09/2012	Open			ICMA RETIREMENT TRUST 457	\$4,483.14
	Invoice		Date	Description		Amount
	ICMA3-9-12		03/07/2012	Retirement Plan Contribution, Employee Funde		\$4,483.14
69080	03/09/2012	Open			JIM CLARK BACKFLOW	\$350.00
	Invoice		Date	Description		Amount
	22112		02/21/2012	Backflow testing		\$350.00
69081	03/09/2012	Open			JOHNSON, ROBERTS, & ASSOCIATES	\$16.86
	Invoice		Date	Description		Amount
	116883		02/15/2012	Background Check, New Hire		\$16.86
69082	03/09/2012	Open			KBA Docusys	\$96.29
	Invoice		Date	Description		Amount
	120957		02/16/2012	Copier Maint, Rec		\$83.34
	121002		02/16/2012	Copier Toner		\$12.95
				Fund 2211, IT		
69083	03/09/2012	Open			KING'S CLEANERS	\$607.75
	Invoice		Date	Description		Amount
	Jan 2012		02/13/2012	Uniform cleaning-PD		\$607.75
69084	03/09/2012	Open			KING'S PAINT AND PAPER, INC.	\$271.55
	Invoice		Date	Description		Amount
	A154514		02/16/2012	Graffiti paint/ Axford		\$208.93
	A154515		02/16/2012	Curb paint		\$62.62



City of Capitola  
**City Checks Issued 3/9/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69085	03/09/2012	Open			LAB SAFETY SUPPLY	\$628.71
	Invoice		Date	Description		Amount
	1018538055		02/16/2012	Hard hats		\$628.71
69086	03/09/2012	Open			MID-COUNTY AUTO SUPPLY	\$239.16
	Invoice		Date	Description		Amount
	293390		02/20/2012	auto parts, PD 061		\$8.90
	293375		02/20/2012	Sweeper parts		\$3.46
	293660		02/22/2012	Tools		\$30.86
	292909		02/15/2012	Tools, Jumper Cable, shop use		\$91.96
	293818		02/23/2012	auto parts, Shop F-150		\$13.12
	293535		02/21/2012	auto parts, PW Shop F-150		\$51.91
	293502		02/21/2012	auto parts, PW 2001 F-150 PU		\$29.87
	293697		02/22/2012	auto parts		\$9.08
69087	03/09/2012	Open			MILLER'S TRANSFER & STORAGE CO.	\$181.25
	Invoice		Date	Description		Amount
	82947		02/02/2012	Records Management, Feb Stg, Jan handling		\$181.25
69088	03/09/2012	Open			MOFFATT & NICHOL	\$270.50
	Invoice		Date	Description		Amount
	59865		02/28/2012	Capitola Flume Rehabilitation Engineering Proj. Fund 1200, CIP		\$270.50
69089	03/09/2012	Open			Montano Plumbing, Inc.	\$1,840.33
	Invoice		Date	Description		Amount
	22881		02/19/2012	Eye wash installation @ Corp Yd		\$1,346.21
	22882		02/19/2012	Repair water heater - mechanics bay		\$494.12
69090	03/09/2012	Open			MORRISON, EDWARD	\$3,150.00
	Invoice		Date	Description		Amount
	2		03/01/2012	Public Works Insp Services Contract FY 11/12		\$3,150.00
69091	03/09/2012	Open			NIXON-EGLI EQUIPMENT CO.	\$684.45
	Invoice		Date	Description		Amount
	21107125		02/22/2012	auto parts		\$684.45
69092	03/09/2012	Open			ORCHARD SUPPLY HARDWARE	\$202.51
	Invoice		Date	Description		Amount
	6009-3528297		02/14/2012	Paint		\$12.96
	6014-3170548		02/14/2012	Pitchfork		\$26.23
	6013-1235708		02/15/2012	Broom		\$12.98
	6012-6095568		02/16/2012	Misc.		\$46.63
	6007-2430369		02/15/2012	Misc.		\$30.29
	6011-4792420		02/21/2012	CPD evidence room		\$8.94
	6011-4792436		02/21/2012	Misc.		\$17.23
	6007-3321596		02/22/2012	Drywall screws		\$14.05
	6007-3521795		02/23/2012	Socket		\$11.57
	6011-4792365		02/21/2012	auto parts		\$21.63

# City Checks Issued 3/9/2012

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69093	03/09/2012	Open			PALACE ART & OFFICE SUPPLIES	\$1,871.57
	Invoice		Date	Description		Amount
	945802-0		02/21/2012	Office Supplies-Rec		\$120.16
	8734945		02/15/2012	Office Supplies, City Hall		\$21.47
	8736094		02/18/2012	Office Supplies, City Hall		\$30.60
	945593		02/20/2012	Office Supplies, City Hall		\$7.13
	945681		02/21/2012	Paper-PD		\$46.44
	946030		02/22/2012	Office supplies-PD		\$16.06
	946313		02/23/2012	office supplies-PD		\$129.19
	946498		02/24/2012	Paper-PD		\$46.44
	946196		02/23/2012	Office Supplies, City hall		\$281.35
	946124		02/22/2012	Office Supplies, City Hall		\$139.32
	945873		02/21/2012	Office Supplies, City Hall		\$7.35
	946608		02/27/2012	Office Supplies, City Hall		\$46.54
	946606		02/27/2012	Office Supplies, City Hall		\$35.14
	16271		02/27/2012	Office Supplies, City Clerk		\$600.79
	946530		02/27/2012	Office Supplies, City Hall		\$59.98
	16464		02/27/2012	Office Supplies, City Hall		\$226.24
	943224		02/07/2012	Name Plate, Council Chambers		\$10.83
	946470		02/24/2012	Labels, City Hall		\$46.54
				Fund 1000, Gen Fund=\$421.19		
				Fund 12210, Stores=\$1450.38		
69094	03/09/2012	Open			PFX PET SUPPLY, LLC	\$64.70
	Invoice		Date	Description		Amount
	cd11799022		02/16/2012	dog food-PD		\$64.70
69095	03/09/2012	Open			PHOENIX GROUP INFORMATION SYS	\$1,426.85
	Invoice		Date	Description		Amount
	012012070		02/15/2012	Citation service Jan 2012		\$1,426.85
69096	03/09/2012	Open			PITNEY BOWES INC.	\$146.14
	Invoice		Date	Description		Amount
	729172		02/16/2012	Postage-Rec		\$146.14
69097	03/09/2012	Open			PITNEY BOWES INC.	\$2,019.99
	Invoice		Date	Description		Amount
	20120217		02/28/2012	Postage Refill, City Hall		\$2,019.99
				Fund 2210, Stores		
69098	03/09/2012	Open			ProBUILD COMPANY LLC	\$140.31
	Invoice		Date	Description		Amount
	5600895		02/14/2012	Hardboard		\$22.16
	5602551		02/21/2012	Wood - CH garbage bin		\$11.87
	5602710		02/21/2012	Misc. Hardware		\$26.35
	5049933		02/25/2012	Plants, Village Streetscape		\$40.96
	5603917		02/27/2012	Misc. - CPD		\$38.97
69099	03/09/2012	Open			RBF CONSULTING	\$575.00
	Invoice		Date	Description		Amount
	12010757		02/24/2012	Traffic Study on Reposa Ave		\$575.00

City of Capitola  
**City Checks Issued 3/9/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69100	03/09/2012	Open			ROYAL WHOLESALE ELECTRIC	\$45.92
	Invoice		Date	Description		Amount
	7719-557534		02/02/2012	15 in 1 screwdriver - Mark		\$38.47
	7719-557662		02/07/2012	Fuses		\$7.45
69101	03/09/2012	Open			SCC ANTI-CRIME TEAM	\$4,000.00
	Invoice		Date	Description		Amount
	048		02/06/2012	SCCACT Move Exp, 2012, City Portion		\$4,000.00
69102	03/09/2012	Open			SCC AUDITOR-CONTROLLER	\$6,273.50
	Invoice		Date	Description		Amount
	Jan2012		03/01/2012	Jan2012 Citation Surcharges		\$6,273.50
69103	03/09/2012	Open			SCC DEPT OF PUBLIC WORKS	\$18,276.00
	Invoice		Date	Description		Amount
	HazWaste11/12		02/07/2012	Co-Op Hazard Waste Drop Off Program, FY11/		\$18,276.00
69104	03/09/2012	Open			SCC PLANNING DEPT	\$14,552.00
	Invoice		Date	Description		Amount
	20120227		02/27/2012	Homeless Action Partnership Cost Share		\$14,552.00
69105	03/09/2012	Open			SANTA CRUZ MUNICIPAL UTILITIES	\$622.10
	Invoice		Date	Description		Amount
	2012-00000584		02/23/2012	WATER BILLS FOR STREET MEDIANS		\$622.10
69106	03/09/2012	Open			SENTINEL PRINTERS, INC.	\$107.42
	Invoice		Date	Description		Amount
	293200		02/13/2012	Business Cards, Hannah Fund 2210, Stores		\$107.42
69107	03/09/2012	Open			SUMMIT UNIFORM CORP	\$946.10
	Invoice		Date	Description		Amount
	45081		02/11/2012	Uniform Exp, Hernandez		\$178.61
	45035		02/09/2012	Minium, name tags		\$21.65
	45036		02/09/2012	Murray, body armor		\$745.84
69108	03/09/2012	Open			SWIFT, STEVE	\$17.30
	Invoice		Date	Description		Amount
	7970		03/01/2012	Reimb Museum Purchases		\$17.30
69109	03/09/2012	Open			TLC ADMINISTRATORS, INC.	\$4,326.41
	Invoice		Date	Description		Amount
	Mar2012		03/01/2012	Mar12 Dental & Vision Ins, Employee Funded		\$4,326.41
69110	03/09/2012	Open			TOTLCOM	\$345.00
	Invoice		Date	Description		Amount
	206953		02/29/2012	Relocate Extensions, City Hall Fund 2211, IT		\$345.00
69111	03/09/2012	Open			UNION BANK OF CALIFORNIA	\$299.89
	Invoice		Date	Description		Amount
	PARS3-9-12		03/07/2012	PARS Contribution, Employee Funded		\$299.89

City of Capitola  
**City Checks Issued 3/9/2012**

Check Number	Invoice Number	Status	Invoice Date	Description	Payee Name	Transaction Amount
69112	03/09/2012 Invoice 20120227	Open	Date 02/27/2012	Description 10 Yr Plan Implementation	UNITED WAY OF SANTA CRUZ COUNT	\$202.00 \$202.00
69113	03/09/2012 Invoice 197662950	Open	Date 02/28/2012	Description Copier Lease, Rec Ctr	US BANCORP EQUIPMENT FINANCE	\$67.31 \$67.31
69114	03/09/2012 Invoice 20120309	Open	Date 03/07/2012	Description PERS payment in advance of IDR	Van Den Heuvel, Dana	\$1,815.49 \$1,815.49
69115	03/09/2012 Invoice 221445	Open	Date 02/14/2012	Description LED Monitor and Installation Fund 1320, PEG	VMI INC.	\$1,180.40 \$1,180.40
69116	03/09/2012 Invoice 2012-00000588	Open	Date 03/06/2012	Description Refund enroachment permit fee	Beal, Seth	\$59.00 \$59.00
69117	03/09/2012 Invoice 2012-00000587	Open	Date 03/06/2012	Description Refund parking permit #207	Matthews, Larry	\$50.00 \$50.00
69118	03/09/2012 Invoice Retainer	Open	Date 03/01/2012	Description Retainer for Services Fund 1020, Emergency Reserve	GUMBINER & ESKRIDGE LLP	\$3,000.00 \$3,000.00
Check Totals:				Count	70	Total \$137,783.89



Item #: 9.A.

## CITY COUNCIL AGENDA REPORT

### MEETING OF MARCH 22, 2012

FROM: OFFICE OF THE CITY CLERK

SUBJECT: APPROVAL OF THE FEBRUARY 16, 2012 CAPITOLA CITY COUNCIL SPECIAL MEETING MINUTES

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**RECOMMENDED ACTION:** By motion that the City Council approve the subject minutes as submitted.

**DISCUSSION:** Attached for City Council review and approval are the minutes to the subject meeting.

**ATTACHMENTS**

1. February 16, 2012 Minutes

**Report Prepared By:** Susan Sneddon, CMC  
City Clerk

**Reviewed and Forwarded  
By City Manager:** 

**NOT OFFICIAL UNTIL APPROVED BY COUNCIL****CITY OF CAPITOLA  
CITY COUNCIL****February 16, 2012  
Capitola, California****6:00 P.M. – OPEN SESSION****MINUTES OF THE FEBRUARY 16, 2012 SPECIAL CITY COUNCIL MEETING****CALL TO ORDER**

At 6:00 p.m. in the City Hall Council Chambers, Mayor Termini noted that all Council Members were present.

**ROLL CALL**

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

**ABSENT:** None

**STAFF:** City Manager Jamie Goldstein, City Attorney John Barisone, Public Works Director Steve Jesberg, and City Clerk Susan Sneddon

**ORAL COMMUNICATIONS** (None provided)

**CITY COUNCIL BUDGET PRINCIPLES****A. Mid-Year 2011/2012 Fiscal Year Budget Financial Report. [330-10/330-05]**

**Finance Director Hannah** provided a brief mid-year budget summary and an overview of the City's anticipated year-end balance. She stated that staff has reviewed each of the line item expenditures and revenues to ensure that the City is on target with the adopted budget, and she recommended that Council authorize a budget adjustment. She stated that some of the City's revenues are projected less than anticipated; property tax revenue is down (-\$43,000 difference) primarily due to the adopted budget maintaining last year's numbers and then receiving updated information from the assessor's office. She stated that fines and forfeitures are down (-\$135,000 difference) primarily due to staffing reductions in the Police Department; other adjustments include charges for service primarily due to meter reductions and ticketing holidays. In review of the major expense categories she stated that Personnel Services were the largest difference (+\$141,917) primarily due to vacant positions and changes in contracting services within the Public Works Department. In review of the departmental expenditure detail she stated that City Council and the City Attorney expenditures had large increases primarily due to the dissolution of the City's Redevelopment Agency and also litigation related to the March 2011 flood. In addition, the Police Department had a reduction in expenditures primarily due to staffing changes. She stated that the City's estimated ending reserve balance is \$516,277 due to the March 2011 flood, resulting in the inability of the City to meet the fifteen-percent reserve funding policy. She stated that recently the City Council

approved funding the Capitola/Soquel Chamber of Commerce, Santa Cruz Conference and Visitors Council, a voter survey, and funding for litigation related to the disaster, leaving a \$1.2 million reserve fund shortfall. She stated that this year's mid-year report indicates a projected balanced budget.

**City Manager Goldstein** announced that the Transient Occupancy Tax (TOT) payments are on track to meet the budget target; in addition, the sales tax figures will likely miss the adopted budget targets due to the state triple flip payments; the state typically overpays the City in one year and under pays in the next year (as occurred this fiscal year). He stated that the full impact of the state's elimination of the Redevelopment Agency is unclear. The City has authorized debt payments for Pacific Cove relocation; also, the City's General Fund may be impacted by the Mobilehome Rental Assistance Program. He stated that in the past Capitola/Soquel Chamber of Commerce and the Santa Cruz County Visitors Center were funded out of the City's Redevelopment Agency; the City found General Fund dollars to backfill those costs. He noted there are significant unknowns that may affect next year's budget.

**Council Member Norton** stated concerns regarding the Police Department's amount of overtime; he recommended that the Recreation Department become more independent.

**Council Member Harlan** suggested hiring temporary personnel to do the City's code enforcement in order to enhance revenues.

**Mayor Termini** asked for clarification regarding the parking patrol payroll expenditure and asked if the City could increase the court trial fees to balance the City's expenditures.

**City Manager Goldstein** stated the Police Department's overtime expenditures can be managed through mid-year adjustments; the overtime was primarily due to police officer turnover and the homicide investigation. He stated that staff plans to provide a recommendation to Council on changing the part-time parking enforcement officer to a full-time position in next year's budget. He noted that the City has not seen a measurable increase in payments with the new parking meters, as was anticipated. Staff will review the trial fees charged by the state to determine if they are being categorized differently.

#### **B. Review of prior year's Budget Principles. [330-05]**

**City Manager Goldstein** stated that the Council adopted the following budget principles for Fiscal Year 2011/2012: (1) Fiscal policy principles; (2) Public services principles; (3) Public improvement principles; and (4) Public improvement possibilities. He summarized the progress achieved in attaining the various budget principles. He stated that Fiscal Year 2012/2013 funding will likely focus on reestablishing reserve accounts and identifying priorities.

**Council Member Nicol** suggested setting up a three-year goal to replenish the City's contingency and emergency reserves.

**Mayor Termini** stated that setting up a five- or seven-year goal to replenish the City's contingency and emergency reserves seems more realistic; he suggested committing a dollar amount annually as a line item in the budget to backfill the City's reserves.

**Council Member Nicol** suggested building the City's reserves by establishing an annual dollar amount; if the City has any windfalls, the first priority should be to get the contingency and emergency reserves built up.

**Council Member Harlan** suggested that the proposed Rispin property developments, as stated in last year's list of public improvement principles, could be removed; she does not foresee work on the Rispin property in Fiscal Year 2012/2013. She suggested adding a budget principle to continue funding the community groups at the same level and to provide a bonus to the non-profits if the consumer price index increases.

**Council Member Nicol** suggested developing a pie chart under the guidance of the public policy, showing the City's revenue sources and indicating how the funds are spent for the various priority projects.

**Council Member Storey** stated that the City's efforts should be to maintain a sustainable local government within the existing framework; financial decisions should not be made based on a formula. Staff should identify any budget issues and Council provide direction.

**Council Member Norton** stated that maybe the City needs a reality check and the realization that there are limitations to what services can be provided.

**Mayor Termini** opened this item for public comment.

**Nels Westman, Capitola resident**, stated that the City needs to work smarter and with fewer employees in light of the economic downturn; over eighty percent of the City's budget goes to personnel, contractors and consultants. He pointed out that the City borrowed \$5 million to pay for the unfunded retirement benefits; the City lacks fiscal restraint and is still paying approximately one-quarter-million dollars annually to repay the loan. He stated that a new City Hall is unnecessary and expensive; developing the current site for hotel/retail use only exacerbates the current parking and congestion problems. He suggested that more focus should be geared toward resources that improve the residents' quality of life, and he stated that the City should place street maintenance as a high priority.

**Council Member Norton** asked what the status of the City's public library obligation is with Santa Cruz County.

**City Manager Goldstein** responded that the City has an agreement between the Redevelopment Agency, the City of Capitola, and Santa Cruz County to develop a new public library; the agreement calls for the City to contribute funds so that \$2.6 million will be available to build a library of no less than 7,000 square feet. He stated



that the funding is provided in increments each year; in early years the payments were relatively small from the City's Redevelopment Agency, and in later years the payments were accelerated. He stated that the City reached the accelerated portion of the payments; however, with the dissolution of the Redevelopment Agency the agreement will be subject to review by the Successor Oversight Board.

**Council Member Nicol** stated that the City has an increasing liability dependent upon what happens with the dissolution of the Redevelopment Agency. He suggested the City get out of the financial obligation with the County and move forward on the City's terms.

**City Treasurer Bertrand** provided his support for continuing the community grants. He stated that he supports some City departments becoming revenue neutral (i.e., the City's Recreation Department). He suggested that the Council look into expanding youth recreational services and cancelling parking fees in the Pacific Cove area to help local businesses. He stated his concerns regarding the City's street sweeper when there are so many cars on the street.

**Mayor Termini** closed this item for public comment.

**Council Member Nicol** suggested that in light of the current economic recession the City may want to consider a ten-percent net reduction in spending as is being done by other local cities.

**Public Works Director Jesberg** provided a PowerPoint presentation showing Council's comments in revising the City's budget principles.

**City Manager Goldstein** stated that staff will take Council's direction in revising the budget principles in preparation of the Fiscal Year 2012/2013 budget cycle.

**Council Member Norton** pointed out that the City is not fully meeting the obligation in providing the community full access to the Rispin property. He stated that the City has not experienced major problems at the Rispin property and suggested installing sensor devices as a crime prevention measure.

**Council Member Nicol** noted that the public can walk through the Rispin property, and the security fences are there to protect the structure. He stated that opening the entire Rispin property to the public should be a low priority; the City has higher priorities for expenditures.

**Council Member Storey** requested that the neighbors of the Rispin property be noticed prior to Council discussion regarding the property (**City Manager Goldstein** agreed).

#### 4. ADJOURNMENT

**Mayor Termini** adjourned at 7:40 p.m. to the next Regular Meeting of the City Council to be held on Thursday, February 23, 2012, at 7:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



## CITY COUNCIL AGENDA REPORT

### MEETING OF MARCH 22, 2012

FROM: CITY TREASURER

SUBJECT: TREASURER'S REPORT FOR THE MONTH ENDED FEBRUARY 29, 2012  
(UNAUDITED)

**RECOMMENDED ACTION:** By motion, that the City Council accept the City Treasurer's Report for the month ended February 29, 2012 (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 FEBRUARY 29, 2012**

The City Cash Position at February 29, 2012 totals \$3,240,000. LAIF deposits include \$2,397,800 of City and Assessment District Funds. The LAIF investment return as of February 29, 2012 was .389%.

The General Fund Balance Sheet consists of:

Total Assets	\$2,811,900 (includes Rispin receivable of \$1,350,000)
Total Liabilities	\$2,107,400
Total Fund Balance	\$ 704,500 (includes Rispin receivable of \$1,350,000)

Fund Balance

General Fund	\$ 704,500
Designated Reserves:	699,700
Capital Improv. Projects	574,600
Special Revenues:	1,204,200
Debt Service	36,500
Internal Services:	983,200
<b>Total</b>	<b>\$ 4,202,700</b>

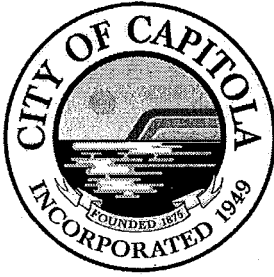
**FISCAL IMPACT:** None.

