

May 28, 2009
Capitola, California

**CAPITOLA CITY COUNCIL
MINUTES OF A REGULAR MEETING**

**6:00 P.M. - CLOSED SESSION - CITY MANAGER'S OFFICE
CAPITOLA REDEVELOPMENT AGENCY & CITY COUNCIL**

At 6:05 p.m. in the City Hall Council Chambers, Mayor/Chairperson Begun noted that all City Council Members/Redevelopment Agency Directors were present. He made an announcement regarding the items to be discussed in Closed Session, as follows:

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

Property: Rispin Mansion Property, 2000 & 2005 Wharf Road
APN 035-371-01 & 02
Agency/City Negotiator: Rich Hill, City Manager/RDA Executive Director
Negotiating parties: Rispin Partners LLC, City of Capitola, and City of
Capitola Redevelopment Agency
Under Negotiation: Lease and Development Agreement

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

Surf and Sand, LLC vs. City of Capitola
Soquel Union Elementary School District vs. City of Capitola

PERFORMANCE EVALUATION (Govt. Code §54957)

Title: City Manager

Mayor/Chairperson Begun asked if anyone wished to address items on the Closed Session agenda.

City Attorney Barisone announced that he would like to add an item to the Closed Session regarding Existing Litigation relative to Cabrillo Mobile Estates. He informed the Council that he has received correspondence from the Court of Appeals which requires a response on that matter prior to the next regular City Council meeting.

ACTION: Council Member Graves moved, seconded by Council Member Storey, to add the Cabrillo Mobile Estates matter (*Vieira Enterprises vs. City of Capitola*) to the Closed Session agenda pertaining to Existing Litigation, with the finding that the matter arose after the posting of the agenda and needs to be acted upon prior to the City Council's next regular meeting scheduled for June 11, 2009. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

Mayor/Chairperson Begun asked if there was anyone else who wished to address items on the Closed Session agenda at this time. Seeing no one, the City Council/Redevelopment Agency recessed at 6:07 p.m. to the Closed Session.

REGULAR MEETING OF THE CITY COUNCIL

Mayor Begun called the Regular Meeting of the City Council to order at 7:40 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

ROLL CALL AND PLEDGE OF ALLEGIANCE

PRESENT: Council Members Ron Graves, Sam Storey, Kirby Nicol, Dennis Norton, and Mayor Robert "Bob" Begun

ABSENT: None

STAFF: City Manager Rich Hill, City Attorney John G. Barisone, Community Development Director Jamie Goldstein, Public Works Director Steve Jesberg, Interim Chief of Police Rick Ehle, Assistant to the City Manager Lisa Murphy, Building Official Daniel Kostelec, and City Clerk Pamela Greeninger

*** PRESENTATION ***

**Proclamation Declaring May 2009 as
Elder and Dependent Adult Abuse Prevention Month and
Recognizing the Efforts of the Elder Care Task Force [120-40]**

Mayor Begun summarized the Mayor's Proclamation and recognized the efforts of Chief Ehle to enhance service to seniors in Capitola by co-founding the Elder Care Task Force in 2005. He commented on the various local agencies that participate in the task force and the valuable work they do. Mayor Begun then presented the proclamation to Interim Chief of Police Ehle. Chief Ehle commented on Elder Care Task Force and thanked the Mayor for the recognition.

1. REPORT ON CLOSED SESSION [520-25]

City Attorney John Barisone said the items discussed in Closed Session were those listed on the first page of the City Council/Redevelopment Agency's posted Agenda. He announced that at 6 p.m. in the Council Chambers, prior to adjourning to the Closed Session, he informed the Council that he had received a notice from Court of Appeal yesterday regarding the Cabrillo Mobile Estates case (*Vieira Enterprises vs. City of Capitola*), which requires action prior to the Council's next regular meeting. The necessary findings were made, and the matter was added to the Closed Session agenda.

City Attorney Barisone then reported on the Closed Session as follows:

1) The City Manager/Executive Director provided a status report on the ongoing negotiations pertaining to the Rispin Lease and Development Agreement. No reportable action was taken.

2) The City Attorney provided a brief report on existing litigation between the City of Capitola vs. Surf and Sand, LLC. No reportable action was taken in Closed Session.

3) With respect to the Soquel Union Elementary School District matter, there was a very brief discussion with no reportable action taken. City Attorney Barisone noted that Council Member Nicol recused himself and did not participate on this item due to a conflict of interest.

