

# City of Capitola Agenda

Mayor: Jacques Bertrand  
Vice Mayor: Kristen Petersen  
Council Members: Ed Bottorff  
Yvette Brooks  
Sam Storey



**REVISED**

## **CAPITOLA CITY COUNCIL REGULAR MEETING**

**THURSDAY, JUNE 13, 2019**

**7 PM**

**CITY COUNCIL CHAMBERS  
420 CAPITOLA AVENUE, CAPITOLA, CA 95010**

**CLOSED SESSION – 6:30 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. There will be a report of any final decisions in City Council Chambers during the Open Session Meeting.*

### **1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council Members Sam Storey, Kristen Petersen, Yvette Brooks, Ed Bottorff, and Mayor Jacques Bertrand

#### **PUBLIC EMPLOYEE PERFORMANCE EVALUATION [Govt. Code § 54957(b)]**

City Council’s Performance Evaluation of the City Attorney

#### **PUBLIC EMPLOYMENT [Govt. Code § 54957(b)]**

Title: City Attorney

#### **PUBLIC EMPLOYEE APPOINTMENT [Govt. Code § 54957(b)]**

Title: City Attorney

## **REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7:00 PM**

*All correspondences received prior to 5:00 p.m. on the Wednesday preceding a Council Meeting will be distributed to Councilmembers to review prior to the meeting. Information submitted after 5 p.m. on that Wednesday may not have time to reach Councilmembers, nor be read by them prior to consideration of an item.*

*All matters listed on the Regular Meeting of the Capitola City Council Agenda shall be considered as Public Hearings.*

### **2. REPORT ON CLOSED SESSION**

### **3. ADDITIONAL MATERIALS**

*Additional information submitted to the City after distribution of the agenda packet.*

### **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. CITY COUNCIL / STAFF COMMENTS**

*City Council Members/Staff may comment on matters of a general nature or identify issues for staff response or future council consideration. No individual shall speak for more than two minutes.*

### **7. 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 which appear on the public agenda shall be determined to have been read by title and further reading waived.*

- A. Consider the May 23, 2019, City Council Regular Meeting Minutes

RECOMMENDED ACTION: Approve minutes.

- B. Consider the City's Investment Policy

RECOMMENDED ACTION: Confirm the City's Administrative Policy Number III-1, Investment Policy.

CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA  
June 13, 2019

- C. Consider the Adoption of a Resolution Setting the Fiscal Year 2019/2020 Appropriation Limit  
RECOMMENDED ACTION: Adopt the resolution.
- D. Consider a Resolution of Intention to Levy Business Improvement Assessments for Fiscal Year 2019-2020  
RECOMMENDED ACTION: Adopt a Resolution receiving the Capitola Village and Wharf Business Improvement Area Annual Report, the proposed Fiscal Year 2019-2020 Budget and set and notice a public hearing.
- E. Consider a Resolution Accepting Two Offers of Dedication for Street, Sidewalk, and Utility Purposes for the Tera Commons Subdivision, 1575 38th Avenue  
RECOMMENDED ACTION: Adopt a resolution accepting two offers of dedication for street, sidewalk and utility purposes for the Tera Commons subdivision, Tract No. 1596 located at 1575 38<sup>th</sup> Avenue.

**8. GENERAL GOVERNMENT / PUBLIC HEARINGS**

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

- A. Report on Proposed Wharf Rehabilitation Options  
RECOMMENDED ACTION: Receive a report on phasing options for the Wharf Rehabilitation Project and direct staff to proceed with design and permitting efforts for Phase 1 of the project.
- B. Consider Designating Two New 24-Minute Village Parking Spots Between 331 and 401 Capitola Avenue  
RECOMMENDED ACTION: Consider designating two new 24-minute parking spaces under the rail trestle along Capitola Avenue as requested by the property owners at 331 and 401 Capitola Avenue.
- C. Consider Recreation Strategic Plan Contract  
RECOMMENDED ACTION: Consider funding levels for Recreation Strategic Plan project contract and authorize the City Manager to enter into a contract with BluePoint Planning.
- D. Approve the Resolution adopting the Fiscal Year 2019/20 City Budget and Capital Improvement Plan.  
RECOMMENDED ACTION: Approve the Resolution adopting the Fiscal Year 2019/20 City Budget and Capital Improvement Program.
- E. Consider a New Interim City Attorney Contract  
RECOMMENDED ACTION: Consider the agreement for Interim City Attorney Services with RWG Legal in the amount of \$22,260 for July and August 2019 and authorize the City Manager to execute the agreement.

**9. ADJOURNMENT**

**Note:** Any person seeking to challenge a City Council decision made as a result of a proceeding in

## CAPITOLA CITY COUNCIL REGULAR MEETING AGENDA June 13, 2019

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 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 for review on the City’s website: [www.cityofcapitola.org](http://www.cityofcapitola.org) and at Capitola City Hall prior to the meeting. Agendas are also available at the Capitola Post Office located at 826 Bay Avenue, Capitola. 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 rebroadcasted at 8:00 a.m. on the Wednesday following the meetings and at 1:00 p.m. on Saturday following the first rebroadcast 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.cityofcapitola.org](http://www.cityofcapitola.org) by clicking on the Home Page link “**Meeting Agendas/Videos**.” Archived meetings can be viewed from the website at anytime.



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF JUNE 13, 2019**

FROM: City Manager Department

SUBJECT: Consider the May 23, 2019, City Council Regular Meeting Minutes

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RECOMMENDED ACTION: Approve minutes.

DISCUSSION: Attached for City Council review and approval are the minutes of the regular meeting of May 23, 2019.

ATTACHMENTS:

1. 5-23 draft minutes

Report Prepared By: Linda Fridy  
City Clerk

**Reviewed and Forwarded by:**

A handwritten signature in blue ink, appearing to be "JG", is written over a horizontal line.

Jamie Goldstein, City Manager

6/6/2019

**CAPITOLA CITY COUNCIL  
REGULAR MEETING ACTION MINUTES  
THURSDAY, MAY 23, 2019 - 7:00 PM**

**CLOSED SESSION**

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION [Govt. Code § 54956.9(d)(1)]**

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION [Govt. Code § 54957(b)]**

**REGULAR MEETING OF THE CAPITOLA CITY COUNCIL - 7:00 PM**

**1. ROLL CALL AND PLEDGE OF ALLEGIANCE**

Council Member Yvette Brooks: Present, Council Member Ed Bottorff: Present, Council Member Sam Storey: Present, Vice Mayor Kristen Petersen: Present, Mayor Jacques Bertrand: Present.

**2. PRESENTATIONS**

A. Monterey Bay Community Power Annual Update

Lena Williams from Community Power gave an update on their programs.

**3. REPORT ON CLOSED SESSION**

**4. ADDITIONAL MATERIALS**

**5. ADDITIONS AND DELETIONS TO AGENDA**

**6. PUBLIC COMMENTS**

Steve Cain talked about the photographs he took that are currently displayed in Council Chambers.

**7. CITY COUNCIL / STAFF COMMENTS**

Councilmember Storey discussed some projects the Art & Cultural Commission is working on, and requested an item be added to a future agenda regarding Assembly Bill 857.

Councilmember Petersen announced Emergency Medical Services week and reminded the public to celebrate safely on Memorial Day.

Councilmember Brooks welcomed the students in attendance at the meeting.

Mayor Bertrand agreed that an item on Assembly Bill 857 would be welcomed.

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
May 23, 2019

Councilmember Bottorff announced that he attended the ribbon cutting for the Regional Transportation Commission’s pedestrian bridge, the first section of the Monterey Bay Sanctuary Scenic Trail.

City Manager Goldstein asked Council members to contact him if they wanted to volunteer to review the consultant proposals to evaluate the Community Grant program.

Director Jesberg reported that the Beach and Lagoon grading was delayed and will begin Tuesday, May 28.

**8. BOARDS, COMMISSIONS AND COMMITTEES APPOINTMENTS**

A. Appoint Art and Cultural Commission Members  
RECOMMENDED ACTION: Appoint Laura Alioto as an at-large member and Kelly Mozumder as the artist representative for unfinished terms expiring in December 2019 as recommended by the Art and Cultural Commission.

Assistant to the City Manager Larry Laurent presented.

<b>MOTION:</b>	<b>APPOINT AS RECOMMENDED</b>
<b>RESULT:</b>	<b>APPOINTED [UNANIMOUS]</b>
<b>MOVER:</b>	Yvette Brooks, Council Member
<b>SECONDER:</b>	Sam Storey, Council Member
<b>AYES:</b>	Brooks, Bottorff, Storey, Petersen, Bertrand

**9. CONSENT CALENDAR**

<b>MOTION:</b>	<b>APPROVE AS RECOMMENDED</b>
<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Sam Storey, Council Member
<b>SECONDER:</b>	Yvette Brooks, Council Member
<b>AYES:</b>	Brooks, Bottorff, Storey, Petersen, Bertrand

- A. Consider the May 9, 2019, City Council Regular Meeting Minutes  
RECOMMENDED ACTION: Approve minutes.
- B. Receive the May 2, 2019, Planning Commission Regular Meeting Action Minutes  
RECOMMENDED ACTION: Receive minutes.
- C. Approval of City Check Registers Dated April 5, April 12, April 19, and April 26, 2019  
RECOMMENDED ACTION: Approve check registers.
- D. Approve the Purchase of One Unmarked Police Vehicle for \$28,000 and Transfer one Unmarked Police Vehicle to the City Fleet  
RECOMMENDED ACTION: 1) Award purchase contract to North Bay Ford in the amount of \$28,000 for the purchase of one unmarked police vehicle: 2016 Ford Explorer (VIN: 1FM5K7DH6GGC66872) and; 2) Authorize the Police Department to transfer the unmarked police vehicle 2017 Toyota Camry (VIN: 4T1BF1FK1HU697216) from the Police Department to the City Fleet.

Attachment: 5-23 draft minutes (Approval of City Council Minutes)

CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
May 23, 2019

- E. Accept the Jewel Box Traffic Calming Project as Complete and Approve a Notice of Completion  
RECOMMENDED ACTION: Approve the Notice of Completion for the Jewel Box Traffic Calming Project constructed by Earthworks Paving Contractors with a final cost of \$64,200 and direct the Public Works Department to record the Notice of Completion.

**10. GENERAL GOVERNMENT / PUBLIC HEARINGS**

- A. Update on the Capitola Branch Library Project  
RECOMMENDED ACTION: Receive report and direct staff to continue working with utility companies to determine the most efficient and quickest solution to resolve existing conflicts with overhead wires located around the library site and return with further information regarding estimated schedule and costs at a future meeting.

Public Works Director Jesberg summarized the current status of the library project, and the recently identified conflict between the building and the adjacent power line. Director Jesberg also noted that staff is evaluating if architect's errors and omission insurance should cover the costs to resolve the conflict.

Councilmember Petersen asked if there will be a six-month delay to the anticipated June 2020 library opening; Director Jesberg said the worst-case scenario would push the opening to October 2020. Councilmember Brooks confirmed that there would be no cost difference in using PG&E or another contractor to complete this project.

No public comment.

<b>MOTION:</b>	<b>RECEIVE REPORT, MOVE FORWARD AS SOON AS POSSIBLE WITH UNDERGROUNDING WIRES AND SIMULTANEOUSLY PURSUE CLAIM FROM ARCHITECT'S ERRORS AND OMISSIONS INSURANCE</b>
<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Ed Bottorff, Council Member
<b>SECONDER:</b>	Sam Storey, Council Member
<b>AYES:</b>	Brooks, Bottorff, Storey, Petersen, Bertrand

- B. Continue Discussion of the Revised Zoning Code for Coastal Commission Certification - Capitola Staff Revisions for Internal Consistency and Compliance with State Regulations  
RECOMMENDED ACTION: Accept staff presentation and continue the discussion to the meeting of June 27, 2019.

Community Development Director Herlihy summarized the purpose of this hearing, to review the proposed changes to the zoning code based on revised state law and to clean up internal code inconsistencies. Future review of coastal commission staff edits will take place on June 27.

Councilmember Brooks requested that childcare centers be added to the Community Benefits section of Code.

No public comment.

<b>RESULT:</b>	<b>RECEIVE REPORT</b>
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Attachment: 5-23 draft minutes (Approval of City Council Minutes)



CAPITOLA CITY COUNCIL REGULAR MEETING MINUTES  
May 23, 2019

11. **ADJOURNMENT**

The meeting was adjourned at 8:41 P.M.

\_\_\_\_\_  
Jacques Bertrand, Mayor

ATTEST:

\_\_\_\_\_  
Liz Nichols, Deputy City Clerk

Attachment: 5-23 draft minutes (Approval of City Council Minutes)



# CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF JUNE 13, 2019

FROM: Finance Department  
SUBJECT: Consider the City's Investment Policy

**RECOMMENDED ACTION:** Approve changes to the City's Administrative Policy Number III-1, Investment Policy as recommended by the Finance Advisory Committee.

**BACKGROUND:** California Government Code §53630 et seq. contains State requirements for the deposit of City funds. Government Code §53635 requires that all money belonging to, or in the custody of, a local agency be deposited in certain allowable instruments. Capitola's current Investment Policy was approved by the City Council on August 9, 2001, by adoption of Resolution No. 3149, affirming the City's Investment Policy and was incorporated into the City's Administrative Policies. California Government Code requires a city to review its Investment Policy on an annual basis and each year since 2001 the City Council has confirmed the Investment Policy without any changes.

**DISCUSSION:** The California Debt and Investment Advisory Committee annually updates the Local Agency Investment Guidelines which lists the allowable investment options for local public agencies. The City's current investment policy allows the City to invest in four of the twenty-three allowable investment instruments. Additionally, the City's Investment Policy states that the investment policy, or any modification thereof, shall be formulated by the City Treasurer and approved by the City Council. At the March 19, 2019, Finance Advisory Committee (FAC) meeting the City Treasurer presented several suggested revisions to the investment policy for consideration. Understanding the order of importance, the investment policy shall:

1. Provide for the safety of the funds
2. Assure the liquidity of the funds
3. Acquire earnings of the funds

The suggested revisions listed below would open the City's investment options up to the investments public entities most commonly use, Government Agencies and Certificates of Deposit (CDs), while maintaining the order of the priorities of safety, liquidity, and yield:

- Ø Modify U.S. Treasury T-Bills to read U.S Treasury Obligations
  - Expands options - by definition, T-Bills mature in one year or less while U.S. Treasury Obligations allow for investment of up to five years, which is consistent with state code
- Ø Add U.S. Agency Obligations

City investment policy  
June 13, 2019

- Provides an additional investment instrument that is backed by the federal government, does not decrease either safety or liquidity, and may provide greater earnings potential than U.S. Treasury Obligations
- Modify the parameters section for Negotiable CDs as follows
  - Allow up to 30% of the portfolio per state code
  - Extend maximum maturity date to 5 years per state code
  - Remove the “top 20 national banks” paragraph and replace with “CDs must be FDIC insured and not more than \$250,000 may be invested into any one bank to ensure FDIC insurance on all invested funds”
  - Remove paragraphs D and E as they are no longer needed with the above FDIC insurance language

Following a discussion on each of the suggested revisions at the March 19<sup>th</sup> meeting, the FAC requested that the City Treasurer return at a future meeting with a red-line version of the investment policy incorporating all of the suggested revisions. The red-line copy was presented to the FAC at their meeting on May 22, 2019, and is attached to this staff report. At the May 22<sup>nd</sup> meeting the FAC approved all changes to the investment policy and has advanced a recommendation to the City Council to approve the revised Investment Policy. The revised Investment Policy and Investment Portfolio comply with all applicable state law requirements.

At the time that this staff report was written the yield curve on U.S. Treasury Obligations was inverted, meaning that interest rates were slightly higher on shorter term investments than on longer term investments. Approval of the revised Investment Policy will provide the City Treasurer with additional investment options but does not necessarily mean that these options will be utilized immediately. The intent of revising the Investment Policy is to make sure the City has the desired flexibility within the policy when needed.

FISCAL IMPACT: None. However, if approved, the revised Investment Policy will provide an opportunity for the City to increase the performance of the City’s investment portfolio in the right economic market conditions.

ATTACHMENTS:

1. III-1 Investment Policy (PDF)

Report Prepared By: Jim Malberg  
Finance Director

**Reviewed and Forwarded by:**



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

6/6/2019



## ADMINISTRATIVE POLICY

Number: III-1

Issued: May 9, 1996

Revised: August 9, 2001

Jurisdiction: City Council

### INVESTMENT POLICY

The policy for the investment of public funds shall at all times conform, by law, to Section 53601, et seq., of the California Government Code. In order of importance, the investment policy shall:

1. Provide for the safety of the funds
2. Assure the liquidity of the funds
3. Acquire earnings of the funds

This investment policy, or any modification thereof, shall be formulated by the City Treasurer and approved by the City Council and copies made available upon request.

The Treasurer's investment portfolio contains pooled investments of funds by both the City and of benefit assessment districts within the City. The earnings from pooled investments are shared proportionately with each investor.

City investment funds shall only be invested in the following permitted investments:

1. State of California Local Agency Investment Fund
2. U.S. Treasury Obligations T-Bills
- ~~3. U.S. Agency Obligations~~
- ~~4.3. Negotiable Certificates of Deposit~~
- ~~5.4. Guaranteed Investment Contracts (GIC) of AAA quality, for a term not to exceed fifteen (15) months\*~~

The following limitations shall apply to permitted investments:

T-Bills: Total dollar investment not to exceed 60% of total portfolio at time of investment.

Certificates of Deposit:

- A. Total dollar investment not to exceed ~~30%~~ 20% of total portfolio at time of investment.
- B. Maturity date of securities shall not be more than ~~five years~~ 365 days from date of purchase.
- C. Issuer must be FDIC insured and not more than \$250,000 may be invested into any one bank to ensure FDIC insurance on all invested funds, one of top 20 national or state chartered banks, one of top 20 state or federal savings associations, or one of top 10 state licensed foreign banks as compiled by American Banker from Merrill Lynch.
- ~~D. CD's may be purchased only from the issuer, a federal or state chartered bank, a federal or state association, or a brokerage firm designated as a primary dealer by the Federal Reserve Bank.~~
- ~~E. The deposit shall not exceed the total of the paid-up capital and the surplus of any depository bank, nor shall the deposit exceed the net worth of any depository association.~~

City funds placed in a qualified Other Post Employment Benefit (OPEB) Trust Fund for retiree healthcare can be invested in accordance with Government Codes 53620-53622.

Jim Malberg- Peter Wilk, City Treasurer



# CAPITOLA CITY COUNCIL AGENDA REPORT

## MEETING OF JUNE 13, 2019

FROM: Finance Department

SUBJECT: Consider the Adoption of a Resolution Setting the Fiscal Year 2019/2020  
Appropriation Limit

RECOMMENDED ACTION: Adopt the resolution.

BACKGROUND: On November 6, 1979, California voters approved Proposition 4, commonly known as the Gann Initiative, establishing Article XIII B of the State Constitution. This proposition, which has been amended twice, places annual limits on the appropriation of tax proceeds that can be made, based on the 1978-79 base year and adjusted each year for population growth and cost-of-living factors. It precludes state and local government from retaining “excess” revenues above the appropriation limit and requires the state to reimburse local government for the cost of certain mandates.

The appropriations limit on the amount of revenue that can be spent applies only to tax proceeds. Charges for services, fees, grants, loans, donations, and other non-tax-based proceeds are excluded.

The State Constitution requires that prior to June 30 of each year, Council ratify the calculation factors and set the City’s appropriations limit for the following fiscal year.

DISCUSSION: The Appropriations Limit for a given fiscal year is established in the months preceding the beginning of that fiscal year. California Revenue and Taxation Code, Section 2227, mandates that the State Department of Finance transmit an estimate of the percentage change in population to local governments. Capitola uses this percentage change in population factor for January 1, 2019, in conjunction with the County-issued “Change in California Per Capita Income” to calculate the Appropriation Factor used to determine the limit.

The 2019-20 calculation is:

Annual % change in City Population minus Exclusions	Change in California per capita Income =	Appropriation Factor	FY 2018-19 Appropriation Limit	FY 2019-20 Appropriation Limit
0.9925	1.0385	1.0307	\$ 29,150,257	\$ 30,045,461

The 2019-20 Proposed Budget tax revenues are:

Appropriation Limit  
June 13, 2019

Source of Tax Revenue	2019-20 Proposed Budget
Sales Tax (1%)	\$ 5,800,000
District Taxes (Measures O & F)	2,165,326
Property Tax and In-Lieu	2,598,486
Transient Occupancy Tax	1,640,657
Document Transfer Tax	90,000
Franchise Taxes	560,000
Business License Tax	305,300
Cannabis Retail Tax	250,000
Interest Income from tax revenue	3,500
Total Tax Revenue	\$ 13,413,269

The 2019-20 percent of appropriations limit used is:

Fiscal Year ended:	2017-18	2018-19	2019-20
Appropriations Limit	\$ 28,137,314	\$ 29,150,257	\$ 30,045,461
Tax revenue	\$ 12,713,254	\$ 12,736,440	\$ 13,413,269
Remaining to limit	\$ 15,424,060	\$ 16,413,817	\$ 16,632,192
% of limit used	45.18%	43.69%	44.64%
Limit vs. prior year	\$ 1,071,795	\$ 1,012,943	\$ 895,204
Incr./.(Decr.) vs. pr. yr.	4.0%	3.6%	3.1%

**FISCAL IMPACT:** The appropriations limit increased \$895,204, or 3.1%, to \$30 million from Fiscal Year 2018/19 to Fiscal Year 2019/20.

Report Prepared By: Mark Sullivan  
Senior Accountant

**Reviewed and Forwarded by:**

Jamie Goldstein, City Manager

6/6/2019

Appropriation Limit  
June 13, 2019

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA  
SETTING THE 2019-20 FISCAL YEAR APPROPRIATION LIMIT PURSUANT  
TO ARTICLE XIII B OF THE CALIFORNIA CONSTITUTION**

**WHEREAS**, before June 30 of each year, the City Council must select the factors to calculate the appropriation limit for the ensuing fiscal year and set the appropriation limit accordingly.

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Capitola that the 2019-20 Fiscal Year Appropriation Limit shall be \$30,045,461 calculated as follows:

Population change within the city:	0.9925
Change in California per capita Income	1.0385

2018-19 Appropriation Limit:	\$ 29,150,257
Adjustment Factor	x 1.0307
2019-20 Appropriation Limit:	<u>\$ 30,045,461</u>

**I HEREBY CERTIFY** that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 13<sup>th</sup> day of June, 2019, by the following vote:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ABSTAIN:**

\_\_\_\_\_  
Jacques Bertrand, Mayor

ATTEST:

\_\_\_\_\_  
Linda Fridy, City Clerk



## CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF JUNE 13, 2019

FROM: Finance Department

SUBJECT: Consider a Resolution of Intention to Levy Business Improvement Assessments for Fiscal Year 2019-2020

**RECOMMENDED ACTION:** Adopt the proposed resolution of intention that provides notification of the City's intent to levy business improvement assessments for Fiscal Year 2019/2020; receiving the annual report and proposed budget of the CVWBIA; setting the date for a public hearing to be held on Thursday, June 27, 2019; and outlining noticing requirements.

**BACKGROUND:** In June 2005, the City of Capitola adopted Ordinance No. 889, which established the Capitola Village and Wharf Business Improvement Area (CVWBIA) to generate revenue for the exclusive purpose of promoting business in the CVWBIA. State law requires certain annual actions and a public hearing to continue this assessment district.

**DISCUSSION:** In accordance with state law, the CVWBIA is required to submit an annual plan each year for assessments to be levied in the CVWBIA. The annual report, Exhibit A to the proposed Resolution (Attachment 1), was prepared by the CVWBIA. It fulfills the requirement for Fiscal Year 2019/2020 and is submitted for Council review and approval.

In November 2018, voters approved Measure J, which increased the transient occupancy tax (TOT) from 10% to 12%. 20% of the TOT increase is designated for local business groups for marketing and community improvements. In February 2019 City Council directed that the restricted TOT funding would be split evenly between the Capitola-Soquel Chamber of Commerce and the CVWBIA in FY 2019-20. The City Council also requested that a minimum of 25% of restricted TOT revenues be allocated towards community improvements which may include special events. The proposed CVWBIA budget includes \$29,000 of TOT revenues for FY 2019-20.

The "Restaurant Limited" business category has been eliminated and split into three new categories: Restaurant Full Bar, Restaurant Beer and Wine, and Restaurant No Alcohol. A "Wine Tasting and Sales" category has also been added in FY 2019-20. Instead of offering a discount for paying assessment fees on time this year, a 10% late charge will be added if an assessment is paid after the due date.

The annual report also outlines the CVWBIA's Fiscal Year 2019/2020 planned activities, goals, and proposed budget. These include:



Business Improvement Area Advisory Committee Intention  
June 13, 2019

- Increasing the number of year-round visits;
- Increasing the number of people who stay, shop and dine;
- Improving ease of access to information via newsletters, the internet and print advertising;
- Providing fun, family-oriented events throughout the year;
- Improving and enhancing the appearance of the Village in cooperation with the City;
- Enhancing the ability of the CVWBIA to serve as a liaison between business owners, private and government agencies, and the City; and
- Increasing awareness outside of our community about the uniqueness of Capitola.