**ATTACHMENTS:**

1. February 29, 2012 City Treasurer's Report
2. LAIF rates

**Report Prepared By:** Lisa Saldana  
Supervising Accountant

**Reviewed and Forwarded  
By City Manager:** 



## **Treasurer's Report for Month Ended February 29, 2012 (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 1<sup>st</sup> quarter of 1977 to present.

### **DISCUSSION**

The following information is for the month ended February 29, 2012. Such information is unaudited.

**CASH BALANCE BY FUND**

As of February 29, 2012, the LAIF deposits include \$2,397,800 of City and Assessment District funds. The LAIF investment return as of February 29, 2012 was .389%. The following summarizes the City's total cash balance of \$3,240,000 at February 29, 2012 amongst the funds:

		February 29, 2012
<u>General Fund</u>		608,200
<u>Special Revenues</u>	S L E S F	64,500
	SCC NARCOTICS ENFORCEMENT TEAM	(6,800)
	GAS TAX	7,400
	WHARF FUND	74,500
	DEVELOPMENT FEES FUND	3,400
	PEG CABLE TV ACCESS FUND	69,100
	CAPITOLA VILLAGE & WHARF BIA	20,000
	GREEN BUILDING	91,700
	PARIING RESERVE FUND	(3,900)
	TECHNOLOGY FEE FUND	20,800
	CDBG - GRANTS	1,800
	CDBG PROGRAM INCOME	(17,300)
	CDBG PROGRAM INCOME 07-08 RLF	-
	HOUSING PROGRAM LOAN FUND	4,100
	HOME GRANT FUND	5,200
	AFFORDABLE HOUSING TRUST FUND	170,700
	BEGIN GRANT FUND	60,100
	PUBLIC ART FUND	395,300
	OPEN SPACE PURCHASE	300
	GENERAL PLAN UPDATE	234,800
<u>Internal Service</u>	WORKER'S COMPENSATION	58,200
	SELF INSURANCE	197,700
	STORES	6,900
	INFORMATION TECHNOLOGY	13,600
	EQUIPMENT REPLACEMENT	10,100
	PUBLIC EMPLOYEE RETIREMENT	296,700
<u>Reserves</u>	EMERGENCY RESERVES	151,800
	CONTINGENCY RESERVES	-
	COMPENSATED ABSENCES	83,000
<u>Capital Projects</u>	VARIOUS CAPITAL PROJECTS	579,300
<u>Debt Service</u>	DEBT SERVICE FUND	38,800
<b>TOTAL ALL FUNDS</b>		<b><u>3,240,000</u></b>
	<b>General Fund</b>	608,200
	<b>Internal Services</b>	583,200
	<b>Reserves</b>	234,800
		<b><u>1,426,200</u></b>

**GENERAL FUND SUMMARY BALANCE SHEET**

The following is the General Fund summary balance sheet:

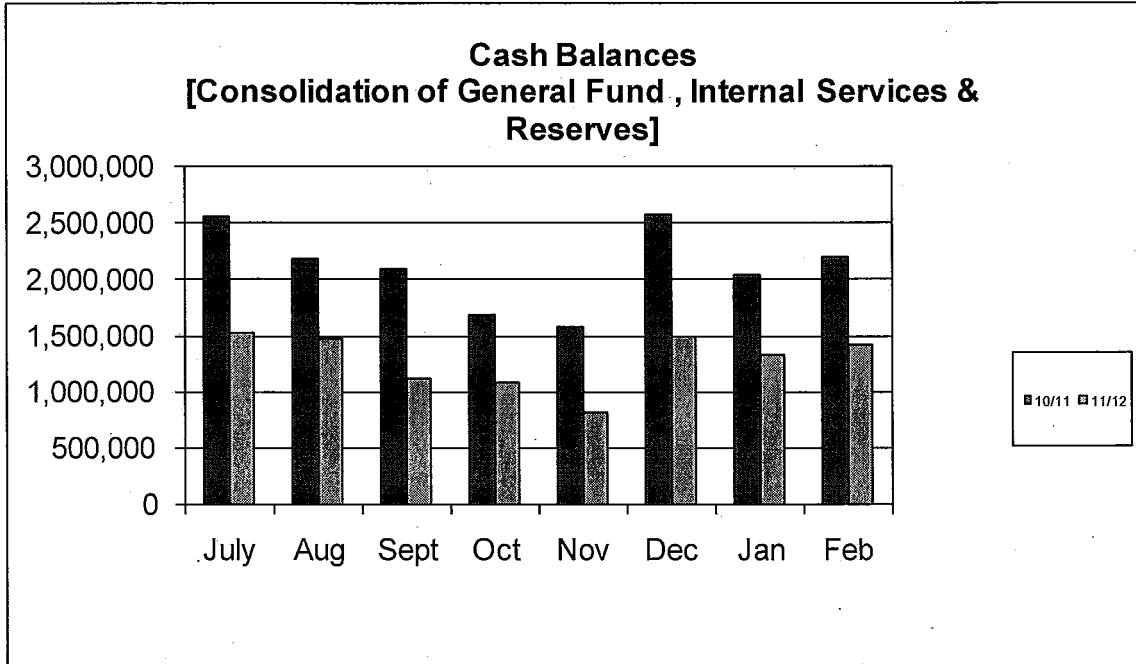
<b>General Fund: Summary Balance Sheet</b>	<b>6/30/2011</b>	<b>Incr/Decr</b>	<b>2/29/2012</b>
Cash	(240,500)	848,700	608,200
Prepaid Expenditures	3,700	(2,000)	1,700
Accounts Receivable	59,300	(37,700)	21,600
Accounts Receivable - Intergovernmental <sup>1</sup>	1,179,300	(966,900)	212,400
Accounts Receivable - RDA (Rispin)	1,350,000	-	1,350,000
Short Term Loans - RDA	-	-	-
Long Term Loans - RDA	618,000	-	618,000
<b>TOTAL ASSETS</b>	<b>\$ 2,969,800</b>	<b>\$ (157,900)</b>	<b>\$ 2,811,900</b>
Accounts Payable	261,200	(150,000)	111,200
Payroll Related Liabilities	335,800	(390,800)	(55,000)
Other Deposits and Other Liabilities	243,800	32,700	276,500
Deferred Revenue – RDA	618,000	-	618,000
Deferred Revenue	368,700	(151,900)	216,800
Due to Other Funds	-	939,900	939,900
<b>TOTAL LIABILITIES</b>	<b>\$ 1,827,500</b>	<b>\$ 279,900</b>	<b>\$ 2,107,400</b>
<b>FUND BALANCE<sup>2</sup></b>			
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	-	(438,200)	(438,200)
Net, Available Fund Balance	<b>\$ (219,900)</b>	<b>\$ (438,200)</b>	<b>\$ (658,100)</b>
<b>TOTAL FUND BALANCE</b>	<b>\$ 1,142,300</b>	<b>\$ (438,200)</b>	<b>\$ 704,500</b>

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

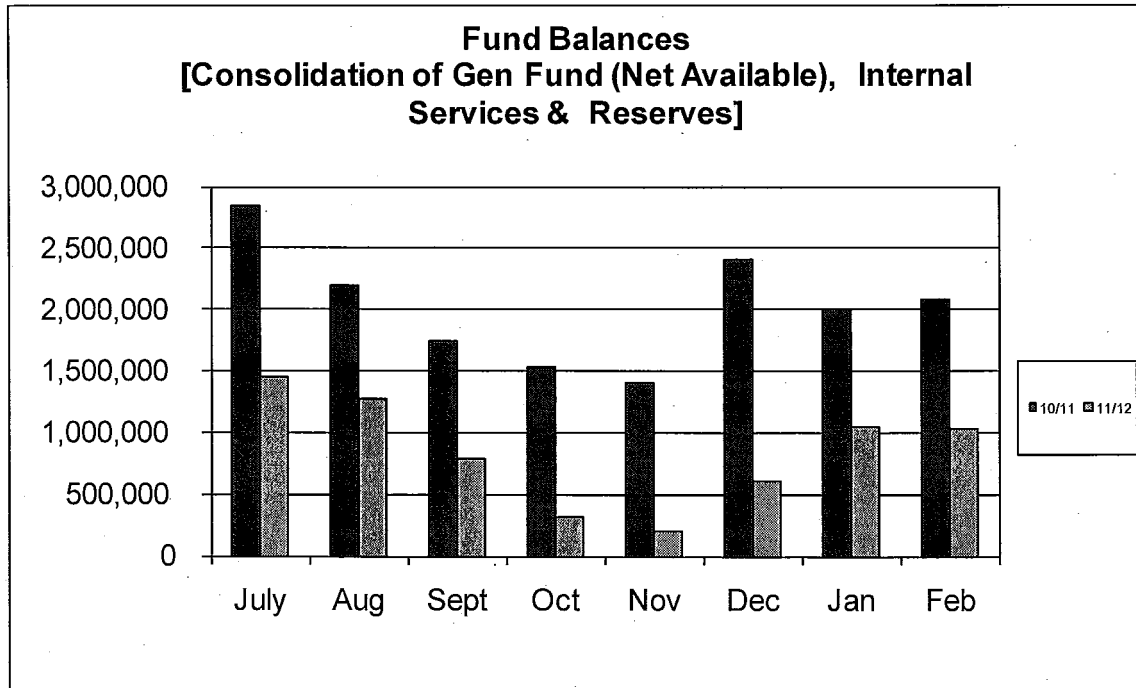
<sup>2</sup> Fund Balance is segregated for the amounts related to the Rispin Mansion Note Payable to the City and amount available.

**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.



February 29, 2012 Total= \$1,426,200: Gen Fund= \$608,200, Internal Service= \$583,200, Reserves= \$234,800



February 29, 2012 Total= \$1,024,800: Gen Fund= (\$658,100), Internal Service= \$983,200, Reserves= \$699,700

**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-Jan	Revenue	Expenditure	Interfund Transfers	Unaudited Fund Balance 2/29/12
<b>General Fund: Rispin</b>	1,350,000	-		-	-	1,350,000
<b>General Fund: Reserved</b>	12,600	-		-	-	12,600
<b>General Fund: Available</b>	(219,900)	(471,800)	695,400	(661,800)	-	(658,100)
<b>Designated Reserves:</b>	-					-
Emergency Reserves @ 5%	134,700	17,100	0	0	-	151,800
Compensated Absences	64,700	18,300	0	0	-	83,000
Contingency Reserves @10%	934,900	(470,000)	0	0	-	464,900
<b>Capital Improv. Projects:</b>	1,053,900	(402,600)	0	(77,000)	-	574,300
Open Space Purchase	300	-	0	0	-	300
<b>Special Revenues:</b>	-					-
Gas Tax	-	8,100	0	(2,600)	-	5,500
Law Enforcement Grants	9,900	15,800	40,700	(4,700)	-	61,700
PEG Cable TV Access	77,900	(18,000)	4,600	(1,800)	-	62,700
Capitola & Wharf BIA	5,500	17,700	300	(1,200)	-	22,300
Development Fees	2,000	-	0	0	-	2,000
Wharf Fund	46,400	29,100	4,500	(5,100)	-	74,900
Green Building	48,700	43,000	0	0	-	91,700
Parking Reserve Fund	180,700	(183,300)	0	(1,300)	-	(3,900)
Technology Fee Fund	11,300	9,100	400	0	-	20,800
CDBG-Grants (Reimburseme	(4,100)	20,400	0	(2,700)	-	13,600
CDBG - Program Income	(15,500)	(1,600)	0	(200)	-	(17,300)
CDBG - Prog Inc 07-08 RLF	-	-	0	0	-	-
HOME Program Re-Use	5,100	(2,000)	1,000	0	-	4,100
HOME Grant Fund	5,200	-	0	0	-	5,200
Affordable Housing Trust	343,100	(172,400)	0	0	-	170,700
Begin Grant Fund	60,000	100	0	0	-	60,100
Public Art Program	127,700	270,700	0	(3,100)	-	395,300
General Plan Maintenance	303,300	(42,100)	1,400	(27,800)	-	234,800
<b>Debt Service:POB</b>	252,900	(216,400)	0	0	-	36,500
<b>Internal Services:</b>	-					-
Equipment Replacement	305,900	29,200	0	0	-	335,100
Information Technology	173,200	3,100	0	(16,600)	-	159,700
Public Employee Retirement	473,700	(240,900)	0	0	-	232,800
Self-Insurance Liability	277,400	(57,700)	0	(22,700)	-	197,000
Stores	14,300	(4,000)	0	(9,900)	-	400
Worker's Compensation	174,800	(116,600)	0	0	-	58,200
<b>TOTAL CITY</b>	<b>6,210,600</b>	<b>(1,917,700)</b>	<b>748,300</b>	<b>(838,500)</b>	<b>-</b>	<b>4,202,700</b>

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 February 29, 2012, total revenues were \$695,400 which included Sales Tax of \$413,600 (59%), and Charges for Services of \$93,400 (13%).

General Fund Expenditures: For the month ending February 29, 2012, total expenditures were \$661,800 which includes Staffing for (2) pay periods of \$441,200 (66%), and Contract Services of \$176,600 (26%).

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.

**Reviewed By:**

\_\_\_\_\_  
Jacques Bertrand, City Treasurer



**ATTACHMENT 2**

**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	0.401	0.382
2012	0.385	0.389										



## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: POLICE DEPARTMENT

SUBJECT: REQUEST FROM THE CAPITOLA PUBLIC SAFETY AND COMMUNITY SERVICE FOUNDATION FOR APPROVAL OF A SPECIAL EVENT PERMIT FOR THE 7<sup>th</sup> ANNUAL CAPITOLA ROD AND CUSTOM CLASSIC CAR SHOW IN CAPITOLA VILLAGE ON SATURDAY AND SUNDAY, JUNE 9 AND 10, 2012.

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**RECOMMENDED ACTION:** Approve the Special Event Permit for the 7<sup>th</sup> Annual Capitola Rod and Custom Classic Car Show to be held in Capitola Village on Saturday and Sunday, June 9 and 10, 2012; including approval of an encroachment permit, an entertainment permit, and authorization to serve beer and wine to select guests and sponsors (VIP's) on the City property located in Esplanade Park behind the bandstand during the event, and sell beer in the parking lot of 109 San Jose Avenue or in the Capitola Theater lot, and to hang banners prior to the event.

**BACKGROUND:** The organizers are requesting that the Special Events Permit be granted for two days. There are no significant changes from last year's event, with the exception of the request to have beer available for sale ("Beer Garden"). The new Special Event Permit process allows staff level approval for recurring permits. Because of the additional request to sell beer, this permit requires Council approval. The Capitola Public Safety and Community Service Foundation (Foundation), in cooperation with the Capitola-Soquel Chamber of Commerce, wishes to host the 7<sup>th</sup> Annual Capitola Rod and Custom Classic Car Show in Capitola Village on June 9 and 10, 2012, from 9:00 a.m. through 5:00 p.m. on Saturday, and 9:00 a.m. through 2:00 p.m. on Sunday. The show helps raise funds for the Foundation, which is a non-profit corporation dedicated to promoting public safety and community outreach within Capitola. The car show also helps kick-off the village summer tourist season.

A disc jockey will make announcements and play recorded music in Esplanade Park from 9:00 a.m. to 5:00 p.m. on Saturday, and 9:00 a.m. to 2:00 p.m. on Sunday; with the exception of Saturday afternoon when a live band will play from 1:00 p.m. to 3:00 p.m. The two-day event will be staffed by volunteers and members from the Chamber of Commerce, Police Department, and the Foundation.

**DISCUSSION:** The event organizers are requesting to have the Beer Garden either in the parking lot at 109 San Jose Avenue near Esplanade Avenue or in the Capitola Theater lot. Both areas are private property and would be monitored by the Foundation and event staff, in a manner similar to the Art and Wine event. Identification checks would be conducted on those wishing to purchase beer and consumption would only be permitted in the parking lot. The Foundation is applying for a two-day ABC permit for this event.

The event is scheduled to close at 5:00 p.m. on Saturday and at 2:00 p.m. on Sunday. The streets are expected to be open and accessible to vehicle traffic by 7:00 p.m. on Saturday and by 3:30 p.m. on Sunday.

**FISCAL IMPACT:**

The fiscal impact of this event to the City will be offset by applicant fees. Volunteer staff from both organizations and the car club will provide clean up and security for the event at no cost to the City. Public Works will supply the barricades and hang the banner. Volunteer staff will place and remove the barricades, post the parking meters, and perform all clean up after the event.


The fees are as follows: Special event permit \$56; encroachment permit \$59; entertainment permit application \$35; entertainment permit \$35; and banner permit \$36: Total fees: \$221. The cost for personnel is as follows: Three police officers at \$150/hour for 5 hours each, \$2,250; one sergeant at \$200/hour for 5 hours, \$1,000; one Public Works supervisor at \$85/hour for 3 hours regular time and \$110/hour for 3 hours overtime, \$585; and one maintenance worker at \$60/hour for 8 hours, \$480.

Fees:	\$ 221
Personnel:	<u>\$4,315</u>
Total:	\$4,563

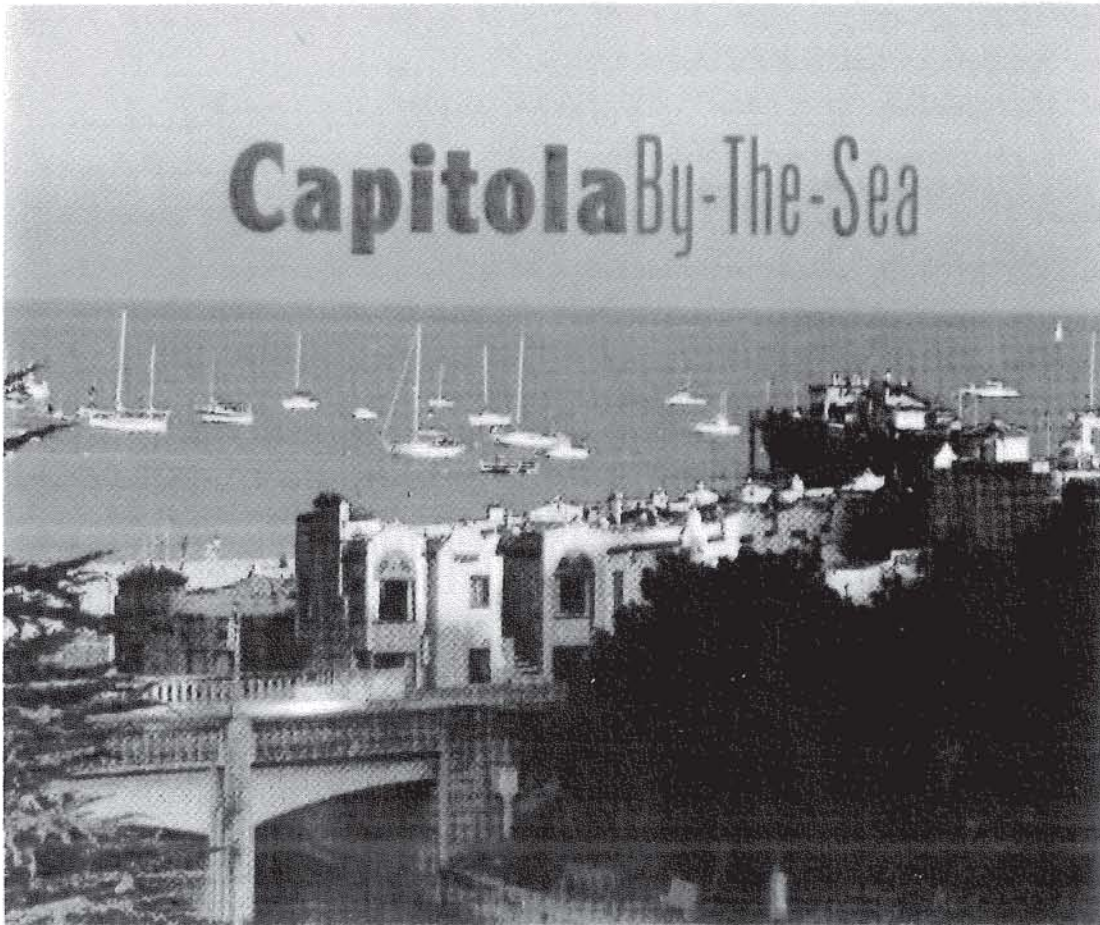
**ATTACHMENTS**

1. Special Event Permit Application  
(including map and entertainment and banner permit applications)

**Report Prepared By:** Denice Pearson, Administrative/Records Analyst  
**Report Approved By:** Mike Card, Chief of Police

**Reviewed and Forwarded  
By City Manager:** 

**GENERAL SPECIAL EVENT  
PERMIT  
APPLICATION**



**CITY OF CAPITOLA**  
**CAPITOLA CUSTOM ROD & CLASSIC CAR SHOW**  
**June 9<sup>th</sup> and 10<sup>th</sup> 2012**

submitted by the Capitola Public Safety and  
and Community Service Foundation



**SPONSORING ORGANIZATION AND APPLICANT INFORMATION**

- Event Name: Capitola Custom Rod & Classic Car Show
- Event Description: Car Show
- Event Purpose: Bring people to Capitola
- Sponsor: Capitola Public Safety Foundation
- Sponsor's Address: 716-G Capitola Avenue  

<u>capitola</u>	<u>Ca.</u>	<u>street</u>
		<u>95010</u>
<u>city</u>	<u>state</u>	<u>zip code</u>
- Sponsoring Organization's Phone: ( 831 ) 475-6522
- FAX Number: ( 831 ) 475-6530 E-Mail Address: toni@capitolachamber.com
- Contact Person's Name: Toni Castro
- Business Phone: ( 831 ) 475-6522 Cellular Phone: ( 831 ) 359-1803
- FAX Number: ( 831 ) 475-6530 E-Mail Address: toni@capitolachamber.com

Will you be using a professional Special Event Organizer? If yes, please include all foregoing information about the organizer on a separate sheet of paper and attach to your application.