4) The City Attorney then advised the Council of receipt of a notice from the Court of Appeal pertaining to the Cabrillo Mobile Estates matter (*Vieira Enterprises vs. City of Capitola*). He discussed the option to request oral argument with the court. The council directed him to forego oral argument; however, if the other side requests oral argument, the city would participate.

5) The City Council heard from City Manager Hill and conducted a performance evaluation of the city manager, but took no reportable action in Closed Session.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda - None

B. Public Comments

1) Frederick Coquelin, representing the homeowners at Cabrillo Mobile Estates, discussed concerns that have been expressed to several council members and city staff about the development taking place on Kennedy Drive. Mr. Coquelin said the homeowners are not pleased with what it is going on and are trying to work things out. He commented on the conditions set forth in the Planning Commission staff report, which states that any significant modifications to the project must return to the Planning Commission. Mr. Coquelin then identified several items that he felt should be reviewed by the Planning Commission based on the conditions of approval. He does not believe the permits are valid since staff has not complied with the conditions.

Council Member Storey suggested staff look into the allegations presented by Mr. Coquelin and report back to the Council at the next meeting.

2. B. 1) ORAL COMMUNICATIONS – Continued

Mayor Begun noted there have been several meetings between staff, the contractor, residents of the mobile home park, and himself. Mayor Begun said at their last meeting Mr. Coquelin was asked to submit something in writing regarding their concerns, and nothing has been received. Mr. Coquelin expressed concern that the project continues to move forward, and he believes it should be stopped until these issues are addressed.

Stephanie Harlan, Planning Commissioner, addressed the 200 Kennedy Drive project and suggested the Council add this matter as an emergency item to tonight's agenda. She explained her understanding of the project and her reasons for recommending it be dealt with immediately. She would like the council to consider this matter and to perhaps stop work on the project until the problems can be resolved.

Mayor Begun explained that there are two mobile homes illegally located on Mr. McCoy's property and the right of way. Ms. Harlan then commented on the importance for the city to have an accurate survey.

Council Member Graves interjected that this is an oral communications, and the city council should not be responding to an oral communication when we do not have materials before us. He said this matter should be referred to staff.

Council Member Storey said the council should be clear in its direction to staff, saying he would like staff to investigate the project, determine if there are conditions that are being violated or if there are significant changes that violate the Planning Commission conditions, and if staff makes that finding, then the project should be red tagged and brought back to the Planning Commission for review of the changes.

City Manager Hill said staff has council's direction and will look into this matter.

2) Tom Mader, Capitola resident, addressed the council regarding his comments at the last meeting when Council Member Nicol was asked to resign by this meeting. He said that he wished to formally serve a Notice of Intention to Circulate a Recall Petition signed by 26 people. He proceeded to serve the documents to Council Member Nicol and to the City Clerk.

City Clerk Greeninger informed Mr. Mader that he could not serve the Notice at the meeting. She discussed provisions of the Elections Code pertaining to service of a Notice of Intention, as well as the City Attorney's opinion that such service could not be made on an individual council member at a Council meeting. Council Member Graves confirmed the City Clerk's statements, and he said once the meeting was over and the council member was outside the meeting room, he could be served.

C. Staff Comments – NoneD. City Council/Treasurer Comments/Committee Reports

1) Council Member Storey said at the last council meeting someone from Loma Vista Mobile Home Park spoke regarding noise from the carwash at the Toyota dealership, and he asked if staff has had an opportunity to review the situation. Community Development Director Goldstein reported on staff's review and responded to questions of council members. He added a letter to the park resident summarizing the results of staff's investigation is being prepared and will be sent shortly. [485-40]

2) Council Member Nicol said there seems to be confusion in the community regarding the new polystyrene ordinance. He asked if local businesses have been notified of the new regulations. Assistant to the City Manager Murphy said there was a 10-day notice prior to adoption of the ordinance; however, there was no outreach after adoption. Council Member Nicol asked if staff would be notifying the businesses of the new rules. Assistant to the City Manager Murphy discussed the outreach that is now taking place. [930-30]

2. D. ORAL COMMUNICATIONS (Continued)

3) Council Member Storey reported that on Monday, June 1, 2009, at 7:30 p.m., in the County Board of Supervisors Chambers, the Library JPA Board would be considering its 2009/2010 Fiscal Year Budget. He commented on serious reductions in hours of operation that will be made at the Capitola Branch and other branches throughout the county as a result of budget cuts, and he encouraged community members to attend the meeting if they have concerns about library services.