Pursuant to state law, staff recommends the City Council adopt the proposed resolution of intention providing notification of the City's intent to levy business improvement assessments for Fiscal Year 2019/2020; receiving the annual report and proposed budget of the CVWBIA; setting the date for a public hearing to be held on Thursday, June 27, 2019; and outlining noticing requirements.

A representative of the CVWBIA will attend the meeting; however, the CVWBIA's presentation will be made at the public hearing on June 27.

A notice of public hearing (Attachment 2) will be sent to each business in the area, along with a copy of the adopted resolution of intention.

FISCAL IMPACT: There is no fiscal impact to the City. CVWBIA billing and accounts payable costs incurred by the City are offset by assessment revenues. The City and CVWBIA have reviewed amounts charged by the City for these services and agree that they are reasonable.

ATTACHMENTS:

1. Attachment 2 - CVWBIA public hearing notice (PDF)
2. Attachment 1 - Exhibit A 19-20 (PDF)

Report Prepared By: Mark Sullivan  
Senior Accountant

**Reviewed and Forwarded by:**

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

6/7/2019

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF INTENTION OF THE CITY COUNCIL  
OF THE CITY OF CAPITOLA  
TO LEVY BUSINESS IMPROVEMENT ASSESSMENTS  
FOR FISCAL YEAR 2019/2020**

**WHEREAS**, the Capitola Village and Wharf Business Improvement Area (“CVWBIA”) has prepared a report to the City of Capitola for Fiscal Year 2019/2020 pertaining to the Business Improvement Area assessments for the CVWBIA under California Streets and Highways Code §36533; and

**WHEREAS**, Capitola Municipal Code §5.10.050 requires annual assessments to be imposed within the CVWBIA pursuant to a formula set forth in City Council Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CAPITOLA AS FOLLOWS:**

1. The Annual Report and Proposed Fiscal Year 2019/2020 Budget of the CVWBIA pertaining to business improvement assessments, as presented in Exhibit A attached hereto, is received.

2. The City Council intends to levy and collect assessments within the CVWBIA for Fiscal Year 2019/2020.

3. The proposed activities authorized by Capitola Municipal Code Chapter 5.10 are described in the afore-referenced CVWBIA Annual Report. The activities financed from these funds include promotional information, media announcements, and advertising in regional magazines, broadcast services, and websites.

4. The Business Improvement Area is bounded per the map referenced in Municipal Code §5.10.020 and included in Ordinance 1003. The CVWBIA boundaries are not being altered this year.

5. The Annual Report of the CVWBIA and proposed assessments for Fiscal Year 2019/2020 are presented in Exhibit A attached hereto and on file with the City Clerk to provide a full and detailed description of the improvements and activities to be provided during Fiscal Year 2019/2020 and the proposed assessments to be levied upon the businesses within the area.

6. The Capitola City Council will hold a public hearing in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California, at 7 p.m. on Thursday, June 27, 2019, to receive any oral or written protests or endorsements to the regularity or sufficiency of the proposed business improvement assessments. If written protests complying with Streets and Highways Code §36524 and §36525 are received from the owners of businesses which will pay fifty percent or more of the assessments, assessments will not be levied, the procedure will be terminated and will not be reconsidered until one full year has elapsed.

7. The City Clerk is directed to give notice of the public hearing to consider the levy of business improvement assessments for Fiscal Year 2019/2020 by publishing this Resolution of Intention in a newspaper of general circulation in the City once, at least seven days prior to the public hearing.

Business Improvement Area Advisory Committee Intention  
June 13, 2019

8. The CVWBIA Advisory Committee is directed to give notice of the public hearing to each business owner in the area by mailing a copy of the Council's Resolution of Intention to each business within its boundaries.

**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 13th day of June, 2019, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Jacques Bertrand, Mayor

ATTEST:

\_\_\_\_\_  
Linda Fridy, City Clerk



## NOTICE OF PUBLIC HEARING

### ANNUAL RENEWAL OF THE CAPITOLA VILLAGE AND WHARF BUSINESS IMPROVEMENT AREA

Hearing Body: Capitola City Council  
 Hearing Date: Thursday, June 27, 2019  
 Hearing Time: 7 p.m.  
 Hearing Place: City Hall Council Chambers  
 420 Capitola Avenue, Capitola

The Capitola City Council notifies you of a public hearing regarding the annual renewal of the Capitola Village and Wharf Business Improvement Area (CVWBIA) and establishing the fee assessments for fiscal year 2019-2020. The renewal plan proposes to keep assessment rates the same as last year, eliminating the "Restaurant Limited" category and adding the following categories: "Restaurant Full Bar", "Restaurant Beer and Wine", "Restaurant No Alcohol" and "Wine Tasting & Sales".

The Capitola City Council will hold the public hearing in the City Hall Council Chambers after 7 p.m. on Thursday, June 27, 2019, and will receive any oral or written protests or endorsements of the proposed business improvement assessments. If written protests complying with Streets and Highways Code §36524 and §36525 are received from the owners of businesses that will pay 50 percent or more of the assessments, assessments will not be levied, and the procedure will be terminated and will not be reconsidered until one full year has elapsed.

If you have any questions, please contact CVWBIA board member Carin Hanna at 831-475-4466 or the City of Capitola finance department at 831-475-7300.

DATED: June 13, 2019

\_\_\_\_\_  
 CITY OF CAPITOLA  
 Linda Fridy, City Clerk

**EXHIBIT A**  
**Resolution No.**

**Annual Report & Proposed Fiscal Year 2019-2020 Budget**  
**CVWBIA Assessment Basis**  
**CVWBIA Business Listing and Assessment Method**

**Mission Statement**

The objective of the CVWBIA is to provide a unified organization to promote, stimulate and improve the business conditions in the designated area, primarily during the shoulder season, September – May. The belief is that if the lodging properties and short-term rentals are full, the rest of the businesses in the area will benefit.

This can be achieved by the CVWBIA continuing to fund activities and projects that will:

- Improve access to information regarding the businesses and services provided by the Village and Wharf BIA to likely visitors to the area via newsletters, the internet and print advertising.
- Provide fun, family-oriented events throughout the year emphasizing the attributes of the Village and Wharf, by working in partnership with the Capitola/Soquel Chamber of Commerce.
- Improve and enhance the appearance of the Village and Wharf in partnership with the City of Capitola.
- Enhance the ability of the CVWBIA to serve as a liaison between the business community and local governments.

**As the CVWBIA begins its fourteenth year, we will continue and expand successful programs from prior years, which include the following:**

1. **Website** – We maintain an up to date, mobile compatible, website ([www.capitolavillage.com](http://www.capitolavillage.com)) for ease of use and connectivity to BIA member's businesses, lodging and short-term rentals. Each member has a unique page with links to their individual websites. There is a schedule of events and other helpful features. Visitors can sign up on the site to receive newsletters and enter contests to win gift certificates from member businesses.
2. **Social Media** – The Communications Manager creates a monthly newsletter, manages all our social media channels, maintains our website, and tracks performance. Our email newsletters are sent to over 7,000 subscribers each month. Our Facebook page has over 14,000 fans with our top 5 cities being: San Jose, Santa Cruz, Modesto, Sacramento, and Capitola. Our Instagram is growing the fastest with over 8,000 active followers with an average of 500 profile visits to our account every week. Our newest channel, Twitter, currently has almost 700 followers and continues to grow each month. The purpose of the Communication Manager is to collectively promote the Capitola Village businesses and to be a resource for ongoing growth.
3. **Print Advertising** – While placing an emphasis on our social media development, there is still a need for carefully placed advertising in quality visitor publications. We are constantly monitoring these publications for the ones with the most effective online presence. The

CVWBIA will continue to co-op with Visit Santa Cruz to promote Capitola Village and Wharf in their visitor magazine, their map and on their website.

4. **Village Brochures** – We print 25,000 brochures and distribute them throughout Santa Cruz County. We contract with Certified Display Service. This company has exclusive rights to lobby racks in the hotels, resorts and visitor centers in the county. These brochures are also available in various places of business throughout the Village and Wharf. We feel it is important to make visitors to other areas in the county aware of Capitola Village and Wharf through these brochures. This year we are adding 3 distribution locations: the new Gilroy Visitors Center on Hwy 101, San Jose Airport and the Monterey Airport.
5. **Branding and Logo Development** – Our new Communications Manager, Ben Kelly of Authentic Approach, has been updating the look of our print advertising.
6. **Sip and Stroll** – In February we held our first Sip and Stroll. We sold out 240 tickets with 13 tasting stations and food from food service members. The event is self-supporting and produced a profit of over \$1,400, which was donated to the Capitola Public Safety Foundation. This event benefited all the businesses in the village. We will be holding 3 Sip and Stroll events in February, May and October. We will grow the event incrementally and choose a project to support with the profits from the events.
7. **Winter Festivities** – Every year we plan to improve the decorations in the village to further our brand as the Holiday Village of Lights, with a consistent theme and increased location of specialty lighting. A tree lighting ceremony, community caroling and window decorating contest are components of the winter festivities with other events in the planning stages.
8. **Membership Breakfast** – These breakfasts, hosted by Paradise Beach Grille, are an opportunity to inform members about current activities and receive valuable input. Educational presentations, as well as reports by city representatives, are given at these breakfasts.
9. **Public Works** – The CVWBIA contributes annually to the City of Capitola Public Works Department. Our contribution is used to help maintain the Village and Wharf.
10. **Chamber of Commerce** – The CVWBIA contributes annually to support community interest projects and events in the Village.

## Capitola Village & Wharf Business Improvement Area Assessment Basis

The method of assessment classifies businesses within the CVWBIA boundaries into nine categories:

1. Retail / Service businesses
2. Restaurant - Full Bar
3. Restaurant - Beer and Wine
4. Restaurant - No Alcohol
5. Wine Tasting & Sales
6. Seasonal Food Service
7. Office and Professional businesses / Specialty
8. Short-term Rental businesses
9. Hotel / Motel / Inn businesses

Assessment fees are assigned to these nine business categories by number of full-time equivalent employees, a flat rate, and a per unit amount. Registered non-profits are exempt from assessment fees.

The following table shows the assessment fees for the proposed CVWBIA.

Business Category	Number of Full-Time Equivalent Employees*		
	0 – 5 employees	6 – 10 employees	More than 10 employees
Retail / Service	\$420	\$840	N/A
Restaurant Full Bar	N/A	\$960	\$1,440
Restaurant Beer and Wine	\$490	\$910	\$1,390
Restaurant No Alcohol	\$420	\$840	N/A
	Flat Fee		
Wine Tasting & Sales	\$420		
Office / Professional / Specialty	\$120		
Short-term Rental**	\$180		
Seasonal Food Service	\$280		
	Per Unit Fee		
Hotel / Motel / Inn	\$360 per unit		

**Footnote\*** “Full-time employee” is an employee who works 2,000 hours per year or more. Multiple part-time employees are combined into a single full-time employee for the basis of this assessment calculation. (i.e. “fulltime equivalents”)

**Footnote\*\*** “Short-term rental” businesses are defined as those dwellings which, at least once per fiscal year, are rented to a tenant for a tenancy of less than thirty days.

**In-Lieu Payments/Trades.** The City Manager is authorized to approve “in lieu” assessment payments in the form of Gift Certificates from CVWBIA retail, food or lodging business members whereby these businesses tender retail, restaurant and lodging gift certificates for use by the CVWBIA in connection with its promotional activities. The amount of “in lieu” assessment payments will be fixed per category, with exceptions that may be authorized by the City Manager.

<b>Business Category</b>	<b>Assessment if paid after 8/31/19</b>	<b>10% Late fee</b>	<b>Amount due WITHOUT In-lieu/trade</b>	<b>In-lieu/trade for timely payment</b>	<b>Amount due paid by 8/31/19</b>
Retail/Service (0 - 5 Employees)	\$462	\$42	\$420	\$75	\$345
Retail/Service (6 - 10 Employees)	\$924	\$84	\$840	\$150	\$690
Restaurant Full Bar (0 - 10 Employees)	\$1,056	\$96	\$960	\$150	\$810
Restaurant Full Bar (11+ Employees)	\$1,584	\$144	\$1,440	\$250	\$1,190
Restaurant Beer & Wine (0 - 5 Employees)	\$539	\$49	\$490	\$75	\$415
Restaurant Beer & Wine (6 - 10 Employees)	\$1,001	\$91	\$910	\$150	\$760
Restaurant Beer & Wine (11+ Employees)	\$1,529	\$139	\$1,390	\$250	\$1,140
Restaurant No Alcohol (0 - 5 Employees)	\$462	\$42	\$420	\$75	\$345
Restaurant No Alcohol (6 - 10 Employees)	\$924	\$84	\$840	\$150	\$690
Wine Tasting & Sales	\$462	\$42	\$420	\$75	\$345
Office / Professional /Specialty	\$132	\$12	\$120	\$0	\$120
Hotel / Motel / Inn	\$396 per unit	\$36 per unit	\$360 per unit	50%	\$180 per unit
Short-term Rental	\$198	\$18	\$180	\$0	\$180
Seasonal Food Service	\$308	\$28	\$280	\$0	\$280

**Associate Membership.** CVWBIA is authorized to accept “associate membership” financial contributions from businesses outside the CVWBIA, which may wish to participate in the CVWBIA’s promotional activities, but are not subject to the CVWBIA assessments.

**New Business Assessment.** Assessments will be prorated by the quarter in which a business opens. “In Lieu” payments will be accepted.

**Business Closing.** A business notifying the CVWBIA before the end of the first quarter of the fiscal year (September 30th) that it will close before December 31<sup>st</sup> will be exempt from paying the assessment for that fiscal year. If the business does not close before December 31<sup>st</sup>, it must pay the year’s assessment in full.

**Late Charge.** A late charge of 10% will be assessed on dues not paid by August 31, 2019.

**Delinquencies.** CVWBIA has a clear policy relative to delinquent assessments. Businesses that have not paid their assessment by October 31, 2019, will be removed from the CVWBIA website and brochure. Assessments that have not been paid by January 31, 2020, will be sent to collections.



## Capitola Village & Wharf Business Improvement Area

### Estimated Actual for FY 2018-2019 and Proposed Budget for FY 2019-2020

	FY 17/18 Actual	FY 18/19 Assessment Budget	FY 18/19 TOT Budget	FY 18/19 Total Budget	FY 19/20 Assessment Budget	FY 19/20 TOT Budget	FY 19/20 Total Budget
<b>Beginning Fund Balance</b>	\$ 11,848	\$ 22,241		\$ 22,241	\$ 9,864	\$ (1,910)	\$ 7,954
<b>Revenues</b>							
BIA Assessment Revenues - Village*	59,028	60,000		60,000	60,000		60,000
Assessment Associate	-	1,450		1,450	1,450		1,450
BIA Assessment Revenues - Trade**	13,230	13,000		13,000	13,000		13,000
BIA Assessment Late Fees	824	150		150	150		150
TOT Revenue	-	-	15,000	15,000		29,000	29,000
Interest Revenue	517	150		150	400		400
Misc. Revenue (iSkate)	3,189	-		-			-
<b>Total Revenues</b>	<b>76,788</b>	<b>74,750</b>	<b>15,000</b>	<b>89,750</b>	<b>75,000</b>	<b>29,000</b>	<b>104,000</b>
<b>Total Source of Funds</b>	<b>\$ 88,636</b>	<b>\$ 96,991</b>	<b>\$ 15,000</b>	<b>\$ 111,991</b>	<b>\$ 84,864</b>	<b>\$ 27,090</b>	<b>\$ 111,954</b>
<b>Expenditures</b>							
Chamber Services	\$ 3,000	\$ 3,000		\$ 3,000	\$ 3,000		\$ 3,000
CDS Direct Distribution	1,830	1,830		1,830	2,780		2,780
Doubtful Accounts	2,888	3,000		3,000	2,000		2,000
Insurance		2,500	300	2,800	2,000	500	2,500
Office Supplies	981	400	200	600	500	500	1,000
Storage Unit		-	1,560	1,560	-	1,600	1,600
Renewal		800	-	800	800		800
<b>Total Administration</b>	<b>\$ 8,700</b>	<b>\$ 11,530</b>	<b>\$ 2,060</b>	<b>\$ 13,590</b>	<b>\$ 11,080</b>	<b>\$ 2,600</b>	<b>\$ 13,680</b>
City Accounting Services	4,200	4,200		4,200	4,200		4,200
City Public Works	3,000	3,000		3,000	3,000		3,000
<b>Total City Services</b>	<b>\$ 7,200</b>	<b>\$ 7,200</b>		<b>\$ 7,200</b>	<b>\$ 7,200</b>	<b>\$ -</b>	<b>\$ 7,200</b>
Ambassador		\$ 6,500		\$ 6,500	\$ 7,500		\$ 7,500
Communications Manager	9,441	6,500		6,500	18,000		18,000
Directories Printing	3,299	2,624	1,700	4,324	-		-
VSC TV Partnership	3,030	-	2,500	2,500	-		-
VSC Newsletter				-	2,000		2,000
VSC Travel Guide		2,623		2,623	2,800		2,800
VSC Map		450		450	500		500
Trade Certificates Used	13,230	13,000		13,000	13,000		13,000
Holiday - Advertising	8,702	1,500		1,500	1,500		1,500
ABC TV				-	5,000		5,000
Miscellaneous TV/theater				-	4,000		4,000
Miscellaneous Print		1,000		1,000	3,000		3,000
Monterey Travel Magazine		600		600	600		600
Print Google Ads		-	2,000	2,000	-		-
Print Explore	1,000	1,000		1,000	1,000		1,000
Print Summer Magazine		600		600	-	600	600
Print Directories Printing				-	4,600		4,600
Radio/TV/Print Advertising-Misc.	7,874			-	-		-
Social Media Boost	92	2,400		2,400	-	4,600	4,600
Unanticipated Events	937			-	-		-
Website Management	2,890	1,000	1,000	2,000	-	500	500
Yellow Bus Market Identification		20,000	-	20,000	-		-
Village Enhancement		-	5,000	5,000		10,000	10,000
Welcome Baskets		400		400	-		-
<b>Total Marketing</b>	<b>\$ 50,496</b>	<b>\$ 60,197</b>	<b>\$ 12,200</b>	<b>\$ 72,397</b>	<b>\$ 63,500</b>	<b>\$ 15,700</b>	<b>\$ 79,200</b>
Holiday - Events/Décor		\$ 5,000	\$ 500	\$ 5,500	\$ -	\$ 4,500	\$ 4,500
Holiday Trees		1,200	150	1,350	-	1,200	1,200
Sip N' Stroll - Cookie Walk		-	2,000	2,000	2,000		2,000
<b>Total Special Events</b>	<b>\$ -</b>	<b>\$ 6,200</b>	<b>\$ 2,650</b>	<b>\$ 8,850</b>	<b>\$ 2,000</b>	<b>\$ 5,700</b>	<b>\$ 7,700</b>
Light Pole Banners		2,000		2,000	-	3,000	3,000
<b>Total Expenditures</b>	<b>66,395</b>	<b>87,127</b>	<b>16,910</b>	<b>104,037</b>	<b>83,780</b>	<b>27,000</b>	<b>110,780</b>
<b>Ending Fund Balance</b>	<b>\$ 22,241</b>	<b>\$ 9,864</b>	<b>\$ (1,910)</b>	<b>\$ 7,954</b>	<b>\$ 6,044</b>	<b>\$ 13,998</b>	<b>\$ 1,174</b>

Attachment: Attachment 1 - Exhibit A 19-20 [Revision 1] (Business Improvement Area Advisory Committee Intention)

## Capitola Village & Wharf Business Improvement Area Budget Discussion

The CVWBIA will begin Fiscal Year 2019-2020 with an estimated fund balance of \$18,500.

**Revenues:** The proposed revenue is derived from the CVWBIA business roster and corresponding assessment rates. Starting in FY 19-20, a portion of the proceeds of the Transient Occupancy Tax increase will go to the CVWBIA. In FY 19-20 the amount is expected to be \$29,000. The allocation of cash and in-lieu revenue is based upon FY 2018-2019 actuals.

### Expenditures:

**Summary.** The proposed expenditures are divided into these categories: Administration \$13,680; City Services \$7,200; Marketing \$79,200; Special Events \$7,700; and Fixed Assets \$3,000.

The following is a roster of open businesses in the assessment area as of June 1, 2019.

## Capitola Village & Wharf Business Improvement Area Business Listing and Assessment Method

Business Type	Assessment Method	Estimate Assessment	
AM = Associate Member	Associate Member	AM	\$1,440
F1 = Restaurant Full Bar	Per employee category: 6-10 EEs, >10 EEs	F1	\$11,040
F2 = Restaurant Beer & Wine	Per employee category: 0-5 EEs, 6-10 EEs, >10 EEs	F2	\$4,410
F3 = Restaurant No Alcohol	Per employee category: 0-5 EEs, 6-10 EEs	F3	\$4,550
F4 = Wine Tasting	Flat fee	F4	\$1,260
F5 = Seasonal Food	Flat fee	F5	\$280
H = Hotel/Motel/Inn	Flat fee per unit or room	H	\$18,360
O = Office/Professional	Flat fee	O	\$3,000
R = Retail/Service	Per employee category: 0-5 EEs, 6-10 EEs	R	\$18,480
SR = Short Term Rental	Flat fee per unit	SR	\$12,600
<b>Total</b>			<b>\$75,420</b>

Business Address	Business Name	TYPE	FY19/20 Est. Size	FY19/20 Est. Amt Due
504 Bay Avenue	Gayle's Bakery & Rosticceria	AM	> 10	\$1,440
1400 Wharf Road	Wharf House Restaurant	F1	0 - 10	\$960
209B Esplanade	Bay Bar & Grill	F1	0 - 10	\$960
211 Esplanade	The Sand Bar	F1	0 - 10	\$960
231 Esplanade Suite 102	Sotola Bar & Grill	F1	0 - 10	\$960
215 Esplanade	Paradise Beach Grille	F1	11+	\$1,440
1750 Wharf Road	Shadowbrook Restaurant	F1	11+	\$1,440
203 Esplanade	Zelda's	F1	11+	\$1,440
110 Monterey Avenue	Britannia Arms Pub & Rest.	F1	11+	\$1,440
231 Esplanade #101	Margaritaville	F1	11+	\$1,440

<u>Business Address</u>	<u>Business Name</u>	<u>TYPE</u>	<u>FY19/20 Est. Size</u>	<u>FY19/20 Est. Amt Due</u>
316 Capitola Avenue	Bella Roma Café	F2	0 - 5	\$490
123 Monterey Avenue	El Toro Bravo	F2	0 - 5	\$490
200 Monterey Avenue #3	Geisha Japanese Restaurant & Tea House	F2	0 - 5	\$490
207 Esplanade	Sea Side Siam	F2	0 - 5	\$490
115 San Jose Avenue Ste #6	Caruso's Tuscan Cuisine	F2	0 - 5	\$490
427 Capitola Avenue	Avenue Café	F2	0 - 5	\$490
201 Esplanade Unit A	Taco Moreno 3	F2	0 - 5	\$490
210 Monterey Avenue #1	Thai Basil	F2	0 - 5	\$490
201 Monterey Avenue #C	Castagnola Deli & Café	F2	0 - 5	\$490
231 Esplanade #100	Mr. Toots Coffee & Tea	F3	0 - 5	\$420
200 Monterey Avenue #1	Souza's Ice Cream & Candy	F3	0 - 5	\$490
200 Monterey Avenue #2	Mijos Taqueria	F3	0 - 5	\$490
115 San Jose Avenue	Santa Cruz Poke	F3	0 - 5	\$490
110 Stockton Avenue	Sandcastle Café	F3	0 - 5	\$490
311 Capitola Avenue	Steamin' Hot Coffee & Espresso	F3	0 - 5	\$490
209A Esplanade	Pizza My Heart	F3	6 - 10	\$840
104 Stockton	Beach Break by Marianne's	F3	6 - 10	\$840
103 Stockton Avenue	Armida Winery	F4		\$420
115 San Jose Avenue Suite #G	Capitola Wine Bar & Merchants	F4		\$420
312-B Capitola Avenue	Cork and Fork LLC	F4		\$420
107 San Jose Avenue Suite #8	Left Coast Sausage Worx	F5		\$280
5000 Cliff Drive	Capitola Beach Suites aka Harbor Lights	H	10	\$3,600
210 Esplanade	Capitola Hotel	H	10	\$3,600
250 Monterey Avenue	Inn at Depot Hill	H	12	\$4,320
1500 Wharf Road	Venetian Hotel	H	19	\$6,840
321 Capitola Avenue	Vice Salon	O		\$120
312E Capitola Avenue	57 Design Inc.	O		\$120
312D Capitola Avenue	Beach House Rentals	O		\$120
301 Capitola Avenue	David Lyng & Associates	O		\$120
411 Capitola Avenue	Fuse Architects	O		\$120
415 Capitola Avenue	James B. Colip Insurance	O		\$120
201 Monterey Avenue Suite H	Landmark Properties	O		\$120
425 Capitola Avenue #3	Kathy Macdonald Association	O		\$120
314 Capitola Avenue	Katz & Lapides	O		\$120
331 Capitola Avenue #B	Michael Lavigne Real Estate	O		\$120
331 Capitola Avenue Suite K	Newman & Marcus, LLP	O		\$120
413 Capitola Avenue	Richard Emigh, Land Use	O		\$120
331 Capitola Avenue #D	Suess Insurance Agency	O		\$120
208 San Jose Avenue	Capitola Surf & Paddle	O		\$120
220 Capitola Avenue	Psychic Mermaid	O		\$120
331 Capitola Avenue	Capitola Village Real Estate	O		\$120
314 Capitola Ave	Law Offices of Sam Storey	O		\$120
425 Capitola Avenue Suite #1	Bodhi Addiction Treatment and Wellness	O		\$120
314 Capitola Avenue	John H. McSpadden	O		\$120
314 Capitola Avenue	Miles J. Dolinger, Attorney at Law	O		\$120
112 Stockton Avenue Suite B	Visions by Sheena	O		\$120
331 Capitola Avenue	Capitola Village Massage	O		\$120
207 Monterey Avenue Suite 100	Yellow Bus	O		\$120
107 Stockton Avenue	Dream Catch Properties	O		\$120