**EVENT INFORMATION**

- Type of event:  Run  Festival  Parade  Sale  Motion Picture  Block Party
- Other (specify) Car Show
- Event Location: Capitola Village
- Event Dates: June 9th and 10th 2012 Anticipated Attendance: 4,000
- Web Site Information: www.capitolacarshow.com E-Mail Address: toni@capitolachamber.com
- Will the public be invited?  Yes  No

Actual hours open to the public or "advertised" event hours:

- Date: 06/09/12 Time: 18:00-9 AM/PM to 18:00-5 AM/PM *Per Toni*
- Date: 06/10/2012 Time: 18:00-9 AM/PM to 18:00-2 AM/PM
- Date: 06/10/2012 Time: 18:00 AM/PM to 18:00 AM/PM
- Has this event taken place before?  Yes  No Any changes to this event?  Yes  No
- If yes, what changes? Adding a Beer Garden
- If yes, please attach a copy of your last permit for this event, if available.
- Will this event be promoted, advertised or marketed in any manner?  Yes  No
- Will there be live media coverage during your event?  Yes  No
- If yes, please explain: \_\_\_\_\_

- Are admission, entry or vendor participant fees required?  Yes  No
- If yes, explain: Public admission fees: \$ none per person  
 Participant entry fees: \$ 60.00 per person  
 Vendor fees: \$ 200.00 per booth  
 Number of vendors: 10  
 How many vendors are for profit? 5  
 How many vendors are nonprofit? 5
- \$ \_\_\_\_\_ Total estimated gross receipts, including tickets, product and sponsorship sales from this event. Explain how this amount was computed. Indicate amount per item.  
 \$ \_\_\_\_\_ Admission fees  
 \$ \_\_\_\_\_ Product fees  
 \$ \_\_\_\_\_ Sponsorship  
 \$ \_\_\_\_\_ Participant entry fees  
 \$ \_\_\_\_\_ Other (Please specify): \_\_\_\_\_
- \$ \_\_\_\_\_ Total estimated expenses for this event.  
 \$ \_\_\_\_\_ Advertising  
 \$ \_\_\_\_\_ Wages, salaries  
 \$ \_\_\_\_\_ City services (police, fire, street closures)  
 \$ \_\_\_\_\_ Insurance  
 \$ \_\_\_\_\_ Business license fee  
 \$ \_\_\_\_\_ Other (Please specify): \_\_\_\_\_
- Is the organization a "tax exempt, nonprofit" organization?  Yes  No
- \$ \_\_\_\_\_ Projected amount of revenue the Sponsoring Organization(s) will receive as a result of this event.
- Specify the organization(s) to receive funding: \_\_\_\_\_

- City sponsorship requested?  Yes  No If yes, please describe:  
Waive Permit fees

**OVERALL EVENT DESCRIPTION**

- Will a staging/setup/assembly location be required?  Yes  No
- If yes, begin day/date: June 9, 2012 Start time: 6:00  AM/ PM
- Location: Capitola Village Theater Parking Lot and Capitola Mercantile Parking Lot
- Description of the scope of the setup/assembly work (Attach additional pages and drawings as needed): Beer Garden Set-Up

- If yes, dismantle day date: June 10, 2012 Completion time: 5:00 AM/PM

- List the street(s) requiring closure as a result of this event. Include street names, day, date and time of closing and the time of reopening: \_\_\_\_\_

Esplanade, Capitola Avenue from Stockton to Monterey Avenue, San Jose Avenue from Capitola Avenue to Esplanade.

City of Capitola to conduct street closures as needed (cost to be specified)

- List street(s) requiring the posting of "No Parking" signs. Indicate days, dates, and times needed and an explanation of necessity for "No Parking" zone: \_\_\_\_\_

Street Signs and Bagging of Meters or Parking Banks will need to take place on Tuesday, June 5th and removed on Sunday, June 10th at the end of the day.  
~~"No Parking" Zone is needed so classic cars can be displayed in parking spots on designated streets.~~

NOTE: "No Parking" signs will be posted twenty-four hours in advance of required days, dates and time. Cost for the posting of "No Parking" signs will be specified upon review of the application by City staff.

**OVERALL EVENT DESCRIPTION (continued)**

- Attach a diagram (please try to make diagram reasonably to scale), showing the overall layout and setup locations. Using the letters below, indicate the site for these on your diagram.

- A Alcoholic and nonalcoholic concession
- B First-aid facilities
- C Tables and chairs
- D Fencing, barriers and/or barricades
- E Generator locations and/or sources of electricity
- F Canopies or tent locations
- G Booths, exhibits, displays or enclosures
- H Scaffolding, bleachers, platforms, stages, grandstands, related structures
- I Vehicles and/or trailers
- J Trash containers or dumpsters
- K Non-food vendor locations
- L Food concession and/or food preparation areas
- M Portable toilet locations



**OVERALL EVENT DESCRIPTION (continued)**

Portable and/or permanent toilet facilities:

- Number of portable toilets: 10 (Recommended: 1 for every 250 people)
- Number of ADA-accessible toilets: 2 (Recommended: 10% of total toilets)

(NOTE: Unless the Applicant can substantiate the availability of both accessible and non-accessible toilet facilities in the immediate area of the site, the above is required. Portable toilet facilities must be in place 24 hours in advance, cleaned and sanitized daily during the event, and must be removed by 8:00 a.m. the next business day following the event. Location sites for portable toilets must be pre-approved prior to installation.)

- Number of trash receptacles: 20
- Number of dumpsters with lids: 2 (Recommended 1 per 400 people)
- Number of recycling containers: 5 (Voluntary)
- Describe the plan for cleanup and removal of waste and garbage during and after the event:

Car Show Staff will clean up trash and recyclibles during and after event.

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(Note: It is the event organizer’s responsibility to dispose of waste and garbage daily throughout the term of the event, unless otherwise contracted with City staff, which will require a fee. Immediately upon conclusion of the event, the venue must be returned to a clean condition. Street sweeping can be arranged with City crews for an additional fee.)

**PARKING PLAN – SHUTTLE PLAN – MITIGATION OF IMPACT**

- Please provide a detailed description or diagram that indicates the proposed parking plan and/or shuttle plan for the event. Include a description of the parking plan/shuttle plan for the disabled.



N Other related event components not covered above (describe separately)

- Please describe how food will be served at the event: \_\_\_\_\_  
No food served
  - Will food be cooked in the event area?  Yes  No
  - If yes, specify method:  Gas  Electric  Charcoal  Other (specify):  
\_\_\_\_\_
  - Does the event involve the sale or use of alcoholic beverages?  Yes  No
  - If yes, please describe: Beer Garden - Beer will be sold
  - If alcohol is to be sold, how will the alcohol sales be regulated? Wrist Bands and  
the Public will be ID'D. Specially trained servers will serve the Beer.
- Please attach a copy of your ABC license.
- Will there be items or services sold at the event?  Yes  No
  - If yes, please describe: \_\_\_\_\_  
Merchandise Booth will sell T-Shirts and Car Show Items  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- Do the vendors have City of Capitola business licenses?  Yes  No



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- Describe plan to notify those residents, businesses, churches, etc. that will be impacted by this event.

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The Public Safety Foundation will send out notices to residents and businesses regarding the eve

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- Does this event involve a moving route of any kind along streets or sidewalks?  
 Yes    No
- If yes, highlight your proposed route on the enclosed map, indicating the directions of travel, and provide a written narrative to explain your route and its impact.

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see map

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- Does this event involve a fixed venue site?    Yes    No
- If yes, highlight the site on the enclosed map, showing all the streets impacted by the event.

## ENTERTAINMENT – ATTRACTION – RELATED EVENT ACTIVITIES

- Is there any musical entertainment or amplified sound related to your event?  
 Yes    No
- If yes, what kind: DJ  
\_\_\_\_\_
- Contact person's name: Jon@Classified Sound Phone number: (\_\_\_\_) \_\_\_\_\_
- Contact person's address: \_\_\_\_\_  
street  
\_\_\_\_\_  
city state zip code
- Number of stages: one Number of bands: one
- Type of music: classic 50's Sound amplification?  Yes  No
- If yes, start time: 11:00  AM/ PM Finish time: 2:00  AM/ PM
- Have you applied for a sound permit?  Yes  No (Refer to city ordinance 9.12.040)
- Will sound checks be conducted prior to the event?  Yes  No
- If yes, do you wish to have the city provide the checks?  Yes  No
- Describe sound equipment that will be used: DJ will set-up speakers thruout the Village  
\_\_\_\_\_
- Will fireworks, rockets or other pyrotechnics be used?  Yes  No
- If yes, name and phone number of pyrotechnic company: \_\_\_\_\_  
\_\_\_\_\_ (\_\_\_\_) \_\_\_\_\_
- Describe (indicate dates, times and locations for launching and fallout areas):  
\_\_\_\_\_  
\_\_\_\_\_
- Has a permit been issued?  Yes  No
- Will there be any type of open flames used?  Yes  No
- If yes, please describe: \_\_\_\_\_
- Will any signs, banners, decorations or special lighting be used?  Yes  No
- If yes, please describe: Banners thruout the Village for Sponsors  
(Refer to city ordinance chapter 17.57)



## INSURANCE REQUIREMENTS

### INSURANCE

Applicant must provide insurance at the following minimal limits: \$1,000,000 (one million) combined single limit. (Two million for the annual Art and Wine Festival). This Certificate of Insurance must name the City as an additional insured throughout the event duration, including setup and breakdown. The Certificate of Insurance, including limits of insurance, must be received by the Special Events Coordinator by \_\_\_\_\_ to finalize this permit.

### HOLD HARMLESS

The Applicant will, at its sole expense, provide the City with evidence of insurance for general liability and Worker's Compensation benefits for accidents or injuries that occur or are sustained in connection with the special event which is the subject of this permit application and contract. The Applicant agrees on behalf of itself and on behalf of its agents and employees that the Applicant will not make a claim against, sue, attach the property of, or prosecute the City or any of the City's agencies, employees, contractors or agents for injury or damages resulting from negligence or other acts, however caused, which might be asserted against the City in connection with actions taken by the City or the City's employees or agents in connection with this Special Event Permit. In addition, Applicant, on behalf of itself and its agents and employees, as well as its successors and assigns, hereby releases, discharges and holds the City harmless from, and indemnifies the City against, all actions, claims or demands Applicant, or Applicant's employees, agents, successors or assigns, or any third person now has or may hereafter have for personal injury or property damage resulting from the actions of the Applicant, the Applicant's employees or agents, or any other person under the control of the Applicant, taken pursuant to this Special Event Permit whether said actions are characterized as negligent or intentional.

Applicant Signature: \_\_\_\_\_  
*Toni Castro*

### ADVANCED CANCELLATION NOTICE REQUIRED

If this event is cancelled, notify the Special Events Coordinator at (831) 475-4242.

I certify that the information contained in the foregoing application is true and correct to the best of my knowledge and belief, that I have read, understand and agree to abide by the rules and regulations governing the special event under Capitola Municipal Code, and that I understand that this applications is made subject to the rules and regulations established by the City Council and/or the City Manager or the City Manager's designee. I agree to comply with all permit conditions and with all other requirements of the City, County, state and federal governments and any other applicable entity that may pertain to the use of the event premises and the conduct of the event. I agree to abide by these rules and further certify that I, on behalf of the organization, am also authorized to commit that organization and, therefore, agree to be financially responsible for any costs and fees that may be incurred by or on behalf of the event to the City of Capitola.

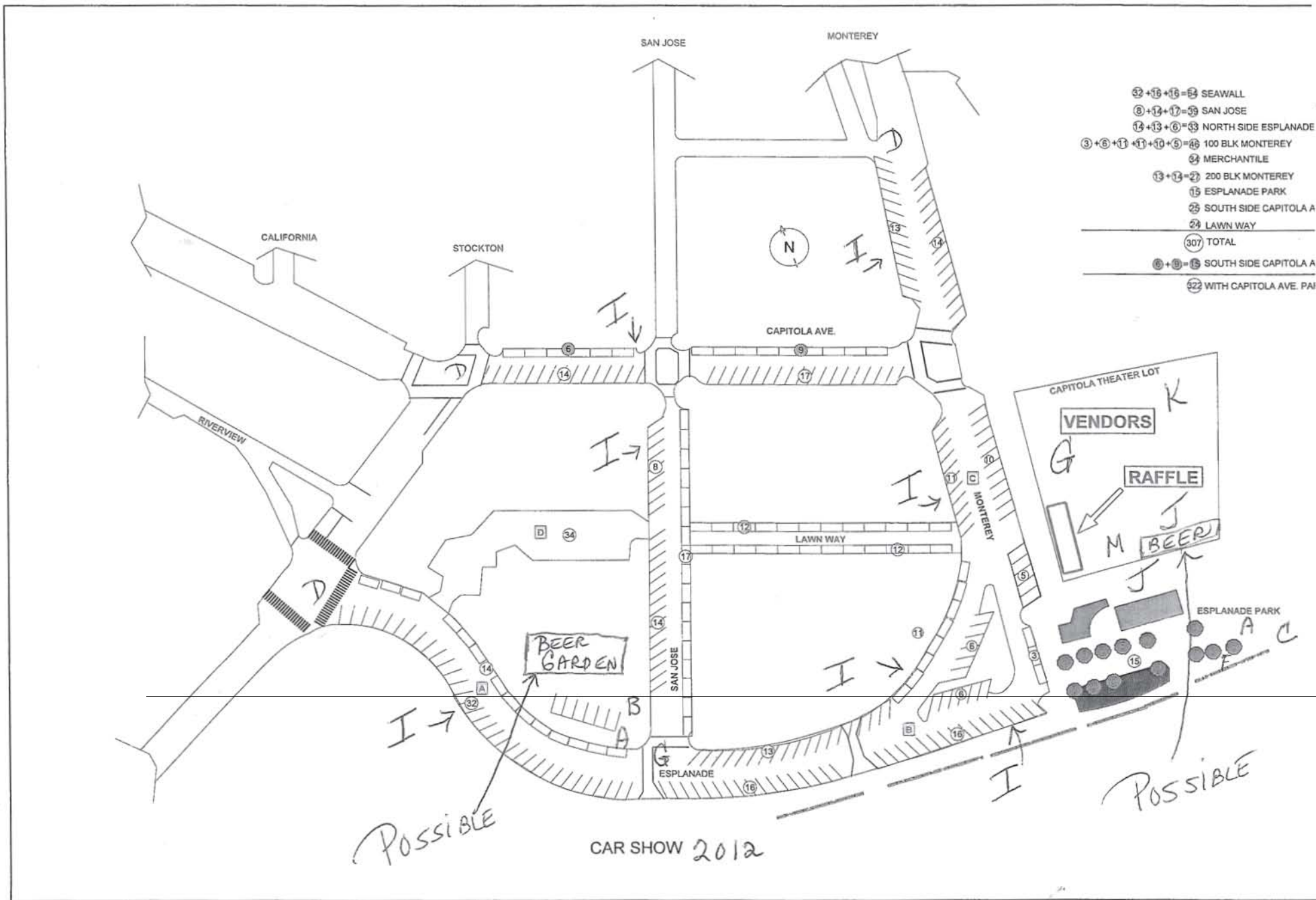
Name of Applicant (print): Toni Castro

Title: Executive Director

Signature of Applicant: \_\_\_\_\_  
*Toni Castro*

Date: 03-01-12

**Submit to Capitola PD**



BEER — WILL USE ONLY ONE LOCATION





422 CAPITOLA AVENUE  
CAPITOLA, CALIFORNIA 95010  
TELEPHONE (831) 475-4242  
FAX (831) 479-8881

**APPLICATION FOR LIVE ENTERTAINMENT PERMIT**

(Application fee of \$35.00 must be submitted with completed application. An additional \$35.00 will be due when Entertainment Permit Approved and Issued)

BUSINESS NAME: CAPITOLA PUBLIC SAFETY & COMMUNITY SERVICE FOUNDATION

ADDRESS: 716-G CAPITOLA AVENUE  
CAPITOLA, CA. 95010

BUSINESS PHONE: 475-6522

RESPONSIBLE PARTY: TONI CASTRO

HOME ADDRESS 920 CAPITOLA AVENUE  
CAPITOLA, CA. 95010

HOME PHONE 464-3480 Cellular PHONE 359-1803

TYPE OF PERMIT APPLIED FOR (Check One):

- SINGLE EVENT ENTERTAINMENT PERMIT (\$31.00)
- MINOR ENTERTAINMENT PERMIT
- REGULAR ENTERTAINMENT PERMIT

NATURE OF ENTERTAINMENT: (Please provide explanation; i.e. live band, disc jockey, etc.)

ONE LIVE BAND - 60's 70's  
ONE DISC JOCKEY - CLASSIFIED SOUND

HOURS OF ENTERTAINMENT: 9:00AM TO 5:00 P.M. - SAT JUNE 9, 2012  
9:00 AM TO 2:00 P.M. - SUN. JUNE 10, 2012

DAYS OF ENTERTAINMENT:

DATE: MARCH 5, 2012

  
SIGNATURE OF APPLICANT



CITY OF CAPITOLA  
PLANNING DEPARTMENT

**TEMPORARY SIGN & BANNER  
PERMIT APPLICATION**

**INSTRUCTIONS:** Fill out completely and return to Planning Department. Attach a drawing or photo with dimensions of the proposed sign or banner.

**Permit Requirements – Municipal Code Section 17.57**

1. No more than two businesses may display a temporary sign or banner at any one time in a shopping center pertaining to the same event.
2. No business may display a temporary sign or banner greater than thirty square feet.
3. No business may display a temporary sign or banner for more than thirty days in any calendar year.
4. Temporary signs and banners are allowed only in conjunction with special sales or events. Special promotions do not include advertising individual products and services or the process of products and services.

*FOR CAPITOLA CUSTOM ROD & CLASSIC CAR SHOW*

Project Address \_\_\_\_\_ APN# \_\_\_\_\_

Dates of Display JUNE 1ST THRU JUNE 11TH 2012 - MONTEREY AVENUE

Dimensions of Sign or Banner 18' WIDE X 3'.5" HIGH

Property Owner \_\_\_\_\_ Phone No. \_\_\_\_\_

Applicant (If other than owner) \_\_\_\_\_ Phone No. \_\_\_\_\_

I hereby certify that I will comply with all provisions of Section 17 of the Municipal Code of the City of Capitola, and do hereby declare that the facts given on this application are true and correct to the best of my knowledge.

Property Owner Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Applicant Signature: *[Signature]* Date: 03-05-12

STAFF USE ONLY		APPLICATION# _____
Temporary Sign or Banner + 5% Information Technology Fee		<b>\$36.00 + \$1.80</b>
Planning Department Approval: _____		Date: _____





Item #: 9.D.

## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: POLICE DEPARTMENT

SUBJECT: REQUEST FROM THE MERMAID SERIES FOR APPROVAL OF A SPECIAL EVENT PERMIT FOR THE MERMAID TRIATHLON AND DUATHLON IN CAPITOLA ON SATURDAY, OCTOBER 6, 2012

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**RECOMMENDED ACTION:** Approve the Special Event Permit for the Mermaid Triathlon and Duathlon to be held in Capitola on Saturday, October 6, 2012; including approval of an encroachment permit, an entertainment permit, and to hang banners prior to the event

**BACKGROUND:** There are no significant changes from last year's event, with the exception of the request to close Park Avenue between Monterey Avenue and Kennedy Drive. The new Special Event Permit process allows staff level approval for recurring permits. Because of the additional request to close the street, this permit requires Council approval. The Mermaid Triathlon and Duathlon is promoted by organizers of the By the Beach Productions, LLC (Limited Liability Company), with a DBA (Doing Business As), Mermaid Series. This is the 7th Annual Mermaid Triathlon Race and the second time the race will be held in Capitola. The race is scheduled to take place on Saturday, October 6, 2012 from 7:30 AM to 12:00 p.m.

The Triathlon race will begin on Hooper's Beach and the participants will swim around the Capitola Wharf to the main beach where they will exit the water. They will make their way up Monterey Avenue to the Pacific Cove parking lot where the transition area will be located. Participants will bike out the east end of the Pacific Cove parking lot onto Park Avenue to McGregor Drive, and into the unincorporated area of the County. They will return from McGregor Drive onto Park Avenue, and into the Pacific Cove parking lot. The participants will run out the west end of Pacific Cove parking lot, onto Capitola Avenue to Stockton Avenue, up Cliff Drive and left onto Opal Cliff Drive. They will return on Cliff Drive and turn right onto Wharf Road where they will enter onto the beach. They will complete the race by running east under the Capitola Wharf along the water's edge toward the jetty. Prior to the jetty they will run up the beach toward Esplanade Park to the finish line.

There will be two triathlon races occurring simultaneously. One will be an olympic triathlon and the other a sprint triathlon. The sprint triathlon will be a shorter distance, but the same events. The Duathlon will be similar but will be of a shorter distance and only include biking and running.

There will be amplified music during the event and a race announcer. The Capitola Bandstand will be used after the event for presentation of awards. The event will be staffed by Capitola police officers, Capitola lifeguards, state lifeguards and volunteers.

**DISCUSSION:** Park Avenue will be closed to vehicular traffic for the safety of the participants and spectators. This will be accomplished by placing barricades at all entry points. These points will be monitored by a volunteer and patrolled by a police officer. Vehicular traffic will be routed from Park Avenue onto Kennedy Drive and from Bay Avenue onto Monterey Avenue. Public Works will place barricades at Park Avenue intersections and Bay Avenue at Monterey Avenue intersections. Road closed signs will be erected at these intersections. Residents of Park Avenue will be allowed to travel to and from their homes. Event staff will provide closure notification to residents on Park Avenue prior to the event.

**FISCAL IMPACT:**

The fiscal impact of this event to the City will be offset by applicant fees. Public Works will supply barricades for the Pacific Cove parking lot, the closure of Park Avenue, and hang the banner(s). Volunteer staff will place and remove the barricades, post the parking meters and perform all clean up after the event.

The fees are as follows: Special event permit \$56; encroachment permit \$59; entertainment permit application \$35; entertainment permit \$35; banner permit \$36, Full day bandstand rentals \$630 with \$1,500 deposit. Total fees: \$2,351. The cost for personnel is as follows: Eight police officers at \$150/hour at 4.5 hours each, \$5,400; four lifeguards at \$22/hour at three hours each, \$264; and captain of the lifeguards at \$46/hour for three hours, \$138.