4) Mayor Begun said he attended the American Red Cross Heroes Breakfast held on May 20. He announced that three Capitola Police Department employees were honored: Police Officers Chris Thompson and Guillermo Vasquez, and Community Service Officer Jesus Tony Mendoza.

5) Mayor Begun also announced that he attended the City Selection Committee on May 20, 2009, and he was appointed to serve as the City's representative on the Remote Access Network (RAN) Committee.

6) Council Member Norton announced that anyone interested in the "Sea Wall Tile" Book may preorder it. He said it is a 200-page book containing pictures of all the sea wall tiles.

E. Committee Appointments1) **Mayor Begun's At Large Member Appointment to the Capitola Traffic and Parking Commission. [470-60]**

Mayor Begun announced that he would like to appoint Vicki Muse to serve as his At Large Member appointment to the Capitola Traffic and Parking Commission.

ACTION: The City Council unanimously ratified Mayor Begun's appointment of Vicki Muse as an At Large Member to the Capitola Traffic and Parking Commission.

F. Approval of Check Register Report [300-10]

Council Member Graves commented on meter reading services by Automation Test Associates. He asked why the charges for 40 spaces at Pacific Cove Mobile Home Park are less than the charges for 2 businesses on Capitola Wharf. Staff was directed to provide an answer to the council off agenda.

Council Member Norton questioned check #59757 for \$30,000 to American Traffic Solutions. Interim Chief of Police Ehle said that amount is for the red-light camera installment for the past 7-8 months.

Council discussion was followed by this action:

ACTION: Council Member Nicol moved, seconded by Council Member Norton, to approve the Check Register Report dated May 8 and 15, 2009, including checks numbered 59754 through 59807 in the amount of \$118,610.41, and checks 59808 through 59856 in the amount of \$132,042.53 respectively; and payroll disbursements for the May 8, 2009, payroll in the amounts of \$185,843.24 for a Grand Total of \$436,496.42, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

3. **CONSENT CALENDAR**

Mayor Begun asked if there were any items on the Consent Calendar that members of the council or the public wished to pull for separate discussion. Council Member Norton pulled Items 3.I. & 3.J. (NOTE: Discussion of Item 3.I. took place immediately following action of the consent calendar.)

Mayor Begun advised Item 3.J. would be discussed at the end of the meeting following Other Business Item 5.B. (See discussion and action on Page 11416.)

3. CONSENT CALENDAR (Continued)

CONSENT CALENDAR ACTION: Council Member Nicol moved, seconded by Council Member Graves, to approve the Consent Calendar, as recommended, with the exception of Items 3.I. and 3.J. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. *(Note: Council Members Graves and Storey voted "No" on Item 3.G. only.)* ABSENT: None. ABSTAIN: None.

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

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

B. Approve City Council Minutes – Regular Meeting of April 23, 2009, and Joint Special Meeting of the City Council/Redevelopment Agency of May 7, 2009.

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to approve the Minutes of the Regular Meeting of the City Council of April 23, 2009, and the Joint Special Meeting of the City Council/Redevelopment Agency of May 7, 2009, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

C. Confirmation of the City's Investment Policy (Administrative Policy #III-1). [350-10/Administrative Policy Binder]

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to confirm the City's Investment Policy (Administrative Policy Number III-1; Revised August 9, 2001), as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

D. Adopt Resolution Setting the 2009/2010 Fiscal Year Appropriations Limit Pursuant to Article XIII B of the California Constitution. [330-05: FY 2009-10]

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to adopt **Resolution No. 3754, Resolution Setting the 2009/2010 Fiscal Year Appropriation Limit Pursuant to Article XIII B of the Californian Constitution**, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

E. Approve Three-Year Agreement with Clean Building Maintenance for Janitorial Services in an amount not to exceed \$42,504 per Year. [370-40/500-10 A/C: Clean Building Maintenance]

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to approve a three-year agreement with Clean Building Maintenance for Janitorial Services in an amount not to exceed \$42,504 per year, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

F. Approval of a Three-Year Sole Source Contract with D.W. Alley and Associates for Fish and Wildlife Monitoring of Soquel Creek. [430-80/500-10 A/C: Alley, D. W. and Associates]

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to approve a sole source contract with D.W. Alley and Associates for a period of three years in the amount not to exceed \$26,900 for 2009, \$28,300 for 2010, and \$29,700 for 2011 for monitoring of Soquel Creek as required under the City's permits from California State Fish and Game for annual lagoon closure and beach grading, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

