

**CAPITOLA CITY COUNCIL  
SPECIAL JOINT MEETING  
CAPITOLA CITY COUNCIL/SUCCESSOR AGENCY  
TO THE FORMER REDEVELOPMENT AGENCY  
JOINT BUDGET STUDY SESSION  
THURSDAY, MAY 30, 2013 - 6:00 PM**

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

Council Members, Dennis Norton, Michael Termini, Sam Storey, and Mayor Stephanie Harlan. Council Member Ed Bottorff was absent.

City Treasurer Kym DeWitt was present.

**2. COUNCIL/CITY TREASURER/STAFF ANNOUNCEMENTS**

Mayor Harlan stated that additional material was received from the Capitola/Soquel Chamber of Commerce requesting a renewal of the contract between the City and the Chamber. In addition, a letter was received from a Soquel High School student about too much trash on the beach.

City Treasurer DeWitt stated that at the May 28, 2013, Financial Advisory Committee (FAC) meeting there was a discussion regarding allocating the \$1.145 million from the settlement funds (March 2011 pipe failure claim). As Treasurer she recommended using the funds to pay off the Santa Cruz County Bank loan.

**3. GENERAL GOVERNMENT/PUBLIC HEARINGS**

- A. Continued Budget Study Session on the proposed 2013/2014 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Successor Agency, and the Capital Improvement Program. [330-05/780-30]

Nathan Cross, FAC Vice Chair, provided the following FAC recommendations regarding allocating the \$1.145 million in settlement funds: 30.4% for the City's Capital Improvement Projects, 26.1% towards the City's reserve, and 43.5% towards the Santa Cruz County Bank loan.

Council Member Storey announced that he will retire from Community Bridges in four months, and stated that he enjoyed working with the Human Care Alliance members and organizations. He stated that due to a conflict of interest he will recuse himself from participating in the community grant portion of the meeting because he is Community Bridges CEO, and voting on this item would be a conflict of interest. He left the dias.

Finance Director Hannah invited the Community Based Health and Human Service providers to comment on the proposed funding provided to their organizations.

Will O'Sullivan, Human Care Alliance representative, requested the restoration of the City's previous funding level for the Human Care Alliance. He requested web links to the various non-profit agencies be added to the City's website.

The following Community Based Health and Human Service providers presented their non-profit financial requests:

Shauna Mora, Conflict Resolution Center of Santa Cruz Executive Director

Rachel Goodman, Dientes Community Dental Care

Sarah Brother, Cultural Council of Santa Cruz County

Sharon Papo, Executive Director of the Diversity Center/GLBT (Gay, Lesbian, Bisexual, & Transgender)

Jane Schwickerath, GLBT 60+ Seniors Program Volunteer Coordinator

Clay Kempf, Executive Director of the Seniors Council of Santa Cruz and San Benito Counties

David Denik and Karen Eddy, Meals-on-Wheels volunteer drivers

Adam Stecley, O'Neill Sea Odyssey representative

David Bionchi, Director of Family Service Agency of the Central Coast

Norma Sanchez, Shelter Project Rental Assistance Division of Community Action Board of Santa Cruz County Inc.

Tim Brattan, Director of Grey Bears

Amy Bosso, Campus Kids Connection

Brooke Johnson, Second Harvest Food Bank

Brad Hunt, Save Our Shores

Kathleen Johnson, Advocacy, Inc.

City Council took a 5 minutes break

Council Member Storey returned to the dias.

Finance Director Hannah reviewed the City's debt ratios and benchmarks, multi-year projections, including debt service and reserve levels.

Council Member Termini requested that steps be taken to prepare for any financial shortfalls that may occur so that the City's reserves are fully funded by 2015 should the City go into a negative balance.