Fees:	\$2,351
Personnel:	<u>\$5,802</u>
Total:	\$8,153

**ATTACHMENTS**

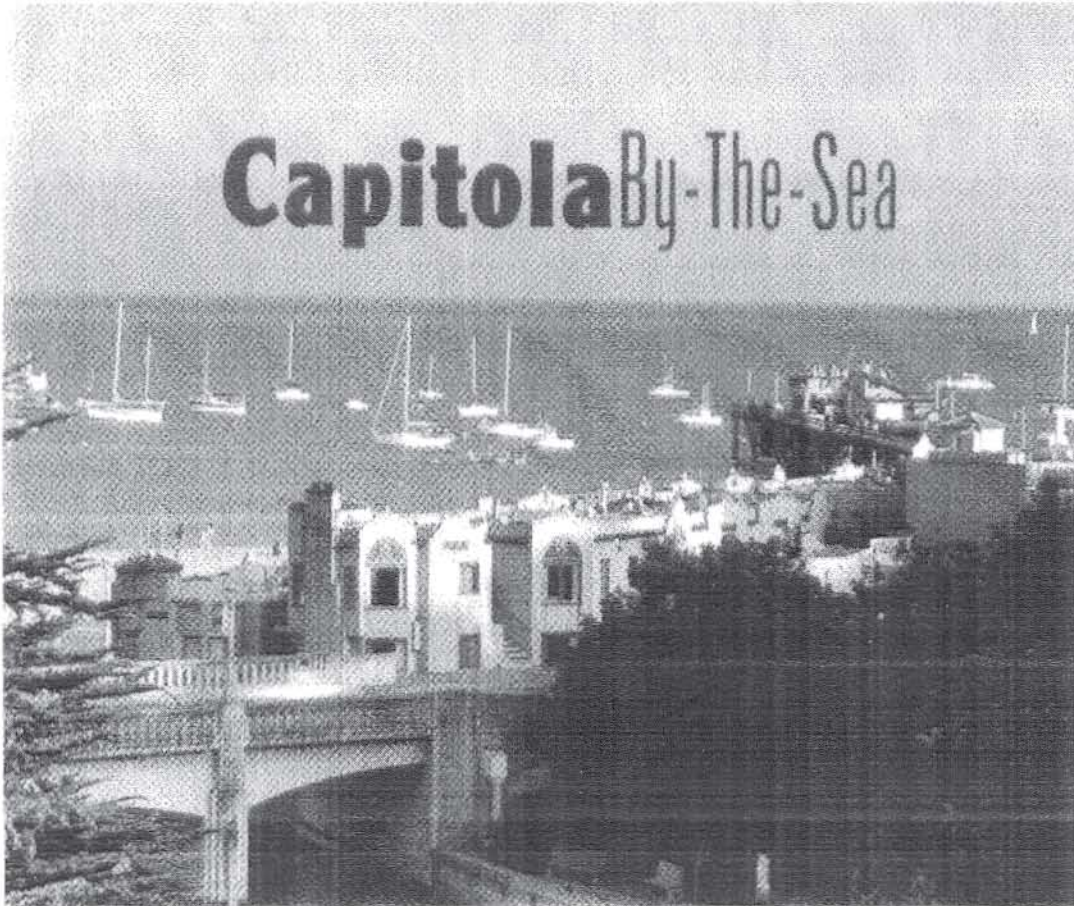
1. Special Event Permit Application (Including applications for Entertainment & Banner Permits)

**Report Prepared By:** Sergeant Mark Gonzalez

**Reviewed and Forwarded  
By City Manager:**



**GENERAL SPECIAL EVENT  
PERMIT  
APPLICATION**



**CITY OF CAPITOLA**

**SPONSORING ORGANIZATION AND APPLICANT INFORMATION**

- ∞ Event Name: Mermaid Triathlon & Duathlon
- ∞ Event Description: All women swim, bike, run event
- ∞ Event Purpose: Promote women's fitness and sport
- ∞ Sponsor: By the Beach Productions, LLC (dba: Mermaid Series)
- ∞ Sponsor's Address: 464 Hampstead Way  

<u>Santa Cruz</u>	<u>CA</u>	<u>street</u>	<u>95062</u>
<small>city</small>	<small>state</small>		<small>zip code</small>
- ∞ Sponsoring Organization's Phone: ( 408 ) 314-1718
- ∞ FAX Number: ( ) E-Mail Address: carlo@mermaidseries.com
- ∞ Contact Person's Name: Carlo Facchino
- ∞ Business Phone: ( 408 ) 314-1718 Cellular Phone: ( 408 ) 314-1718
- ∞ FAX Number: ( ) E-Mail Address:

Will you be using a professional Special Event Organizer? If yes, please include all foregoing information about the organizer on a separate sheet of paper and attach to your application.

**EVENT INFORMATION**

- ∞ Type of event:  Run  Festival  Parade  Sale  Motion Picture  Block Party
- ∞ Other (specify) Swim, Bike, Run
- ∞ Event Location: Capitola Beach - Bandstand - Esplanade Park - Overflow Parking lot
- ∞ Event Dates: 10/6/12 Anticipated Attendance: 700
- ∞ Web Site Information: www.mermaidseries.com E-Mail Address: info@mermaidseries.com
- ∞ Will the public be invited?  Yes  No

Actual hours open to the public or "advertised" event hours:

- ∞ Date: 10/06/2012 Time: 07:30 AM/PM to 07:30 AM/PM
- ∞ Date: 10/06/2012 Time: 07:30 AM/PM to 07:30 AM/PM
- ∞ Date: 10/06/2012 Time: 07:30 AM/PM to 07:30 AM/PM
- ∞ Has this event taken place before?  Yes  No Any changes to this event?  Yes  No
- ∞ If yes, what changes? Requesting Road Closure from Moneterey & Park to Kennedy & Park
- ∞ If yes, please attach a copy of your last permit for this event, if available.
- ∞ Will this event be promoted, advertised or marketed in any manner?  Yes  No
- ∞ Will there be live media coverage during your event?  Yes  No
- ∞ If yes, please explain: Event will be advertised in Competitor Sport Magazine



- ∞ Are admission, entry or vendor participant fees required?  Yes  No
- ∞ If yes, explain: Public admission fees: \$ Free per person  
 Participant entry fees: \$ Average 80 per person  
 Vendor fees: \$ N/A per booth  
 Number of vendors: 3  
 How many vendors are for profit? 3  
 How many vendors are nonprofit? 0
- ∞ \$ 59,000 Total estimated gross receipts, including tickets, product and sponsorship sales from this event. Explain how this amount was computed. Indicate amount per item.  
 \$ 0 Admission fees  
 \$ 0 Product fees  
 \$ 2,000 Sponsorship  
 \$ 56,000 Participant entry fees  
 \$ 1,000 Other (Please specify): Sales of event merchandise
- ∞ \$ 51,000 Total estimated expenses for this event.  
 \$ 3,000 Advertising  
 \$ 15,000 Wages, salaries  
 \$ 5,000 City services (police, fire, street closures)  
 \$ 1,500 Insurance  
 \$ \_\_\_\_\_ Business license fee  
 \$ 28,000 Other (Please specify): CHP, tshirts, food, volunteers
- ∞ Is the organization a "tax exempt, nonprofit" organization? Yes  No
- ∞ \$ 8,000 Projected amount of revenue the Sponsoring Organization(s) will receive as a result of this event.
- ∞ Specify the organization(s) to receive funding: By the Beach Productions, LLC  
Donations to: Harbor High Girls Water Polo, Soquel High School Girls Softball, Monterey Bay Academy
- ∞ City sponsorship requested?  Yes  No If yes, please describe:  
Requesting use of dumpsters at the Bandstand

**OVERALL EVENT DESCRIPTION**

- ∞ Will a staging/setup/assembly location be required?  Yes  No
- ∞ If yes, begin day/date: 10/5/2012 Start time: 10:00  AM /  PM
- ∞ Location: Capitola Beach, Esplanade, Pacific Cove Lot
- ∞ Description of the scope of the setup/assembly work (Attach additional pages and drawings as needed): Set up finish line, post race expo, transition zone, start line. Open spaces in the Pacific Cove lot will be conned off and the transition zone will be set up as the parking lot clears out.

∞ If yes, dismantle day date: 10/06/2012 Completion time: 3:00 AM/PM

∞ List the street(s) requiring closure as a result of this event. Include street names, day, date and time of closing and the time of reopening: \_\_\_\_\_

Requesting that Park Ave be closed from Monterey Ave to Kennedy Dr. Park Ave would be closed from 7:30 a.m. to 11:00 a.m. Park Ave would be reopened at 11:00 a.m.

\_\_\_\_\_

\_\_\_\_\_

City of Capitola to conduct street closures as needed (cost to be specified)

∞ List street(s) requiring the posting of "No Parking" signs. Indicate days, dates, and times needed and an explanation of necessity for "No Parking" zone: \_\_\_\_\_

No Parking Signs along Capitola Ave from Pacific Cove to Stockton Ave.  
No Parking Signs along Monterey Ave from the Esplanade to Park Ave.

No Parking Signs along Wharf Road at the Pier  
No Parking in Pacific Cover on Race Day, cars left overnight to be towed at 4:00 a.m.

\_\_\_\_\_

\_\_\_\_\_

NOTE: "No Parking" signs will be posted twenty-four hours in advance of required days, dates and time. Cost for the posting of "No Parking" signs will be specified upon review of the application by City staff.

#### OVERALL EVENT DESCRIPTION (continued)

∞ Attach a diagram (please try to make diagram reasonably to scale), showing the overall layout and setup locations. Using the letters below, indicate the site for these on your diagram.

- A Alcoholic and nonalcoholic concession
- B First-aid facilities
- C Tables and chairs
- D Fencing, barriers and/or barricades
- E Generator locations and/or sources of electricity
- F Canopies or tent locations
- G Booths, exhibits, displays or enclosures
- H Scaffolding, bleachers, platforms, stages, grandstands, related structures
- I Vehicles and/or trailers
- J Trash containers or dumpsters
- K Non-food vendor locations
- L Food concession and/or food preparation areas
- M Portable toilet locations



N Other related event components not covered above (describe separately)

∞ Please describe how food will be served at the event: \_\_\_\_\_  
Participants receive a post race pancake breakfast. Served in a buffet style line

∞ Will food be cooked in the event area?  Yes  No

∞ If yes, specify method:  Gas  Electric  Charcoal  Other (specify):  
GAS

∞ Does the event involve the sale or use of alcoholic beverages?  Yes  No

∞ If yes, please describe: \_\_\_\_\_

∞ If alcohol is to be sold, how will the alcohol sales be regulated? \_\_\_\_\_

\_\_\_\_\_

Please attach a copy of your ABC license.

∞ Will there be items or services sold at the event?  Yes  No

∞ If yes, please describe: \_\_\_\_\_

We will be selling event shirts and apparel.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

∞ Do the vendors have City of Capitola business licenses?  Yes  No

**OVERALL EVENT DESCRIPTION (continued)**

Portable and/or permanent toilet facilities:

- ∞ Number of portable toilets: 15 (Recommended: 1 for every 250 people)
- ∞ Number of ADA-accessible toilets: 1 (Recommended: 10% of total toilets)

(NOTE: Unless the Applicant can substantiate the availability of both accessible and non-accessible toilet facilities in the immediate area of the site, the above is required. Portable toilet facilities must be in place 24 hours in advance, cleaned and sanitized daily during the event, and must be removed by 8:00 a.m. the next business day following the event. Location sites for portable toilets must be pre-approved prior to installation.)

- ∞ Number of trash receptacles: 6
- ∞ Number of dumpsters with lids: 2 (Recommended 1 per 400 people)
- ∞ Number of recycling containers: 6 (Voluntary)
- ∞ Describe the plan for cleanup and removal of waste and garbage during and after the event:

Event staff will clean up area after the race and place all trash into dumpster. All recycling will also be picked up by event staff.

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(Note: It is the event organizer's responsibility to dispose of waste and garbage daily throughout the term of the event, unless otherwise contracted with City staff, which will require a fee. Immediately upon conclusion of the event, the venue must be returned to a clean condition. Street sweeping can be arranged with City crews for an additional fee.)

**PARKING PLAN SHUTTLE PLAN MITIGATION OF IMPACT**

- ∞ Please provide a detailed description or diagram that indicates the proposed parking plan and/or shuttle plan for the event. Include a description of the parking plan/shuttle plan for the disabled.

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Parking will be at the Capitola Mall and surrounding non-permitted streets.

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- ∞ Describe plan to notify those residents, businesses, churches, etc. that will be impacted by this event.

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Capitola resident notification system, banners placed on Capitola and Monterey Ave

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- ∞ Does this event involve a moving route of any kind along streets or sidewalks?

Yes  No

- ∞ If yes, highlight your proposed route on the enclosed map, indicating the directions of travel, and provide a written narrative to explain your route and its impact.

- ∞ 

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- ∞ Does this event involve a fixed venue site?  Yes  No

- ∞ If yes, highlight the site on the enclosed map, showing all the streets impacted by the event.





## INSURANCE REQUIREMENTS

### INSURANCE

Applicant must provide insurance at the following minimal limits: \$1,000,000 (one million) combined single limit. (Two million for the annual Art and Wine Festival). This Certificate of Insurance must name the City as an additional insured throughout the event duration, including setup and breakdown. The Certificate of Insurance, including limits of insurance, must be received by the Special Events Coordinator by Sample Insurance Attached to finalize this permit.

### HOLD HARMLESS

The Applicant will, at its sole expense, provide the City with evidence of insurance for general liability and Worker's Compensation benefits for accidents or injuries that occur or are sustained in connection with the special event which is the subject of this permit application and contract. The Applicant agrees on behalf of itself and on behalf of its agents and employees that the Applicant will not make a claim against, sue, attach the property of, or prosecute the City or any of the City's agencies, employees, contractors or agents for injury or damages resulting from negligence or other acts, however caused, which might be asserted against the City in connection with actions taken by the City or the City's employees or agents in connection with this Special Event Permit. In addition, Applicant, on behalf of itself and its agents and employees, as well as its successors and assigns, hereby releases, discharges and holds the City harmless from, and indemnifies the City against, all actions, claims or demands Applicant, or Applicant's employees, agents, successors or assigns, or any third person now has or may hereafter have for personal injury or property damage resulting from the actions of the Applicant, the Applicant's employees or agents, or any other person under the control of the Applicant, taken pursuant to this Special Event Permit whether said actions are characterized as negligent or intentional.

Applicant Signature: Carlo Facchino

Digitally signed by Carlo Facchino  
DN: cn=Carlo Facchino, c=US,  
email=carlo@mermaidseries.com  
Date: 2012.01.02 17:18:33 -08'00'

### ADVANCED CANCELLATION NOTICE REQUIRED

If this event is cancelled, notify the Special Events Coordinator at (831) 475-4242.

I certify that the information contained in the foregoing application is true and correct to the best of my knowledge and belief, that I have read, understand and agree to abide by the rules and regulations governing the special event under Capitola Municipal Code, and that I understand that this applications is made subject to the rules and regulations established by the City Council and/or the City Manager or the City Manager's designee. I agree to comply with all permit conditions and with all other requirements of the City, County, state and federal governments and any other applicable entity that may pertain to the use of the event premises and the conduct of the event. I agree to abide by these rules and further certify that I, on behalf of the organization, am also authorized to commit that organization and, therefore, agree to be financially responsible for any costs and fees that may be incurred by or on behalf of the event to the City of Capitola.

Name of Applicant (print): Carlo Facchino

Title: Owner

Signature of Applicant: Carlo Facchino

Digitally signed by Carlo Facchino  
DN: cn=Carlo Facchino, c=US,  
email=carlo@mermaidseries.com  
Date: 2012.01.02 17:20:01 -08'00'

Date: 1/2/12

**Submit to Capitola PD**

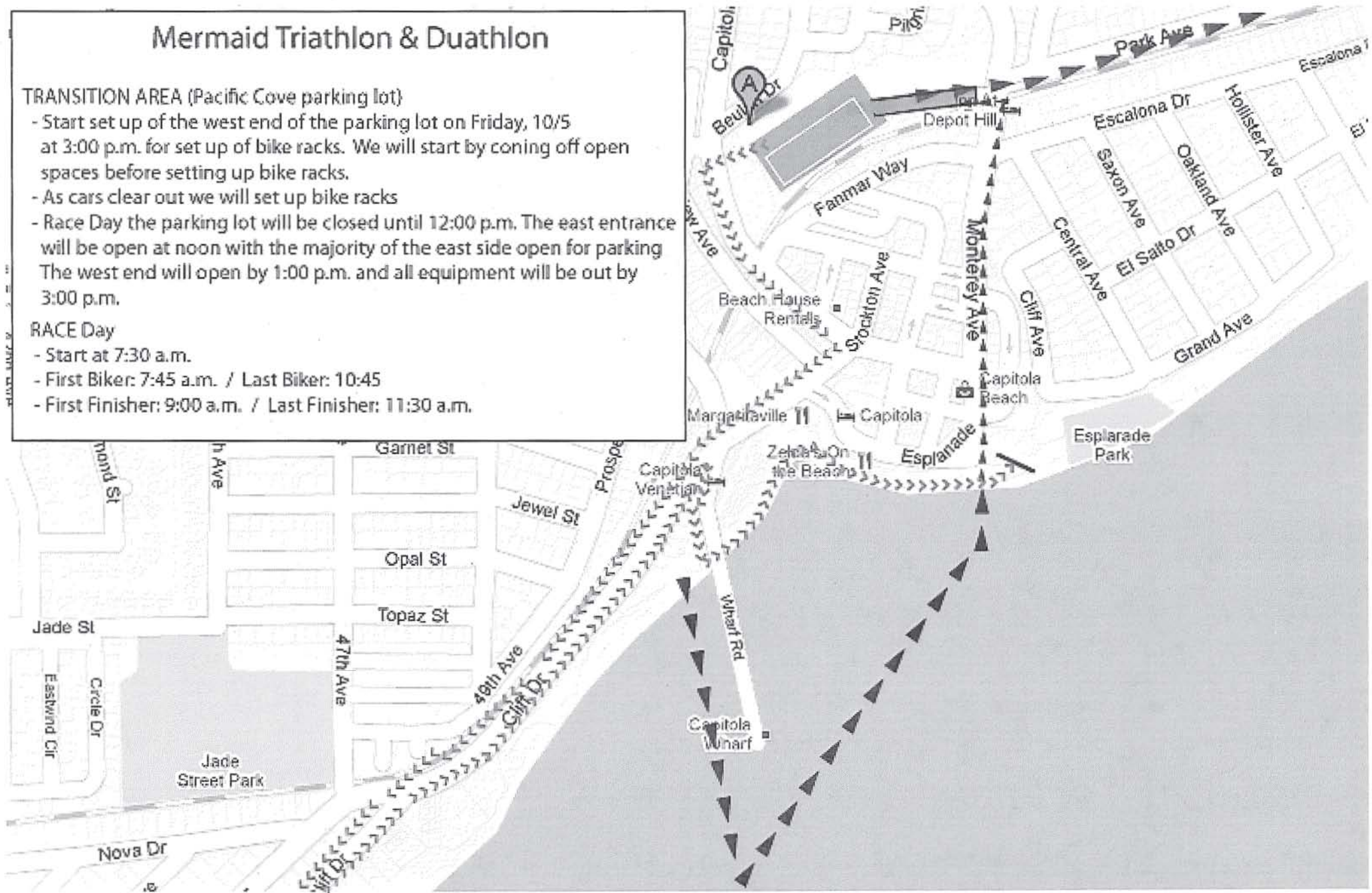
## Mermaid Triathlon & Duathlon

### TRANSITION AREA (Pacific Cove parking lot)

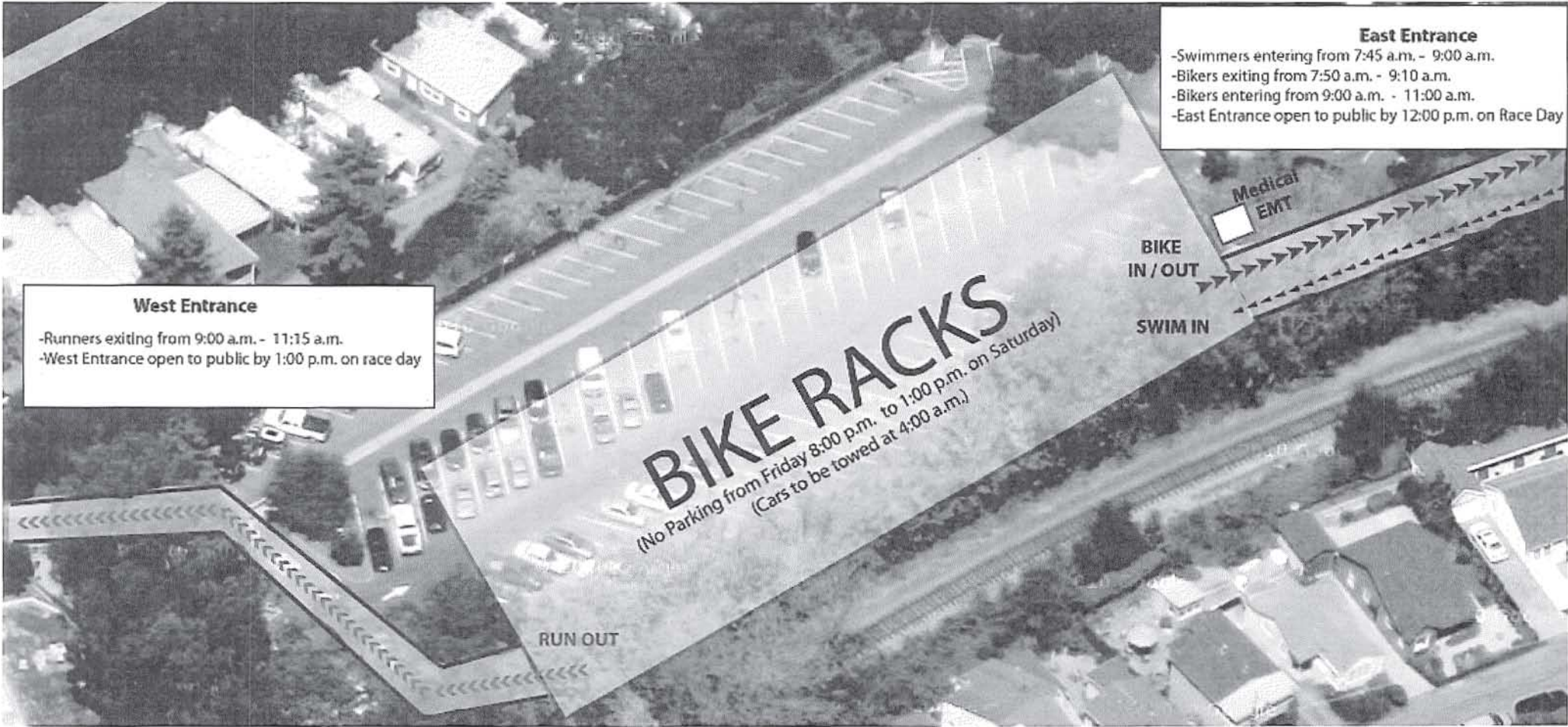
- Start set up of the west end of the parking lot on Friday, 10/5 at 3:00 p.m. for set up of bike racks. We will start by coning off open spaces before setting up bike racks.
- As cars clear out we will set up bike racks
- Race Day the parking lot will be closed until 12:00 p.m. The east entrance will be open at noon with the majority of the east side open for parking. The west end will open by 1:00 p.m. and all equipment will be out by 3:00 p.m.