3. CONSENT CALENDAR (Continued)

- G. Adopt Ordinance Amending the Zoning Map of the Zoning Ordinance of the Capitola Municipal Code for a .95 Acre site located at 1911 42nd Avenue, Assessor's Parcel Number 034-201-33 by way of Rezoning this Property from the RM-M "Multiple-Family Residence: Medium" District to the PD "Planned Development" District (2nd Reading). [730-85/730-10]**

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to adopt Ordinance No. 940, Ordinance Amending the Zoning Map of the Zoning Ordinance of the Capitola Municipal Code for a .95 Acre Site Located at 1911 42nd Avenue, Assessor's Parcel Number 034-201-33 By Way of Rezoning this Property from the RM-M "Multiple-Family Residence: Medium" District to the PD "Planned Development" District, as submitted. The motion carried on the following vote: AYES: Council Members Nicol, Norton, and Mayor Begun. NOES: Council Members Graves and Storey. ABSENT: None. ABSTAIN: None.

- H. Approval of Professional Services Agreement with Teaman, Ramirez & Smith for City Auditing Services for Fiscal Years 2009-10 and 2010-11 for \$25,400 and \$25,500, respectively. [310-20/500-10 A/C: Teaman, Ramirez & Smith]**

ACTION: Council Member Nicol moved, seconded by Council Member Graves, to approve the Professional Services Agreement with Teaman, Ramirez & Smith for Auditing Services for fiscal years 2009-10 and 2010-11 for \$25,400 and \$25,500, respectively, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

- I. Approve Purchase of One Police Patrol Vehicle from Downtown Ford Sacramento with Included Police Equipment Package in the amount of \$30,278.02 and Authorize Expenditure of \$30,278.02 from the General Fund Vehicle Replacement Budget. [370-40/330-10]**

This item was pulled for separate discussion and was discussed immediately following action on the Consent Calendar and action taken as follows:

Council Member Norton asked for an explanation regarding why we are buying from Sacramento. Interim Chief of Police Ehle explained the reasons for doing so, including cost savings and the fact that the car is already equipped.

Council Member Norton discussed the city's campaign to buy Capitola first.

ACTION: Council Member Norton moved, seconded by Council Member Graves, to approve the recommended actions as follows:

1. Awarded a purchase contract to Downtown Ford Sales in the amount of \$30,278.02 for the purchase of one new police patrol vehicle with included police equipment package; and
 2. Authorized the expenditure of \$30,278.02 from the City's General Fund Vehicle Acquisition and Replacement Fund to purchase the vehicle, as submitted.
- The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

- J. Approve 1st Amendment to Professional Services Agreement with Ariana Green in the amount of \$5,000 to assist with the City's Housing Element Update.**

This item was pulled for separate discussion. (See Page 11416 for discussion and action.)

4. PUBLIC HEARINGS

A. Public Hearing to Consider the Levy of Capitola Village & Wharf Business Improvement Area Assessments for Fiscal Year 2009/2010. Presentation: CVWBIA Executive Directors. [140-05]

Gary Wetsel, President of the Capitola Village and Wharf Business Improvement Area, provided their Annual Report to the City Council utilizing a PowerPoint Presentation (a copy is included in the record for this item). After his presentation, Mr. Wetsel responded to questions of council members.

Mayor Begun opened the public hearing at 8:37 p.m.

Jay Latta, owner of Latta Jewelry in Capitola Village, said he appreciates what the Capitola Village and Wharf Business Improvement Area does, but he doesn't like having to pay the assessment. He said it is a big expense for him as his shop is only 300 sq ft and he works by himself. Mr. Latta said most of his business is by referral, that he does not advertise, and that he is not interested in participating in the BIA.

Stacey Perrin, business owner of Chienne in Capitola Village, informed the Council that she supports the Capitola Village and Wharf Business Improvement Area and the work they do to promote the Village. She is, however, concerned regarding the way of the assessment calculated based on number of employees, which is currently from 0-5 employees. She said there is a huge difference between a business that can hire 0 employees and one that can hire 5 employees, and a big difference between a business with 400 square feet and one that has 1,000 sq ft. She would like the council to reconsider the method of calculating the assessment by reducing the assessment for 0-2 employees or to look at the actual retail square footage. Ms. Perrin informed that Council that she has looked at the City of Santa Cruz assessment, which appears to be by square footage, and the assessment for her business there would be considerably less.

Mayor Begun closed the public hearing at 8:44 p.m.