<u>Business Address</u>	<u>Business Name</u>	<u>TYPE</u>	<u>FY19/20 Est. Size</u>	<u>FY19/20 Est. Amt Due</u>
200 Monterey Avenue Suite 1A	Seachange	O		\$120
1400 Wharf Road	JFS Inc. dba Capitola Boat & Bait	R	0 - 5	\$420
131 Monterey Avenue	MRA Sales, dba Capitola Beach Co.	R	0 - 5	\$420
417 Capitola Avenue	Betsy's Summerhouse Antiques	R	0 - 5	\$420
217 Capitola Avenue	Big Kahuna Hawaiian Shirts	R	0 - 5	\$420
209 Capitola Avenue	Craft Gallery	R	0 - 5	\$420
207 Capitola Avenue	Craft Gallery Annex	R	0 - 5	\$420
114 Stockton Avenue	Euphoria Rio Mix	R	0 - 5	\$420
110 Capitola Avenue #2	Free to Ride	R	0 - 5	\$420
212 Capitola Avenue	Gaia Earth Treasures	R	0 - 5	\$420
219 Capitola Avenue	Hot Feet	R	0 - 5	\$420
201 Monterey Avenue #B	Kickback	R	0 - 5	\$420
120 Stockton Avenue	Latta	R	0 - 5	\$420
202 Capitola Avenue	Nubia Swimwear	R	0 - 5	\$420
204 Capitola Avenue	Oceania	R	0 - 5	\$420
107 Capitola Avenue	Phoebe's	R	0 - 5	\$420
116 San Jose Avenue	Rainbow City Limit	R	0 - 5	\$420
216 Capitola Avenue	Slap Happy	R	0 - 5	\$420
214 Capitola Avenue	Super Silver	R	0 - 5	\$420
117 Capitola Avenue	Surf n Shack	R	0 - 5	\$420
120 San Jose Avenue	Sweet Asylum	R	0 - 5	\$420
122 Capitola Avenue	Yvonne	R	0 - 5	\$420
115 San Jose Avenue	Southstar PM, Inc. - Parking at the Mercantile	R	0 - 5	\$420
120 Monterey Avenue	Uchiyama - Swenson - Parking at the Theater	R	0 - 5	\$420
201 Monterey Avenue #A	Village Sea Glass	R	0 - 5	\$420
112 Capitola Avenue Suite, 100	Lumen Gallery	R	0 - 5	\$420
115 Capitola Avenue	Capitola Reef	R	0 - 5	\$420
409 Capitola Avenue	Art Inspired	R	0 - 5	\$420
115 San Jose Avenue	Om Rhythms	R	0 - 5	\$420
224 Esplanade	RNTF LLC dba Bedroom Desserts	R	0 - 5	\$420
112 Stockton Avenue	Sea Level T's	R	0 - 5	\$420
115 San Jose Avenue	Carousel Taffy & Treats	R	0 - 5	\$420
215 Capitola Avenue	Vanity by the Sea	R	0 - 5	\$420
116 Stockton Avenue	Xandra Swimwear	R	0 - 5	\$420
300 Capitola Avenue	Quality Market	R	0 - 5	\$420
109 Capitola Avenue	Capitola Seashells	R	0 - 5	\$420
110 Capitola Avenue Unit 3	Carmel Bay Company	R	0 - 5	\$420
309 Capitola Avenue	Jackson Simmons Gallery	R	0 - 5	\$420
208 Monterey Avenue	Jade Allen	R	0 - 5	\$420
205 Capitola Avenue	Capitola Candy Company	R	0 - 5	\$420
126 San Jose Avenue	Pueblo Viejo Imports	R	0 - 5	\$420
110 Capitola Avenue	Mia Bella Boutique	R	0 - 5	\$420
105 Stockton Avenue	A Personal Care	R	0 - 5	\$420
101 Capitola Avenue	The Zero Shop	R	0 - 5	\$420
210 Capitola Avenue	Cotton + Rye	R	0 - 5	\$420
222 San Jose Avenue	Avonne Stone Jacobs, Judy Jacobs	SR	1	\$180
303 Cherry Way	Cal & Carla Cornwell	SR	1	\$180
305 Riverview Avenue	Capitola Pelican House	SR	1	\$180
1500 Wharf Road #5	Colleen Merle Lund	SR	1	\$180

<u>Business Address</u>	<u>Business Name</u>	<u>TYPE</u>	<u>FY19/20 Est. Size</u>	<u>FY19/20 Est. Amt Due</u>
1500 Wharf Road #14	Erlene Mello	SR	1	\$180
318 Capitola Avenue #2	Fred & Sharon Andres	SR	1	\$180
215 Monterey Avenue #A	Greg & Maxine Sivaslian	SR	1	\$180
206 Monterey Avenue	Jay & Pamela Chesavage	SR	1	\$180
5005 Cliff Drive #3	Jean Ladoucour	SR	1	\$180
301 Cherry Way	Jeff & Kathie Gaylord	SR	1	\$180
208 Monterey Avenue C	Pat Castagnola	SR	1	\$180
327 Riverview Avenue A	Paulo Franca	SR	1	\$180
109 Monterey Avenue #4	Sharon Dougan	SR	1	\$180
1500 Wharf Road #7	Viola M. Carr	SR	1	\$180
1500 Wharf Road #1	Bob Coe	SR	1	\$180
1500 Wharf Road #20	Leonard Tyson	SR	1	\$180
4960 Cliff Drive #2	Tim & Stacy Hopkins	SR	1	\$180
1500 Wharf Road #11	Jeri Chestnut	SR	1	\$180
225 San Jose Avenue	Michelle & Stephen Murphy	SR	1	\$180
318 Capitola Avenue #1	Janet Lau	SR	1	\$180
1500 Wharf Road #2	Albert Ribisi & Mary Scolari	SR	1	\$180
109 Cherry Avenue Units A & B	Bill & Julie Kenney	SR	2	\$360
5005 Cliff Drive Unit 1	Tom & Susan Baines	SR	1	\$180
318 Capitola Avenue #4	Deborah Cohen	SR	1	\$180
206 California Avenue	Vito Mazzarino	SR	1	\$180
409 Riverview Avenue	Creekside Cottage	SR	1	\$180
417 Riverview Avenue	Bridget Taylor	SR	1	\$180
309 Cherry Avenue	Pan American Investments	SR	1	\$180
102 Lawn Way	Craig & Mimi French	SR	1	\$180
5005 Cliff Drive #6	Alanna Harvey	SR	1	\$180
1500 Wharf Road #9	Grandma's Nest	SR	1	\$180
109 Monterey Avenue #10	Kelli Aita	SR	1	\$180
211 Stockton Avenue #1	Bookman Rental Property	SR	1	\$180
317 Riverview Avenue	BHR Property Management	SR	1	\$180
112 Capitola Avenue #200	BHR Property Management	SR	1	\$180
208 Stockton Avenue	John McEnery	SR	1	\$180
105 Park Place	Capitola Village Deco Beach House	SR	1	\$180
214 California Avenue	Talbot Family	SR	1	\$180
4995 Cliff Drive #A	Chris Rasmussen	SR	1	\$180
1500 Wharf Road #16	Jacqui Rice Property Management	SR	1	\$180
115 San Jose Avenue	BHR Property Management	SR	1	\$180
318 Riverview Avenue	JDT Capital, LLC	SR	1	\$180
105 Lawn #4	105 Lawn Way #4	SR	1	\$180
4995 Cliff Drive #B	Jennifer Rayborn	SR	1	\$180
317 & 327 Riverview Avenue B	Steve & Linda Woodside	SR	2	\$360
5005 Cliff Dr #4, 314 Riverview Ave	Sue Norris	SR	2	\$360
1500 Wharf Road #3,4	Watson Family Limited Partnership (Mike Newell)	SR	2	\$360
209 Stockton Avenue A & B	Castillo Properties	SR	2	\$360
4980 Cliff Drive Unit A & B	Steve Pericone	SR	2	\$360
207 San Jose Avenue A & B	Surf City Rentals	SR	2	\$360
397 & 399 Riverview Avenue	Castellanos Properties - Windmill Properties	SR	2	\$360
402 Bluegum Avenue A & B	Autumn Troung	SR	2	\$360

<u>Business Address</u>	<u>Business Name</u>	<u>TYPE</u>	<u>FY19/20 Est. Size</u>	<u>FY19/20 Est. Amt Due</u>
119 Lawn Way	BHR Property Management	SR	2	\$360
207 Monterey Avenue #200 & 201	207 Monterey Avenue #200 & 201	SR	2	\$360
201 Monterey Avenue #1 & #2	Beach House Rentals	SR	2	\$360
212 Monterey Avenue #1, 3, 4	Joseph Minigione	SR	3	\$540
				<b>\$75,420</b>

Attachment: Attachment 1 - Exhibit A 19-20 [Revision 1] (Business Improvement Area Advisory Committee Intention)



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF JUNE 13, 2019**

FROM: City Manager Department

SUBJECT: Consider a Side Letter to the Capitola Police Officers Association Agreement

**RECOMMENDED ACTION:** Approve a side letter to the existing Memorandum of Understanding between the City of Capitola and the Capitola Police Officers Association adding Short Term Disability and clarifying FLSA overtime hours.

**BACKGROUND:** The City of Capitola and the Capitola Police Officers Association (CPOA) have an existing Memorandum of Understanding (MOU) that was agreed to in 2018 and extends through June 30, 2020.

**DISCUSSION:** The CPOA MOU does not identify short term disability as a benefit offered by the City. The City and the CPOA have met to discuss the addition of the benefit.

Through the modification of the City paid disability plans, the City is now able to offer all employees, including CPOA, short term and long-term disability insurance at no additional cost.

In addition, Fair Labor Standards Act (FLSA) work-hours for overtime purposes have not been identified in the CPOA MOU. Instead they were addressed by referencing a memo from 2017. This issue was intended to be included in the revised MOU that was approved in 2018 but was missed in the final document. The City and CPOA have met and agreed to add the language in the MOU. The proposed new MOU language mirrors the language from the 2017 memo.

**FISCAL IMPACT:** There is no anticipated fiscal impact.

**ATTACHMENTS:**

1. POA 2019 side letter Short term Disability and OT

Report Prepared By: Larry Laurent  
Assistant to the City Manager

CPOA Side Letter  
June 13, 2019

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager      6/7/2019



**SIDE LETTER  
BETWEEN CITY OF CAPITOLA AND  
CAPITOLA POLICE OFFICERS ASSOCIATION**

WHEREAS, the City of Capitola (City) and Capitola Police Officers Association (CPOA), have met and conferred in good faith regarding benefits and overtime; and

WHEREAS, the City and the Union have previously agreed on an MOU with a term expiring on June 30, 2021; and

WHEREAS, the Capitola Police Officers Association the does not currently have short term disability insurance;

WHEREAS, it was determined that the adding this benefit will be beneficial to employees, and;

WHEREAS, the Capitola Police Officers Association MOU does not include the definition of "hours worked" as sick leave approved in advanced;

IT IS HEREBY AGREED AS FOLLOWS:  
Article 13.00 shall be amended to read:

The City provides full time members of the Association term life insurance in the amount of \$50,000, short-term, and long-term disability insurance.

AND, IT IS HEREBY AGREED AS FOLLOWS:  
Article 32.01 Section D shall be amended to read:

"Hours worked" for FLSA purposes, shall include regular and holiday hours, as well as sick, vacation, or compensated leave scheduled in advance by at least ten days.

Capitola Police Officers Association

City of Capitola

\_\_\_\_\_

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

\_\_\_\_\_

Dated:\_\_\_\_\_

\_\_\_\_\_

Dated:\_\_\_\_\_

Attachment: POA 2019 side letter Short term Disability and OT (CPOA Side Letter)



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF JUNE 13, 2019**

FROM: Public Works Department

SUBJECT: Consider a Resolution Accepting Two Offers of Dedication for Street, Sidewalk, and Utility Purposes for the Tera Commons Subdivision, 1575 38th Avenue

**RECOMMENDED ACTION:** Adopt a resolution accepting two offers of dedication for street, sidewalk, and utility purposes for the Tera Commons subdivision, Tract No. 1596, located at 1575 38<sup>th</sup> Avenue.

**BACKGROUND:** On November 8, 2018, the City Council approved the final map for an 11-lot subdivision at 1575 38<sup>th</sup> Avenue known as Tera Commons. This map included two offers of dedication for street, sidewalk, and utility purposes. At the time of map approval, these offers were rejected as the public improvements had not yet been constructed. The improvements have now been constructed in compliance with the City's standards and accepting the easements is recommended at this time. A copy of the final map is included as Attachment 1.

**DISCUSSION:** The first offer is for Parcel A as shown on the final map which includes a 5-foot strip of land fronting the subdivision along 38<sup>th</sup> Avenue. The offer is for the parcel in fee for street and utility purposes. This strip of land includes a newly constructed sidewalk along 38<sup>th</sup> Avenue which also includes utility services to the 11 lots. This parcel will become a portion of the public street and acceptance of the offer of dedication will insure public access in perpetuity.

The second offer is for an easement in the driveway area immediately behind the sidewalk that is also for sidewalk and utilities. The easement covers an area where an accessible path of travel behind the sidewalk driveway approach is located. Acceptance of the easement will insure public access in perpetuity.

**FISCAL IMPACT:** None

**ATTACHMENTS:**

1. Tera Commons Reorded Final Map (PDF)

Report Prepared By: Steve Jesberg  
Public Works Director

Tera Commons Accept Offer of Dedication  
June 13, 2019

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

6/6/2019

Tera Commons Accept Offer of Dedication  
June 13, 2019

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA  
APPROVING THE FINAL MAP FOR THE TERA COMMONS SUBDIVISION,  
TRACT NO. 1596, AT 1575 38<sup>TH</sup> AVENUE**

Project: Application 15-060  
1575 38th Avenue, Tera Commons

APN: 034-181-17

**WHEREAS**, a final map was approved for an eleven- (11) unit subdivision by the City Council of the City of Capitola on November 8, 2018; and

**WHEREAS**, said final map has been recorded by the County Recorder in Volume 128 of Maps, Page 27; and

**WHEREAS**, said final map offered two dedications for street, sidewalk and utility purposes; and

**WHEREAS**, these two offers of dedication were rejected by the City of Capitola at the time of map approval because the public improvements had not yet been constructed; and

**WHEREAS**, the street, sidewalk, and utility improvements are now complete, and the City now desires to accept the offers of dedication..

**NOW, THEREFORE, BE IT FURTHER RESOLVED**, by the City Council of the City of Capitola:

1. The City Council hereby rescinds the action taken on November 8, 2018 rejecting two offers of dedication as shown on the final map for Tera Commons, Tract No. 1596, recorded in Volume 128 of Maps, Page 27 in the Santa Cruz County Recorder's Office.
2. The City Council hereby accepts the offer of dedication of Parcel A in fee to the City of Capitola for street and utility purposes shown on the final map.
3. The City Council hereby accept the offer of dedication for an 6 foot by 35 foot easement designated as a Public Utility Easement and Public Sidewalk Easement as shown of the final map.
4. The City Clerk is hereby authorized and directed to record such documents as are necessary to evidence this acceptance of the dedication of the Public Right-of-Way Property. The Public Works Director is further authorized and directed to approve, accept and execute on behalf of the City such documents and instruments necessary to effectuate this acceptance of dedication of the Public Right-of-Way Property.

Tera Commons Accept Offer of Dedication  
June 13, 2019

**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 13<sup>th</sup> day of June 2019, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Jacques Bertrand, Mayor

ATTEST:

\_\_\_\_\_  
Linda Fridy, City Clerk

OWNER'S STATEMENT

WE HEREBY STATE THAT WE ARE THE OWNER'S OF THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP AND THAT WE ARE THE ONLY PERSON'S WHOSE CONSENT IS NECESSARY TO SIGN SAID MAP PURSUANT TO PROVISION OF SECTION 66436 OF THE GOVERNMENT CODE OF THE STATE OF CALIFORNIA AND WE CONSENT TO THE MAKING OF SAID MAP AND SAID SUBDIVISION AS SHOWN WITHIN THE DISTINCTIVE BORDER LINES, ON THIS MAP.

WE HEREBY OFFER FOR DEDICATION TO THE CITY OF CAPITOLA IN FEE PARCEL "A" AS SHOWN HEREON FOR STREET AND UTILITY PURPOSES. WE ALSO, HEREBY OFFER FOR DEDICATION TO THE CITY OF CAPITOLA AS AN EASEMENT THAT 6 FOOT WIDE BY 35 FOOT PARCEL DESIGNATED AS P.U.E AND PUBLIC SIDEWALK EASEMENT AS HEREON FOR P.U.E. AND SIDEWALK PURPOSES.

WE HEREBY DEDICATE THE REAL PROPERTIES DESCRIBED BELOW AS PUBLIC UTILITY EASEMENTS. A PUBLIC UTILITY EASEMENT SHOWN AS P.U.E. FOR PUBLIC UTILITY PURPOSES. WE HEREBY DEDICATE THAT PARCEL DESIGNATED 6' WIDE X 40.60' LONG WATER SERVICE EASEMENT AS AN EASEMENT FOR WATER LINE FACILITIES TO THE CITY OF SANTA CRUZ WATER DEPARTMENT. WE HEREBY DEDICATE TERA COURT AS A PUBLIC UTILITY EASEMENT SHOWN AS P.U.E. WE HEREBY DEDICATE THOSE 7' AND 5' WIDE STRIPS ALONG THE FRONTAGE OF LOTS 1 THROUGH 4 AND LOTS 8 THROUGH 11 AND THE 8' WIDE P.U.E. ALONG THE FRONT OF LOTS 5 THRU 7 AS PUBLIC UTILITY EASEMENTS SHOWN AS P.U.E. THE PUBLIC UTILITY EASEMENTS ARE DEDICATED TO THE RESPECTIVE PUBLIC UTILITY COMPANIES FOR THEIR USE INCLUDING BUT NOT LIMITED TO PACIFIC GAS AND ELECTRIC COMPANY, PACIFIC TELEPHONE AND TELEGRAPH COMPANY AND CHARTER CABLE COMPANY.

OWNER: 1575 38TH STREET, LLC A CALIFORNIA LIMITED LIABILITY COMPANY

BY Steven Mayer 11-28-2018 DIRECTOR LLC DATE

BENEFICIARY: LIGHTHOUSE BANK UNDER DEED OF TRUST RECORDED 08-05-2016, RECORDER'S SERIAL NO. 2016-0028633

BY [Signature] DATE 11/28/18

OWNER'S ACKNOWLEDGEMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA COUNTY OF Santa Francisco

ON November 28, 2018 BEFORE ME John Phan / Notary Public

PERSONALLY APPEARED Steven Terry Mayer WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNATURE [Signature] (SEAL) NOTARY PUBLIC IN AND FOR THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

JOHN PHAN Notary Public - California Santa Clara County Commission # 2223239 My Comm. Expires Nov 24, 2021

BENEFICIARY ACKNOWLEDGEMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA COUNTY OF Santa Cruz

ON November 28, 2018 BEFORE ME John Phan / Notary Public

PERSONALLY APPEARED Dana Harris WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL

SIGNATURE [Signature] (SEAL) NOTARY PUBLIC IN AND FOR THE COUNTY OF Santa Clara, STATE OF CALIFORNIA

JOHN PHAN Notary Public - California Santa Clara County Commission # 2223239 My Comm. Expires Nov 24, 2021

AUDITOR'S STATEMENT

I HEREBY STATE THAT THERE ARE NO LIENS FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES AGAINST THE LAND INCLUDED IN THE WITHIN SUBDIVISION OR AGAINST ANY PART THEREOF EXCEPT TAXES (AND SPECIAL ASSESSMENTS COLLECTED AS TAXES) WHICH ARE NOT YET PAYABLE AND WHICH IT IS HEREBY ESTIMATED WILL NOT EXCEED THE SUM OF \$38,564.76 FOR THE YEAR 2018 TO 2019, AND THAT SAID LAND IS NOT, NOR IS ANY PART THERE OF, SUBJECT TO ANY SPECIAL ASSESSMENTS WHICH HAVE NOT YET BEEN PAID IN FULL AND THAT THIS STATEMENT DOES NOT INCLUDE ANY ASSESSMENT OF ANY ASSESSMENT DISTRICT, THE BONDS OF WHICH HAVE NOT YET BECOME A LIEN AGAINST SAID LAND OR ANY PART THEREOF.

DATE 11/29/18 Edith Driscoll



AUDITOR-CONTROLLER OF THE COUNTY OF SANTA CRUZ [Signature] BY DEPUTY

COMMUNITY DEVELOPMENT DEPARTMENT STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND THAT THE SUBDIVISION AS SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP OF THIS SUBDIVISION AS APPROVED BY THE CITY COUNCIL OF THE CITY OF CAPITOLA ON THE 24TH DAY OF NOVEMBER 2015, AND THAT ALL RELEVANT PERMIT CONDITIONS HAVE BEEN MET. PERMIT NO. 15-060.

DATE 11-13-2018 Kathleen Herlihy KATHLEEN HERLIHY, DIRECTOR

CITY CLERK'S STATEMENT

I HEREBY STATE THAT THIS MAP, DESIGNATED AS TRACT NO. 1596, TERA COMMONS, CONSISTING OF 3 SHEETS, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CAPITOLA, AT A MEETING OF SAID COUNCIL HELD ON THE 8th DAY OF November 2018. THAT PARCEL "A" OFFERED IN FEE FOR STREET AND UTILITY PURPOSES IS REJECTED AND THAT 6 FOOT WIDE BY 35 FOOT LONG PARCEL OFFERED AS AN EASEMENT FOR P.U.E. AND SIDEWALK PURPOSES IS REJECTED.

DATE 11/13/2018 Linda Fridy LINDA FRIDY, CITY CLERK CITY OF CAPITOLA, CALIFORNIA



SEE SHEET TWO FOR ADDITIONAL STATEMENTS APN 034-181-17

Table with project details: BOWMAN & WILLIAMS CONSULTING CIVIL ENGINEERS AND LAND SURVEYORS, TRACT No. 1596 TERA COMMONS, SCALE NONE, DRAWN CMM, JOB NO. 26317, SHEET 1 OF 3.

Attachment: Tera Commons Reordered Final Map (Tera Commons Accept Offer of Dedication)

**CLERK OF THE BOARD'S STATEMENT**

THE CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ DOES HEREBY STATE THAT ALL CERTIFICATES AND SECURITIES REQUIRED BY THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE GOVERNMENT CODE HAVE BEEN DULY FILED AND DEPOSITS HAVE BEEN DULY MADE. PURSUANT TO THE AUTHORITY DELEGATED TO ME BY SAID BOARD, I HEREBY APPROVE SAID CERTIFICATES AND SECURITIES ON BEHALF OF THE COUNTY OF SANTA CRUZ.

DATE 12-4-2018

Carlos J. Palacios  
EX-OFFICIO CLERK OF THE BOARD OF SUPERVISORS OF SANTA CRUZ COUNTY, CA



Matthew Mills  
BY DEPUTY

**COUNTY RECORDER'S STATEMENT**

FILED THIS 6th DAY OF DECEMBER, 2018 AT 8:57 A.M. IN BOOK 128 OF MAPS, AT PAGE 27, AT THE REQUEST OF 1515 38TH STREET, LLC

SEAN SALDAVIA  
COUNTY RECORDER



Julie A. Quatro  
BY DEPUTY

**SURVEYOR'S STATEMENT**

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY PERFORMED IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF 1575 38TH STREET, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY IN JUNE, 2016. I HEREBY STATE THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED OR THAT THEY WILL BE SET IN THOSE POSITIONS WITHIN ONE YEAR AFTER RECORDATION OF THIS MAP, AND THAT MONUMENTS ARE, OR WILL BE, SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

Bryan F. Happee  
DATED 10/9/2018

BRYAN F. HAPPEE  
LICENSED LAND SURVEYOR  
LS 8229



**CITY ENGINEER'S STATEMENT**

I HEREBY STATE THAT I HAVE EXAMINED THIS FINAL MAP AND THAT THE SUBDIVISION AS SHOWN HEREON IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, IF ANY AND ANY APPROVED ALTERATIONS THEREOF; THAT ALL PROVISIONS OF THE STATE MAP ACT, AS AMENDED, SUB-SECTIONS 1, 2 AND 3 OF SECTION 66442 (a) AND OF ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF THE APPROVAL OF THE TENTATIVE MAP, HAVE BEEN COMPLIED WITH.