### RACE Day

- Start at 7:30 a.m.
- First Biker: 7:45 a.m. / Last Biker: 10:45
- First Finisher: 9:00 a.m. / Last Finisher: 11:30 a.m.







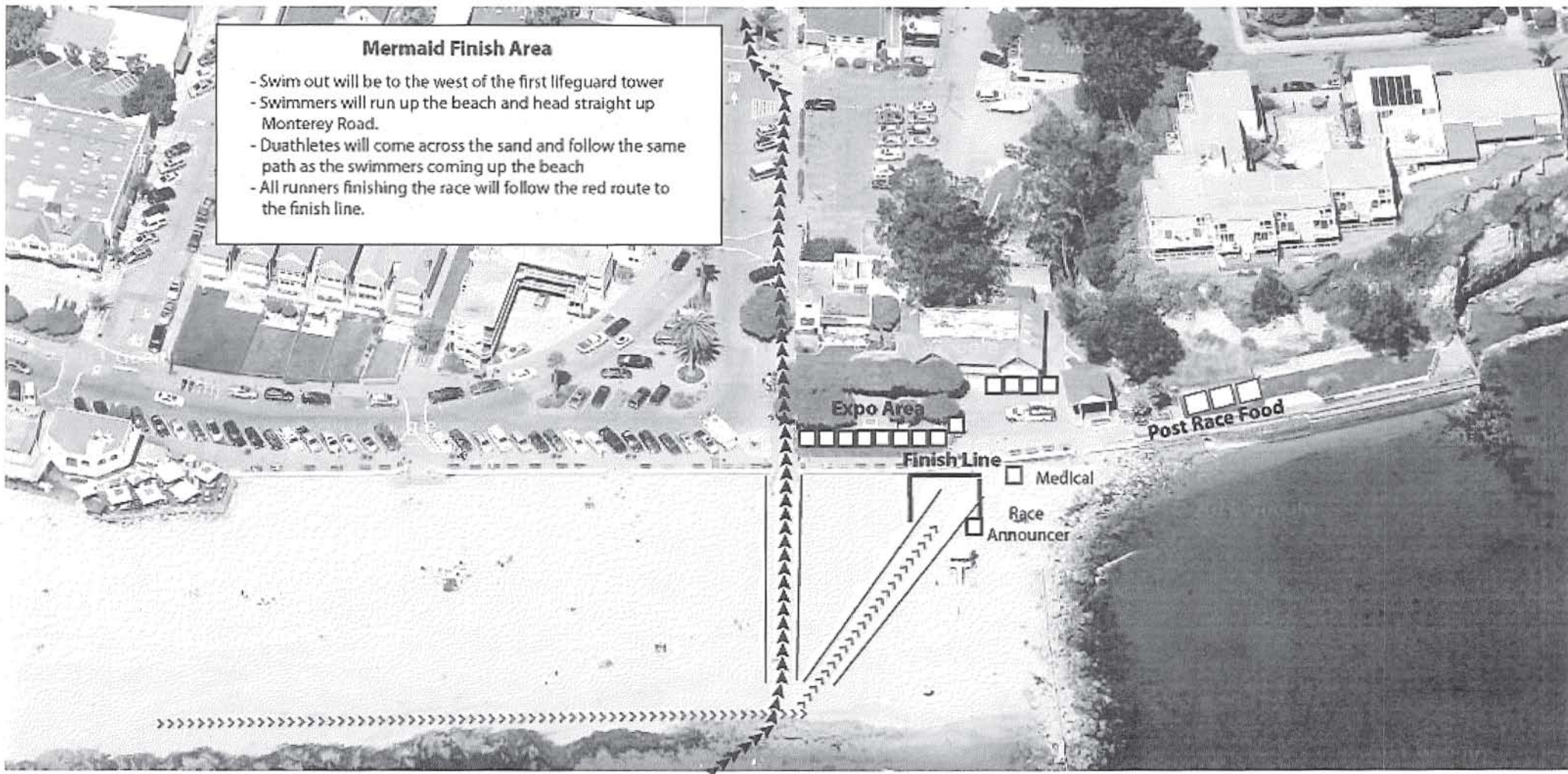
**West Entrance**  
-Runners exiting from 9:00 a.m. - 11:15 a.m.  
-West Entrance open to public by 1:00 p.m. on race day

**East Entrance**  
-Swimmers entering from 7:45 a.m. - 9:00 a.m.  
-Bikers exiting from 7:50 a.m. - 9:10 a.m.  
-Bikers entering from 9:00 a.m. - 11:00 a.m.  
-East Entrance open to public by 12:00 p.m. on Race Day



### Mermaid Finish Area

- Swim out will be to the west of the first lifeguard tower
- Swimmers will run up the beach and head straight up Monterey Road.
- Duathletes will come across the sand and follow the same path as the swimmers coming up the beach
- All runners finishing the race will follow the red route to the finish line.





City of Capitola  
420 Capitola Avenue  
Capitola, CA 95010  
(831) 475-7300

**APPLICATION FOR LIVE ENTERTAINMENT PERMIT**  
(Application fee of \$31 must be submitted with completed application.)

BUSINESS NAME By the Beach Productions, LLC (dba. Mermaid Series)

ADDRESS 464 Hampstead Way, Santa Cruz, Ca 95062

BUSINESS PHONE 408-314-1718

RESPONSIBLE PARTY Carlo Facchino Owner  
(NAME) (TITLE)

HOME ADDRESS 464 Hampstead Way, Santa Cruz, Ca 95062

HOME PHONE 408-314-1718 BUSINESS PHONE 408-314-1718

TYPE OF PERMIT APPLIED FOR (Check One):

- SINGLE EVENT ENTERTAINMENT PERMIT (\$31.00)
- MINOR ENTERTAINMENT PERMIT (\$139.00)
- REGULAR ENTERTAINMENT PERMIT (\$520.00)

NATURE OF ENTERTAINMENT: (Please provide explanation; i.e. live band, disc jockey, etc.)

Event Announcer and background music.

HOURS OF ENTERTAINMENT: 6:00 a.m. - 1:00 p.m.

DAYS OF ENTERTAINMENT: 1 day (10/06/12)

DATE: 1/2/2012

Carlo Facchino  
SIGNATURE OF APPLICANT



# CITY OF CAPITOLA

## STREET BANNER PERMIT APPLICATION

DATE 1/2/12

APPLICANT/NONPROFIT CORPORATION: By the Beach Productions, LLC PHONE: 408-314-1718

DATE OF EVENT: Saturday, October 6th, 2012

DATE(S) OF DISPLAY: 9/24 to 10/5  
(MAXIMUM: 2 WEEKS PRIOR TO EVENT; REMOVED 2 DAYS AFTER EVENT)

LOCATION OF BANNER:  MONTEREY AVENUE POLES  CAPITOLA AVENUE POLES

DESCRIPTION OR PURPOSE OF BANNER: \_\_\_\_\_  
Notify Residents and Community about the Event.

SIZE OF BANNER: 18' x 3.5'  
(MAXIMUM: 18' WIDE X 3.5' HIGH)

BANNER TEXT: Mermaid Triathlon & Duathlon - Saturday, October 6th - 7:30 a.m. to 12:00 p.m.  
www.mermaidseries.com

BANNER COLORS AND FABRIC: White / Orange / Aqua / Black - Vinyl

- SUBMIT A GRAPHIC OR PICTURE OF THE BANNER DESIGN
- REFER TO THE ADMINISTRATIVE POLICY 1-17 FOR DETAILED BANNER INFORMATION
- SUBMIT COMPLETED APPLICATION TO THE CITY OF CAPITOLA PUBLIC WORKS DEPARTMENT, 420 CAPITOLA AVENUE, CAPITOLA, CA 95010

I, THE UNERSIGNED, CERTIFY THAT I WILL COMPLY WITH ALL THE PROVISIONS OF ADMINISTRATIVE POLICY 1-17 OF THE CITY OF CAPITOLA.

SIGNATURE OF APPLICANT: Carlo Facchini

PHONE NUMBER: 408-314-1718

### APPROVALS:

- PUBLIC WORKS: \_\_\_\_\_
- CITY MANAGER: \_\_\_\_\_
- CITY COUNCIL: \_\_\_\_\_





Item #: 9.E.

## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: CITY MANAGER'S DEPARTMENT

SUBJECT: LIABILITY CLAIMS

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**RECOMMENDED ACTION:** Deny liability claims and forward to the City's liability insurance carrier.


**DISCUSSION:**

The following claimants have filed liability claims against the City of Capitola:

1. Jeff & Kate McCarthy-Lewis: \$1,437.54
2. Michael J. O'Leary: \$48,265.11

**ATTACHMENTS:** None

Report Prepared By: Liz Nichols  
Executive Assistant to the City Manager

Reviewed and Forwarded  
By City Manager: 



## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: ART & CULTURAL COMMISSION

SUBJECT: APPROVAL OF PROJECT AND AGREEMENT WITH TROY CORLISS FOR THE 41<sup>ST</sup>  
AVENUE PUBLIC ART PROJECT IN AN AMOUNT NOT TO EXCEED \$200,000

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### **RECOMMENDED ACTION:**

1. Approve the proposed 41<sup>st</sup> Avenue Public Art Project;
2. Authorize the City Manager to negotiate and enter into an agreement with Troy Corliss in an amount not to exceed \$200,000 from the Public Art Fund; and
3. Approve a budget amendment appropriating \$15,000 from the Public Art Fund Balance and increasing the Public Art Fund contract expenditures by \$15,000.

### **BACKGROUND:**

The City Council authorized the Art and Cultural Commission (Commission) to move forward with an art project in the medians along the 41<sup>st</sup> Avenue from Gross Road to Brommer Street, the gateway to the City's commercial corridor in January 2011. The Council agreed with the assessment that this project would beautify and add much needed interest to this area as well as extend the City's public art focus from the Village into the commercial area of 41<sup>st</sup> Avenue.

The selection process has been completed and according to Capitola Municipal Code Section 2.56.050, the City Council's approval of the proposed art work and the contract with the artist is required before moving forward with this project. The budget for this project is \$200,000. The target date for project completion would be fall of 2012.

### **DISCUSSION:**

The Commission began developing the concept for a public art project along 41<sup>st</sup> Ave. in the fall of 2010. The City Council reviewed the concept in January 2011 and authorized the Commission to move forward with the selection process as required in the Municipal Code. Because this was the largest public art project undertaking by the Commission, the Council approved a contract with Barbara Goldstein from the City of San Jose Office of Cultural Affairs to be the project manager.

The first step was for Ms. Goldstein and her assistant, Lynn Rogers to hold a community outreach meeting where they solicited ideas for the project. An Artist Selection Panel was formed, composed of members of the business community along 41<sup>st</sup> Avenue, art professionals, and a youth member. The panel's responsibility was to take the community's input along with the Commission's and utilize that information when selecting the artist for the project. There were 84 applicants for this project, ultimately four were selected to prepare a conceptual model/design and present it to the panel.

After careful deliberation and consideration, the panel selected Troy Corliss from Truckee CA to be the recommended artist. The Commission approved that recommendation at their February 2012 meeting. The decision was based on his concept, interpretation of the site, community input and his past art work. Mr. Corliss has successfully completed many major public art projects for: Target, Solano County, City of San Jose, San Francisco Art Commission, City of Reno, Cleveland Botanical Garden, City of Stockton, and the City of Davis to name a few. Mr. Corliss will present his proposed project at the March 22<sup>nd</sup> Council meeting. Previous work can be viewed on his web site <http://www.troycorliss.com>. The conceptual plans are attached and also available for viewing in the receptionist area in City Hall.

**FISCAL IMPACT:** Funding for this project in the amount of \$200,000 was allocated in the Public Art Fund. Funding is derived from development fees as required in the Municipal Code. This fund is restricted, to be used only for the acquisition, installation, and improvement of public art projects. In addition, city staff will assist in the installation of the art work which will require a budget amendment of \$15,000 from the fund to cover the cost.

**ATTACHMENTS**

1. Budget Adjustment Form
2. Troy Corliss Proposal
3. Sample Art

**Report Prepared By:** Lisa G. Murphy  
Administrative Services Director

**Reviewed and Forwarded  
By City Manager:** 

City of Capitola Budget Adjustment Form



Date 22-Mar-12

Requesting Department Public Art Fund

Administrative Council

Item # \_\_\_\_\_  
 Council Date 3/22/2012  
 Council Approval \_\_\_\_\_

Revenues		
Account #	Account Description	Increase/Decrease
1315 Fund Balance	Public Art Fund	(15,000)
Total		(15,000)

Expenditures		
Account #	Account Description	Increase/Decrease
1315.000.4370-203	Public Art - 41st Ave. Project	15,000
Total		(15,000)

Net Impact -

Purpose: Additional funding for 41st Ave Project to pay for installation cost  
 \_\_\_\_\_  
 \_\_\_\_\_

Department Head Approval \_\_\_\_\_

Finance Department Approval \_\_\_\_\_

City Manager Approval \_\_\_\_\_



February 3, 2012

**Troy Corliss**

11434 Rocky Lane. Truckee, CA. 96161

530-902-0322

CA. State Lic. # 767389

[www.troycorliss.com](http://www.troycorliss.com)[troyanne@tcol.com](mailto:troyanne@tcol.com)

41<sup>st</sup> Avenue is a direct conduit from Highway 1 to the coast, as well as the commercial hub for Santa Cruz County. Considering that tens of thousands of people drive through this corridor every day, the primary opportunity for viewing artwork along the 41<sup>st</sup> Ave. streetscape will be a “drive by” experience. My initial design approach to the artwork that will be placed in the medians along the streetscape is to engage the community through the entire length of the streetscape by creating an inviting and visually stimulating series of artworks that also help to generate a sense of identity for this local.

To achieve these goals, I have focused in on a design approach that is iconic, playful and unique at each site location while also presenting a visual aesthetic that is continuous and serves to connect the entire length of the streetscape corridor. Similarly, my design addresses a myriad of visual and physical characteristics with in each of three site locations, which will help to locate and create a unique sense of identity for that location with in the greater context of the region.

The artwork that I am proposing is comprised of three thematic vignettes, sails, kayaks and boards. Each of these sculptural vignettes will be installed in the medians at the upper, the middle and the lower end of the streetscape project. The Sails will be located in the medians near the intersection of Gross Street and 41<sup>st</sup> Ave. and will serve as entry markers for traffic coming over, or off of Hwy 1. The Kayak vignette will be installed in the medians near the heavily traveled Capitola Mall and will be visible to traffic coming to and from the shopping complexes on east and west side of 41<sup>st</sup> Ave. and from the intersection at Capitola Avenue. The board vignette will mark the southern end of the City incorporated streetscape. The boards will be located in the median in front of the Fairfield Marriott Inn & Suites. As a whole body of work, the art will thematically tie together the entire length of the streetscape corridor.

Thematically, each of the sculptural vignettes references life on the water. While none of the sculpture represents a literal translation of any particular sport, or sporting apparel, the shape of each sculpture is immediately recognizable and connects the sculpture to one of many recreational activities that permeates life in this region.

To playfully capture the viewers gaze during their “drive by” experience, I believe that the artwork needs to present both iconic imagery and abstract elements of design that support the visual experience at a more basic level. In addition to the image of sails, kayaks and boards, I am working with compositions of color and geometric sequencing. To stand out with in the general panorama at any of the streetscape locations the artwork must command its own attention with out being too distracting. The landscaping in several of the medians is well developed with mature sycamore trees, shrubs and signage. As such, I believe that color, light and a naturalistic organization to the sculptural assembly will be readily absorbed by viewers.

The sequencing elements of color and form take advantage the elongated layout of the medians. The sails are expressed in two different patterns and present a 1:2 beat on the first two medians south of Gross Street. The Kayaks are organized in “pods”, much like swimming dolphins that weave in and out of the regular stands of sycamore trees in the center of the medians north of Capitola Ave. The boards are arranged as a tree-like grove, randomly spaced and leaning slightly at different angles in the open space of the median south of Jade St./ Bromer St. Visually, each of these vignettes will present a “scroll like” effect which will allow viewers to recognize the artwork in the 5-10 seconds that it takes them to drive by. Besides the visual effect of working in series, this approach also offers the practical advantage of being able to adjust the art layout to specifically meet the space of each median. It will also accommodate the nuances in installation that will undoubtedly arise as the plan for structural support develops. In addition, each sculptural unit will be relatively lightweight, reducing the need for excessive foundational support.

Each of the sculptural units in the three vignettes will be built of a stainless steel framework and colorful translucent panels. The steel frame will be fabricated of hollow tubing as a ridged unit providing structural support and points of attachment for the colored panels. The panel construction follows a technique referred to as Endomosaic. This technique is essentially, two layers of clear Lexan sheets that are filled with different colored crushed glass. Lexan is a brand name polycarbonate material that is durable in extreme weather, highly resistant to abuse and UV stable. The exterior surfaces will be treated with an anti-graffiti coating (see Lexan info sheet, attached). The crushed glass is an inert material and is highly stable. The frit is supplied by Bullseye Glass and comes in wide range of colors. (see Bullseye Catalog attached).

The final design element that I wish elaborate on, is light. The translucent quality of the sculptures will be integral to aesthetic intent that I envision for these spaces. I believe that as the glass material reflects light during the day and as it absorbs projected light at night, it will achieve the subtle attraction that will make this design successful. Unlike the muted and static surfaces of most durable materials, glass has an illuminating quality that will help the artwork stand out at each of the site locations. Because nighttime lighting is an option in most of the medians, the inclusion of external lighting is something that I will develop with the City as we move further with the installation plan.

To close, I wish to thank the selection committee for offering me this opportunity to present a concept design for the 41<sup>st</sup> Ave. streetscape public art project. I think that this artwork will be a significant addition to the region and will help to create a welcoming presence to 41<sup>st</sup> Ave.

