

May 9, 2007
 Capitola, California

CAPITOLA CITY COUNCIL

MINUTES OF A SPECIAL JOINT MEETING OF THE CAPITOLA CITY COUNCIL AND REDEVELOPMENT AGENCY

Mayor/Chairperson Termini called the Special Meeting of the Capitola City Council/Redevelopment Agency of Wednesday, May 9, 2007, to order at 6:03 p.m. in the City Council Chambers located at Capitola City Hall, 420 Capitola Avenue, Capitola, California.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Council Members/Directors Kirby Nicol, Ron Graves, Sam Storey, and Mayor/Chairperson Michael Termini; Redevelopment Agency Treasurer Sean Saldavia

ABSENT: Council Member/Director Bob Begun

STAFF: City Manager/Executive Director Rich Hill, Community Development Director/Deputy Executive Director Juliana Rebagliati, Deputy City Attorney Heather Lenhardt, and City Clerk/Secretary Pamela Greeninger

OTHERS: Consultant Planner Anthony "Bud" Carney

2. ORAL COMMUNICATIONS – None

3. PUBLIC HEARING OF THE CITY COUNCIL

- A. Public Hearing on Rispin Mansion Restoration & Inn - Application #07-023, to Amend Applications #06-052, #97-95, and #05-005: Conditional Use Permit, Architectural and Site Review, and Coastal Permit for the Proposed 23-Room Inn at Rispin Mansion Project located at 2000 and 2005 Wharf Road in the AR/VS/PD "Automatic Review/Visitor Serving/Planned Development" Zoning District. [APNs 035-371-01 & -02 (Rispin) and APN 034-541-034 (Clares Street/Wharf Road)] Presentation: Community Development Department. [730-10]**

Consultant Planner Carney summarized the written agenda report and discussed staff's recommended action to approve the 10 listed changes on page 3 of the report, with correction to Item #7 which should be three handicapped parking stalls, rather than two as stated in the report, and that the design of the emergency gate identified in Item #10 come back for staff to review and to work out details with the developer. He also commented on additional changes to the original conditions of approval contained in Resolution No. 3393, adopted September 1, 2004, as follows:

1. Condition 8: New language pertaining to the Rispin being open to the public for historical tours. Mayor Termini commented that the new language regarding number of tours is confusing, and he asked if there is a minimum of one or two tours. Consultant Planner Carney clarified it would be at least two Sunday tours per month.

2. Condition 88: New language under "Timing:" to state, "Prior to final inspection/occupancy," rather than "Prior to building permit issuance."

3. Condition 17: Language pertaining to removal of trees be replaced with, "Implement Tree Management Plan approved by the Planning Commission on April 19, 2007." Council Member Graves expressed concern that he had not received a copy of that plan.

Consultant Planner Carney also discussed another change to Condition 17 pertaining to the wrought iron fence in the area along the Rispin/Perry bridge pathway being changed to a solid wall similar in appearance to the original wall along Wharf Road.

3. A. PUBLIC HEARING OF THE CITY COUNCIL (Continued)

Following his presentation, Consultant Planner Carney responded to questions of council members.

At 6:27 p.m. Ricardo de la Cruz, on behalf of Barry Swenson Builder, introduced the company's vice president for the area, Jesse Nickell, and David Smith, the person who will operate the hotel. Mr. de la Cruz commented on the recommended changes and responded to questions of council members.

Mayor Termini opened the public hearing at 6:54 p.m. Seeing no one, the public portion of the hearing was closed.

After considerable discussion, the **City Council** took the following action:

ACTION: Council Member Graves moved approval of Application #07-023, thereby approving adoption of the proposed resolution, with the stipulation that the gate for emergency access be brought back after review by SHPO to staff, that Council Member Nicol's comments regarding construction of the Conservancy be brought back, and that council members receive a copy of the Tree Management Plan that was approved by the Planning Commission. Council Member Storey seconded the motion with a proposed amendment that Item 1, the reduction in number of rooms, be supported by the subsequent financial feasibility. City Manager Hill suggested a maximum of 25 rooms with the addition of a spa.

Council Member Nicol offered an amendment to correct Item 7 to "Provide three handicapped parking stalls..." not two as stated in the report.

Council Member Graves suggested clearing up the language in Condition 8 pertaining to at least two (2) Sunday Tours per month by deleting the language, "with a minimum on one (1) on a Sunday."

Council Member Graves and Council Member Storey accepted the friendly amendments to the motion and adopted **Resolution No. 3629, Resolution Rescinding Permit #06-052, Resolution No. 3577, and Approving Permit #07-023 Amending Conditional Use Permit and Architectural and Site Review Design Permit #97-95, and Coastal Permit #05-005, thereby Amending Resolution No. 3393, based upon Adoption of Findings, Conditions and a Mitigation Monitoring Program for the Rispin Development Project.** The motion carried on the following vote: AYES: Council Members Nicol, Graves, Storey and Mayor Termini. NOES: None. ABSENT: Council Member Begun. ABSTAIN: None.

4. **BUSINESS**

A. **Fourth Amendment to the Lease and Development Agreement (LDA) By and Between the Capitola Redevelopment Agency, City of Capitola and Rispin Partners, LLC. [275-35/500-10 A/C: Rispin Partners]**

Mayor/Chairperson Termini excused himself at 7:04 p.m. in order to attend another meeting taking place at this time, and he turned the gavel over to Vice Mayor/Vice Chairperson Nicol who conducted the remainder of the meeting.

City Manager/Executive Director Hill summarized the written agenda report and recommended action for this item.

4. A. BUSINESS (Continued)

Council Member/Director Storey commented on the presentation of the Public Use Plan and Hotel Operating Agreement and expressed concern that there are no specified dates for submittal of those documents. There was considerable discussion regarding these documents and response from Ric de la Cruz of Barry Swenson Builder.

At 7:21 p.m. Vice Mayor/Vice Chairperson Nicol asked if anyone from the public wished to address the Council/Redevelopment Agency on this item. No one spoke.

After considerable discussion, the **City Council/Redevelopment Agency** took the following action:

ACTION: Council Member/Director Storey moved, seconded by Council Member/Director Graves, to approve the Fourth Amendment to the Rispin Lease and Development Agreement with the exception of the last two bulleted items concerning the Hotel Operating Agreement and Public Use Plan. Staff was directed to restate those items to provide that the first drafts will be submitted within 6 months of the date of this meeting, and the final versions of the Hotel Operating Agreement and Public Use Plan to be approved prior to Certificate of Occupancy. The motion carried on the following vote: AYES: Council Members/Directors Graves, Storey and Vice Mayor/Vice Chairperson Nicol. NOES: None. ABSENT: Council Member/Director Begun and Mayor/Chairperson Termini. ABSTAIN: None.

5. **ADJOURNMENT**

The meeting was adjourned at 7:23 p.m. to the next Regular Meetings of the City Council and the Capitola Redevelopment Agency to be held on Thursday, May 10, 2007, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola.

Michael Termini, Mayor/Chairperson

ATTEST:

Pamela Greeninger, City Clerk/Secretary, CMC

UNANIMOUSLY APPROVED BY THE CITY COUNCIL/AGENCY DIRECTORS ON JUNE 28, 2007