DATE 11-13-18

Steven E. Jesberg

STEVEN E. JESBERG, CITY ENGINEER  
CITY OF CAPITOLA, CALIFORNIA  
RCE 44791



**CITY SURVEYOR'S STATEMENT**

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP PURSUANT TO GOVERNMENT CODE SECTION 66442 (b) AND PURSUANT TO GOVERNMENT CODE SECTION 66442 (a)(4). I AM SATISFIED THAT THE MAP IS TECHNICALLY CORRECT.

DATE 10/11/2018

Joe L. Akers

JOE L. AKERS, ACTING CITY SURVEYOR  
CITY OF CAPITOLA, CA  
RCE 20372



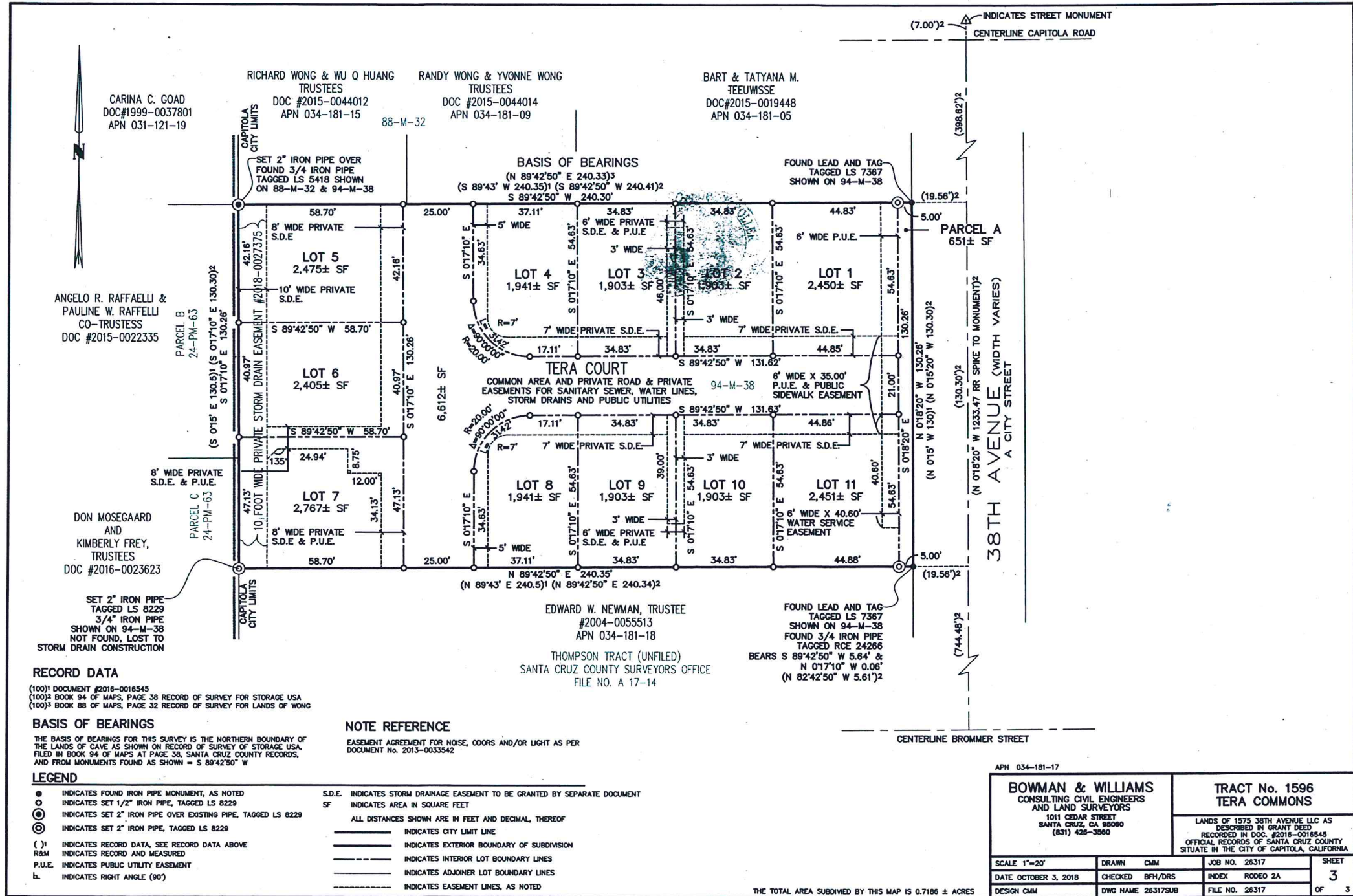
**SOILS REPORT:**

THE PRELIMINARY SOILS REPORT REQUIRED BY SECTION 66490 OF THE GOVERNMENT CODE HAS BEEN WAIVED BY THE CITY AS PER SECTION 66491 (a) OF THE GOVERNMENT CODE.

APN 034-181-17

<b>BOWMAN &amp; WILLIAMS</b> CONSULTING CIVIL ENGINEERS AND LAND SURVEYORS 1011 CEDAR STREET SANTA CRUZ, CA 95060 (831) 428-3580		<b>TRACT No. 1596</b> <b>TERA COMMONS</b>  LANDS OF 1575 38TH AVENUE LLC AS DESCRIBED IN GRANT DEED RECORDED IN DOC. #2018-0016545 OFFICIAL RECORDS OF SANTA CRUZ COUNTY SITUATE IN THE CITY OF CAPITOLA, CALIFORNIA	
SCALE NONE	DRAWN CMM	JOB NO. 26317	SHEET
DATE OCTOBER 3, 2018	CHECKED BFH/DRS	INDEX RODEO 2A	2
DESIGN CMM	DWG NAME 26317AFF	FILE NO. 26317	OF 3

Attachment: Tera Commons Reordred Final Map (Tera Commons Accept Offer of Dedication)



Attachment: Tera Commons Reordered Final Map (Tera Commons Accept Offer of Dedication)





# CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF JUNE 13, 2019**

FROM: Public Works Department

SUBJECT: Report on Proposed Wharf Rehabilitation Options

**RECOMMENDED ACTION:** Receive a report on phasing options for the Wharf Rehabilitation Project and direct staff to proceed with design and permitting efforts for Phase 1 of the project.

**BACKGROUND:** On October 25, 2018 the City Council received a report on various options for rehabilitating the wharf. Considered options ranged from adding to the existing wooden structure all the way to replacing the entire wharf with a raised concrete structure, with costs from \$7.8 million to \$23 million. These options included full replacement of the leased buildings on the wharf at a cost of \$2.2 million. The Council formed a sub-committee of Wharf Group members and directed staff to meet with the sub-committee to develop other options that could allow improvements to be completed in phases.

**DISCUSSION:** The Wharf Group subcommittee met with staff and Moffatt and Nichol engineers in November 2018 and developed goals and objectives for project phasing. The committee also requested a historic evaluation of the wharf to ensure the rehabilitation project is consistent with applicable historic guidelines. The historic evaluation was completed in February which is included as Attachment 2. The following goals and objectives for the project were developed and incorporate the essential historic characteristics of the wharf.

## Goals and Objectives:

### Phase 1

1. Provide stronger and more resilient structure
2. Improve utility services
3. Provide new public restrooms
4. Ensure historic consistency (Leslie Dill report)
  - a. Location and orientation
  - b. Visually abundant round piles
  - c. Continuous height
  - d. Wood plank deck
  - e. Narrow base
  - f. Wider head
  - g. Include visible hoists and other fishing and boating equipment
5. Ensure current investments are compatible with longer term projects to further address sea level rise

### Phase 2

1. Raise head of wharf for protection against sea level rise

Wharf Rehabilitation Project May 2019 update  
June 13, 2019

2. Ramp trestle from existing elevation at base to raised head
3. Reconstruct buildings at head of wharf

Converting these goals and objectives into project descriptions yields the following phase descriptions: (sketches of the phasing plans are included as Attachment 1)

Phase 1 - Widen the trestle portion of the wharf (the connection between land and the wharf head) to provide increased strength and resiliency. Currently the trestle is only three piles wide, which provides little redundancy when piles fail. The proposed design would widen the trestle to six piles wide. The new piles will be made of round fiberglass piles filled with concrete. All utilities will be upgraded, and new public restrooms constructed at both the head and base of the wharf. Some funding may be included for improvements to the leased buildings pending agreements with existing tenants.

Phase 2 - Raise head of wharf by approximately five feet, ramp trestle to meet raised head, replace leased buildings. The use of fiberglass piles in Phase 1 allows them to be extended in the future to accommodate raising the head of the wharf in the future.

A cost estimate of the project phases is as follows:

	Phase 1	Phase 2	No Phasing
Wharf			
Decking	\$ 3,624,549	\$ 12,781,140	\$ 16,405,689
Piles			
Raise/Slant Trestle		\$ 1,306,087	
Utilities	\$ 500,000	\$ 100,000	\$ 500,000
Restrooms	\$ 700,000	\$ 100,000	\$ 700,000
Steel Pile Replacement	\$ 480,000	\$ -	\$ 480,000
Floating Dock System	\$ 300,000	\$ 50,000	\$ 300,000
Additional Pile Replacement	TBD	\$ -	\$ -
<b>Totals</b>	<b>\$ 5,605,000</b>	<b>\$ 14,337,000</b>	<b>\$ 18,386,000</b>
Buildings	\$ 200,000	\$ 2,963,000	\$ 2,963,000
<b>Totals w/ Buildings</b>	<b>\$ 5,805,000</b>	<b>\$ 17,300,000</b>	<b>\$ 21,349,000</b>

The "No Phasing" column indicates the costs for building both phases as one project.

FISCAL IMPACT: Measure F sales tax funds have been earmarked for the Wharf Project. In addition, \$2 million in State funding has been requested by Assemblymember Mark Stone and staff is pursuing grant opportunities.

ATTACHMENTS:

1. Capitola Wharf Phasing Sketches

Wharf Rehabilitation Project May 2019 update  
June 13, 2019

2. Capitola Wharf Historic Evaluation

Report Prepared By: Steve Jesberg  
Public Works Director

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

6/6/2019



CLIENT City of Capitola  
 PROJECT Capitola Wharf  
 ESTIMATE FOR

JOB NO. 9154-01

SHEET 1 OF 1

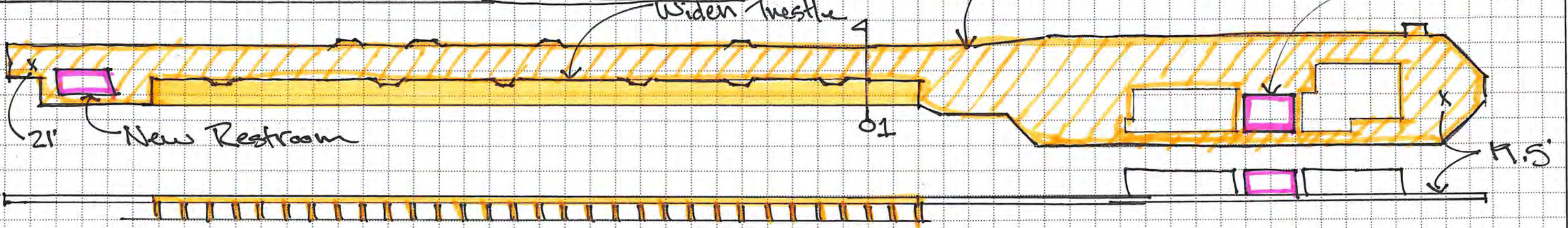
ESTIMATOR ST

DATE 4/9/19

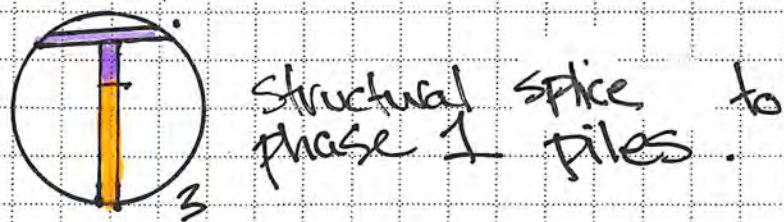
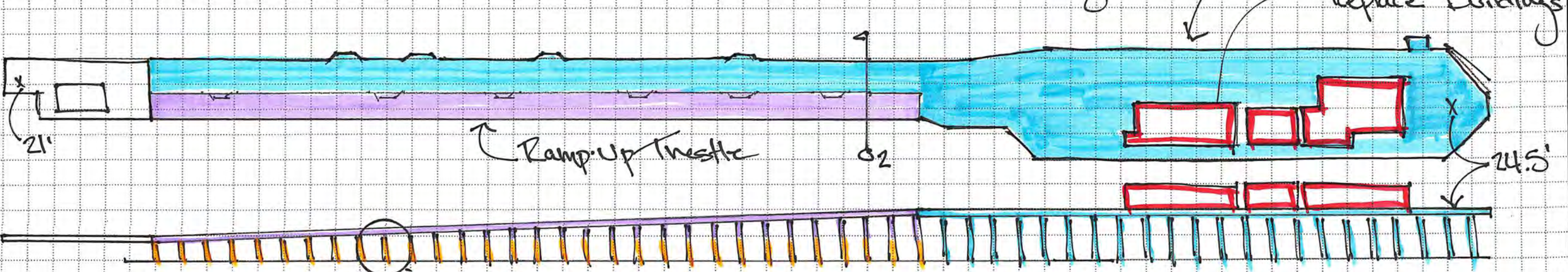
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DATE

Phase 1: Widen Trestle + Construct Restrooms



Phase 2: Raise Head for Sea Level Rise + Construct New Buildings

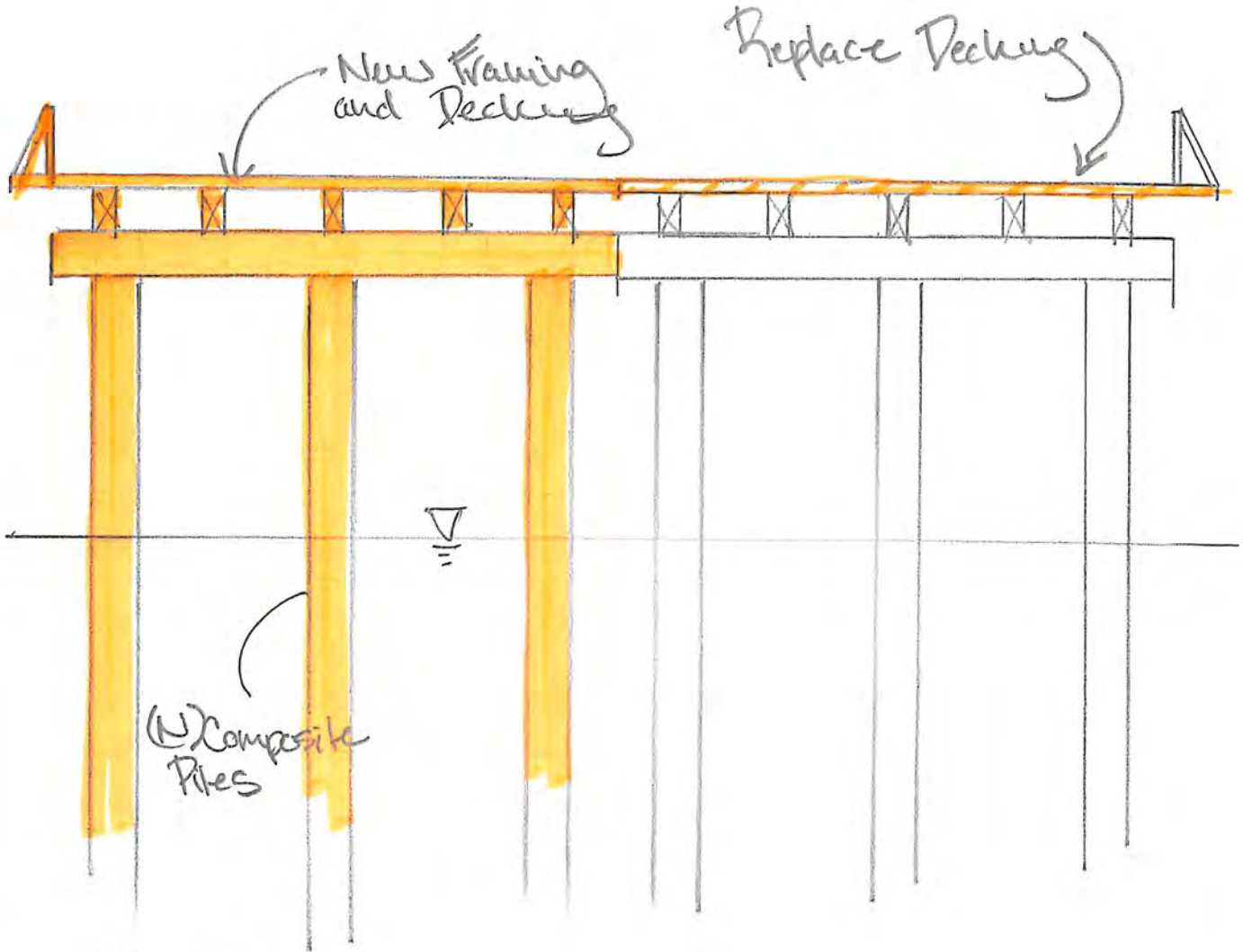


Attachment: Capitola Wharf Phasing Sketches (Wharf Rehabilitation Project May 2019 update)



moffatt & nichol

CLIENT	Capitola	JOB NO.	
PROJECT		SHEET	OF
DESIGN FOR	Phase 1 Trestle Widening	DESIGNER	DATE
		CHECKER	DATE



Phase 1  
New Widened  
Trestle

Existing Timber  
Trestles

Attachment: Capitola Wharf Phasing Sketches (Wharf Rehabilitation Project May 2019 update)

① Phase 1: Widen Trestle



moffatt & nichol

CLIENT Capitola

PROJECT

DESIGN FOR Phase 2  
Raised Wharf Head

JOB NO.

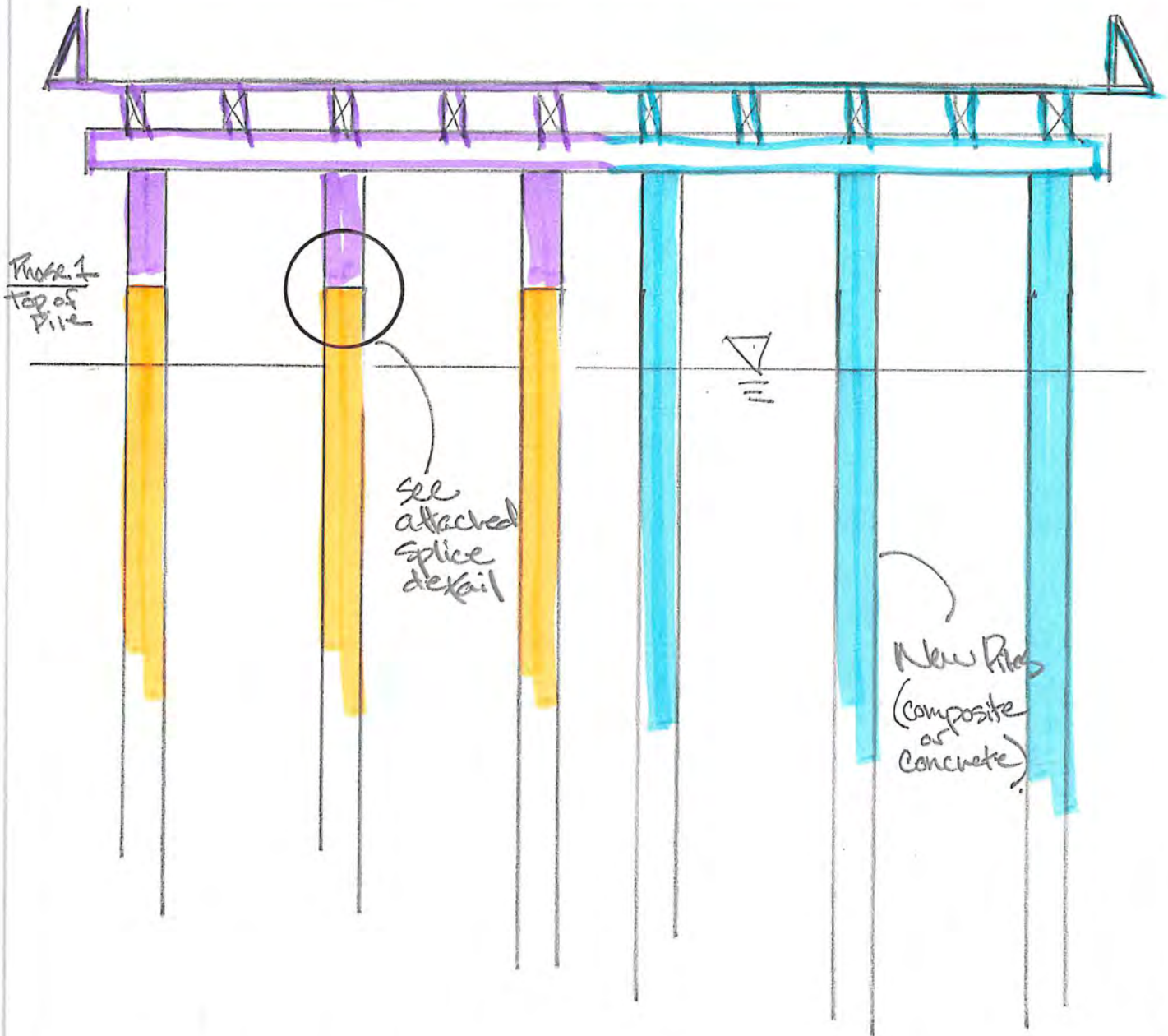
SHEET OF

DESIGNER

DATE

CHECKER

DATE



Phase 2: Raise Phase 1 Piles for SLR

Phase 1: Raised Wharf for SLR

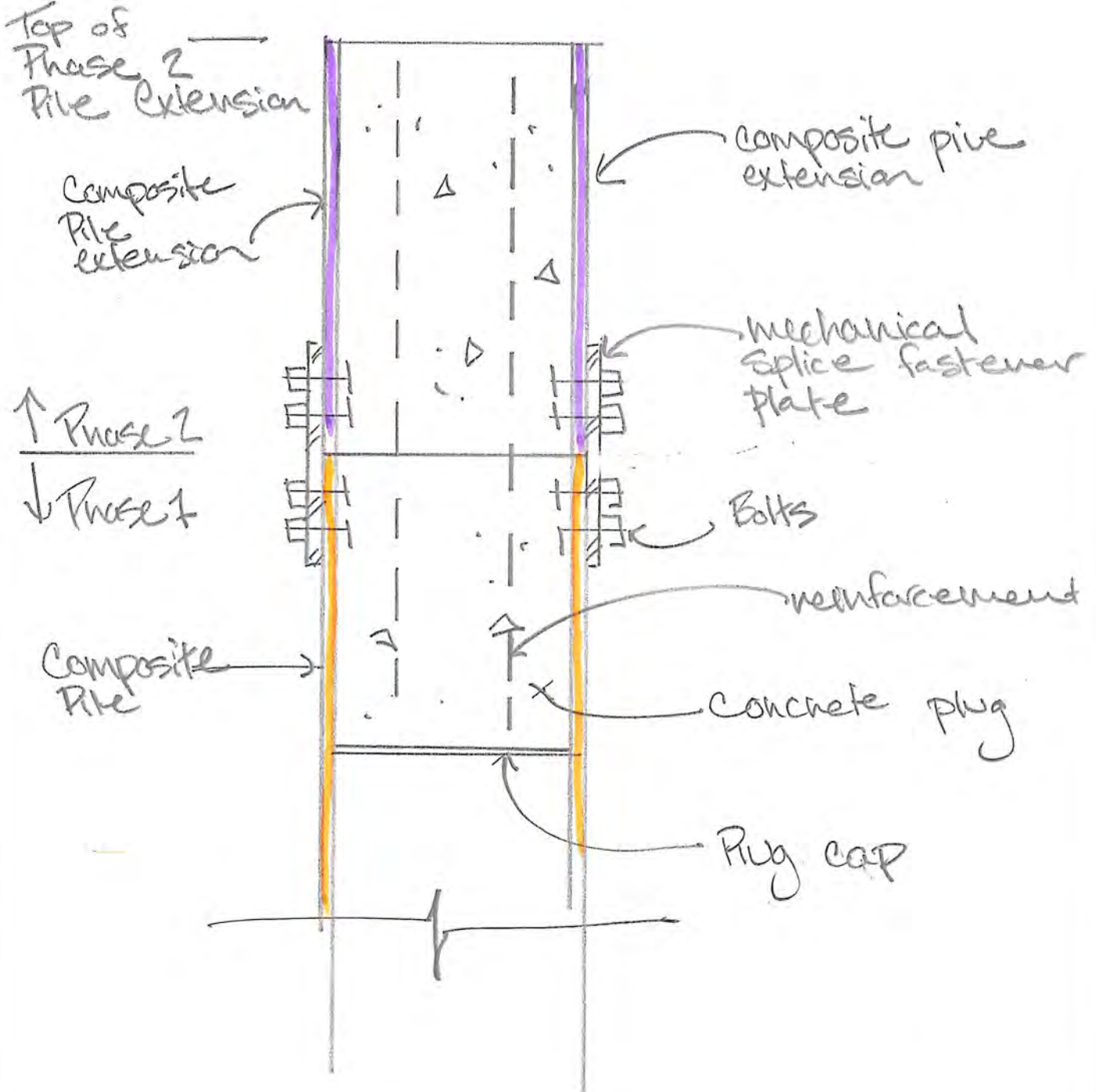
② Phase 2: Raise Wharf for Sea level Rise

Attachment: Capitola Wharf Phasing Sketches (Wharf Rehabilitation Project May 2019 update)



moffatt & nichol

CLIENT	Capitola		JOB NO.	
PROJECT			SHEET	OF
DESIGN FOR	Pile Extension Splice		DESIGNER	DATE
			CHECKER	DATE



③ Phase 2: Pile Extension Splice

Attachment: Capitola Wharf Phasing Sketches (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
 DEPARTMENT OF PARKS AND RECREATION  
**PRIMARY RECORD**

Primary #  
 HRI #  
 Trinomial  
 NRHP Status Code

Other Listings  
 Review Code

Reviewer

Date

Page 1 of 12 \*Resource Name or #: (Assigned by recorder) Capitola Wharf

P1. Other Identifier: Capitola Pier

\*P2. Location:  Not for Publication  Unrestricted \*a. County Santa Cruz

and (P2b and P2c or P2d. Attach a Location Map as necessary.)