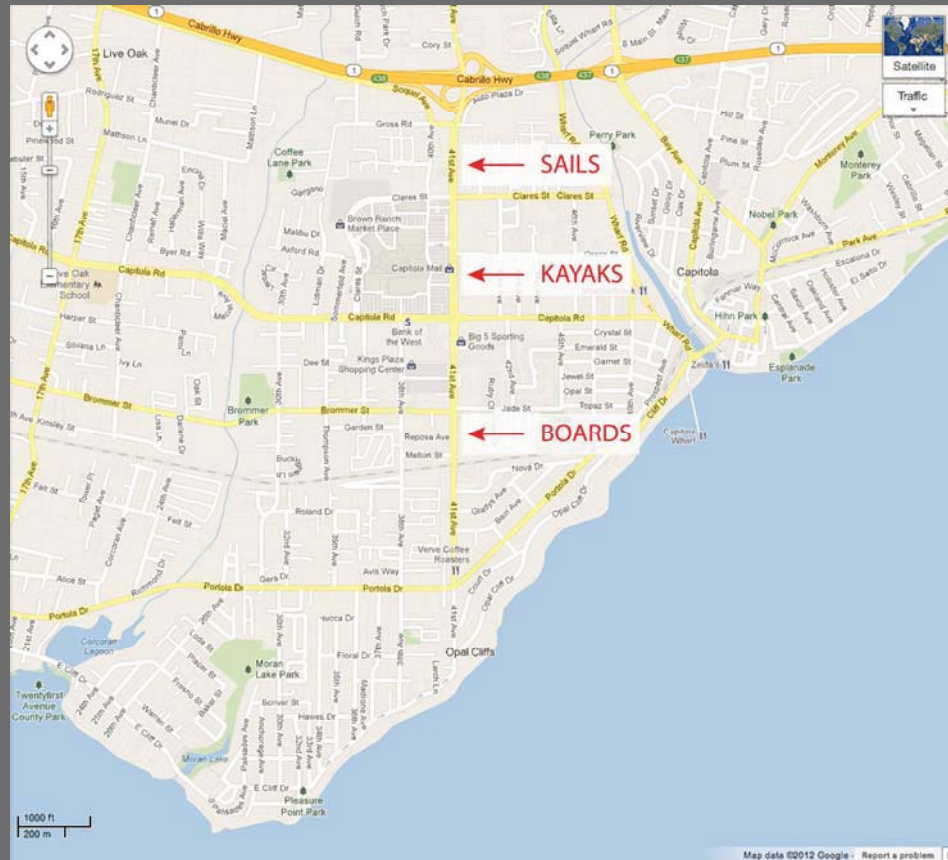
Troy Corliss

# Troy Corliss

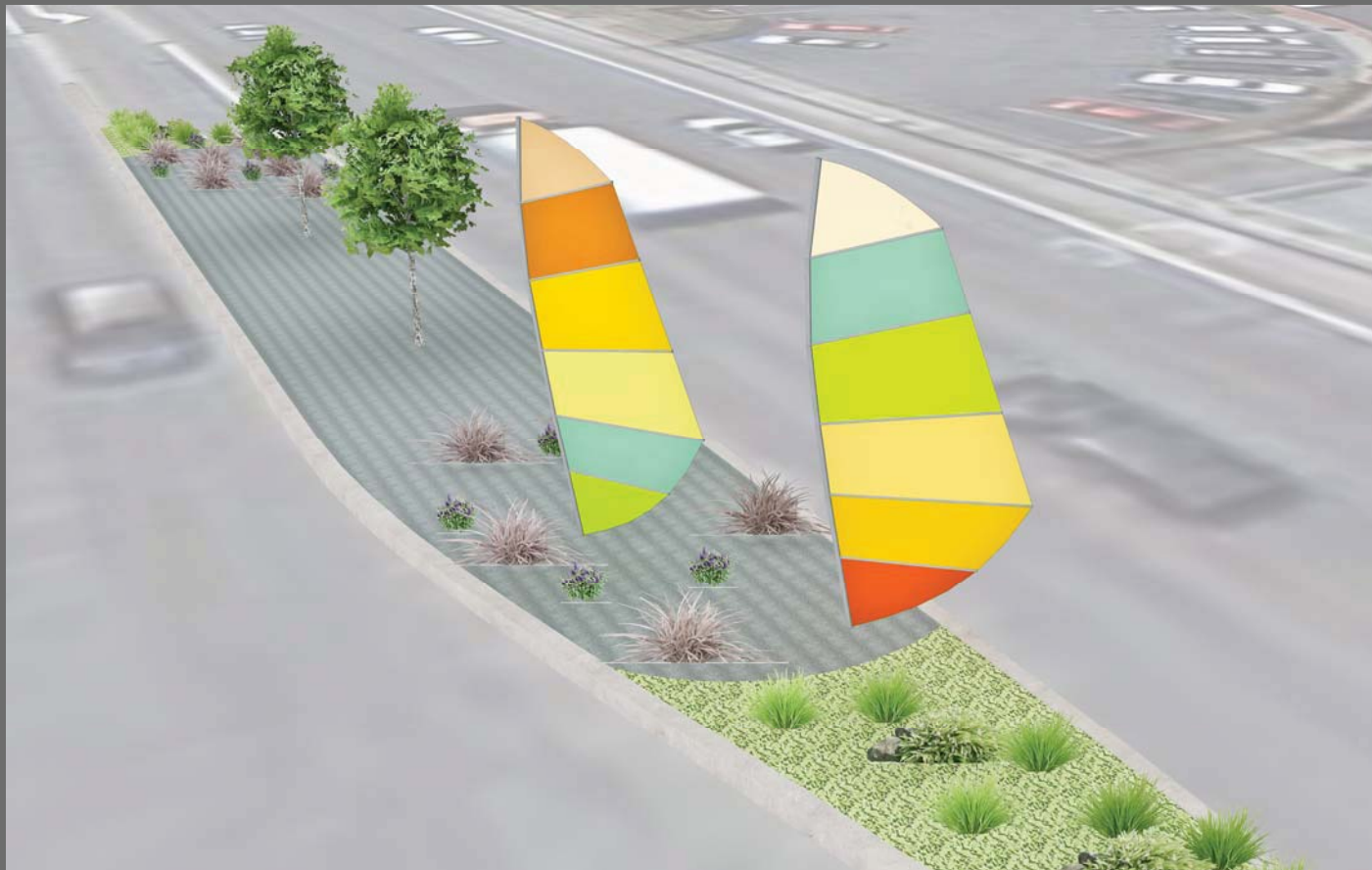
Concept Proposal  
41<sup>st</sup> Avenue Streetscape Public Art Project  
Capitola, California

**ATTACHMENT 3**

Artwork will be placed in the medians along the north, middle and south ends of the streetscape.



Colorful sails mark the first and second medians south of Hwy1 and Gross St.



Artist rendering: Looking north towards the intersection of Gross St. & 41<sup>st</sup> Ave.





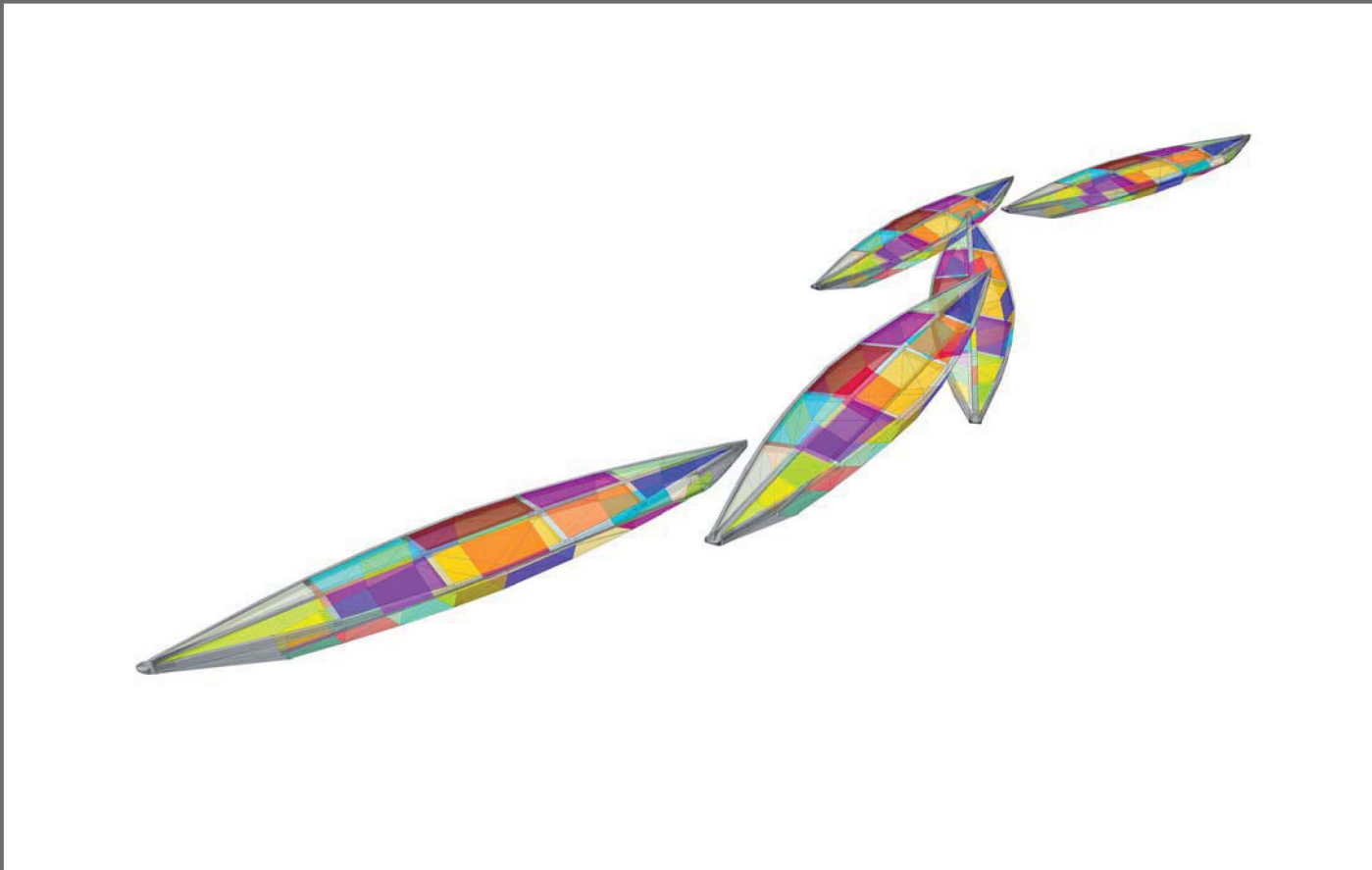
Colorful sails mark the first and second medians south of Hwy1 and Gross St.



Artist rendering: looking east from the Laundromat Parking.



Pods of translucent kayaks weave through the trees in the medians near the Capitola Mall.



Artist rendering: Looking northeast near the Capitola Mall.





A grove of colorful & translucent boards are planted in the median in front of the Fairfield Marriott Inn & Suites.







# CITY COUNCIL AGENDA REPORT

## MEETING OF MARCH 22, 2012

FROM: COMMUNITY DEVELOPMENT DEPARTMENT

SUBJECT: PUBLIC HEARING TO CONSIDER ZONING CODE AMENDMENTS TO TITLE 17 OF THE CAPITOLA MUNICIPAL CODE CALLED FOR IN THE CITY'S 2007-2014 HOUSING ELEMENT

**RECOMMENDED ACTION:** By motion, pass the proposed ordinances related to housing actions called for in the City's 2007-2014 Housing Element to a second reading, as submitted:

1. Ordinance amending Section 17.51.130 Number of Parking Spaces Required for Single Room Occupancy (1<sup>st</sup> Reading); and
2. Ordinance amending Section 17.36.040 to Add Subsection H. pertaining to Emergency Shelters [1<sup>st</sup> Reading].

**BACKGROUND:** On February 11, 2010 the City Council adopted Resolution No. 3803 approving the 2007-2014 Housing Element. The Housing Element contained five action items to be completed within one year of adoption. 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.

On October 27, 2011 the Council held a public hearing to discuss amending the City's zoning regulations regarding second units, single room occupancy units (SRO's), reasonable accommodations, emergency shelters, and transitional and supportive housing. At that hearing the Council approved the zoning changes to provide reasonable accommodations, and after reviewing the current second unit ordinance, decided that there were no changes necessary. Council directed staff to bring back the other items for further considerations with modifications.

This Council meeting item is to look at new parking regulations for SRO's and to allow a 13 person emergency shelter in the Industrial Zone as a permitted use as required by the State.

Chapter six of the Housing Element outlines the City's housing goals, policies and programs for the 2007-2014 planning period including five-year objectives under each program. Significantly, the State's approval and certification of the Housing Element was conditioned upon the City's commitment to take action on a number of items including the following:

	Type of Program	Housing Element Requirement	Status
1.	Secondary Dwelling Units	Review current ordinance within one year	Complete - Review completed by City Council on October 27, 2011.
2.	Single Room Occupancy Units	Adopt ordinance to allow SROs within one year	Current zoning regulations do not prohibit Single Room Occupancy units. Revisions to parking ordinance are proposed.
3.	Reasonable Accommodation Ordinance	Adopt ordinance within one year	Complete - Ordinance adopted – November 2011.

4	Emergency Shelter Ordinance	Amend zoning to allow emergency shelters without CUP in the IP zone within one year	Council consideration- March 22, 2012
5.	Transitional & Supportive Housing	Adopt ordinances within one year	Future Council Item

**Public Review and Notice:** In accordance with California Planning and Zoning Law (2012) Chapter 2.7 Section 65091 Section 65091 (4) and the City of Capitola Zoning Ordinance a Notice of Public Hearing has been published in the Santa Cruz Sentinel. In addition, individual notices were mailed to all property owners within 300 feet of the Industrial Zone.

The General Plan Advisory Committee (GPAC) reviewed the proposed Housing Element action items as a part of their meeting on September 21, 2011. The GPAC expressed concern about continued mandates from the California Department of Housing and Community Development (HCD) and concern about loss of local control. They were also concerned with the proposed changes to the Accessory Dwelling Unit Ordinance and the impacts those changes may have on existing single-family dwelling neighborhoods.

The Planning Commission reviewed the package of amendments on October 20, 2011. The Planning Commission echoed GPAC concerns about continued mandates from the state and interference in local land use issues.

There was no clear Planning Commission consensus regarding changes to allow Single Room Occupancy and Small Ownership Units in specified zone districts. While the Planning Commission appreciated that this type of housing would be accessible to lower economic segments of the community, they were concerned about mixing this type of housing with commercial uses.

The Planning Commission reviewed the proposed ordinance to allow Emergency Shelters in the Industrial Park (IP) zone district. They were concerned about design review and wanted to make sure that such shelters would be held to the same design review and development standards as other industrial projects. Additionally, they requested that a transportation plan be included as a requirement for any permit application.

**DISCUSSION:** Staff has completed an extensive review of the City’s current zoning regulations and determined that the current zoning regulations do not include anything which would prohibit single room occupancy projects in the RM, PO, CV or C-N zoning districts. As a result of this review we are not recommending any zoning changes regarding SRO’s except for parking requirements. The major impediment to single room occupancy projects is the current parking requirement which requires 2½ spaces per unit in a multifamily development over four units. The suggested change would be to reduce the parking requirement for units which are less than 400 square feet to one space per unit. In addition, there would be a requirement for 1 guest space per 6 units provided. There would be no distinction between rental and ownership units.

SRO units provide a housing opportunity to people who do not require larger living spaces. As a result of their size, they provide a lower cost housing option and are frequently occupied by either one person or a couple resulting in a smaller parking demand. Reducing the parking requirements will fulfill the City’s obligations to promote different types of housing units. During the 2014 Housing Element update and as part of the City’s General Plan process, the City may choose to expand SRO’s into the CC zoning district as part of mixed use developments.

Senate Bill 2 requires all California cities and counties to zone at least one district for emergency shelters as a principally permitted use so that at least one emergency shelter may be developed without a conditional use permit. This is state law, not an optional item for the City of Capitola. The Housing Element identified the Industrial (IP) zone as the appropriate zone for this program and the State approved this zone.

The ordinance being proposed for the emergency shelter has been modified from the October 27, 2011 hearing to be for a 13 bed facility rather than a 30 bed facility. The number 13 was used because that is number of homeless identified in Capitola’s Housing Element.

The IP zone includes a total of 6.37 acres in eight parcels. Four of the parcels (approximately 2.17 acres) are vacant or underutilized and demonstrate that sufficient land is available for at least one emergency shelter to accommodate the City's identified homeless need. This ordinance proposes an amendment to Chapter 17.36.040 Principal Permitted Uses to include emergency shelters with the restrictions allowed by the State. The proposed ordinance allows for the development of one shelter with a maximum of 13 beds. While the City has a defensible reason for determining a 13 bed facility is the appropriate size, there may be some concern from the State Department of Housing and Community Development that the City should be doing more. If staff is unsuccessful in getting the 13 bed facility approved, the item will come back to the City Council for additional consideration.

While this ordinance would make a 13 bed homeless shelter a principally permitted use. New construction or major remodels in the IP district still requires a Design Permits resulting in a hearing at the Planning Commission.

Given that Capitola's unmet homeless shelter need is for only 13 shelter beds and the desire that homeless services be co-located for improved client access it is highly unlikely that a shelter program will be proposed for Capitola. The addition of this ordinance puts the City of Capitola in compliance with state law. The ordinance was amended based on Planning Commission discussion to require a transportation plan be included so that shelter users can safely travel to and from any permitted facility. In addition the ordinance has requirements for parking, on site management, and time limits on how long a resident can remain in the facility

Once final ordinances have been adopted by the City Council the ordinances will be submitted to the California Coastal Commission for certification. A resolution will be brought back for adoption at the second reading of the ordinances.


**CEQA REVIEW:** All of the ordinance changes under consideration in this report were included as a part of the Housing Element Update 2007-2014 and reviewed in the Initial Study and Negative Declaration. These studies 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 revisions 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 these 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). Not having a State certified housing element would also make us ineligible to apply for some state funded programs (the BEGIN program and the Workforce Housing Awards Program, for example). Finally, not having a State certified housing element opens the door to lawsuits, typically initiated by individuals or affordable housing advocate agencies, claiming that the City is not meeting its affordable housing obligations.

**ATTACHMENTS:**

1. Draft Ordinance amending Chapter 17 Section 17.51.130 Parking Requirements;
2. Chapter 17 – 17.51 Parking Requirements;
3. Draft Ordinance for allowing Emergency Shelters as a permitted use in the Industrial Zoning District;
4. Map of Industrial Zoning District;
5. Minutes from the October 27, 2011 City Council Meeting;
6. Minutes from the October 20, 2011 Planning Commission Meeting.

**Report Prepared By:** Susan Westman  
Interim Community Development Director

**Reviewed and Forwarded  
By City Manager:** 

# ATTACHMENT 1

## DRAFT ORDINANCE NO. \_\_\_\_\_

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AMENDING SECTION 17.51.130 OF THE CAPITOLA MUNICIPAL CODE TO ADD SUBSECTION 6 PERTAINING TO PARKING REQUIREMENT FOR SINGLE ROOM OCCUPANCY UNITS 400 SQUARE FEET OR LESS IN SIZE

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

Section 1. Subsection 6 is hereby added to the Capitola Municipal Code Section 17.51.130 to read as follows:

6. For single room occupancy units with kitchen facilities (studio apartments) which are 400 square feet or less, the parking requirement shall be one space per unit and one guest space for each six units.

Section 2. This ordinance shall take effect and be in full force thirty (30) days after its final adoption.

This ordinance was introduced on the 22nd day of March, 2012, and was passed and adopted by the City Council of the City of Capitola on the \_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

DISQUALIFIED:

APPROVED:

\_\_\_\_\_  
Michael Termini, Mayor

ATTEST:

\_\_\_\_\_, MMC  
Su Sneddon, City Clerk

## Chapter 17.51 PARKING AND LOADING

### 17.51.015 General provisions.

Off-street parking facilities shall be provided for new uses and expansions of existing uses in order to meet the demand of all activities on the parcel. The minimum requirements for each particular land use are included in this chapter. Parking spaces over and above the minimum number specified by this chapter may be required by the planning commission when reviewing each specific application.

A. A certificate of occupancy for any change in use or new construction, structure or premises shall not be issued until all of the required parking facilities and landscaping for the use have been completed in conformance with the requirements of this chapter.

B. Parking spaces within an integrated complex shall not be designated for exclusive use of any individual commercial tenant.

C. Any existing use of property which is nonconforming only as to off-street parking facilities may be continued in the same manner, except at the time of expansion or change in use, parking shall be provided for the expansion or as required for the new use. A change in use for this chapter is a change to a use which has a higher parking requirement.

D. Residential Structures. In the case of residential structures in any district, no additional parking shall be required for reconstruction or structural alteration of existing residential structures, so long as the habitable floor space of the structure is not increased by more than ten percent. If the structure is enlarged by more than ten percent, the minimum parking requirements according to Sections 17.15.130 and 17.51.130 shall be required.

E. A drainage plan for all parking lots shall be approved by the public works director.

F. No parking or loading facility may be reduced in capacity unless sufficient replacement capacity is provided in compliance with this chapter.

G. Each parking and loading facility shall be located on the same site as the project for which it is required by this chapter. The planning commission may, by use permit in zoning districts where parking lots are permitted or conditional uses, authorize the location of the facility on a different site when such a location is determined to adequately serve the project.

H. All parking lots shall have ten percent of the front yard lot in landscaping, in addition to the fifteen foot perimeter landscaping requirements.

I. All handicapped parking shall comply with state law or regulations.

J. All commercial parking lots of more than ten spaces and all residential developments of more than ten units, shall provide for bicycle parking. Bicycle racks must be capable of locking both the wheels and the frame of the bicycle and of supporting bicycles in an upright position.

K. Parking spaces shall have the dimensions and specifications set forth in the "Parking Space Standard Specifications" adopted by the planning commission on January 15, 1987. (Ord. 873 § 12, 2004; Ord. 623 (part), 1987)

### 17.51.040 Obligation continuing.

The schedule of requirements for off-street parking space and off-street loading space applicable to newly erected or substantially altered structures shall be a continuing obligation of the owner of the real estate on which any such structure is located so long as the structure is in existence and its use requiring vehicle parking or vehicle loading facilities continues, and it shall be unlawful for an owner of any building affected by this chapter to discontinue, change, or dispense with, or cause the discontinuance or change of the required vehicle parking or loading space apart from the discontinuance, sale or transfer of such structure, without establishing



alternate parking or loading space which meets with the requirements of and is in compliance with this chapter, or for any person to use such building without acquiring such land for vehicle parking or loading space which meets the requirements of and is in compliance with this chapter. (Ord. 388 § 17.04, 1975)

**17.51.050 Development and maintenance of parking areas.**

Every parcel of land hereafter used as a public or private parking area, including a commercial parking lot and also an automobile or trailer sales lot, shall be developed and maintained in accordance with the requirements set out in Sections 17.51.055 through 17.51.090. (Ord. 623 (part), 1987: Ord. 388 § 17.05 (part), 1975)

**17.51.055 Parking lot design.**

Parking lot design shall be reviewed through the architectural and site review process to assure that the design is coordinated with the site and the uses in the project, that adequate ingress and egress is provided, and that the design meets the minimum standards of the city. When it is determined that minimum standards are not sufficient for the project, the planning commission may require more than minimum allowable standards. (Ord. 623 (part), 1987)

**17.51.060 Screening and landscaping.**

A. Commercial parking lots shall be screened from public streets and residential neighborhoods with a landscaping strip. Commercial parking shall not be closer than ten feet to an R zone, unless a six-foot masonry wall is constructed. All commercial parking lots of more than ten cars shall be screened from any R zone with a minimum six-foot-high masonry wall.

B. In off-street parking areas for more than four vehicles, one twenty-four-inch box tree shall be planted for each two parking spaces. (See 41st Avenue Design Guidelines Landscape Requirements.)