Public Works Director Jesberg provided the draft job description regarding the proposed Environmental Project Manager position. This proposed position would be charged with insuring the City's compliance with the state mandated Clean Water Act including renewing the 2013 Waste Discharge Permit, on-going annual program implementation of Zone 5 storm water permitting. In addition, this position would be involved in completing the following related environmental programs: (1) Soquel Creek Management Plan; (2) Riparian Restoration Projects; (3) Beach and Creek Enhancement Projects; and (4) Storm water permitting for private projects.

Council Member Storey suggested language be added to the draft Environmental Project Manager job description to include the focus on the overall goal of cleaner water and beaches.

Public Works Director Jesberg stated that he will include additional language in the job description regarding improving the natural environment around the City to promote cleaner water and beaches. In addition, he provided a cost range for the following various unfunded project: (1) Pedestrian crossing improvements at Stockton Avenue and Esplanade; (2) Hill Street pedestrian improvements from Capitola Avenue to Rosedale Avenue; (3) street frontage and landscaping improvements to historic Depot site at Monterey Avenue and Park Avenue; and (4) complete conversion of the Rispin property to a park; the most urgent need is the Rispin-Peery pathways and ADA accessibility.

Council Member Termini stated that the conversion of the Rispin property is a low priority since the City does not know if they own the property. It is important to address the ADA accessibility of the trails.

Council Member Norton stated that the pedestrian crossing improvements at Stockton and Esplanade are a high priority due to safety concerns.

City Treasurer DeWitt stated concerns regarding making improvements to the Rispin property with the potential of the California State Department of Finance clawing back the property. She asked if staff will be seeking matching funds for various City project. (Public Works Director Jesberg stated that the City is always on the look-out for possible grant funds).

Council Member Norton suggested within the next four month to have a community discussion to explore future options for the Rispin property.

City Manager Goldstein stated that the FAC has recommended that \$350,000 be put into the unfunded CIP projects. It appears that the Stockton Avenue and the Hill Street pedestrian improvements have a lot of support. He stated that maintaining the existing Rispin pathways could be addressed in the near future. He stated that it may be a good time to bring the Rispin project back this fall after the state controller provides the results of the City audit. Public hearings could be scheduled and then the City could proceed with obtaining the necessary permits, environmental review, and an overall park plan. In addition, this would increase the City's ability to apply for grants.

Police Chief Escalante presented the Police Department's proposed Fiscal Year 2013/2014 budget including police staff levels. He reported on crime data over the past 5-6 years the service calls for Part I crimes. In addition, he reviewed costs/benefits associated with one additional Police Officer.

Council Member Storey asked what impacts would occur if the Police Department maintained the grant-funded police officer position.

City Manager Goldstein stated that since the City has contracted with the City of Santa Cruz to perform lifeguard services the City was able to keep an additional Community Service Officer on the street during summer months. The City's police staffing levels are adequate as compared to the last couple of years. He stated that the Police Chief is looking into an annuitant patrol in the Village on the busiest eight weekends in the summer.

Council Member Norton suggested arriving at a formula to determine the annual funds granted to the Community Based Health and Human Service providers. He suggested that staff set up community service links on the City's website.

Council Member Termini requested that staff review discretionary funding to the Capitola/Soquel Chamber of Commerce and the Community Based Health and Human Service providers at the next special budget study session.

Marge Hanson, local resident, stated that a traffic problem exists at Beverly Avenue and Capitola Avenue intersection.

Peter Pethoe, Santa Cruz Hostel, requested that the City Council continue considering a youth hostel at the Rispin property.

#### 4. ADJOURNMENT

Mayor Harlan adjourned the meeting at 8:30 p.m. to the next Special Budget Study Session of the City Council on Thursday, June 6, 2013 at 6:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

Chairperson Harlan adjourned the meeting at 8:30 p.m. to the next Special Budget Study Session of the City Council on Thursday, June 6, 2013 at 6:00 PM, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

  
Stephanie Harlan, Mayor

ATTEST:

 CMC  
Susan Sneddon, City Clerk

**MINUTES WERE UNANIMOUSLY APPROVED ON JUNE 27, 2013**