\*b. USGS 7.5' Quad Soquel Date 1954 Rev. 1994 T. 11S.; R. 1W.; Mount Diablo B.M.

c. Address 1400 Wharf Rd. City Capitola Zip 95010

d. UTM: (Give more than one for large and/or linear resources) Zone 10S; 593136 mE/ 4092167 mN

e. Other Locational Data: (e.g., parcel #, directions to resource, elevation, etc., as appropriate)

Assessor's Parcel Numbers: 034-07-201 & 202 and 035-021-06

South terminus of Wharf Road

\*P3a Description: (Describe resource and its major elements. Include design, materials, condition, alterations, size, setting, and boundaries)

Although altered and repaired frequently over the last 160 years, the Capitola Wharf remains a recognizable landmark in the City of Capitola. This recordation is intended to document how the Wharf is a visible contributing element of the potential Capitola Beach Cultural Landscape District.

Capitola Wharf, originally built in 1857 and rebuilt numerous times over the years, currently consists of a wooden structure and deck extending approximately 855 feet from the end of Wharf Road to the tip of the structure above Monterey Bay. The Wharf is oriented nominally north-south. It is located to the west of the Soquel River, at the western edge of Capitola Beach, near the bluffs below Cliff Drive.

(Continued on page 2, DPR523L)

\*P3b. Resource Attributes: (List attributes and codes) HP11. Engineering structure

\*P4 Resources Present:  Building  Structure  Object  Site  District  Element of District  Other (Isolates, etc.)



P5b. Description of Photo: (View, date, accession #)

View facing west, December 14, 2018.

\*P6. Date Constructed/Age & Sources:

Historic  Prehistoric  Both

1857, 162 years old, newspaper accounts.

\*P7. Owner and Address:

City of Capitola  
 420 Capitola Ave.  
 Capitola, CA 95010

\*P8. Recorded by: (Name, affiliation, and address)

Leslie Dill  
 Archives & Architecture, LLC  
 PO Box 1332  
 San Jose CA 95109-1332

\*P9. Date Recorded: 03/04/19 rev 04/10/19

\*P10. Survey Type: (Describe)  
 Intensive

\*P11. Report Citation: (Cite survey report and other sources, or enter "none".)

Capitola Beach Cultural Landscape District Record dated 03/01/19 rev 04/10/19

\*Attachments:  NONE  Location Map  Sketch Map  Continuation Sheet  Building, Structure and Object Record  Archaeological Rec  
 District Record  Linear Feature Record  Milling State Record  Rock Art Record  Artifact Record  Photograph Record  Other (List)



State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 2 of 12

\*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill

\*Date 03/04/19

Continuation  Update

(Continued from page 1, DPR523a)

For about two-thirds of its length, the Wharf is narrow—just over twenty feet—and provides some automobile access. At its southern end, it steps out in plan twice to about sixty feet in width where two buildings are located. These buildings narrow the circulation path and limit it to primarily pedestrian access along the east side. Between about ten and twenty-five percent of the pier structure span the exposed beach, depending on the level of the tide; the remainder of the Wharf spans the bay. The current form, size, and construction detailing primarily date from 1981 and 1982 when the structure was extensively rehabilitated, and the two buildings were added near the south end. Many existing materials date from 1999-2002 when the primary structure was most recently repaired.

The deck is comprised of heavy planks attached by bolts to the perpendicular girders below. The deck cantilevers outward at irregular intervals, to form angled bays that feature benches. The footprint of the Wharf steps out to the west with clipped corners in plan and a diagonal prow at the south point. The base structure consists of multiple round timber pilings topped by cross girders at seemingly regular intervals. Above the low-tide line, the piles are set in a consistent pattern of vertical threes. As the pier spans the water, most of the outer piles are set at angles. At the wider sections, the patterns of pilings are sometimes doubled in the center and have additional piles to the sides, likely due to repair projects. Storms often batter the structure with massive pieces of driftwood, causing problems for the outer piers, and it was reported that the outer pilings have taken the brunt of the storm damage over the years, requiring replacement in groupings when they are damaged. There are wood handrails along the sides of the pier, consisting of gapped sections of horizontal rails supported by vertical posts at their ends. The upright posts are braced by diagonal posts that extend outward. The railings display plaques that honor the donors to that rehabilitation effort in 1981. Near the end of the Wharf on the east side, is a ramp for access to a floating dock at the waterline. The Wharf entrance includes non-original gates, pedestals, and signage.

The two buildings, built in 1982, are in use as a boat shop and a restaurant. The boat shop is the more northern of the two; it is a simple rectangle in plan, divided into two wings. It features a flat roof with skylights above the north, storage, wing and a full-width shed roof at the south, commercial, wing. The north wing has a garage-door that opens to the east onto the pier deck. The south wing has a pattern of windows facing east, across the pier and ocean, toward the city. The restaurant building is also roughly rectangular in plan, with a projecting square area to the northwest, wrapped in an outdoor stair. The stair provides access to the roof deck. A second exterior stair is located on the south wall of the building. The roof deck and stairs are protected by modern handrails consisting of dense arrays of square vertical balusters set between large round vertical posts that are designed to look like pilings. The east and south sides of the restaurant include continuous ribbons of large picture windows. Both buildings are currently clad in horizontal drop siding with flat-board trim.

The character-defining features of the Capitola Wharf are as follows, based on current conditions and historic photographs:

- Its location and orientation, including its direct connection to the end of Wharf Road
- Its visually abundant round wooden piles, some in a regular pattern and some irregular
- Its continuous-height wood-plank deck, at the height of the end of Wharf Road
- Its narrower entrance width and wider end (altered to this design in the 1950s)
- The inclusion of hoists and other technical boating and fishing equipment

Many elements of the pier have been replaced or added over time. See the Integrity Statement on page 7.

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
LOCATION MAP

Primary #  
HRI #  
Trinomial

Page 3 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Map Name: Detail of USGS Soquel 7.5 Quadrangle \*Scale: n.t.s. \*Date of Map: 1994 rev



DPR523J

**CAPITOLA WHARF**

\* Required information

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
BUILDING, STRUCTURE, AND OBJECT RECORD

Primary #  
HRI #

Page 4 of 12

\*NRHP Status Code 5S1

\*Resource Name or # (Assigned by recorder) Capitola Wharf

B1. Historic Name: Soquel Landing

B2. Common Name: Capitola Pier

B3. Original use: Wharf/Pier

B4. Present Use: Pier

\*B5. Architectural Style: N/A

\*B6. Construction History: (Construction date, alterations, and date of alterations)

Built 1857. Extended 1863. Damaged and reduced in size 1865. Closed due to condition 1902; repaired and reopened 1909. Fishing clubhouse built 1928. Clubhouse burned 1940. Widening and repairs 1955-56. Buildings added 1982. Other known repair and renovation dates: 1924, 1936, 1965, 1981, and 1999-2000.

\*B7. Moved?  No  Yes  Unknown Date: N/a Original Location: N/a

\*B8. Related Features:

Modern building additions near south end. Memorial plaques and informational signs from recent renovations.

B9a Architect: Unknown b. Builder: Sedgewick Lynch

\*B10. Significance: Theme Economic Development and Tourism Area Capitola Beach  
Period of Significance 1857-1969 Property Type Feature of Public Beach Applicable Criteria 1 and A  
(Discuss importance in terms of historical or architectural context as defined by theme, period, and geographic scope. Also address integrity.)

Capitola Wharf is a contributing feature of Capitola Beach, as well as a previously listed individually significant structure. It is a structure rich in history, about which many chapters have been written. Capitola Beach is a natural and human-maintained cultural landscape district significant to the development of the City of Capitola.

Although the beach was used as the loading site for ships during the Mexican rancho era, the construction of the Capitola Wharf by F.A. Hihn in 1857 represented a change in shipping methods and intensification of the types of goods being shipped in the early American era. The Wharf, then known as Soquel Landing, was located at the end of the primary road to Soquel's lumbering and manufacturing areas, and it embodies the commercial/industrial focus of this time in this part of the coast. Built originally in 1857 for Frederick L. Hihn, a significant land owner and civic leader in the city of Capitola and throughout Santa Cruz County, the Wharf was reportedly 450 feet long at first. The structure was extended to almost triple that length in 1863 to accommodate additional ships, but it was damaged in 1865 and reduced in size once again. Hihn controlled access and development of the beach, the pier, the bluffs, and the lowlands along the mouth of the river.

(Continued on next page, DPR523L)

B11. Additional Resource Attributes: (List attributes and codes) None

\*B12. References:

(See page 12, DPR523L Continuation Sheet)

B13. Remarks: Potential repair and alteration

\*B14. Evaluator: Leslie Dill

\*Date of Evaluation: March 4, 2019 rev April 10, 2019

(This space reserved for official comments.)



Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 5 of 12

\*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill

\*Date 03/04/19

Continuation  Update

(Continued from page 4, DPR523b, B10, Significance)



*Detail of an Engraving of Camp Capitola, illustrating the Wharf in 1879.*

After the shipping efforts shifted to the railroad in the late 1870s, the enjoyment of the beach itself became one of the primary focuses, along with commercial fishing. Samuel Alonzo and Rachel Hall in the 1870s first encouraged camping at their farm, leased from Hihn, adjacent to the beach, and then in the late-nineteenth and early twentieth centuries as Hihn and his daughter further developed Capitola into a seaside vacation community with tent sites, cabins, and commercial and entertainment structures. Concurrently, the area of the beach west of Soquel River was used for fishing. The Wharf was used to launch and store fishing boats and equipment, and Hihn leased the area between the pier and the river, along the edge of the sand, for the development of a small fishing village. The pier became a commercial backdrop for the rustic enjoyment of Camp Capitola and the beach. Hoists and rails for horse-drawn carts were part of the structure. In 1902, after many years of active use, the Wharf was closed as dangerous. New piles were set a few years later; however, the center of the pier was destroyed in a storm in 1913. Hihn died earlier in 1913, and the development and promotion of Capitola and Capitola Beach was left to his daughter.



*Late-1880s View of Wharf, facing west. Courtesy Capitola Historical Museum.*

(Continued on next page)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 6 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill \*Date 03/04/19  Continuation  Update

(Continued from previous page)



View from the end of the Wharf, facing north, ca. 1880s. Courtesy Capitola Historical Museum.

In 1919, Allen Rispin acquired the Wharf lease, the beach and much of the surrounding community, and he started building his vision of a seaside tourist destination: "Capitola-by-the-Sea." He demolished the fishing village and developed the Venetian Court and he established the infrastructure for the seasonal lagoon. The Wharf was repaired again in 1924, and in 1929 a large sport-fishing clubhouse was built above the northern entrance to the structure. The clubhouse burned in 1940; however, the pier has continued to be used for sport fishing into the present. Repairs to the structure of the Wharf included the replacement of piles in the mid-1930s, and more repairs and widening in the 1950s. The decking was replaced in the early 1960s. Control of the Wharf lease was an ongoing concern from 1919, through many years of the same wharfinger and then through many intermediate wharf managers, until the lease was acquired by the City of Capitola in 1979.



1903 View facing west. Reproduced from Capitola Wharf Rededication Program. October 10, 1981. Courtesy of Capitola Historical Museum.

(Continued on next page)

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 7 of 12

\*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill

\*Date 03/04/19

Continuation  Update

*(Continued from previous page)*

Since the City began managing the structure, the structure has required major maintenance efforts twice. The structure was almost completely replaced in 1981. Two buildings were added at the south end in 1982, and storms damaged the Wharf again in 1983. After a 1999 storm, the structure was repaired again. And a 2002 storm damaged piles. This report is associated with plans to rehabilitate and possibly alter the structure and form.

The Wharf represents the different phases of history of Capitola Beach and the history of the community of Capitola. It was used as the primary shipping method for many types of local goods, from its construction in 1857 until the 1870s when railroads were brought into the area. It was used for commercial fishing from the 1870s until the 1920s. It has been used for sport fishing and recreation from the 1920s until the present.



*Aerial view, facing northeast. Green Sheet Oct 7, 1980. Courtesy Capitola Historical Museum.*

*(Continued on next page)*

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 8 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill \*Date 03/04/19  Continuation  Update

(Continued from previous page)



View in 1980, facing southeast. Reproduced from Capitola Wharf Rededication Program. October 10, 1981. Courtesy Capitola Historical Museum.

**Integrity**

Although altered and rebuilt multiple times after years of exposure to wave and tidal damage, the Capitola Wharf retains much of its historic integrity per the National Register's seven aspects of integrity and continues to serve as a visual, functional, and recognizable part of Capitola Beach. Because long-term weathering and storm damage have prompted repair and replacement of the Wharf's piers and decking multiple times, its materials and workmanship are not readily identifiable as historic; however, the structure continues to be built of timber and display round-wood pilings related to the structural design of the past. Capitola Wharf has historical integrity with its location and setting at Capitola Beach and extending into Monterey Bay. It retains visual associations with the establishment of shipping in the Early American era and commercial and recreational fishing for over a century, and it conveys a feeling of its age and continued use over time. Per the California Register definition of integrity, the Capitola Wharf conveys adequate historic authenticity. It serves to preserve the relationship of the beach to the commercial shipping and fishing industries of Capitola's past.



Green Sheet Photograph of the 1981-82 Repairs at Wharf Road, facing north. Courtesy Capitola Historical Museum

(Continued next page)

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 9 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill \*Date 03/04/19 rev 04/10/19  Continuation  Update

*(Continued from previous page)*

**Evaluation**

Capitola Beach has been identified as a potential historic resource, eligible for the California Register under Criterion (1) and the National Register under Criterion (A), as it is associated with and represents events that have made a significant contribution to the broad patterns of local and regional history. The beach and its contributing structures embody a cultural landscape, a combination resource of natural and human-designed elements. Capitola Beach represents the history of commerce and recreation in the community of Capitola and to the tourists who visit, and the Wharf, at over 160 years old, can be considered a contributor to the historic narrative by illustrating the significant human intervention that is a theme in the history of Capitola Beach. The Wharf represents the different phases of the Capitola Beach history, including being used for shipping in the mid-1800s, being used for commercial fishing from the 1870s until the 1920s, and being used for sport fishing and recreation from the 1920s until the present. As a historic built structure that helps physically and visually maintain a cultural landscape, the Capitola Wharf is a contributing element of the beach and its significance over time.

Capitola Beach and its contributing structures were not found to be significant for associations with historic personages or architectural/landscape design excellence (Criteria (2) or (3) of the California Register and Criteria (B) or (C) of the National Register, respectively).

In 1986, with limited documentation, the Capitola Wharf was listed as a significant local resource by the City of Capitola; that listing would establish it as a historic resource under the California Environmental Quality Act. Per the integrity analysis on the previous page, although heavily physically altered since its listing, the Wharf continues to maintain associations with its historical narrative and visually embodies its historical significance. Capitola Wharf is a prominent landmark in the City of Capitola, and it can be considered eligible for the California Register under Criterion (1) and the National Register under Criterion (A).

Although originally constructed for F. A. Hihn, the Wharf no longer has integrity with his materials or design, and it does not have associations with other significant personages that meet Criteria (2) or (B) of the California or National Registers. The heavily altered utilitarian structure does not meet the Criteria for Design/Construction for its design qualities or artisanship that would meet Criteria (3) or (C) of the California or National Registers.



*Panoramic View, facing east. 12/14/18. Leslie Dill*

*(Continued on next page)*

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)



State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 10 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill \*Date 03/04/19  Continuation  Update

*(Continued from previous page)*



*Pier entrance, viewed facing north. 12/14/18. Leslie Dill.*



*Pilings and girders beneath Wharf, viewed facing south. 12/14/18. Leslie Dill.*

*(Continued next page)*

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 11 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill \*Date 03/04/19  Continuation  Update

*(Continued from previous page)*



*Wharf entrance, viewed facing east. 12/14/18. Leslie Dill*



*South end of Wharf with Buildings, viewed facing southwest. 12/14/18. Leslie Dill*

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)

State of California – The Resources Agency  
DEPARTMENT OF PARKS AND RECREATION  
CONTINUATION SHEET

Primary #  
HRI #  
Trinomial

Page 12 of 12 \*Resource Name or # (Assigned by recorder) Capitola Wharf

\*Recorded by Leslie Dill \*Date 03/04/19  Continuation  Update

(continued from page 3, DPR523B B12 References)

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<https://www.santacruzsentinel.com/2017/06/27/emergency-repairs-to-capitola-wharf-to-begin-july-10/>  
<https://www.youtube.com/watch?v=9qK71qtfWQo>

Attachment: Capitola Wharf Historic Evaluation (Wharf Rehabilitation Project May 2019 update)



## CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF JUNE 13, 2019

FROM: Public Works Department

SUBJECT: Consider Designating Two New 24-Minute Village Parking Spots Between 331 and 401 Capitola Avenue

**RECOMMENDED ACTION:** Consider designating two new 24-minute parking spaces under the rail trestle along Capitola Avenue as requested by the property owners at 331 and 401 Capitola Avenue.

**BACKGROUND:** On April 4, 2019 the Planning Commission approved an application for a Conditional Use Permit and Design Permit for a take-out restaurant at 401 Capitola Avenue. This property, located immediately north of the railroad trestle on the west side of Capitola Avenue, has no on-site parking.

Part of the discussion at the hearing centered around the possibility of adding on-street parking along Capitola Avenue as either a loading zone or a 24-minute zone. Pursuant to Municipal Code 10.36.170, the City Council has the authority to create and designate on-street parking so the Planning Commission took no action regarding this issue. A vicinity map of the proposed parking is included as Attachment 1 and an excerpt of the minutes from the April 4<sup>th</sup> Planning Commission meeting are included as Attachment 2.

One resident from Fanmar Avenue did speak against adding additional parking, stating they believed it would hinder the ability to make a left turn onto Fanmar Avenue from Capitola Avenue. Staff does not agree with this opinion as the proposed parking would be located to the right and behind any cars making this left-handed turn.

A business owner at 331 Capitola Avenue, the Trestle Building, expressed concern about patrons of the new restaurant trying to use the Trestle Building's on-site parking.

After the Planning Commission meeting, both property owners from 331 and 401 Capitola Avenue formally requested that the City Council designate two new parking spaces as green zones (24-minute parking). Emails from Amy Cheng from 401 Capitola Avenue and Ed Newman from 331 Capitola Avenue are included as Attachment 3.

**DISCUSSION:** Capitola Road is 32 feet wide with the southbound lane 17 feet wide and the northbound lane 15 feet wide. Parallel parking spots are 7 feet wide, so the addition of parking on the southbound side of the street would reduce the travel lane to 10 feet. For safety purposes, should the 24-minute parking be added, staff recommends the center line of the road be shifted to the east by 1 foot. Creating a 11-foot travel lane next to parallel parking would be

Green Zone Parking - Capitola Avenue  
June 13, 2019

consistent with the remaining portion of Capitola Avenue going towards the Village. Each parking space would be 20 feet long and 7 feet wide and will be metered. The spaces would begin at the Keep Clear line for the Fire Department and extend south toward the Village.

FISCAL IMPACT: A contractor would need to be hired to relocate the centerline. Staff estimates that the work would cost \$1,500 including the parking space markings. Public Works crews would paint the curbs green and place the signage. The two new metered spaces would generate parking revenue in the future.

ATTACHMENTS:

1. Capitola Avenue Proposed Parking Schematic
2. Excerpt from April 4, 2019, Planning Commission Minutes
3. Property Owner Emails

Report Prepared By: Steve Jesberg  
Public Works Director

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

6/6/2019

Proposed 24-minute Parking



Relocated Centerline

not result in the termination of such right or privilege. A permit shall be deemed to have been "used" when actual substantial, continuous activity has taken place upon the land pursuant to the permit.

- 4. Compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.

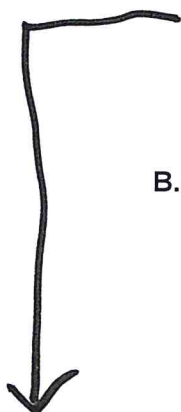
**FINDINGS:**

- A. **The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance and General Plan.**  
Community Development Department Staff and the Planning Commission have reviewed the application and determined that the applicant may be granted a Conditional Use Permit for the sale of alcohol within the CN Zoning District. The use meets the intent and purpose of the Neighborhood Commercial Zoning District. Conditions of approval have been included to ensure that the use is consistent with the Zoning Ordinance and General Plan.
- B. **The application will maintain the character and integrity of the neighborhood.**  
Community Development Department Staff and the Planning Commission have reviewed the proposed use and determined that the use complies with the applicable provisions of the Zoning Ordinance and maintain the character and integrity of this area of the City. Conditions of approval have been included to carry out these objectives.
- C. **This project is categorically exempt under Section 15301 of the California Environmental Quality Act and is not subject to Section 153.5 of Title 14 of the California Code of Regulations.**  
The proposed project involves an existing commercial space with the additional use of off sale beer and wine sales. No adverse environmental impacts were discovered during project review by either the Planning Department Staff or the Planning Commission.
- D. **The use is consistent with the General Plan and will not be detrimental to the health, safety, peace, morals, comfort, and general welfare of the neighborhood and the city.**  
The applicant is not proposing an increase in size or an expansion of the use of the existing market. The use will remain as a market with the addition of alcohol sales to enhance the experience and meet the needs of their customers. The addition of off sale beer and wine sales within an existing market will not be detrimental to the surrounding neighborhood or the City.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Edward Newman, Commissioner
<b>SECONDER:</b>	Peter Wilk, Commissioner
<b>AYES:</b>	Newman, Welch, Wilk, Routh, Christiansen

Commissioners Newman and Wilk recused themselves from the remaining items as they live within 500 feet of the project sites. Commissioner Newman added that he submitted a written public comment regarding Item 5.B and has not communicated with staff about the project in any other manner.

- B. **401 Capitola Avenue #19-0031 APN: 035-121-11**  
Conditional Use Permit and Design Permit for a take-out restaurant with a new patio and trellis located within the CN (Neighborhood Commercial) zoning district.  
This project is in the Coastal Zone and does not require a Coastal Development Permit.  
Environmental Determination: Categorical Exemption



Property Owner: Amy Cheng  
 Representative: Amy Cheng, Filed: 01.23.2019

Assistant Planner Orbach presented the staff report.

Chair Welch asked about the potential of changing the loading zone to a 20-minute parking spot. Planner Orbach said that could be suggested but would ultimately require City Council approval.

Commissioner Routh checked that the potential parking space has the required width for safe parking. Public Works has verified that this is the case.

Amy Cheng, property owner and project applicant, spoke to the commission and stressed that the business will rely on already present foot-traffic rather than visitors who would need parking to patron the restaurant.

Commissioner Routh asked the applicant where food would be prepared. Ms. Cheng replied that the restaurant would focus on drinks, while also offering small dishes such as rice bowls. Major food preparation will not take place on site and Commissioner Routh clarified that a grease-trap is not included in the application.