Council Members discussed the comments of the speakers pertaining to the way the assessment is calculated and indicated it might be something the Capitola Village and Wharf Business Improvement Area could address at its meetings.

Mr. Wetsel responded to comments and questions of council members pertaining to the assessment calculations, waiving an assessment, and request to remove permanent rentals from the list.

Council discussion was followed by this action:

ACTION: Council Member Norton moved, seconded by Council Member Graves, to approve the recommended action and adopted **Resolution No. 3755, Resolution Confirming the FY 2009/2010 Capitola Village and Wharf Business Improvement/Area Assessments and Adopting the Annual Plan and Fiscal Year 2009/2010 CVWBIA Budget**, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

B. Public Hearing to Consider an Ordinance Adding Chapter 17.20 to Title 17 of the Capitola Municipal Code Pertaining to an Affordable Housing Overlay (AHO) District and to Amend the City Zoning Map and General Plan to Apply the Affordable Housing Overlay to Assessor Parcel Numbers 034-124-20, 034-124-21 (Capitola Gardens Site), 036-151-15 (600 Park Avenue Site), and to 036-341-02 (City-Owned McGregor Drive Site). Presentation: Community Development Department. [730-85 Zoning/740-30 LCP/740-40 General Plan]

4. B. PUBLIC HEARINGS (Continued)

Community Development Director Goldstein provided opening comments regarding the proposed Affordable Housing Overlay district, which was reviewed by the Planning Commission and is before the Council for adoption.

Using a PowerPoint Presentation, Housing and Redevelopment Project Manager Foster summarized the written agenda report and clarified the Executive Summary and Housing Policy 3B of the 2004 Housing Element. He summarized the public comment that has been received on this matter, reviewed the Housing Element process, and the current Housing Element commitments. He summarized State requirements for low and very low income housing and said the final item from the 2004 Housing Element is the affordable housing overlay. Housing and Redevelopment Project Manager Foster then reviewed the various opportunity sites within the City of Capitola, including:

APN 034-124-20 and 034-124-21 (Capitola Gardens Site)
APN 036-151-15 (600 Park Avenue Site)
APN 036-341-02 (City-Owned McGregor Drive Site)

Mayor Begun opened the public hearing at 9:27 p.m.

The following members of the public addressed the Council on this item:

Paul Wagner, Wharf Road

Stacy Nagel, 46th Avenue, asked the council to spread affordable housing around the community and expressed concern about designating the Capitola Gardens site

Sandra Mendoza, 46th Avenue, expressed concern about additional traffic and cars in her neighborhood if Capitola Gardens were designated an affordable housing site

Carol Cowen, 600 Park Avenue, expressed concerns about including 600 Park Avenue as an affordable housing site

David Alvarez, 47th Avenue, commented on the number of affordable housing units and concerns about Capitola presenting more than is necessary. He also commented on traffic and parking from additional density in the neighborhood.

Terre Thomas, Park Avenue resident, suggested adding the Capitola Inn site on Bay Avenue for consideration of an affordable housing site. She commented on the McGregor Drive site and said if the 600 Park Avenue site were included, she would ask that conditions be added to that site relative to height restrictions, parking spaces per unit, etc.

Barbara Graves, Oak Drive, agreed with comments of other speakers to spread the units among the city. She also agreed that Capitola Inn should be included as a possible site. She also commented on Santana Row in San Jose where there is a mix of commercial and housing.

Jennifer Collins, 46th Avenue, expressed disappointment that Capitola Gardens was still being considered for the affordable housing overlay. She urged the Council not to approve this site as submitted.

Patti Bond, resident adjacent to 600 Park Avenue, said she was disappointed not more sites have been identified for affordable housing site. She expressed concerns about impacts to the 600 Park Avenue site with increased density and impacts from traffic and parking.

4. B. PUBLIC HEARINGS (Continued)

Mayor Begun closed the public hearing at 9:52 p.m.

Staff responded to further questions of council members during discussion of this item.

After considerable Council discussion the following action was taken:

ACTION: Council Member Norton moved to direct staff to look at 3 things: 1) to look into the possibility of seniors' designated housing for the 600 Park Avenue site, 2) to look into the idea of splitting the Capitola Gardens property for inclusion in the overlay district, and 3) to look at the Capitola Inn property on Bay Avenue to determine if it would be feasible to apply the overlay to that site.

Under discussion of the motion, Council Member Storey asked if the McGregor Drive property was excluded from the motion. Council Member Norton said it was not included because he does not believe an affordable housing overlay would work on that site, although he would entertain council's comments. Council Member Storey said he could support the motion if the McGregor Drive site were included.

