

**CITY OF CAPITOLA  
CITY COUNCIL/REDEVELOPMENT AGENCY**

December 8, 2011  
Capitola, California

**MINUTES OF A REGULAR JOINT MEETING**

**6:00 P.M - CLOSED SESSION - CITY MANAGER'S OFFICE**

At 6:00 p.m. in the City Hall Council Chambers, Mayor/Chairperson Norton noted that all Council Members/Redevelopment Agency Directors were present. Mayor/Chairperson Norton made an announcement regarding the items to be discussed in Closed Session, as follows:

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

Bill Newman, et al. (residents of Surf & Sand Mobile Home Park) vs. Surf and Sand, LLC, Ronald Reed, et al. (Surf and Sand, LLC; Ronald Reed, Cross-Complainants vs. City of Capitola) [Superior Court County of Santa Cruz, Unlimited Jurisdiction, Case No. CV 171783]

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to subdivision (b) of Government Code §54956.9:

- Two Cases: 1) Noble Gulch Storm Drain Failure in Pacific Cove Mobile Home Park  
2) Pacific Cove Mobile Home Park Flooding and Closure

No one from the public was present for the announcement regarding the Closed Session; therefore, the City Council/Redevelopment Agency recessed at 6:02 p.m. to the Closed Session in the City Manager's Office.

**7:00 P.M. – OPEN SESSION**

**REGULAR JOINT MEETING OF THE CAPITOLA CITY COUNCIL/REDEVELOPMENT AGENCY**

Mayor/Chairperson Norton called the Regular Joint Meeting of the Capitola City Council/Redevelopment Agency to order at 7:19 p.m. on Thursday, December 8, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

**ROLL CALL AND PLEDGE OF ALLEGIANCE**

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

**ABSENT:** None

**OTHERS:** City Treasurer Jacques Bertrand

**STAFF:** City Manager/RDA Executive Director and Interim Treasurer Jamie Goldstein, City Attorney/RDA General Counsel John G. Barisone, Interim Community Development Director/Deputy Executive Director Susan Westman, Chief of Police Michael Card, Public Works Director Steve Jesberg, Administrative Services Director Lisa Murphy, and City Clerk/Secretary Pamela Greeninger

**\*\*\* PRESENTATIONS \*\*\***

**Presentation of Mayor's Proclamations  
to Retiring Employees [120-40]**

Mayor Norton announced that the City will be losing two of its long-time employees, Ed Morrison and Pam Greeninger, who will be retiring at the end of this year. He then called Ed to come forward.

**Ed Morrison, Maintenance Superintendent**  
**37 Years of Service**

Mayor Norton read and presented Ed with a Mayor's Proclamation recognizing him for his 37 years of service to the City and congratulating him on his retirement.

Council Member Termini then presented Ed with a Certificate of Recognition from the State Legislature signed by Assemblymember Bill Monning and Senator Joe Simitian.

Ed thanked the mayor and council members for the proclamation and said he has been very fortunate to work with some great people during his career with the city. He is honored with this recognition.

**Pamela Greeninger, City Clerk**  
**32 Years of Service**

Mayor Norton read and presented the Mayor's Proclamation to Pam for her 32 years of service to the City of Capitola. He commented on the various positions and capacities, both elected and appointed, that Pam has served during her career. A Certificate of Recognition from the State Legislature signed by Assemblymember Bill Monning and Senator Joe Simitian was also presented to Pam by Council Member Termini.

Pam thanked Mayor Norton and the council members and commented on earlier years with the City when Ed's children and hers came to City Hall for "Take your child to work day." She looks forward to her retirement in Capitola where, as several council members have said, "It is as good as it gets." Pam especially wanted to thank her husband, Stewart, for putting up with the night meetings all these years, and to her son, Chris, for attending tonight's meeting for this recognition.

**1. REPORT ON CLOSED SESSION [520-25]**

City Attorney Barisone advised that the City Council/Redevelopment Agency met in Closed Session at 6:00 p.m., with all members being present. He reported on the items discussed as follows:

The City Council received an update pertaining to existing litigation in the Newman vs. Surf & Sand, LLC. The council was informed that the cross complaint had been dismissed in that case after making a motion to have the case dismissed. The cross-complainant, Surf & Sand, LLC, voluntarily dismissed the case.

The City Council discussed potential litigation against the city's first party insurance company, Lexington Insurance Company. A status report on negotiations with the insurance company was provided. No reportable action was taken.

The Council received an update from staff, and there was council discussion regarding potential litigation against the City from the storm drain failure in Pacific Cove Mobile Home Park. No reportable action was taken.

The City Council conducted a public employee performance evaluation of the City Manager. No reportable action was taken.