C. Additional landscaping of two feet, consisting of low shrubs or ground cover, may be planted between a parking stall and the required landscape area, but such landscaping shall not count toward the percentage mandated by the 41st Avenue Design Guidelines. This method will allow vehicles to extend over the additional landscape areas, as well as reduce the required length of the parking space from eighteen feet to sixteen feet. (Ord. 623 (part), 1987: Ord. 388 § 17.05(a), 1975)

**17.51.063 Irrigation.**

All landscape areas must have automatic irrigation systems designed to provide complete coverage to promote and sustain healthy plant life, unless an exception is approved by the planning commission. (Ord. 873 § 13, 2004: Ord. 623 (part), 1987)

**17.51.066 Landscape protection.**

Landscaping should usually be protected from vehicles and pedestrian damage by a six-inch high, four-inch wide cement curb. (Ord. 623 (part), 1987)

**17.51.080 Surfacing.**

Every off-street parking area shall be surfaced with asphalt, concrete or other dustfree surface approved by the planning commission. (Ord. 623 (part), 1987: Ord. 388 § 17.05(c), 1975)

**17.51.090 Lighting.**

All parking space area lighting shall be energy efficient and designed so that any glare is directed away from residential properties. No light source shall be visible to residential areas or create any hazardous traffic condition. Security lighting shall be provided in areas used by the public during nighttime hours. (Ord. 623 (part), 1987; Ord. 388 § 17.05(c), 1975)

**17.51.100 Floor area defined.**

For purposes of calculating the nonresidential parking requirements of this chapter, "floor area" means the entire floor area in all enclosed structures, without deduction for such features as interior walls, stairways or storage. It also includes the floor area of patios, courtyards and outside dining areas primarily utilized by a business or group of related businesses, its customers, or its employees, as opposed to the general public. In shopping centers it does not include quasi-public seating areas as defined in Section 17.51.105. (Ord. 873 § 14, 2004; Ord. 756 § 1, 1993; Ord. 623 (part), 1987; Ord. 388 § 17.06, 1975)

**17.51.105 Quasi-public seating areas.**

For purposes of this chapter, "quasi-public seating area" means an area located in a privately owned shopping center which is open to all of the patrons of all of the businesses of the shopping center and which consists of a seating area or similar area where there are tables, chairs, benches or landscaping or other similar amenities. The fact that such areas are exempt from the parking requirements of this chapter shall not in any sense be construed to exempt such areas from architectural and site review or use permit requirements. This section shall not be construed as in any way authorizing the conversion of areas devoted to landscaping (in any landscape plan utilized to obtain approval of a city permit) to a quasi-public seating area. (Ord. 756 § 2, 1993)

**17.51.110 Fractional measurements.**

In determining the number of required parking, fractions of spaces over one-half shall be rounded up to the next whole number. (Ord. 623 (part), 1987; Ord. 388 § 17.07, 1975)

**17.51.120 Location of required parking and loading facilities.**

The off-street parking facilities required for the uses mentioned in this chapter, and for other similar uses, shall be on the same lot or parcel of land as the structure they are intended to serve. When practical difficulties as determined by the planning commission, prevent their establishment upon the same or immediate adjacent lot, they may be located within reasonable distance of the premises to which the parking requirement pertains, and may be located in a residential zone if the land lies adjacent to any building being erected in a commercial or industrial zone. The off-street loading facilities required for the uses mentioned in this chapter, and for similar uses, shall be in all cases be on the same or immediately adjacent lot or parcel of land as the structure they are intended to serve. In no case shall the required off-street loading space be part of the area used to satisfy the off-street parking requirements of this chapter. Space for required off-street parking and loading shall not occupy any part of a required open space for a rear or side yard. On corner or through lots, parking space may not be included as part of required yards lying adjacent to either street. (Ord. 388 § 17.08, 1975)

**17.51.130 Number of parking spaces required.**

The number of off-street parking spaces required for each use shall be as follows:

Residential.

A. Residential Structures, Single-Family Detached.

1. The minimum parking requirement for single-family residential units up to one thousand five hundred square feet shall be two uncovered spaces.

2. For single-family residential units one thousand five hundred one square feet to two thousand square feet, the minimum requirement shall be two spaces, one of which must be covered.

3. For single-family residential units two thousand one square feet to two thousand six hundred square feet, the minimum parking requirement shall be three spaces, one of which must be covered.

4. For single-family residential units two thousand six hundred one square feet to four thousand square feet, the minimum parking requirement shall be four spaces, one of which must be covered.

5. For single-family residential units four thousand one square feet and larger, the minimum parking requirement shall be one covered space and three uncovered spaces unless the planning commission determines that additional parking is needed based on house size, location, and/or conditions in the neighborhood.

**6. For single room occupancy units with kitchen facilities (studio apartments) which are 400 square feet or less, the parking requirement shall be one space per unit and one guest space for each six units.**

7. Interior (covered) parking spaces shall be a minimum of ten feet by twenty feet clear, as measured from the interior finished wall surfaces. An additional one hundred square feet of ancillary activity area, e.g., laundry, workshop, or storage, which is not included in the area subject to additional parking requirements, is permitted in conjunction with the first required covered space provided in a detached garage.

8. The planning commission may require additional uncovered parking spaces beyond the minimum requirement for residential units over four thousand square feet, or if a finding can be made that there is a parking problem in the neighborhood.

9. No additional square footage exceeding ten percent of the existing gross floor area may be added to an existing single-family residential unit, unless minimum parking requirements are met.

10. Uncovered parking spaces for single-family residential units shall be ten feet by twenty feet in the front setback (or eighteen feet minimum for lots located in sidewalk exempt areas), i.e., on the driveway apron, with two feet of landscaping provided along the side property line, except that for existing homes and remodels, uncovered parking spaces may be nine feet wide. Uncovered spaces provided in tandem on a single-width driveway beyond the front setback shall also be located within an eleven-foot (for remodels and additions) or twelve-foot (for new units) area that includes two feet of required landscaping adjacent to the side property line. Tandem spaces outside the front setback may be eighteen feet in length.

11. Two feet of landscape planting is required in the front yard setback between the parking area and the side property line.

12. Maximum width of driveways serving attached or detached garages is twenty feet, not including the landscaped area.

13. A twelve-foot driveway is required to access attached or detached single garages beyond the front setback for new homes; an eleven-foot driveway may be permitted for remodels and additions. Two cars may be parked in tandem in the driveway in front of a garage or carport.

14. Permeable driveway materials other than gravel are encouraged, as well as paved wheel strips for driveways, to increase extent of pervious surfaces on site.

B. Dwellings duplex or triplex, two for each unit, one space for each unit must be covered, tandem parking is permitted if the tandem parking is for an individual unit, each space must be a minimum of nine feet by eighteen feet.

C. Dwellings, apartments and condominiums (townhouse) of more than four units, one covered space for each unit, plus one and one-half additional spaces on the site for each dwelling unit. Each regular space must be a minimum of nine feet by eighteen feet. Forty percent of the spaces may be compact spaces of eight feet by sixteen feet.

D. Hotels and motels, one space for each guest room. Such additional spaces as the planning commission determines are necessary for the owners and employees. Each regular space must be a minimum of nine feet by eighteen feet. Thirty percent of the spaces may be compact spaces of eight feet by sixteen feet.

E. Bed-and-breakfast, one space for each bedroom rented, in addition to the spaces required for the single-family residence, each regular space must be a minimum of nine feet by eighteen feet. Fifty percent of the spaces may be compact spaces of eight feet by sixteen feet.

Quasi-public.

F. Churches, clubs, lodges, theaters, one space for each forty square feet of floor area usable for seating or one for each three seats each regular space must be a minimum of nine feet by eighteen feet. Thirty percent of the spaces may be compact spaces of eight feet by sixteen feet.

G. Schools, one space for each employee, including teachers and administrators, plus additional spaces as determined by the planning commission to be adequate for student and visitor parking. Each regular space must be a minimum of nine feet by eighteen feet. Forty percent of the spaces may be compact spaces of eight feet by sixteen feet.

H. Sanitariums and nursing homes, one space for each six beds plus one space for each three employees, all nine feet by eighteen feet.

I. Medical office and clinics, one space for each three hundred square feet of gross floor area or five spaces per doctor, whichever is greater, all nine feet by eighteen feet.

Commercial.

J. Retail use and restaurants/take-out food establishments with six or fewer seats, one space for every two hundred forty square feet of gross floor area, each regular space must be a minimum of nine feet by eighteen feet. Thirty percent of the spaces may be compact spaces of eight feet by sixteen feet.

K. Wholesale establishments or warehouses, including mini-storage, one space per each five thousand square feet. Each space must be a minimum of nine feet by eighteen feet. No compact spaces are allowed.

L. Restaurants, one space per sixty square feet of gross floor area, each regular space must be a minimum of nine feet by eighteen feet. Fifty percent of the spaces may be compact spaces of eight feet by sixteen feet.

M. Bakeries, one space per two hundred forty square feet of gross floor area, each regular space must be a minimum of nine feet by eighteen feet. Thirty percent of the spaces may be compact spaces of eight feet by sixteen feet.

N. Bowling alleys, one space per five lanes, plus parking required for restaurant or retail uses associated with the facility, each regular space must be a minimum of nine by eighteen feet. Thirty percent of the spaces may be compact spaces of eight feet by sixteen feet.

O. Offices, corporate, administrative, real estate, one space per two hundred forty square feet of gross building space. Each regular space must be a minimum of nine feet by eighteen feet. Thirty percent of the spaces may be compact spaces of eight feet by sixteen feet.

P. Large community care residential facility or large family day care house, one for each employee not permanently residing at the facility or house. Parking requirements not specifically mentioned shall be determined by the planning commission. (Ord. 873 § 15, 2004; Ord. 718 § 1 (part), 1991; Ord. 700, 1990; Ord. 695, 1990; Ord. 623 (part), 1987; Ord. 608 § 10, 1986; Ord. 388 § 17.09, 1975)

#### **17.51.135 Nonconforming parking—Requirements.**

A. Nonresidential Structures. In the case of nonresidential structures in any district, which are reconstructed, enlarged, structurally altered, changed in occupancy to a more intensive use category or otherwise increased in capacity according to Section 17.51.130, such off-street parking facilities need be provided only for that portion of the structure constituting an increase in capacity.

B. Residential Structures. In the case of residential structures in any district, no additional parking shall be required for reconstruction or structurally altering an existing residential structure so long as the floor area of the structure is not increased by more than ten percent of the existing gross floor area. If the structure is enlarged by more than ten percent of the existing gross floor area, parking requirements according to Section 17.51.130 shall be required. (Ord. 718 § 1 (part), 1991; Ord. 563 (part), 1984)

#### **17.51.140 Off-street loading spaces required.**

In any district, in connection with every building or part thereof hereafter erected and having a gross floor area of ten thousand square feet or more, which is to be occupied for manufacturing, storage, warehousing, goods display, retail sales, a hotel, a hospital, a mortuary, a laundry, a dry cleaning establishment or other uses similarly requiring the receipt or distribution by vehicles of material or merchandise, there shall be provided and maintained, on the same lot with such building, at least one off-street loading space plus one additional such loading for each additional twenty thousand square feet. (Ord. 388 § 17.10, 1975)

#### **17.51.150 Exceptions.**

In all districts, in connection with every use in said districts, there shall be provided at the time a building or structure is erected, enlarged or increased in capacity, or at the time of any change in use of any property, off-street parking spaces for automobiles in accordance with the requirements of this chapter. (Ord. 645 § 1, 1987; Ord. 542, 1983; Ord. 443, 1979; Ord. 388 § 17.11, 1975)

#### **17.51.160 Open space and screening required for loading areas adjacent to residential districts.**

No loading space shall be located closer than fifty feet to any lot in any R district, unless wholly within a completely enclosed building or screened by a fence or wall not less than eight feet in height. (Ord. 388 § 17.12, 1975)



**17.51.170 Size of loading space.**

Each loading space shall be not less than ten feet in width and twenty-five feet in length and fourteen feet in height. (Ord. 388 § 17.13, 1975)

**17.51.180 Size of nonresidential parking spaces.**

A. Each off-street parking space shall be not less than nine feet in width and twenty feet in length for diagonal parking and ten by twenty feet for right-angle parking, and shall be of usable shape and condition.

B. Parking spaces of less dimensions may be allowed if specifically authorized by the planning commission in an architectural and site approval. The smaller spaces shall be designed to accommodate compact automobiles. (Ord. 873 § 16, 2004; Ord. 388 § 17.14, 1975)

**17.51.190 Plan of required off-street parking and/or loading area.**

For the purpose of converting parking and/or loading spaces into the required parking and/or loading areas, plans must be submitted to the city engineer to show how the required parking and/or loading spaces shall be arranged in the area supplied for that purpose and to indicate sufficient space for parking maneuvers, as well as adequate ingress and egress to and from public rights-of-way to and from the parking and/or loading area. (Ord. 388 § 17.15, 1975)

**17.51.200 Use of required off-street parking by another building or use.**

No part of an off-street parking area required for any building or use for the purpose of complying with the provisions of this chapter shall be included as part of an off-street parking area similarly required for another building or use, unless the type of structure indicates, in the opinion of the planning commission, that the periods of usage of such structures will not be simultaneous with each other. (Ord. 388 § 17.16, 1975)

**17.51.210 Uses not specifically mentioned.**

In the case of any building, structure or premises the use of which is not specifically mentioned in this chapter, the provisions for a use which is so mentioned and to which such use is similar, as determined by the planning commission, shall apply. (Ord. 388 § 17.17, 1975)

**17.51.220 Shuttle program parking.**

Parking for the free summer beach shuttle program shall be provided in a remote lot or lots, such as those located on Bay Avenue. (Ord. 941 § 3, 2009)

# ATTACHMENT 3

## DRAFT

ORDINANCE NO. \_\_\_\_\_

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA AMENDING SECTION 17.36.040 OF THE CAPITOLA MUNICIPAL CODE TO ADD SUBSECTION H. PERTAINING TO EMERGENCY SHELTERS

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

Section 1. Subsection H. is hereby added to the Capitola Municipal Code Section 17.36.040 to read as follows:

"H. One Emergency Shelter with a maximum of 13 beds. Emergency shelters will comply with the following development standards:

1. Lighting: Adequate external lighting shall be provided for security purposes. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of an intensity compatible with the neighborhood.
2. Physical Characteristics: Compliance with applicable state and local housing, building, and fire code requirements.
3. Security: Facility shall have on-site security during hours of operation. Parking and outdoor facilities shall be designed to provide security for residents, visitors and employees.
4. Laundry Facilities: The development shall provide laundry facilities or services adequate for the number of residents.
5. Common Facilities: Facility shall contain amenities appropriate to the population to be served to include the following:
  - a) Central cooking and dining room
  - b) Recreation room
  - c) Counseling services
  - d) Child care facilities
  - e) Other support services
6. Outdoor Activity: For the purpose of noise abatement, organized outdoor activities may only be conducted between the hours of eight a.m. and ten p.m.
7. Refuse: Emergency shelters shall provide a refuse storage area that is in accordance with City requirements for accessory refuse structures. The storage area shall accommodate a standard-sized trash bin adequate for use on the parcel, or other enclosures as approved by the Planning Director. The refuse enclosure shall be accessible to refuse collection vehicles.

- 8. Emergency Shelter Provider: The agency or organization operating the shelter shall comply with the following requirements:
  - a) Temporary shelter shall be available to residents for no more than six months.
  - b) Staff and services shall be provided to assist residents to obtain permanent shelter and income.
  - c) The provider shall have a written management plan including, as applicable, provisions for staff training, good neighbor policies, security, transportation, client supervision, food services, screening of residents to insure compatibility with services provided at the facility, and for training, counseling, and treatment programs for residents. Such plan shall be submitted to and approved by the planning, inspections, and permitting department prior to operation of the emergency shelter. The plan shall include a floor plan that demonstrated compliance with the physical standards. The operator of each emergency shelter shall annually submit the management plan to the planning, inspections and permitting department with updated information for review and approval. The city council may establish a fee by resolution, to cover the administrative cost of review of the required management plan.
- 9. Limited Terms of Stay: The maximum term of staying at an emergency shelter is six months in a consecutive 12-month period.
- 10. Transportation Plan: A transportation plan is required.
- 11. Parking: The emergency shelter shall provide on-site parking at a rate of one space per staff member plus one space per six occupants allowed at the maximum capacity.
- 12. Bicycle Parking: The shelter shall provide secure bicycle parking at a rate of one space per occupant."
- 13. Development Standards: A Emergency shelter must comply with all development standards in the Industrial Park zone district.

Section 2. This ordinance shall take effect and be in full force thirty (30) days after its final adoption.

This ordinance was introduced on the 22nd day of March, 2012, and was passed and adopted by the City Council of the City of Capitola on the \_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

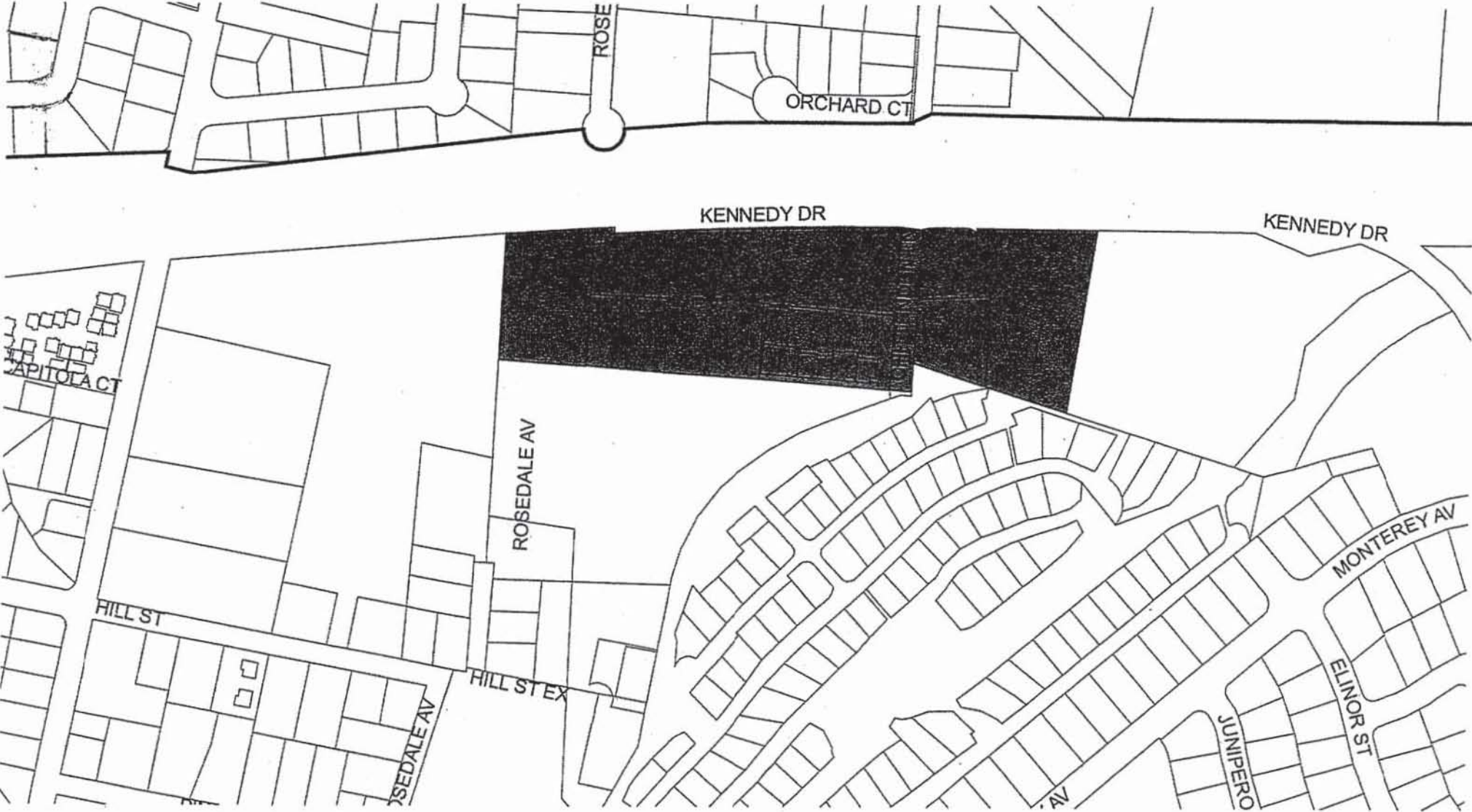
DISQUALIFIED:

APPROVED:



\_\_\_\_\_  
Michael Termini, Mayor

ATTEST:

\_\_\_\_\_, CMC  
Susan Sneddon, City Clerk



**Legend**

-  Industrial Park Zone
-  City Limits

## MINUTE EXCEPT OF A REGULAR JOINT MEETING

CITY OF CAPITOLA  
CITY COUNCIL/REDEVELOPMENT AGENCY

October 27, 2011  
Capitola, California

## 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.



Chairperson Ortiz was concerned about the potential issues of use permit to allow a full service bar and only six tables with chairs, with several lineal feet of bar height ledges shown in the floor plan. This application was similar to the permit for the commercial development at Kennedy Drive. She did not support the application with alcohol sales and no specific tenant or use.

Derek Van Alstine, project representative, stated that there is not any potential tenant and this commercial space has been vacant for two years. This project application is an attempt to attract a tenant and reduce the business start up time. He requested the Commission continue the item so that the applicant can reformulate the design.

Chairperson Ortiz was not supportive of continuance. The applicant can appeal the Commission's decision to the City Council. The Planning Commission has unanimously agreed to not support a use permit application with permission to serve alcohol, without a specific tenant.

**A MOTION WAS MADE BY COMMISSIONER NEWMAN AND SECONDED BY COMMISSIONER SMITH TO DENY PROJECT APPLICATION #11-100.**

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

#### **C. ZONING AMENDMENTS TO IMPLEMENT HOUSING ELEMENT ACTION ITEMS**

The Planning Commission shall consider amendments to the Capitola Municipal Code to implement action items contained in the 2007-2014 Housing Element. These amendments are as summarized as follows:

1. Amend the Capitola Municipal Code to modify parking, lot size, height, and setback requirements to encourage secondary dwelling units.
2. Amend the Capitola Municipal Code to allow Single Room Occupancy (SRO) and Small Ownership Units (SOU) in the Community Residential, Neighborhood Commercial and Community Commercial Zone Districts.
3. Amend the Capitola Municipal Code to provide Community Development Director approval of reasonable accommodations for persons with disabilities.
4. Amend the Capitola Municipal Code to add emergency shelters as a principally permitted use in the Industrial Park Zone District.
5. Amend the Capitola Municipal Code to specify that transitional and supportive housing is a principally permitted use in all zone districts that allow residential uses.

Community Development Director Johnson introduced Marisa Lee, Intern. He gave a brief overview of the Housing Element action items.

Housing Projects Manager Foster and Intern Marisa Lee presented the staff report.