Dunn Silvey, 307 Fanmar, spoke about safety concerns of parking at this location, as the left-hand turn onto Fanmar is a blind corner. He asked about the six-seat maximum and the planning department explained this is a cumulative total of both inside and outside seating.

Michael Levine, business owner in the trestle building, expressed concern that the public would use the trestle building's private parking to visit the restaurant and opposed the project.

Commissioner Routh compared the proposed business' parking needs with nearby restaurant The Avenue Café, which generates a lot of clientele without impacting nearby parking. He said that his concern is more about parking safety, rather than its availability.

Commissioner Christiansen agreed that a loading zone is more appropriate than a parking spot in the proposed location. She expressed concern with the placement of the wall and garbage enclosure. Commissioner Routh responded that it may be more appropriate for the enclosure to be closer to the street rather than the neighboring homes.

Chair Welch agreed that a loading zone at this location made common sense and expressed belief that the restaurant's proximity to the Upper and Lower Pacific Cove parking lots will provide plenty of parking options for this business.

Director Herlihy suggested the Planning Commission include any residential use protections, such as restrictions on kitchen expansion or outdoor seating, within the conditions of approval for this application.

Commissioner Routh asked the planning department about loading zone rules, and was told that it would become a metered public-parking spot after 2 p.m. He suggested limiting the patio on the side of the building to only accommodate a trash enclosure.

MOTION: Approve Conditional Use Permit and Design Permit with the following conditions and findings.

**CONDITIONS:**

1. The project approval consists of a Conditional Use Permit for a take-out restaurant with a maximum of 6 seats and a Design Permit for construction of a 442-square-foot patio garbage storage area with a trellis. The proposed project is approved as indicated on the final plans reviewed and approved by the Planning Commission on April 4, 2019, except as modified through conditions imposed by the Planning Commission during the hearing.



2. There shall be no amplified audible entertainment inside the business that can be audible outside of the business.
3. The applicant is responsible for maintaining the area directly in front of the business free from litter and/or graffiti.
4. All exterior furniture shall be stored inside the main building when the restaurant is closed.
5. The garbage area shall be maintained to prevent odors and provide screening from the street and screening from adjacent neighbors.
6. Any outside lighting on the building shall be turned off within half an hour of the closing time of the business.
7. Prior to construction, a building permit shall be secured for any new construction or modifications to structures authorized by this permit. Final building plans shall be consistent with the plans approved by the Planning Commission. All construction and site improvements shall be completed according to the approved plans.
8. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.
9. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
10. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
11. Prior to issuance of building permit, a final landscape plan shall be submitted and approved by the Community Development Department. Landscape plans shall reflect the Planning Commission approval and shall identify type, size, and location of species and details of irrigation systems.
12. Prior to issuance of building permit, all Planning fees associated with permit #19-0031 shall be paid in full.
13. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Soquel Creek Water District, and Central Fire Protection District.
14. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan, shall be submitted to the City and approved by Public Works. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16 Storm Water Pollution Prevention and Protection.
15. Prior to issuance of building permits, the applicant shall submit a stormwater management plan to the satisfaction of the Director of Public Works which implements all applicable Post Construction Requirements (PCRs) and Public Works Standard Details, including all standards relating to low impact development (LID).
16. Prior to any land disturbance, a pre-site inspection must be conducted by the grading official to verify compliance with the approved erosion and sediment control plan.

17. Prior to any work in the City road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.
18. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B
19. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. All replaced driveway approaches, curb, gutter or sidewalk shall meet current Accessibility Standards.
20. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
21. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Municipal Code section 17.81.160.
22. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
23. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.
24. The application shall be reviewed by the Planning Commission upon evidence of non-compliance with conditions of approval or applicable municipal code provisions.
25. The proposed patio on the south side of the building shall be removed. The applicant may construct a small garbage storage area on the south side of the building located toward the midpoint of the building. Revised plans shall be approved by the Community Development Director.
26. Any roof jacks required for future kitchen exhaust systems shall be located on the front half of the roof to minimize the impacts of food odors on adjacent residential properties.

**FINDINGS:**

- A. **The application, subject to the conditions imposed, will secure the purposes of the Zoning Ordinance and General Plan.**  
Community Development Department Staff and the Planning Commission have reviewed the application and determined that the business owner may be granted a conditional use permit for a to-go restaurant within the CN Zoning District. The use meets the intent and purpose of the Neighborhood Commercial Zoning District. Conditions of approval have been included to ensure that the use is consistent with the Zoning Ordinance and General Plan.
- B. **The application will maintain the character and integrity of the neighborhood.**

Community Development Department Staff and the Planning Commission have reviewed the proposed use and determined that the use complies with the applicable provisions of the Zoning Ordinance and maintain the character and integrity of this area of the City. This area of the City is a mix of commercial and residential uses. Conditions of approval have been included to carry out these objectives.

**C. This project is categorically exempt under Section 15301 of the California Environmental Quality Act and is not subject to Section 753.5 of Title 14 of the California Code of Regulations.**

The proposed project involves the conversion of an existing commercial space into a to-go restaurant. No adverse environmental impacts were discovered during project review by either the Community Development Department Staff or the Planning Commission.

<b>RESULT:</b>	<b>APPROVED [3 TO 0]</b>
<b>MOVER:</b>	Mick Routh
<b>SECONDER:</b>	Courtney Christiansen
<b>AYES:</b>	Welch, Routh, Christiansen
<b>RECUSED:</b>	Newman, Wilk

**C. 322 Capitola Avenue #18-0628 APN: 035-181-16**

Design Permit and Coastal Development Permit for a new two-story single-family residence located within the CV (Central Village) zoning district with a Variance request for the required offsite parking spaces. This project requires a Coastal Development Permit which is not appealable to the California Coastal Commission after all possible appeals are exhausted through the City.  
Environmental Determination: Categorical Exemption  
Owner: Unsophisticated Builders  
Representative: Dennis Norton, Filed: 12.11.2018

Assistant Planner Orbach presented the staff report.

Dennis Norton, representative of property owner, spoke to the Commission and was present for questions.

Commissioner Routh acknowledged the difficulty this project faces because of conflicting parking requirements and supported a Variance to allow construction without providing parking. He also supported recommending City Council review an in-lieu parking program for residential development.

Commissioner Christiansen asked if the applicant has considered using the 329 Cherry Avenue parcel (Item 5.D) for parking, as the applicant owns both properties. Mr. Norton responded that though considered by the applicant the idea could cause future legal problems.

Chair Welch agreed that the parking issue is complicated.

Director Herlihy reminded the Commission to define the unique circumstances required to grant a variance; Commissioner Routh highlighted this lot's characteristic as the last vacant lot in the Village and the Code's conflicting requirements for parking at the site.

MOTION: Approve Design Permit, parking Variance request, and Coastal Development Permit with the following conditions and findings.

**CONDITIONS:**

Attachment: Excerpt from April 4, 2019, Planning Commission Minutes (Green Zone Parking - Capitola Avenue)

**Jesberg, Steve (sjesberg@ci.capitola.ca.us)**

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**From:** Amy Cheng <1biznfun@gmail.com>  
**Sent:** Tuesday, April 9, 2019 10:35 PM  
**To:** Herlihy, Katie (kherlihy@ci.capitola.ca.us); Jesberg, Steve (sjesberg@ci.capitola.ca.us); Orbach, Matthew (morbach@ci.capitola.ca.us)  
**Subject:** 20 min loading zone on Capitola Ave

Dear Katie,

I have been thinking about the meeting and the declined 20 min loading zone. I hope the city counsels can reconsider to allow a 20 min loading zone on Capitola Ave between 401 Capitola and the Trestle if possible. I was so nervous at the meeting I didn't want to ask but in retrospect I wish I would have asked for it. According to Fire Marshalls and Public Works recommendations, this street is wide enough to support a 20 min loading zone. Is it reasonable for me to request them to reconsider a loading zone there ?

Warm Regards,  
Amy

Attachment: Property Owner Emails (Green Zone Parking - Capitola Avenue)

**Jesberg, Steve (sjesberg@ci.capitola.ca.us)**

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**From:** Edward Newman <edward@capitolalawfirm.com>  
**Sent:** Thursday, May 16, 2019 11:36 AM  
**To:** Herlihy, Katie (kherlihy@ci.capitola.ca.us); Jesberg, Steve (sjesberg@ci.capitola.ca.us)  
**Subject:** RE: City Council Request for 24-minute Parking

Ms. Herlihy and Mr. Jesberg,

This will confirm my request as owner of the Trestle Building at 331 Capitola Avenue to have the parking space immediately to the south of our parking lot designated for short term (24 minute) parking. Thank you.

Edward W. Newman  
Attorney at Law  
331 Capitola Ave., Suite K  
Capitola, CA 95010  
831-476-6622 – voice  
831-476-1422 – fax  
Edward@capitolalawfirm.com

Attachment: Property Owner Emails (Green Zone Parking - Capitola Avenue)



## CAPITOLA CITY COUNCIL AGENDA REPORT

**MEETING OF JUNE 13, 2019**

FROM: Finance Department

SUBJECT: Consider the Fiscal Year 2019/2020 Budget and Capital Improvement Program for the City of Capitola

**RECOMMENDED ACTION:** Approve the Resolution adopting the Fiscal Year 2019/20 City Budget and Capital Improvement Program.

**BACKGROUND:** The Proposed Fiscal Year (FY) 2019/2020 Budget and Planned FY 2020/2021 Budget was presented to the City Council at the May 15, 2019, special meeting. The City Council requested additional information that was presented at a second public budget hearing on May 29, 2019, at which time the City Council reviewed updates to the proposed budget, heard public comments, and received input from the Finance Advisory Committee.

Following a discussion regarding the allocation of projected General Fund balance at the May 29 meeting, City Council directed staff to prepare a resolution to adopt the budget.

**DISCUSSION:** The General Fund is projected to end Fiscal Year 2018/19 with an estimated \$1,342,000 fund balance. Pursuant to City Council direction, the City is holding approximately \$800,000 of estimated ending fund balance in the General Fund and allocating \$550,000 to the City's Capital Improvement Program (CIP) as follows:

<b>FY 2019/20 General Fund</b>	<b>Amount</b>
Rispin Park	\$ 200,000
Clares Street Pedestrian Improvements	150,000
Capitola Avenue Sidewalk / Retaining Wall (300 block)	200,000
Total General Fund appropriations	\$ 550,000

Council also gave staff direction to fund the \$5,000 request from the Capitola Beach Festival Committee by reducing Contract Services-Community TV by \$2,000 and utilizing \$3,000 of projected FY 2019-20 General Fund balance.

These changes result in a \$553,000 increase in expenditures in FY 2019/20 bringing total expenditures to \$17.2 million, resulting in a net negative General Fund balance impact of \$549,000, and leaving a projected FY 2019/20 year ending balance of \$792,700. The negative General Fund impact is a result of the \$550,000 transfer to the CIP.

Consider 2019/2020 Fiscal Year Budget  
June 13, 2019

Additionally, the Council directed staff to set aside \$2,500 of the unallocated \$22,800 of restricted early childhood and youth program grant funds to establish a childcare center start-up-fee grant program. The remaining \$20,300 of restricted early childhood & youth program grant funds may be allocated in FY 2019/20 following completion of the Community Grant Program evaluation.

The resolution necessary to adopt the Fiscal Year 2019/20 Budget includes the above appropriations and adjustments (Exhibit A), a General Fund overview (Exhibit B), and an estimation of 2019/20 fund balances (Exhibit C). In addition, the FY 2019/20 Proposed Budget is available on the City's website.

FISCAL IMPACT: The fiscal impact is shown in the attached General Fund overview and fund balance summary.

ATTACHMENTS:

1. Exhibit A - Changes to Proposed Budget (PDF)
2. Exhibit B - General Fund Summary (PDF)
3. Exhibit C - Fund Balance Summary (PDF)

Report Prepared By: Jim Malberg  
Finance Director

**Reviewed and Forwarded by:**



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Jamie Goldstein, City Manager

6/7/2019

Consider 2019/2020 Fiscal Year Budget  
June 13, 2019

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA  
ADOPTING THE 2019/2020 FISCAL YEAR CITY BUDGET AND CAPITAL IMPROVEMENT  
PROGRAM BUDGET**

**WHEREAS**, it is necessary to adopt the 2019/2020 Fiscal Year Budget for all City funds and Capital Improvement Program; and

**WHEREAS**, the City Council has conducted budget study sessions, has heard and considered public comments, and has modified the proposed budget accordingly, and wishes to adopt such budget for the Fiscal Year July 1, 2019, through June 30, 2020; and

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the City Council of the City of Capitola that the 2019/2020 Fiscal Year Budget is hereby adopted as amended, including Exhibit A (Changes to Proposed Budget), Exhibit B (General Fund Overview), and Exhibit C (Summary by Fund) to this Resolution; and

**BE IT FURTHER RESOLVED** that the Finance Director is directed to enter the budget into the City's accounting records in accordance with appropriate accounting practices, and the City Manager, with the Finance Director's assistance, shall assure compliance therewith.

**I HEREBY CERTIFY** that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 13<sup>th</sup> day of June 2019, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Jacques Bertrand, Mayor

ATTEST:

\_\_\_\_\_  
Linda Fridy, City Clerk



**Exhibit A**  
**Changes to Proposed Budget**

<b>FY 2019/20 General Fund</b>	<b>Amount</b>
Rispin Park Project	200,000
Clares Street Pedestrian Improvements Project	150,000
Capitola Avenue Sidewalk / Retaining Wall Project	200,000
CS-Gen/Admin Community TV	(2,000)
CS-Gen/Admin Beach Festival	5,000
<b>Total</b>	<b>553,000</b>

<b>FY 2019/20 Restricted TOT Special Revenue Fund</b>	<b>Amount</b>
Childcare Center Start-Up Fee Grant Program	\$ 2,500
<b>Total</b>	<b>\$ 2,500</b>

Attachment: Exhibit A - Changes to Proposed Budget (Consider 2019/2020 Fiscal Year Budget)

### General Fund Summary

Major Categories	FY16/17 Actual	FY17/18 Actual	FY18/19 Adopted	FY18/19 Estimated	FY19/20 Initial	FY20/21 Planned
<b>Revenues</b>						
Taxes	\$ 12,228,390	\$ 12,198,312	\$ 12,431,636	\$ 12,797,590	\$ 13,104,469	\$ 13,534,084
Licenses and permits	597,896	680,142	644,704	600,900	607,300	608,954
Intergovernmental revenues	134,865	189,800	141,000	112,300	108,000	108,000
Charges for services	1,809,353	1,757,663	1,919,723	1,817,330	2,055,924	2,039,504
Fines and forfeitures	557,117	556,560	616,300	542,500	563,500	563,500
Use of money & property	76,082	118,385	101,200	113,105	96,200	96,200
Other revenues	74,232	127,844	64,050	61,150	111,000	56,163
<b>Revenues Totals</b>	<b>\$15,477,935</b>	<b>\$15,628,706</b>	<b>\$15,918,613</b>	<b>\$16,044,875</b>	<b>\$16,646,394</b>	<b>\$17,006,404</b>
<b>Expenditures</b>						
Personnel	\$8,668,590	\$8,335,863	\$9,173,587	\$8,974,984	\$9,866,589	\$10,521,666
Contract services	2,629,762	2,790,989	2,871,000	2,874,200	2,906,368	2,943,980
Training & Memberships	83,058	85,108	126,850	94,850	128,570	129,070
Supplies	526,946	544,148	503,250	536,600	543,911	548,311
Grants and Subsidies	274,990	269,884	275,000	272,288	269,647	275,000
Capital outlay	-	7,121	15,000	-	-	-
Internal service fund charges	1,159,000	1,246,350	1,209,105	1,212,605	1,176,081	1,218,623
Other financing uses	1,646,995	3,622,550	1,733,843	1,733,843	2,304,344	1,818,221
<b>Expenditures Totals</b>	<b>\$14,989,341</b>	<b>\$16,902,013</b>	<b>\$15,907,635</b>	<b>\$15,699,370</b>	<b>\$17,195,510</b>	<b>\$17,454,871</b>
<b>Impact on Fund Balance</b>	<b>\$ 488,594</b>	<b>\$ (1,273,307)</b>	<b>\$ 10,978</b>	<b>\$ 345,505</b>	<b>\$ (549,116)</b>	<b>\$ (448,467)</b>
<b>Budgetary Fund Balance</b>	<b>\$ 2,324,594</b>	<b>\$ 1,051,287</b>	<b>\$ 1,062,265</b>	<b>\$ 1,341,792</b>	<b>\$ 792,676</b>	<b>\$ 344,209</b>

	Estimated Balance 7/1/2019	Revenues	Transfers In	Expenditures	Transfers Out	Estimated Balance 6/30/2020
<b>General Fund</b>	<b>\$ 1,341,792</b>	<b>\$ 16,646,394</b>	<b>\$ -</b>	<b>\$ 14,891,166</b>	<b>\$ 2,304,344</b>	<b>\$ 792,676</b>
<b>Designated Reserves</b>						
Contingency Reserve	\$ 2,036,346	\$ -	\$ 25,000	\$ -	\$ -	\$ 2,061,346
PERS Contingency Reserve	825,856	10,000	-	-	-	835,856
Emergency Reserve	1,344,206	-	30,000	-	-	1,374,206
Donations	-	-	-	-	-	-
Facility Reserve	381,349	-	108,000	50,000	-	439,349
<b>Total Designated Reserves</b>	<b>\$ 4,587,756</b>	<b>\$ 10,000</b>	<b>\$ 163,000</b>	<b>\$ 50,000</b>	<b>\$ -</b>	<b>\$ 4,710,756</b>
<b>Debt Service</b>						
Pac Cove Lease Financing	133,327	-	165,066	165,066	-	133,327
Pac Cove Park	(39,185)	-	88,616	88,616	-	(39,185)
<b>Total Debt Service</b>	<b>\$ 94,143</b>	<b>\$ -</b>	<b>\$ 253,682</b>	<b>\$ 253,682</b>	<b>\$ -</b>	<b>\$ 94,143</b>
<b>Capital Improvement Fund</b>	<b>\$ 680,288</b>	<b>\$ -</b>	<b>\$ 1,632,662</b>	<b>\$ 1,632,662</b>	<b>\$ -</b>	<b>\$ 680,288</b>
<b>Internal Service Funds</b>						
Stores	\$ 35,307	\$ 37,250	\$ -	\$ 37,250	\$ -	\$ 35,307
Information Technology	158,115	251,400	-	247,900	-	161,615
Equipment Replacement	310,316	177,400	80,000	256,500	-	311,216
Self-Insurance Liability	92,773	403,486	-	404,486	-	91,773
Workers' Compensation	335,646	310,045	-	310,045	-	335,646
Compensated Absences	(38,127)	-	200,000	200,000	-	(38,127)
<b>Total Internal Service Funds</b>	<b>\$ 894,030</b>	<b>\$ 1,179,581</b>	<b>\$ 280,000</b>	<b>\$ 1,456,181</b>	<b>\$ -</b>	<b>\$ 897,430</b>
<b>Special Revenue Funds</b>						
SLESF-Suppl Law Enforcmnt Svc	\$ 18,001	\$ 100,400	\$ -	\$ 78,000	\$ -	\$ 40,401
TOT Restricted Revenue	-	109,377	-	60,013	29,000	20,364
SB1 RMRA	170,595	175,000	-	345,000	-	595
RTC Streets	390,441	500,000	-	890,000	-	441
Gas Tax	663	279,855	-	279,855	-	663
Wharf	33,615	92,800	-	126,150	-	265
General Plan Update and Maint	107,493	50,000	-	46,000	-	111,493
Green Building Education	176,413	15,000	-	38,000	-	153,413
Public Art	171,107	100,000	-	59,000	-	212,107
Parking Reserve	737	-	100,000	-	100,000	737
Technology Fee	57,090	11,500	-	12,500	-	56,090
PEG-Public Education and Govt.	79,741	16,500	-	27,000	-	69,241
Capitola Village/Wharf BIA	14,198	75,000	29,000	110,780	-	7,418
CDBG Grants	39,403	-	-	6,200	-	33,203
CDBG Program Income	58,611	-	-	-	-	58,611
Library	2,624,410	5,575,590	-	8,200,000	-	-
HOME Reuse	531,674	-	-	3,700	-	527,974
Housing Trust	62,184	30,000	-	-	25,000	67,184
Cap Hsg Succ- Program Income	179,568	-	-	37,500	-	142,068
<b>Total Special Revenue Funds</b>	<b>\$ 4,715,945</b>	<b>\$ 7,131,022</b>	<b>\$ 129,000</b>	<b>\$ 10,319,698</b>	<b>\$ 154,000</b>	<b>\$ 1,502,269</b>
<b>Successor Agency</b>	<b>\$ 372,983</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 145,000</b>	<b>\$ -</b>	<b>\$ 227,983</b>
<b>Tot. Fund Balance - All Funds</b>	<b>\$ 12,686,936</b>	<b>\$ 24,966,997</b>	<b>\$ 2,458,344</b>	<b>\$ 28,748,389</b>	<b>\$ 2,458,344</b>	<b>\$ 8,905,544</b>

Attachment: Exhibit C - Fund Balance Summary (Consider 2019/2020 Fiscal Year Budget)



## CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF JUNE 13, 2019

FROM: City Manager Department

SUBJECT: Consider Recreation Strategic Plan Contract

**RECOMMENDED ACTION:** Consider funding levels for Recreation Strategic Plan project contract and authorize the City Manager to enter into a contract with BluePoint Planning.

**BACKGROUND:** The Recreation Division has been operating with a consistent service model for many years, providing successful Class Programs for adults and Junior Guard and Camp Capitola summer youth programs. With the introduction of new management in the Division, the City is now looking to engage the community and develop a strategic plan to ensure that the City's recreation offerings best serves the community's needs.

On Feb 28<sup>th</sup>, 2019, City Council approved an allocation of \$13,700 to support a Recreation Strategic Plan project. Staff received six submittals to a request for proposals that was posted on the City's website. In May, a selection committee comprised of Recreation Division, Finance, and Police Department staff interviewed the top three companies. The selection committee unanimously agreed on BluePoint Planning as the best fit for the strategic plan project.

All the companies invited to interview provided estimated hours and project costs in the \$60,000 to \$80,000 range. In working further with BluePoint Planning, staff has developed three options for Council review.

**DISCUSSION:** At the current level of funding, BluePoint Planning would gather data and conduct a program review by engaging a Core Team (comprised of staff and other internal stakeholders), then provide a needs and opportunities assessment. In addition, Staff could host two public meetings in the Fall after the busy summer season to solicit input on the assessment without assistance from BluePoint. A final document would be presented by staff and BluePoint Planning to City Council for consideration.

At a funding level of \$35,000, BluePoint Planning would conduct two community engagement workshops, an online survey (which includes sixty-five hours of engagement preparation and analysis), and a revenue and cost analysis in addition to services provided at the lower level of funding. As mentioned, Staff could conduct further public meetings in the Fall, if necessary.

At a funding level of \$58,000, BluePoint Planning would provide two additional Core Team meetings, three community engagement workshops, six small user group meetings and an engagement website (which includes more than eighty hours of engagement preparation and analysis) in addition to the services provided at the lower levels of funding.

**FISCAL IMPACT:** The project currently has \$13,700 in available funding from the General

recreation strategic plan  
June 13, 2019


Fund. If the project budget were to be increased to \$35,000 the restricted youth-early childhood TOT funding for FY 19/20 could be allocated to the project. To fund the project at the \$58,000 level staff recommends the Council identify a current FY 19/20 budget reduction of \$27,000 to maintain a balanced budget for the coming fiscal year.