Council Member Graves said he was not interested in accepting the staff's recommendation and that he would like to see as many sites as possible included.

Council Member Nicol said he would second the motion with exclusion of the McGregor Drive site.

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

Community Development Director Goldstein then asked about setting a meeting date for continued discussion of this item.

After further discussion regarding a date for a special meeting on this matter, it was the consensus of the City Council to continue this item to a Special Meeting to be held on Thursday, June 18, 2009.

C. Public Hearing to Accept California Coastal Commission Amendments to Update the City's Local Coastal Program. Presentation: Community Development Department. [740-30]

ACTION: It was the consensus of the City Council to approve continuation of this item to the next regular meeting of the City Council to be held on June 11, 2009, as recommended.

5. OTHER BUSINESS

A. Update Report on the Implementation of the City's Green Building Regulations, Municipal Code Chapter 17.10. [750-10]

Building Official Kostelec summarized the written agenda report on the implementation of the City's Green Building Regulations and responded to questions of council members.

Barbara Graves, representing the Capitola Commission on the Environment, discussed a few ideas recommended by the commission, including:

- 1) Smaller home points (mentioned by Council Member Norton)
- 2) More storm water consideration
- 3) Water-wise landscaping

5. A. OTHER BUSINESS (Continued)

Council Member Storey asked for Building Official Kostelec's opinion about sending a letter to the supervisors representing Capitola and encouraging them to adopt a County Green Building Program that is consistent with Green Building regulations that have been adopted by the cities in Santa Cruz County.

Council discussion was followed by this action:

ACTION: Council Member Storey moved, seconded by Council Member Norton, to accept the Update Report on the Implementation of the City's Green Building Regulations, Municipal Code Chapter 17.10, as submitted, and to direct staff to send letters to Supervisors Ellen Pirie and John Leopold encouraging them to adopt a County Green Building Program that is consistent with Green Building regulations that have been adopted by the cities in Santa Cruz County. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

B. Community Development Block Grant (CDBG) Economic Development Planning and Technical Assistance 2009 Grant Applications. [700-10]

Community Development Director Goldstein commented on the overall concept of the two grant applications being proposed and responded to questions of council members.

Council discussion was followed by this action:

ACTION: Council Member Norton moved, seconded by Council Member Storey, to approve the recommended action directing staff to return to the June 11, 2009, meeting with two applications for CDBG PTA grants for:

- 1) A \$35,000 Long Range Re-Visioning Plan for the 41st Ave corridor as part of the General Plan update, and
- 2) A \$35,000 "Green Economy" and Carbon Footprint Analysis as part of the General Plan update.

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

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

3. CONSENT CALENDAR (*Items pulled for separate discussion.*)

J. Approve 1st Amendment to Professional Services Agreement with Ariana Green in the amount of \$5,000 to assist with the City's Housing Element Update. [500-10 A/C: Green, Ariana]

Community Development Director Goldstein summarized the written agenda report and responded to questions of Council Member Norton regarding the work to be done by Ariana Green, since the consultant who was assisting the city with its Housing Element update is no longer available.

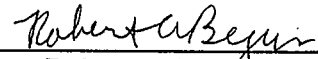
ACTION: Council Member Norton moved, seconded by Council Member Storey, to approve the 1st Amendment to the Professional Services Agreement with Ariana Green to increase the not-to-exceed amount for consultant's services by \$5,000, for a total not-to-exceed amount of \$14,000, to assist with the City's Housing Element update, as submitted. The motion carried on the following vote: AYES: Council Members Graves, Storey, Nicol, Norton, and Mayor Begun. NOES: None. ABSENT: None. ABSTAIN: None.

6. COUNCIL/STAFF COMMUNICATIONS

None

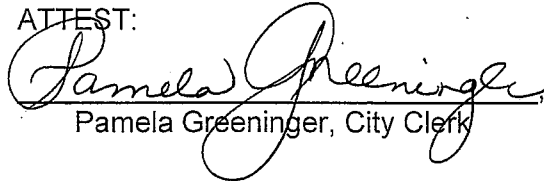
7. **ADJOURNMENT**

The City Council adjourned at 11:05 p.m. to its next Regular Meeting to be held on Thursday, June 11, 2009, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Robert A. Begun, Mayor

ATTEST:



CMC
Pamela Greeninger, City Clerk

MINUTES UNANIMOUSLY APPROVED BY THE CITY COUNCIL ON JUNE 25, 2009