The Planning Commission echoed the GPAC's concerns about continued mandates from the State and interference in local land use issues.

#### Secondary Dwelling Units

The Commission had strong reservations about modifications to the parking requirements, revisions to setbacks, and allowing second story detached secondary dwelling units, but was supportive of reducing the minimum lot size for secondary dwelling units from 5,000 sq. ft. to 4,000 sq.ft. The Planning Commission suggested the City Council hold public meetings with Depot Hill and Jewel Box neighborhood residents prior to any ordinance adoption, as they would be most impacted by a change in minimum lot size.

### Single Room Occupancy and Small Ownership Units

The Commission was concerned about mixing Single Room Occupancy and Small Ownership Units with commercial uses, but supported the concept of creating small rental and ownership units to be available to lower income households.

### Reasonable Accommodation Policy

The Commission supported the concepts of the proposed ordinance that would to provide an expedited process for persons with disabilities to receive a waiver of development standards for construction projects that would assist with accessibility.

### Emergency Shelters

The Commission supported Emergency Shelters in the Industrial Park (IP) zone district with the additional comments that shelters be held to the same design review and development standards as other industrial projects. Additionally, the Commission suggested that a transportation plan be included as part of permit application requirements.

### Transitional and Supportive Housing

The Commission spoke with concerns about neighborhood compatibility and the potential for an undue concentration in particular neighborhoods.

Kathie Howard, resident in Cliffwood Heights neighborhood spoke with concerns about the proposed requirements for transitional housing. The Cliffwood Heights neighborhood has several transitional homes and would like other neighborhoods share the burden.

## **NO ACTION REQUIRED.**

## **6. DIRECTOR'S REPORT**

Community Development Director Johnson provided the Commission a status update on the following items: Proposed sign ordinance amendment to allow sandwich board signs in the CV and CN district; code enforcement update; building permits were issued for Target. The demolition is currently under way and a banner permit was issued for a period not to exceed 30 days. The anticipated opening is in July 2012.

## **7. COMMISSION COMMUNICATIONS**

Commissioner Graves requested an update on the status of the sign program at 1066 41<sup>st</sup> Avenue. He stated his concerns with the upcoming sandwich board sign ordinance, noting tripping hazards, number of signs and placement issues. He also noted that there are several awnings in the Village that have not been maintained per the conditions of approval and should be replaced.

Chairperson Ortiz questioned the lack of discussion prior to bringing the sandwich board ordinance before the Commission.

Community Development Director Johnson stated that code enforcement of sandwich board signs as been lengthy and difficult. The B.I.A. requested staff assistance in resolving the sign issues and this ordinance is a temporary program.

Chairperson Ortiz stated that any proposed amendments to the sign ordinance should be initiated by a City Council member or Planning Commissioner, not individual members of the business community.



## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: CITY MANAGER AND FINANCE DEPARTMENTS

SUBJECT: FOLLOW-UP TO FINANCIAL MANAGEMENT RECOMMENDATIONS AND CONSIDERATION OF AN AMENDMENT TO TITLE 3 SECTION 20.050 OF THE CAPITOLA MUNICIPAL CODE PERTAINING TO BUDGET TRANSFERS AND BUDGET AMENDMENTS

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**RECOMMENDED ACTION:** By motion approve the following financial management changes:

1. Approve listing the Check Register of Warrants on the Council Agenda monthly, without a vote requirement
2. Introduce a proposed Ordinance amending Title 3 Section 20.050 of the Capitola Municipal Code to pertaining to Budget Transfers and Budget Amendments
3. Receive report regarding modified procedure for reporting:
  - a. Interfund Loans
  - b. Financial Reporting
  - c. Use of Resolutions

**BACKGROUND:** Bill Statler recently served as the Interim Finance Director. On February 23, 2012, he recommended a series of Financial Management Improvements.

As directed by Council, this report provides supplemental recommendations for the Register of Warrants and Budget Adjustment proposals; along with an update on the Council-directed changes to fiscal policies based on Mr. Statler's recommendations.

**DISCUSSION:** At the February 23, Council Meeting, former Finance Director Statler made recommendations related to the Register of Warrants and Budget Administration:

### A. Register of Warrants

Staff noted the bi-weekly check register takes staff effort to prepare and checks are already issued prior to Council review. This makes a Council vote on the item procedurally unnecessary. Based on City Council Comments, the following changes to the Check Register were implemented for the March 8, 2012 Council meeting, and staff recommends making the changes permanent. Staff proposes to:

- Ensure continued transparency, and streamline the reporting function, by placing the Check Register of Warrants in a Council agenda packet monthly.
- Include the check register on the Council Agenda; however a vote would no longer be required

### B. Budget Administration

Staff was directed to follow-up with formal action to implement the proposed changes to budget amendments. This includes amending Title 3, Section 20.050(D) of the Municipal Code pertaining to Budget Transfers and Budget Amendments; along with providing additional information on budgetary controls. The primary changes include:

- Modifying the dollar limit for Council approval of budget adjustments from \$10,000 to \$25,000
- Flexibility to place the budget adjustment on the Consent Agenda; rather than requiring the item to be listed on the agenda for discussion
- Defining internal budgetary controls

This language and procedures will be incorporated into the Municipal Code and the Proposed Administrative Policy (Attachments 1 and 2).

### C. Accounting for Cash Flow Interfund Borrowings

Interfund payables and receivables (due to/due from) will only be posted at year-end, if applicable. No further action required.

### D. Streamline and Improve Financial Reporting

- File monthly information with the City Clerk and Council containing the information that is required in Government Code Section 41004. This would include a 1-2 page summary of receipts, disbursements, and fund balances.
- Consolidate detailed information from the monthly Treasurer's Report with data presented in the quarterly revenue and departmental financial reports. This information will be posted quarterly to the City's website and distributed "off-agenda" to Council.

Quarterly reports will be made available in the last week of April, July, October, and January for the preceding quarter. No further action required.

### E. Use of Resolutions

Resolutions will no longer be required on the following financial management actions:


- **Budget Amendments.** All staff reports requiring budget amendments will be accompanied by a Budget Adjustment Form (Attachment 3). This form is currently being used internally to support budget amendments and will not require additional staff time.
- **Contracts.** This information will be presented in staff reports, and future contracts will be authorized without the use of unnecessary resolutions. No further action required.

**FISCAL IMPACT:** There are no direct fiscal impacts associated with the recommended changes; however the City will benefit from streamlined processes and the enhancement of existing financial reports.

### **ATTACHMENTS:**

1. Proposed Ordinance
2. Excerpt from the Proposed Budget Adjustment Policy
3. Budget Adjustment Form

**Report Prepared By:** Tori Hannah, Finance Director

Reviewed and Forwarded  
By City Manager: 

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAPITOLA  
AMENDING SECTION 3.20.050 (D) TO THE CAPITOLA MUNICIPAL CODE  
PERTAINING TO BUDGET TRANSFERS AND BUDGET AMENDMENTS

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

Section 1: Section 3.20.050 (D) is hereby amended to the Capitola Municipal Code to read as follows:

**“3.20.050 Budget Transfers and Budget Amendments.**

**D. Any supplemental appropriations of fund balance, or budget transfers** Budget amendments of twenty-five ~~ten~~ thousand dollars ~~(\$10,000)~~ **(\$25,000) or more will require Council approval.** ~~or more should be place on the Council's regular agenda for consideration and discussion. Budget amendments less than \$10,000 may be placed on Council's consent agenda.~~

Section 2. This ordinance shall take effect and be in full force thirty (30) days after its final adoption.

This ordinance was introduced on the 22nd day of March, 2012, and was passed and adopted by the City Council of the City of Capitola on the \_\_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

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

APPROVED:

\_\_\_\_\_  
Michael Termini, Mayor

ATTEST:

\_\_\_\_\_, CMC  
Susan Sneddon, City Clerk



**ADMINISTRATIVE POLICY – BUDGET ADJUSTMENTS**

**PURPOSE**

To establish policies regarding adjustments to the Adopted Budget, the approval level required, and procedures for processing budget requests.

**POLICY**

**Budget Control**

Council has the sole responsibility for adopting the City’s budget, and may amend or supplement the budget at any time after its adoption by a majority vote of the Council. The City appropriates (control) at the Budget Unit level. The Budget Unit level is defined as the “department, fund, or other organizational unit whose financial activities are accounted for separately.”

Expenditures for the General Fund are considered a Budget Unit at the Department Level, with Community Grants controlled at the grantee level.

After the budget adoption, any supplemental appropriations of fund balance, or budget transfers over \$25,000 within a “Budget Unit” will require Council approval. Budget amendments that require Council approval may be placed on the consent agenda.

**Budget Amendment Authority**

All requests for budget adjustments must include an explanation for the change; along with a discussion of fiscal impact. This information will be documented on a Budget Adjustment Form which will be reviewed by the Finance Department for fiscal impact, correct account coding, and policy consistency prior to receiving City Council or City Manager approval (Attachment 3).

Budget adjustments will be subject to the following approval levels:

- I. Council Approval
  - A. Any supplemental appropriations of fund balance
  - B. Transfers between funds
  - C. Transfers of \$25,000 or greater within a “Budget Unit”
  
- II. Administrative Approval - City Manager
  - A. Transfers within a “Budget Unit” of up to \$25,000
  - B. Transfers between capital improvement projects
  
- III. Administrative Approval - Finance Director
  - A. Transfers within a “Budget Unit” of up to \$10,000
  - B. Transfers within major expense categories up to \$25,000

Department Head signatures will also be required prior to receiving formal approval by the City Council, City Manager, or the Finance Director.

**City of Capitola Budget Adjustment Form**



Date \_\_\_\_\_

Requesting Department \_\_\_\_\_

Administrative Council

Item # \_\_\_\_\_  
 Council Date \_\_\_\_\_  
 Council Approval \_\_\_\_\_

Revenues		
Account #	Account Description	Increase/Decrease
Total		-

Expenditures		
Account #	Account Description	Increase/Decrease
Total		-

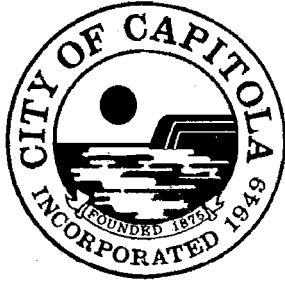
Net Impact -

Purpose: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Department Head Approval \_\_\_\_\_

Finance Department Approval \_\_\_\_\_

City Manager Approval \_\_\_\_\_



Item #: 10.D.

## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: Office of City Attorney  
SUBJECT: Consideration of Permanent Quarter Cent Sales Tax Measure for November 6, 2012 Election and Resolution Ordering Election and Requesting Consolidation with the Presidential General Election

**RECOMMENDED ACTION:** By motion, adopt Resolution ordering an election and requesting consolidation of the General Municipal Election in the City of Capitola on November 6, 2012, to elect two members of the City Council, a City Treasurer, and to include a ballot measure imposing a permanent retail transactions and use tax to be administered by the State Board of Equalization.

**BACKGROUND:** At its March 8, 2012 meeting, Council gave direction to staff to bring to the Council the documents necessary to implement a permanent ¼ cent sales tax increase for voter consideration at the consolidated November 6, 2012 general election.

**DISCUSSION:** State law allows citizens to adopt a local sales tax in ¼ cent increments. The sales tax can be used for general government purposes, in which case a simple majority of affirmative votes is required to pass the measure. If the Council wants to earmark the tax proceeds exclusively for specified governmental functions, such as capital improvement project expenditures, then the tax would be considered a special tax, and as such would require a 2/3 majority vote. The measure as presented in the attached ballot language is a tax for general government purposes.

In 2004, City voters adopted a temporary ¼ cent sales tax which was originally scheduled to sunset on June 30, 2010. However, City voters in 2008 extended that sunset date to December 31, 2017. The proposed permanent tax, which is the subject of the attached Resolution, is in addition to, and not in lieu of, the temporary tax. Accordingly, if the permanent tax is approved by City voters, the City's retail transactions and use tax rate shall total ½ cent through December 31, 2017 and ¼ cent thereafter.

If the subject Resolution is adopted, the City Clerk will prepare a timeline for submitting the impartial analysis, arguments for and against, and rebuttals to the arguments. This information as well as a Resolution authorizing certain council members to file written arguments for or against the City ballot measure will be brought back to the Council at a regular City Council meeting in timely fashion. The Resolution also calls for the consolidation of the City's November 2012 election of Council Members and Treasurer.

**FISCAL IMPACT:** Should the sales tax measure be successful the City General Fund would receive an estimated annual additional \$900,000 in discretionary revenues. The City is responsible for costs involved in the printing and distribution of the measure text in the voter information pamphlet, which would include the City Attorney's impartial analysis and any arguments and rebuttal arguments pertaining to the ballot measure. The estimated cost to conduct the City's election is \$3.00 per voter (i.e., 5,000 voters = \$15,000), which the City will incur regardless of whether the new ¼% sales tax measure is on the ballot.

### ATTACHMENTS

1. Draft Resolution

Report Prepared By: John Barisone, City Attorney

Reviewed and Forwarded  
By City Manager:

## RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA ORDERING AN ELECTION, REQUESTING COUNTY ELECTIONS TO CONDUCT THE ELECTION, AND REQUESTING CONSOLIDATION OF THE GENERAL MUNICIPAL ELECTION IN THE CITY OF CAPITOLA ON TUESDAY, NOVEMBER 6, 2012**

**WHEREAS**, pursuant to Elections Code Section 10002, the governing body of any city may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city relating to the conduct of an election; and

**WHEREAS**, the resolution of the governing body of the city or district shall specify the services requested; and

**WHEREAS**, pursuant to Elections Code Section 10002, the city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

**WHEREAS**, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

**WHEREAS**, pursuant to Elections Code Section 10400, such election for cities may be either completely or partially consolidated; and

**WHEREAS**, pursuant to Elections Code Section 10403, whenever an election called by a city for submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for the statewide election, the city shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections office, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, at is i8t to appear on the ballot. Upon such request, the board of supervisors may order the consolidation; and

**WHEREAS**, the resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

**WHEREAS**, various district, county, state and other political subdivision elections may be or have been called to be held on November 6, 2012.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the City Council of the City of Capitola hereby orders an election be called and consolidated with any and all elections also called to be held on November 6, 2012 insofar as said elections are to be held in the same territory or in a territory that is in part the same as the territory of the City of Capitola, and hereby request the Board of Supervisors of the County of Santa Cruz to order such consolidation under Elections Code Sections 10401 and 10403.

**BE IT FURTHER RESOLVED AND ORDERED** that the City Council of the City of Capitola hereby requests the Board of Supervisors to permit the Santa Cruz County elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services; and

**DRAFT RESOLUTION**

**BE IT FURTHER RESOLVED AND ORDERED** that the Santa Cruz County Elections Department conduct the election for the following offices to be voted on at the November 6, 2012, election:

Selection of two (2) Members of the City Council for the full term of four (4) years, and  
Selection of one (1) City Treasurer for the full term of four (4) years.

**BE IT FURTHER RESOLVED AND ORDERED** that the Santa Cruz County Elections Department shall conduct the election for the following Measure to be voted on at the November 6, 2012, election:

Shall a City of Capitola permanent sales tax increase of one quarter of one percent be adopted to pay for disaster recovery and to maintain general services including public safety and street improvements?	Yes	
	No	

**BE IT FURTHER RESOLVED AND ORDERED** that the Santa Cruz County Elections Department is requested to print the measure text exactly as filed or indicated on the filed document in the Voter's Information Pamphlet section of the Sample Ballot for the November 6, 2012, election, attached hereto as Exhibit "A". The cost of printing and distribution of the measure text will be paid for by the city.

**BE IT FURTHER RESOLVED AND ORDERED** that the City Clerk of the City of Capitola is hereby ordered and directed to cause said proposed ordinance and notice of election to be published in accordance with the provisions of the California State Elections Code.

**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 22<sup>nd</sup> day of March, 2012, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Michael Termini, Mayor

ATTEST:

\_\_\_\_\_, CMC  
Susan Sneddon, City Clerk





Item #: 10.E.

## CITY COUNCIL AGENDA REPORT

MEETING OF MARCH 22, 2012

FROM: Community Development Department

SUBJECT: Authorize a Request for Proposal for a hotel development on the McGregor Drive Property (Former Shuttle Bus Lot – APN 036-341-02)

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**RECOMMENDED ACTION:** Authorize staff to issue a Request for Proposal for a hotel development on the McGregor property.

**BACKGROUND:**

The McGregor property, located on McGregor Rd. south of the entrance to the New Brighton Beach State Park, has been in the City inventory for several years. It was purchased with City General Fund money for the purpose of a shuttle lot parking use to comply with Coastal Commission requirements. The property was used for that purpose until the summer of 2003 when the City negotiated the lease of the Cross Roads parking area for the summer shuttle. Ridership increased dramatically at the new location, and with a new contract for shuttle services, costs decreased.

In 2007, the City Manager issued a Request for Proposal for a hotel development. At that time the City received one proposal which ultimately did not work for the developer or the City. Staff would like the Council to authorize going through this process again. We have received enquiries about selling the property for a hotel use and feel this is a good time to determine if this is a viable use for the site. The location of the property next to the freeway and state park make it a potentially attractive site for a hotel development.

A number of uses have been considered for this site in the past. The City evaluated its potential as a police facility, a skate park, a new location for City Hall, a joint project with the County Office of Education, and for affordable housing. These ideas were all not pursued because of various constraints including its location on the edge of the City, poor bike and pedestrian access, and lack of infrastructure for water and sewer. The problems associated with the property can all be resolved at a cost. A hotel developer would give the City the opportunity to negotiate an agreement which may not result in a high price for the property but could provide some long term benefits through the payment of transient occupancy tax to the City and advancing the City's economic development objectives.

The Request for Proposal will be sent to known hotel developers and posted on the City's web site. Anyone interested in receiving a copy of the Request for Proposal can contact the City. The City Council is not required to accept any of the proposals it receives as a result of this process, but will have the opportunity to evaluate them and decide if this is a good use for this City owner parcel.

**FISCAL IMPACT:** None at this time.

**ATTACHMENTS:**

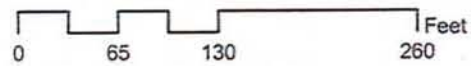
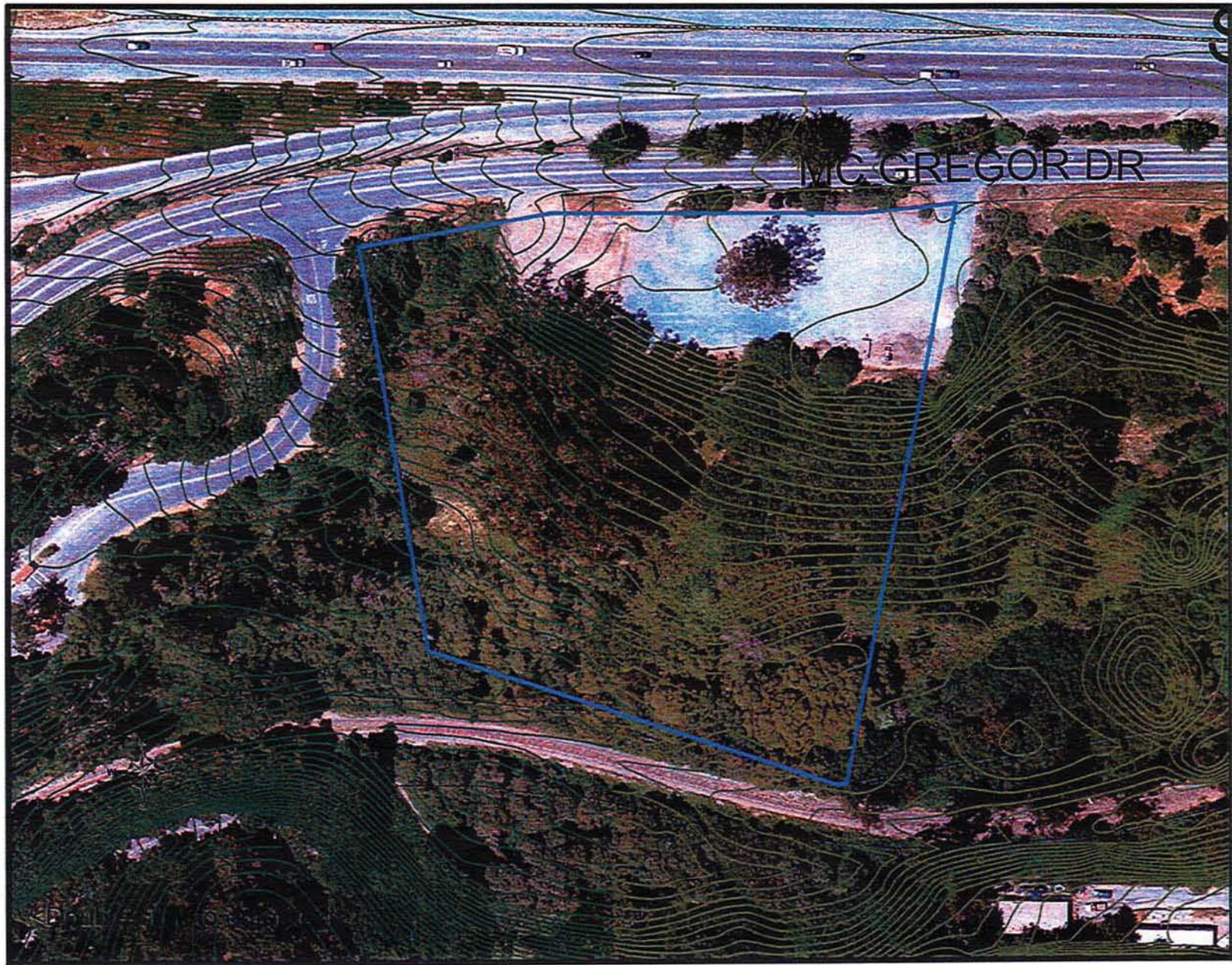
1. Map of the McGregor site.

**Report Prepared By:** Susan Westman  
Interim Community Development Director

**Reviewed and Forwarded  
By City Manager:**



# McGregor Property Topo Map



**ATTACHMENT 1**