ATTACHMENTS:

1. Recreation Strategic Plan
2. BluePoint Capitola Interview Presentation

Report Prepared By: Nikki Bryant LeBlond  
Recreation Supervisor

**Reviewed and Forwarded by:**



---

Jamie Goldstein, City Manager

6/6/2019

# Capitola Recreation Strategic Plan | Budget Ranges

## Budget Option - Base

Task		Mindy Craig, PIC/PM		Kris Meek, Project Associate		Total Hours	Total Cost
		Hours @ \$175	Hours @ \$175	Hours @ \$95	Hours @ \$95		
<b>1. Project Meetings and Management</b>							
1.1	Core Team Meetings (2) Worksessions - In Person	24	\$4,200		\$0	24	\$4,200
	<b>Subtotal Task 1</b>					<b>24</b>	<b>\$4,200</b>
<b>2. Existing Conditions and Visioning</b>							
2.1	Gather Data, Program Review, Schedules	16	\$2,800		\$0	16	\$2,800
	<b>Subtotal Task 2</b>					<b>16</b>	<b>\$2,800</b>
<b>3. Needs &amp; Gaps Analysis</b>							
3.1	Gaps, Needs, & Opportunities Assessment	16	\$2,800		\$0	16	\$2,800
	<b>Subtotal Task 4</b>					<b>16</b>	<b>\$2,800</b>
<b>4. Recommendations &amp; Implementation Plan</b>							
4.1	Strategic Plan	22	\$3,850		\$0	22	\$3,850
	<b>Subtotal Task 6</b>					<b>22</b>	<b>\$3,850</b>
	Subtotal Costs	78	\$13,650		\$0	78	\$13,650
	Estimated Direct Costs						\$250
	<b>Total Estimated Fee</b>						<b>\$13,900</b>

# Capitola Recreation Strategic Plan | Budget Ranges

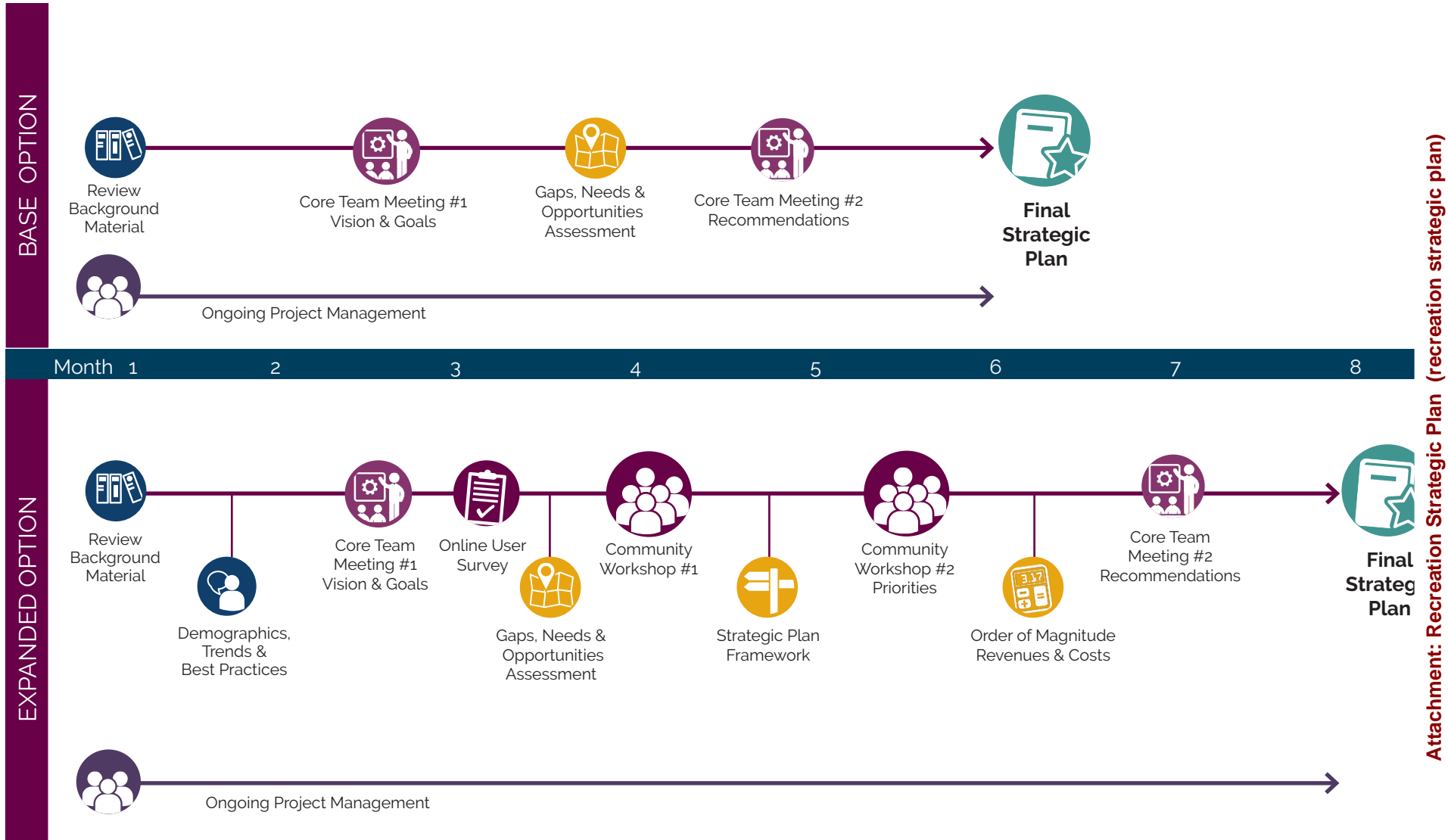
## Budget Option - Expanded

Task	Mindy Craig, PIC/PM		Kris Meek, Project Associate		Total Hours	Total Cost	
	Hours @ \$175	Hours @ \$95	Hours @ \$175	Hours @ \$95			
<b>1. Project Meetings and Management</b>							
1.1	Core Team Meetings (2) Worksessions - In Person	24	\$4,200	4	\$380	28	\$4,580
	<b>Subtotal Task 1</b>					<b>28</b>	<b>\$4,580</b>
<b>2. Existing Conditions and Visioning</b>							
2.1	Gather Data, Program Review, Schedules	24	\$4,200		\$0	24	\$4,200
2.2	Demographics, Trends & Best Practices	8	\$1,400	8	\$760	16	\$2,160
	<b>Subtotal Task 2</b>					<b>40</b>	<b>\$6,360</b>
<b>3. Community Engagement</b>							
3.1	Community Workshops (2)	24	\$4,200	8	\$760	32	\$4,960
3.2	Survey (Online)	10	\$1,750	8	\$760	18	\$2,510
	<b>Subtotal Task 3</b>					<b>50</b>	<b>\$7,470</b>
<b>4. Needs &amp; Gaps Analysis</b>							
4.1	Gaps, Needs, & Opportunities Assessment	24	\$4,200	8	\$760	32	\$4,960
	<b>Subtotal Task 4</b>					<b>32</b>	<b>\$4,960</b>
<b>5. Goals &amp; Strategies</b>							
5.1	Strategic Plan Framework	8	\$1,400		\$0	8	\$1,400
	<b>Subtotal Task 5</b>					<b>8</b>	<b>\$1,400</b>
<b>6. Recommendations &amp; Implementation Plan</b>							
6.1	Order of Magnitude Revenues and Costs	24	\$4,200	8	\$760	32	\$4,960
6.2	Draft and Final Strategic Plan	24	\$4,200	8	\$760	32	\$4,960
	<b>Subtotal Task 6</b>					<b>64</b>	<b>\$9,920</b>
	Subtotal Costs	170	\$29,750	52	\$4,940	222	\$34,690
	Estimated Direct Costs						\$500
	<b>Total Estimated Fee</b>						<b>\$35,190</b>

Attachment: Recreation Strategic Plan (recreation strategic plan)



# CITY OF CAPITOLA Recreation Strategic Plan



Attachment: Recreation Strategic Plan (recreation strategic plan)



# Capitola Recreation Strategic Plan | Budget Ranges

## Budget Option - Streamlined

Task	Mindy Craig, PIC/PM		Kris Meek, Project Associate		Total Hours	Total Cost	
	Hours @ \$175	hourly rate	Hours @ \$95				
<b>1. Project Meetings and Management (Work Plan)</b>							
1.1	Core Team Meetings (4) Via Telephone	16	\$2,800	2	\$190	18	\$2,990
1.2	Ongoing Coordination	16	\$2,800	4	\$380	20	\$3,180
	<b>Subtotal Task 1</b>					<b>38</b>	<b>\$6,170</b>
<b>2. Existing Conditions and Visioning</b>							
2.1	Gather Data, Program Review, Schedules	24	\$4,200		\$0	24	\$4,200
2.3	Demographics, Trends & Best Practices	8	\$1,400	8	\$760	16	\$2,160
2.4	Existing Conditions Presentation	8	\$1,400		\$0	8	\$1,400
	<b>Subtotal Task 2</b>					<b>48</b>	<b>\$7,760</b>
<b>3. Community Engagement</b>							
3.1	Community Workshops (3)	36	\$6,300	24	\$2,280	60	\$8,580
3.4	Small User Group Meetings (6)	16	\$2,800	8	\$760	24	\$3,560
	<b>Subtotal Task 3</b>					<b>84</b>	<b>\$12,140</b>
<b>4. Needs &amp; Gaps Analysis</b>							
4.1	Initial Gaps, Needs, & Opportunities Assessment	24	\$4,200	8	\$760	32	\$4,960
4.2	Opportunities Presentation	8	\$1,400	4	\$380	12	\$1,780
	<b>Subtotal Task 4</b>					<b>44</b>	<b>\$6,740</b>
<b>5. Goals &amp; Strategies</b>							
5.1	Strategic Plan Framework	16	\$2,800		\$0	16	\$2,800
5.2	Initial Fiscal Analysis	20	\$3,500	8	\$760	28	\$4,260
5.3	Facilities Impact	8	\$1,400	4	\$380	12	\$1,780
5.4	Initial Framework Presentation	8	\$1,400	4	\$380	12	\$1,780
	<b>Subtotal Task 5</b>					<b>68</b>	<b>\$10,620</b>
<b>6. Recommendations &amp; Implementation Plan</b>							
6.1	Implementation Plan	20	\$3,500		\$0	20	\$3,500
6.2	Revenues and Costs	24	\$4,200	8	\$760	32	\$4,960
6.3	Draft and Final Strategic Plan	24	\$4,200	4	\$380	28	\$4,580
	<b>Subtotal Task 6</b>					<b>80</b>	<b>\$13,040</b>
	Subtotal Costs	276	\$48,300	86	\$8,170	362	\$56,470
	Estimated Direct Costs						\$2,500
	<b>Total Estimated Fee</b>						<b>\$58,970</b>

# CITY OF CAPITOLA Recreation Strategic Plan

# Initial Process

## Existing Conditions & Visioning      Goals & Strategies      Implementation & Strategic Plan

### PROJECT CORE TEAM



Kickoff Meeting



Review Needs & Gaps



Review Initial Strategic Framework



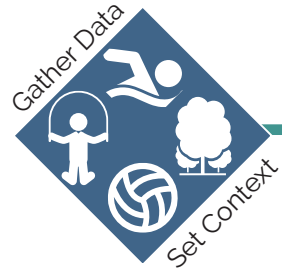
Council Check In



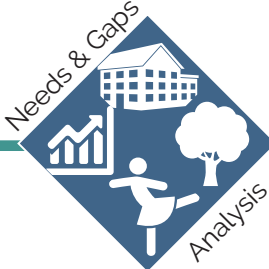
Review Initial Strategic Plan & Implementation



Council Approval



Workshop #1: Needs & Vision



Workshop #2: Goals & Strategies



Workshop #3: Priorities



Final Strategic Plan

- Set the Context & Gather Information**
- Recreation Program Review & Inventory
  - Gather Existing Reports, Data
  - Other Provider Programs Assessment
  - Demographics, Trends, & Best Practices
  - **EXISTING CONDITIONS PRESENTATION**

- Needs & Gaps Analysis**
- Initial Program Needs & Gaps
  - Community Benefits, and Growth Opportunities
  - Scheduling Analysis
  - Initial Vision Capitola Recreation
  - **OPPORTUNITIES PRESENTATION**

- Develop Strategic Framework**
- Goals
  - Strategies
  - Initial Tactics
  - Program Expansion Areas
  - Fiscal Analysis
  - Facilities Impact
  - **INITIAL FRAMEWORK PRESENTATION**

- Recommendations & Implementation Plan**
- Priorities
  - Order of Magnitude Revenues and Costs
  - Timeline
  - **DRAFT STRATEGIC PLAN**



Small User Group Meetings



Engagement Webpage/ Website



User Survey (online & print)



Community Intercepts - Events



Add'l Small Group Meetings

### Month 1      2      3      4      5      6      7      8

Attachment: Recreation Strategic Plan (recreation strategic plan)

INTERVIEW | May 28, 2019

# City of Capitola Recreation Strategic Plan



8.D.2



Attachment: BluePoint Capitola Interview Presentation (recreation strategic plan)

# Project Understanding

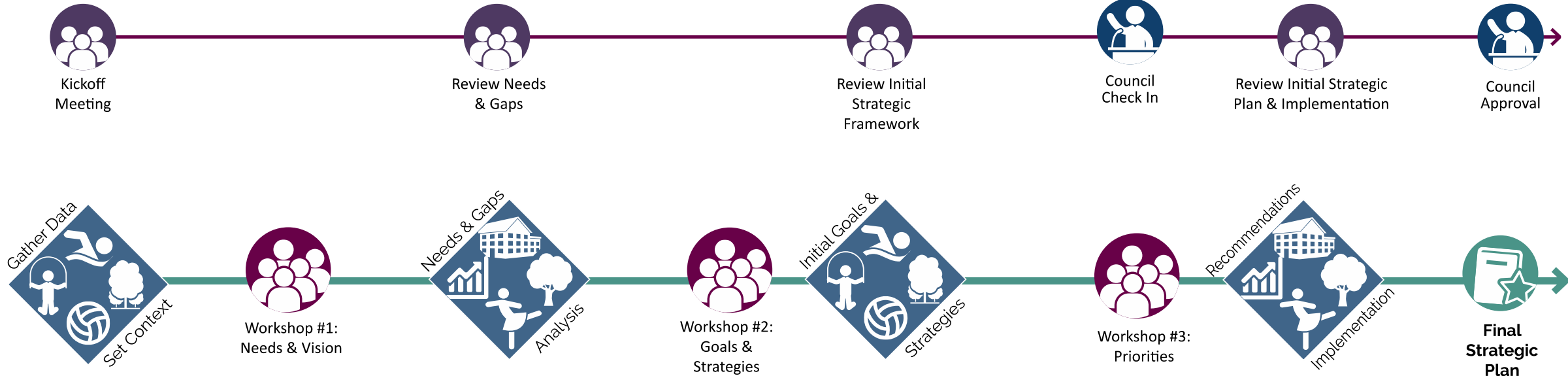


# Also need to consider . . .

- Do you want to include visitors in to the program needs?
- How much should we consider the facilities and venues for the programs?
- Do you want to explore partnerships?  
Work with Santa Cruz or others?

**Existing Conditions & Visioning      Goals & Strategies      Implementation & Strategic Plan**

**PROJECT CORE TEAM**



**Set the Context**

**& Gather Information**

- Recreation Program Review & Inventory
- Gather Existing Reports, Data
- Other Provider Programs Assessment
- Demographics, Trends, & Best Practices
- **EXISTING CONDITIONS PRESENTATION**

**Needs & Gaps Analysis**

- Initial Program Needs & Gaps
- Community Benefits, and Growth Opportunities
- Scheduling Analysis
- Initial Vision Capitola Recreation
- **OPPORTUNITIES PRESENTATION**

**Develop Strategic Framework**

- Goals
- Strategies
- Initial Tactics
- Program Expansion Areas
- Fiscal Analysis
- Facilities Impact
- **INITIAL FRAMEWORK PRESENTATION**

**Recommendations & Implementation Plan**

- Priorities
- Order of Magnitude Revenues and Costs
- Timeline
- **DRAFT STRATEGIC PLAN**



Small User Group Meetings



Engagement Webpage/ Website



User Survey (online & print)



Community Intercepts - Events



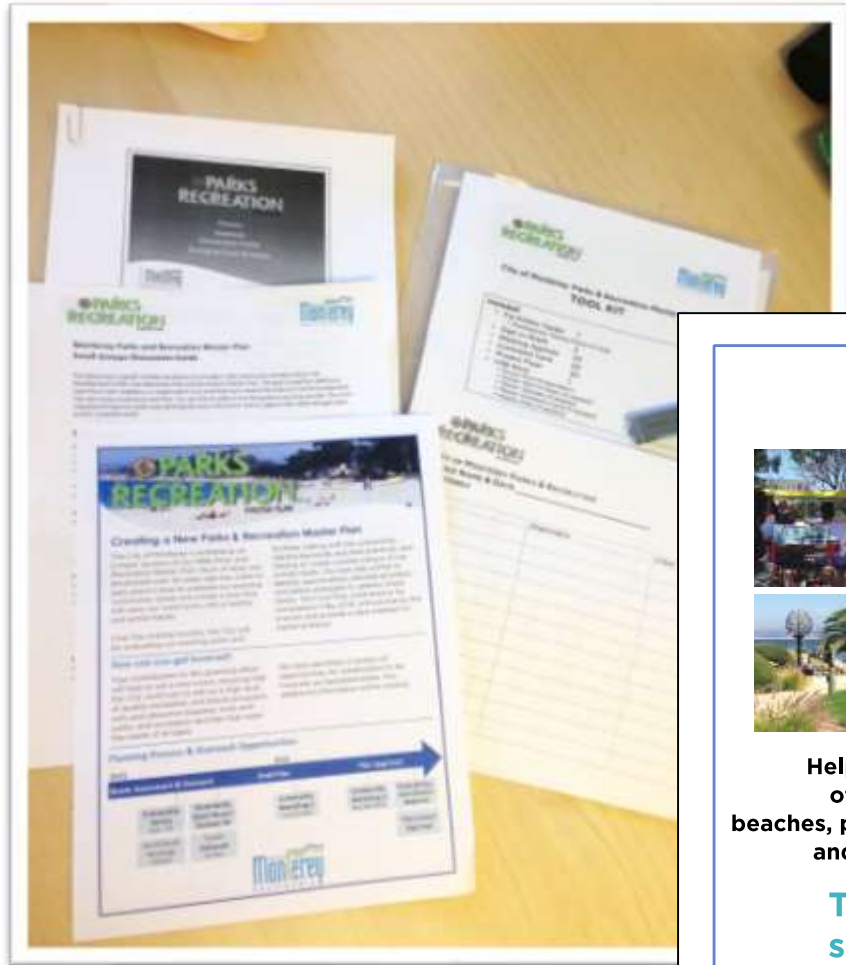
Add'l Small Group Meetings

# Engaging

- Designed to hear many voices
- Interactive
- Authentic
- Expert and fun facilitation



# High Tech & High Touch. . .



**City of Monterey CALIFORNIA**

Help **SHAPE** the **FUTURE** of Monterey's incredible beaches, parks, trails, community centers and recreational programs.

Take our survey today!

[www.surveymonkey.com/r/MontereyParksRec](http://www.surveymonkey.com/r/MontereyParksRec)

**Half Moon Bay OUTDOORS**

Home Parks Bike and Ped FAQ Get Involved Library

The Draft Parks Master Plan and Draft Bicycle and Pedestrian Master Plan are available for download!

[Parks Master Plan](#) [Bike/Ped Master Plan](#)

*Half Moon Bay Outdoors*  
**PARKS | BIKES | PEDESTRIANS**

Get Involved Today

The City of Half Moon Bay is kicking off two important planning efforts with the Parks Master Plan and the Bike and Pedestrian Master Plan - together comprise HMB Outdoors. Although these plans will be separate documents, they will be closely coordinated and strive to reduce confusion and duplication of effort. They will both build on a common foundation of Plan HMB and the Local Coastal Land Use Plan, as well as robust community engagement.

The **Half Moon Bay Parks Master Plan** will identify community park needs, priorities, desired new park facilities, as well as improvements to our current parks. It will be a concise, user-friendly document informed by the voices of the community. The process and the final plan will strive to achieve a balance of park facilities and amenities throughout the community, now and into the future, serving City residents and visitors.

**Menlo Park Plan Maestro de Parques y Recreación**

Plan Preliminar del Plan Maestro de Parques y Recreación Pautas y Recomendaciones

Programa de Identificación de Necesidades

Identificación de Necesidades de Parques y Recreación

Identificación de Necesidades de Parques y Recreación

Identificación de Necesidades de Parques y Recreación

Attachment: BluePoint Capitola Interview Presentation (recreation strategic plan)



# Program Assessment

- Evaluate current programs
- Assess schedule and capacity
- Other providers
- Demographics, trends & best practices
- Revenue potential and cost impacts - Fees Assessment
- Facilities needs/impacts



# Elements of the Strategic Plan

- Existing Conditions
- Needs, Gaps & Opportunities
- Vision
- Goals
- Strategies
- Major Initiatives
- Tactics
- Priorities
- Timeline



# Estimated hours . . .

## Comprehensive - 518 hours

- More Community Engagement
- Deeper Analysis
- Council Check Ins
- Website

## Streamlined - 362 hours

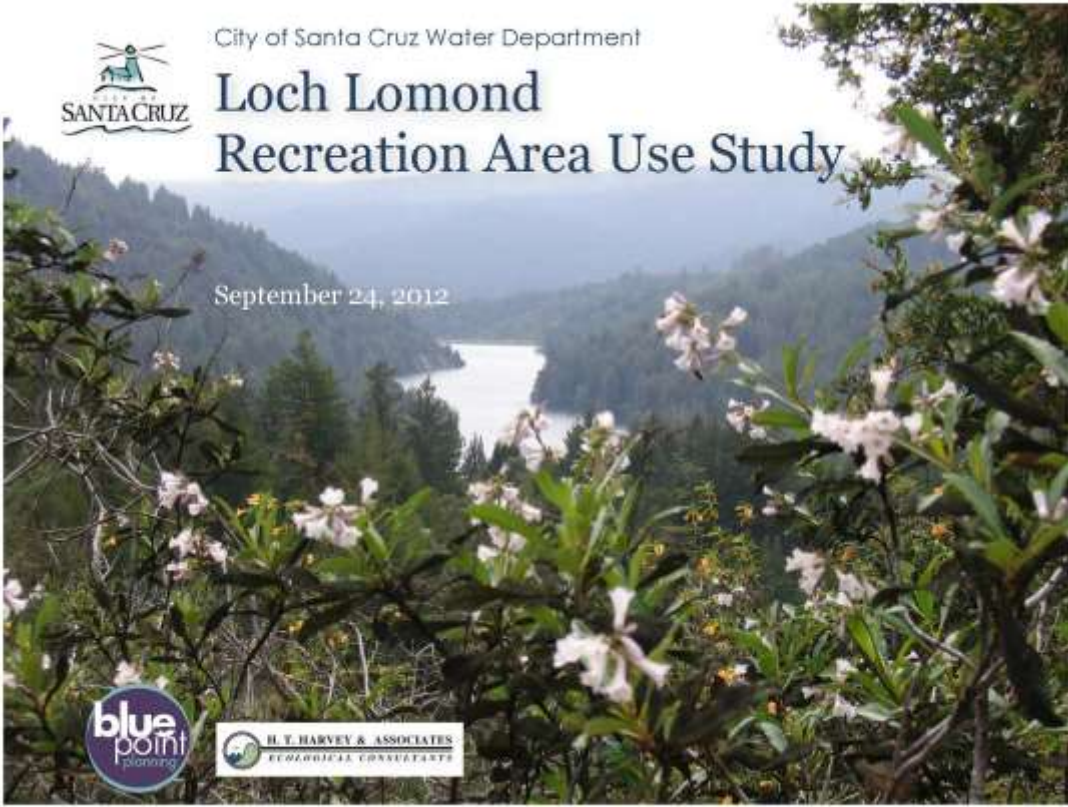
- Assist City to expand engagement If desired
- *Both options will result in a solid strategic plan*
- *Work to develop a budget & process that works for the City*



City of Santa Cruz Water Department

# Loch Lomond Recreation Area Use Study

September 24, 2012

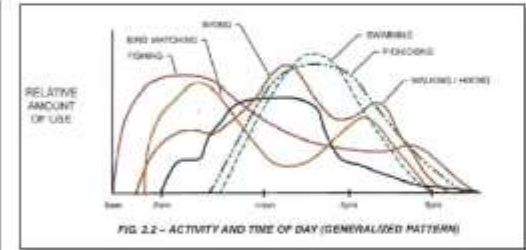


## Loch Lomond Recreation Area Use Study | Opportunities Assessment

### Revenue and operation impacts

If fees and revenues remain constant (based on historic data for Loch Lomond) at an average of \$5.50 per visitor, the additional visitors identified above would generate approximately **\$53,900 to \$103,180** in revenues.

When Loch Lomond averaged 45,000 visitors annually, there was only an additional \$50,000 increase in operating cost compared to years with lower visitors. Using this as an assumption, additional visitors to Loch Lomond should not substantially increase operations costs.



*Facilities Site Planning Guidelines*, by George Fogg, shows how activities tend to have peak times. By understanding these daily and weekly patterns, the Water Department can optimize use of the Recreation Area.

There are several ways to calculate overall capacity of a park. One of the most effective approaches for a park like Loch Lomond that typically requires a car, is to understand vehicular capacity. Currently Loch Lomond has a total of 162 parking spaces. To get total capacity, assume 190 days of operation, with approximately 2 people per car that turn over 1.5 times a day, the capacity is 486 people a day or 92,340 a season. The use of a shuttle or bus-ette would allow for additional people. However, one of the most important characteristics for Loch Lomond is to maintain its sense of character and peaceful atmosphere. Therefore taking a historic high of 50,000 and the calculation above, it would be reasonable to have a capacity goal somewhere between 50,000 and 90,000 per season. If the operating hours expand, this number may increase.

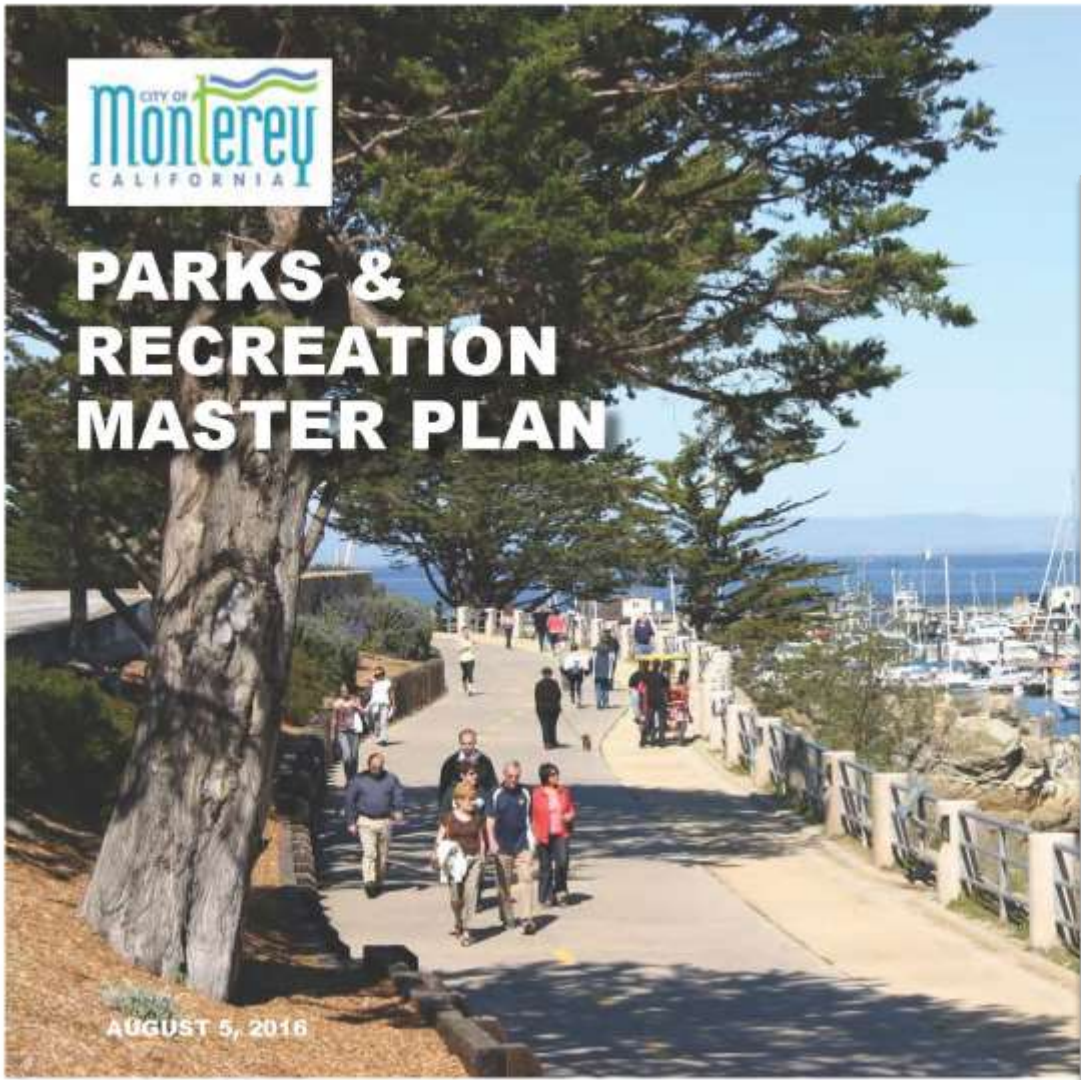
### Visitor Amenities

Additional Visitor Amenities considered for Loch Lomond will add to the overall experience of the Recreation Area, but will not be directly connected to additional revenues or operational costs. However there are some capital costs that will be incurred. The following are important to the long-term success of the park and to the visitors:

- Wayfinding Signage
- Interpretative Signage
- Online Reservation System
- ADA Enhancements

### Capacity

A question, and in some cases a concern, of community members is what level of visitors is Loch Lomond hoping to attract/accommodate. As a base condition, the goal is to reach pre-2007 levels of approximately 50,000 visitors. There may be an opportunity to have more visitors by scheduling events and groups at times that are low use, such as during the middle of the week in the summer, and when the water levels are not high. The graph above from *Park, Recreation & Leisure*



## 05 guidelines & projects

### GOAL 2. DIVERSE COMMUNITY

#### G2.1 Community Engagement

Ensure that the community is actively invited to participate and provide input into new projects, renovations and updates to Monterey parks and recreation facilities.

- 2.1.1 Incorporate in person and online opportunities for engagement.
- 2.1.2 Provide timely information and broadly broadcast announcements for all community engagement opportunities.
- 2.1.3 Utilize community input and project tracking tools to capture ideas and monitor project status.

#### G2.2 Health and Wellness

Parks and recreation facilities and programs directly impact the health and wellness of the community and should be maintained and managed to support the quality of life of residents and visitors of all ages and abilities.

- 2.2.1 Parks and centers should be designed to be adaptable to changing demographics, trends and needs, and operators should be flexible enough to respond to changing needs in a streamlined and cost-effective manner.

- 2.2.2 Provide excellent amenities that enhance and promote use of the City's parks and facilities.
- 2.2.3 When possible, parks and recreation facilities should encourage inter-generational activities, programs and interactions.
- 2.2.4 Maintain a balanced selection and range of program offerings that serve and include participants of all ages, abilities and interests.

#### G2.3 Dogs

Dogs are an integral part of the Monterey community and should be provided reasonable access to City parks, including on-leash areas and off-leash areas, throughout the City.

- 2.3.1 Allow dogs on-leash in picnic areas, walking paths and other open community areas where their presence is not in conflict with other activities such as sports or special events and playgrounds.
- 2.3.2 Find opportunities for off-leash dog areas throughout the City.
- 2.3.3 Ensure that adequate pup mitt stations and trash receptacles are provided.



Example of streets for people and moveable



Sample of well-designed off-leash dog park



Activating space with equipment for a healthy lifestyle



# Parks Master Plan

January 2019



Prepared by  
BluePoint Planning, LLC  
1950 Mountain Blvd, #3  
Oakland, CA 94611  
510-338-0373

## Half Moon Bay Parks Master Plan



### John L. Carter Memorial Park

*Vision: Well utilized cultural events park with performances and summer day camps*

#### Description

Carter Park includes a redwood grove with a small amphitheater and sculpture. It is used primarily for dog walking and the annual Shakespeare Festival. The Park is adjacent to Pilarcitos Creek. Sensitive habitat restricts creek access. This park accommodates local flooding events, which occur regularly during the winter. A coastal development permit is required whenever there is restricted access to the park and a fee charged, such as during performances. The park is adopted by Half Moon Bay Shakespeare Company. The adjacent business park allows parking for events. The park is not visible from Main Street, the nearest public roadway.



Page 412 | Final Plan, January 2019

## 4. Recommendations: Existing Parks

### Recommended Improvements

There is an opportunity to transform this park into a more active and utilized space by implementing a number of improvements designed to facilitate performances and use as a summer day camp. Increasing programming and the ability for this park to be better used will also address some of the concerns related to homeless in the riparian areas.

- Develop permanent seating/amphitheater with stage and seating.
- Add restrooms, drinking fountain, storage and backstage/dressing space.
- Add safety and ambient lighting along stairs, pathways.
- Add electric outlets for stage lighting and sound.
- In consultation with a biologist, consider the appropriate habitat protection for the riparian area.
- If feasible, a seat wall along the west side of the park could act as an exclusion barrier and protect habitat and possibly eliminate the need for a temporary habitat protection fence during events.
- Improve signage on Main Street for the park.

### Other Considerations and Connections

Should be connected to downtown and surrounding schools with effective signage. If a community park is developed at the Peninsula Open Space Trust (P.O.S.T.) property, additional connections should be made to that facility.

Consider restoration projects along the creek corridor.

### Conceptual Ideas

Small Stage and Seating Area



Amphitheater with Permanent Seating



Partially Covered Amphitheater



Final Plan, January 2019 | Page 413

Attachment: BluePoint Capitola Interview Presentation (recreation strategic plan)



**CITY OF MENLO PARK**  
 PARK & RECREATION FACILITIES  
 MASTER PLAN UPDATE

February, 2019

**MYMENLOPARKS**

Chapter 3: Guidelines

cars behind, and encourage active transportation. Seek opportunities to create or extend linear parks, such as Alma Street Park or the Ivy Street median.

**GOAL 3. OPERATIONAL EFFICIENCY & ECONOMIC FEASIBILITY**

Operational efficiency and economic sustainability supports a robust and varied parks and facility system with programming that serves the entire community. Further, operational efficiency ensures that new projects are evaluated, not just on how much they cost to develop, but on the long-term cost to operate and maintain the facility or park. Incorporating principles of economics in parks operations, enables the Department to do more with their resources, and provides long-term access to essential services. Economic and environmental sustainability are linked as an environmentally sustainable park/facility should cost less to maintain.

**G.3.1 ENSURE THAT ECONOMIC SUSTAINABILITY IS INTEGRAL TO THE DEVELOPMENT, OPERATION, AND MAINTENANCE OF ALL PARKS AND RECREATION FACILITIES.**

**3.2.1 High Quality Maintenance:** Prioritize a high level of maintenance and enhancement of existing parks and facilities before than investing in the development of new parks. Analyze proposed improvements and identify ongoing funding sources to ensure that the highest level of quality is maintained.

**3.2.1.1** Require a sustainable operations funding strategy for each capital project prior to construction.

**3.2.1.2** Establish clear furnishings and parts

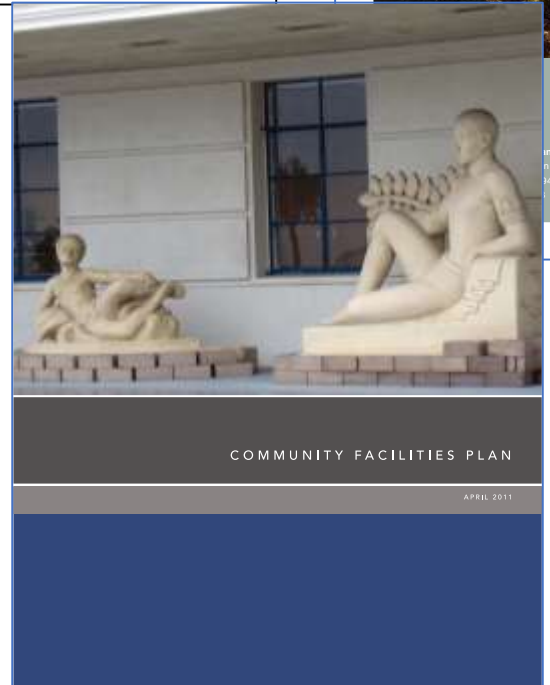
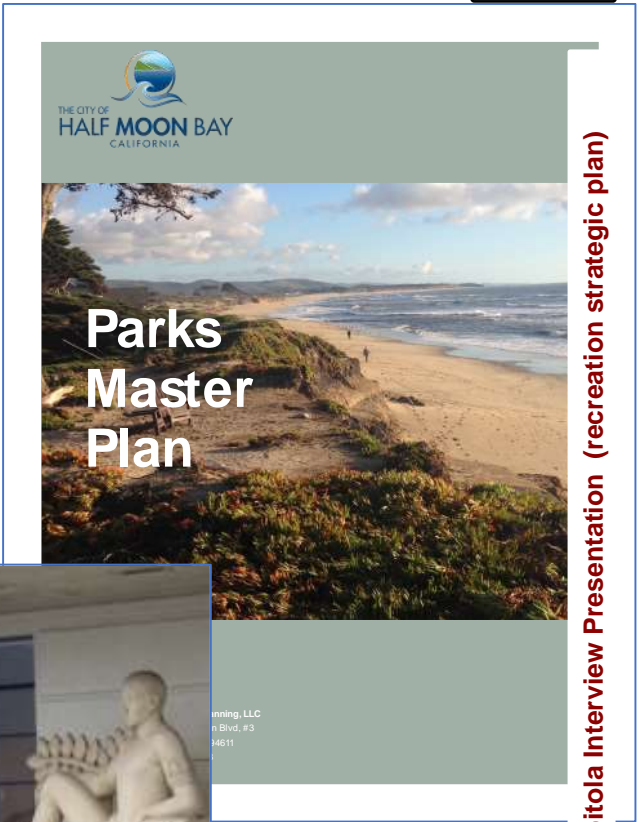
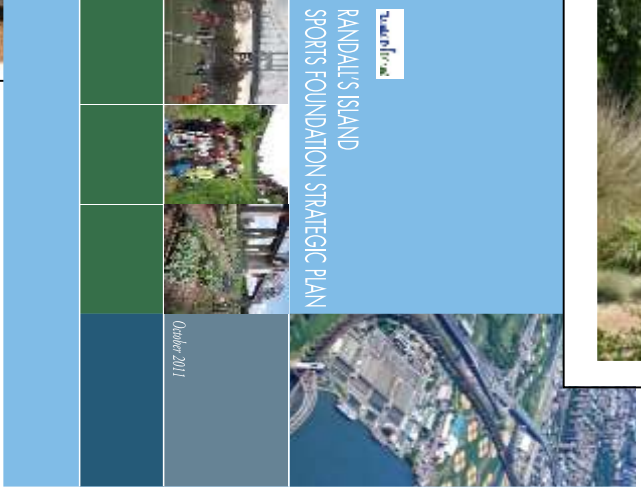
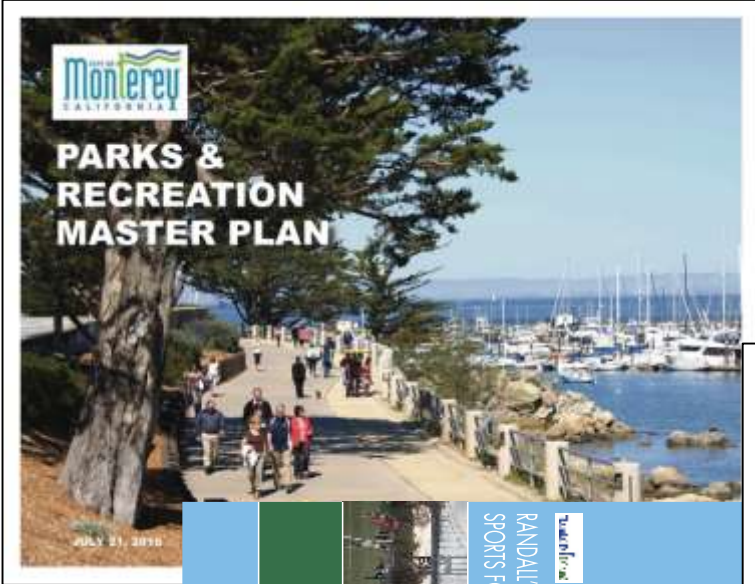
standards for parks and facilities, increasing consistency, cost effectiveness, and ease of replace and repair.

**3.2.2 Efficient Operations:** Maximize operational efficiencies in all facilities, especially in major community recreation campuses. A new building has a typical life of over 50 years. The initial design will impact the costs of operations, and the required staffing and maintenance. Therefore, staffing costs, maintenance implications, and user functionality should be stressed in the design of new or renovated recreation buildings and parks.

**3.2.4 Expand Revenues:** Expand potential sources of ongoing revenue and support. Consider sponsorships and naming rights as revenue sources. Strengthen and expand partnerships. Consider an adopt-a-park program to increase community involvement in the parks and recreation system.



# Your Roadmap!



Attachment: BluePoint Capitola Interview Presentation (recreation strategic plan)



# Why BluePoint?



Attachment: BluePoint Capitola Interview Presentation (recreation strategic plan)



## CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF JUNE 13, 2019

FROM: City Manager Department

SUBJECT: Consider an Interim City Attorney Contract

**RECOMMENDED ACTION:** Consider the agreement for Interim City Attorney Services with RWG Legal in the amount of \$22,260 for July and August 2019 and authorize the City Manager to execute the agreement

**BACKGROUND:** The City of Capitola has contracted with Atchison, Barisone & Condotti (ABC) for City Attorney Services since 2001. The City's lead attorney for the past few months has been Reed Gallogly.

ABC recently submitted a letter of resignation, effective June 30, 2019. The City has issued a Request for Proposal for City Attorney Services and anticipates having a contract for City Attorney services by September or October

**DISCUSSION:** The City will need legal services until a City Attorney has been selected. Mr. Gallogly will be leaving ABC and has started his own firm, RWG Legal. RWG Legal has submitted the proposed contract for Interim City Attorney Services. RWG Legal is also associated with Hensley Law Group for specialist legal services.

The proposed contract is very similar in cost and scope to the City's agreement with ABC, except for specialist legal services performed by Hensley Law Group. The cost for all general legal services is \$11,130 per month. Specialized legal services will be bill at either \$265/hour for RWG Legal or \$300/hour for the Hensley Law Group.

**FISCAL IMPACT:** The anticipated cost of the contract for July and August 2019 is similar to the contract costs with in the previous contract with ABC. This anticipated cost is included in the 2019/2020 budget.

**ATTACHMENTS:**

1. Agreement for Interim City Attorney Legal Services - Capitola

Report Prepared By: Larry Laurent  
Assistant to the City Manager

Interim City Attorney Contract  
June 13, 2019

**Reviewed and Forwarded by:**



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Jamie Goldstein, City Manager

6/7/2019

## AGREEMENT FOR INTERIM CITY ATTORNEY SERVICES

THIS AGREEMENT is made and entered into this 13<sup>th</sup> day of June, 2019 (the “Effective Date”) by and between the CITY OF CAPITOLA, a Municipal Corporation, hereinafter referred to as “City,” and REED W. GALLOGLY, an individual doing business as RWG LEGAL, hereinafter referred to as “Attorney”;

WHEREAS, Attorney specializes in the field of Governmental and Municipal law; and

WHEREAS, the CITY COUNCIL of City has determined it is in the best interest of City that Attorney serve as its Interim City Attorney and that the City provide for its City Attorney legal services by this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. Attorney shall provide those usual legal services required by City and customarily provided by the City Attorney, in particular, but not exclusively, those legal services specified in Section 2.04.340 of the Capitola Municipal Code and section 6 of this Agreement. Attorney shall be the designated “City Attorney” for such purposes as may be required by law; provided, however, that Attorney shall devote such time and provide such services as may be reasonably necessary to carry out the purposes of this Agreement.
2. The term of this Agreement shall commence on July 1, 2019, and shall continue through September 1, 2019, provided, however, that upon expiration of the term, this Agreement shall continue in full force and effect on a month-to-month basis unless City or Attorney provides notice of termination or non-renewal as provided hereunder.
3. City shall pay to Attorney for all general legal services, as defined in paragraph 6 of this Agreement, the sum of \$11,130 per month, payable on the first of each month. City shall pay Attorney, or outside legal counsel, for all special legal services, as defined in paragraph 7 of this Agreement, on an hourly basis at a rate of \$265 per hour, and \$125 or \$145.00 per hour for services provided by Law Clerks and Paralegals, respectively. City shall pay Attorney, or outside counsel, for all specialist legal services, as defined in paragraph 8 of this Agreement, on an hourly basis at a rate of \$300 per hour, and \$125 or \$145.00 per hour for services provided by Law Clerks and Paralegals, respectively. Invoices for special and specialist legal services shall be submitted monthly and be due and payable within thirty (30) days of submittal.

4. City shall reimburse Attorney or selected outside counsel for out-of-pocket costs incurred in providing general, special, or specialist legal services to the City. These include: notary fees; court filing fees; charges for service of process; record reproduction costs; investigation fees; expert fees; deposition costs; arbitration costs; jury/witness and subpoena fees; publication notices; automobile parking costs; messenger/courier costs; long distance telephone charges incurred on behalf of the City; mileage costs (IRS rates) for any out-of-county automobile transportation undertaken on the City's behalf and, for special legal services, reproduction costs (25 cents per page) and outgoing facsimile transmissions (\$1.00 per page). City shall also reimburse food or lodging costs incurred in connection with the transaction of City business or, with City Manager's advance consent, the attendance at professional conferences or continuing legal education seminars.
5. This Agreement may be terminated on the following terms and conditions:
  - a. By City, upon providing Attorney with thirty (30) days written notice thereof.
  - b. By Attorney, upon providing City with thirty (30) days written notice thereof.

In the event of termination, Attorney agrees to cooperate fully with City to achieve an orderly transition and assumption of duties by any succeeding City Attorney.

6. For purposes of this Agreement, subject to the qualifications set forth in this paragraph, paragraph 7, and paragraph 8, "general legal services" shall include those services which the City would customarily expect to receive from a City Attorney who is employed as a City staff member. Specifically, "general legal services" shall include, but shall not be limited to:
  - a. Attendance at all regular City Council meetings. Attendance at special City Council meetings and Planning Commission or other meetings will be on an as-needed basis, as determined by either the Mayor, City Council, or City Manager. Attorney will generally attend these meetings with other Law Firm attorneys as assigned by Attorney generally attending any such meetings in Attorney's absence;
  - b. Maintenance of office hours at or near Capitola City Hall as requested by the City Manager or City Council immediately preceding City Council meetings on the second and fourth Thursday of each month. Other on-site office hours will be provided on an as-needed basis. Attorney will generally be available to meet personally with City officials on short notice when the need arises.
  - c. Day to day legal work required by the City's various departments which, among other areas of practice, encompasses contract drafting and review, public utilities work, election law, public meeting law, labor law, construction law, constitutional law, real estate transactional work, basic bankruptcy and collection work, the review and drafting of legislation, ordinances and resolutions, and land use and environmental law.

- d. Assistance to the City Council and the City's various commissions. In this regard, in addition to the meeting attendance outlined above, Law Firm Attorneys will answer legal questions posed by City Councilmembers and Council-appointed board members and commissioners on a regular basis, provide them with advice under the Brown Act and offer conflict of interest opinions under the Political Reform Act and other applicable statutes and laws.
- e. Participation in the City Attorney component of any citizens' academy or governmental forum training programs which might be presented or sponsored by the City.

Attorney will remain available to provide general legal services in connection with the provision of general legal services to the City.

7. For purposes of this Agreement, "special legal services" shall include:
- a. Any litigation, arbitration, mediation, code enforcement, criminal prosecution or hearing commenced or defended by the City of Capitola, or disciplinary/grievance arbitrations.
  - b. Eminent domain (condemnation) work.
  - c. Legal services provided at City's request to any independent or separate agency or entity of government where the City Council does not act as a legislative body, or which is not operated as a department or division of the City. Examples of separate agencies or entities are joint powers authorities and non-profit corporations governed by administrative or legislative bodies other than the City Council acting in its capacity as the City Council.

Special legal services shall be provided to the City by Attorney on a case-by-case basis and shall only be undertaken by Attorney upon receipt of a specific case assignment by the City Council or City Manager. Attorney, or outside counsel, will be available to provide special legal services and Attorney, in his discretion, will assign outside counsel in consultation with the City with regards to the provision of special legal services.

8. For purposes of this Agreement, "specialist legal services" shall include:
- a. Legal advice, recommendations, guidance, and representation relating to the Local Coastal Plan update with the California Coastal Commission.
  - b. Those matters as jointly agreed upon by Attorney and City as warranting specialist legal services.
9. It is understood that Attorney will not provide legal services to the City relating to workers' compensation, municipal bond/finance work, complex transactional work on behalf of the City's Redevelopment Agency and labor contract negotiations.

- 10. In connection with clerical support necessitated by Attorney’s general and special legal services, Attorney will provide all reasonable and necessary office facilities, equipment, books, supplies, secretarial services, insurance policies and other property or services necessary to carry out and provide said legal services to the City. City will provide office space and clerical support in connection with legal services provided by Attorney while present at City Hall or other City facilities.
- 11. City has determined that it is in the best interest of City that Attorney keep abreast of rapidly evolving developments in Municipal Law, and Attorney shall be expected to attend conferences of the League of California Cities, conferences of IMLA, and the American Bar Association State and Local Government Section, conferences and meetings of Bay Area City Attorneys, and such other courses and seminars in Municipal Law as may be necessary to maintain current proficiency. To the extent approved in advance by the City Manager, Attorney shall be reimbursed for reasonable out-of-pocket expenses for travel, lodging and incidental expenses in connection with attendance at such official meetings, conferences, courses and seminars.
- 12. This Agreement shall not be assigned by Attorney without the consent of City.
- 13. Attorney shall not accept private clients or cases which in the reasonable judgment of Attorney will, or may in the future, create conflicts of interest between City and such clients or cases. Should any such conflict develop, despite efforts to avoid conflicts, then Attorney will immediately notify the City Council and City Manager and appropriate measures will be agreed upon to remove the conflict or to resolve it consistent with Attorney’s professional ethical obligations.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

“CITY”

“ATTORNEY”

CITY OF CAPITOLA, a  
Municipal Corporation

REED W. GALLOGLY,  
an Individual dba RWG Legal

By: \_\_\_\_\_  
JAMIE GOLDSTEIN  
City Manager

By: \_\_\_\_\_  
REED W. GALLOGLY

Attachment: Agreement for Interim City Attorney Legal Services - Capitola (Interim City Attorney Contract)