**2. ORAL COMMUNICATIONS**

A. Additions and Deletions to Agenda – None

B. Public Comments

1) Ron Graves congratulated Pam and Ed for their fine service to the City.

## 2. B. ORAL COMMUNICATIONS (Continued)

2) As the City's representative on the METRO Board, Ron Graves reported that revenue is up, and the board will consider recovering some of the routes that had been eliminated, including a route through Capitola. Mr. Graves also advised that the board has been able to retain their general manager, Les White, for another 2 years. He said Mr. White is an outstanding manager, and the METRO is lucky to have him.

3) Marilyn Garrett thanked City Clerk Greeninger for helping her with information she has requested. She then commented on a group of people who went to the PG&E office to return their SmartMeters, and she expressed concern that the police closed down the office. People should be able to return a product if they think it is making them sick. Ms. Garrett urged the council to put a status report on the next Council agenda to inform the public about what is going on with the opt-out program and City moratorium ordinance. She suggested having Professor Glen Chase and Nina Beatty also be given the opportunity to provide a status report at the meeting. She urged the council to stand up for the people in the community.

C. Staff Comments

City Manager Goldstein noted that the very last page of the packet, which was the second page to the List of County/Multi-County Boards, Commissions and Committees, was not printed in the paper copies of the agenda packet. He passed out copies of that page to the council members.

D. City Council/RDA Director/Treasurer Comments/Committee Reports

1) Council Member Termini announced that the Art & Cultural Commission has whittled down the 89 applications for the 41<sup>st</sup> Avenue Art Project to 4 very qualified artists. The commission's recommendation will be brought to Council at a future meeting.

2) Council Member Termini reported that he attended a school board workshop for the new preschool at Jade Street Park. He discussed changes that were made to their site plans and applauded them for making extra effort to address the city's concerns.

3) Council Member Harlan reported on AMBAG and announced that a new Interim Executive Director was selected to replace Les White (not the same Les White as METRO). Her name is Diane Eidam. She will assume her duties on Monday, December 12.

4) Mayor Norton invited everyone to come to the Bandstand on Friday night at 6:00 p.m. for Christmas caroling in the Village.

E. Committee Appointments

- 1) **City Council Appointments/Reappointments to the Art and Cultural Commission. Staff recommendation: Appointment/ Reappointment of (1) Arts Professional Member, (1) Artist or Arts Organization Representative, and (3) At Large Members. [1010-60]**

City Clerk Greeninger summarized the written agenda report and informed the council members that the new applicants were interviewed by the Art & Cultural Commission at their last meeting. The commission has recommended re-appointment of all current members and Kim Hogan to serve as an At Large Member replacing Debbie Hale who chose not to continue at this time.

Mayor Norton noted that Kim Hogan and Nathan Cross were in the audience and asked them to come forward.

## 2. E. Committee Appointments (Continued)

**ACTION:** Council Member Storey moved, seconded by Council Member Harlan, to approve the Art & Cultural Commission's recommendation to appoint of Kim Hogan as an At Large member, and to reappoint the following members to the Art & Cultural Commission for two-year terms ending December 31, 2013, as follows:

Roy Johnson, Arts Professional  
 Karen Nevis, Artist  
 Nathan Cross, At Large  
 James Wallace, At Large

The motion carried unanimously.

2) Mayor Norton stated that he wished to appoint Nathan Cross to the Finance Advisory Committee to replace Bob Begun who recently passed away. **[110-10/330-40]**

Nathan Cross introduced himself and discussed his background in finance and budgeting as the assistant superintendent of Live Oak School District, and he hopes that experience will be of value on the committee.

**F. Approval of Check Register Reports**

**1) City: Approval of City Check Register Report dated November 18, 2011. [300-10]**

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to approve the Check Register Reports dated November 18, 2011, including checks numbered 68109 through 68183 in the amount of \$73,142.25, and payroll disbursements for the November 18, 2011, payroll in the amount of \$161,993.37, for a Grand Total of \$235,135.62, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

**2) RDA: None.**

**3. CONSENT CALENDAR**

Mayor/Chairperson Norton asked if there were any items on the Consent Calendar that members of the public or the City Council/Redevelopment Agency Directors wished to pull for separate discussion.

Council Member/Director Termini pulled Item 3.I. pertaining to approval of a contract with Bob Murray and Associates for Chief of Police Recruitment.

Council Member Harlan commented on Item 3.C. pertaining to the Action Minutes of the Planning Commission. *(See comments under that item on Page 12120.)*

Mayor/Chairperson Norton advised Item 3.I. would be discussed immediately following action on the consent calendar. *(See discussion and action on Page 12121 and 12122.)*

**CONSENT CALENDAR ACTION:** Council Member/Director Termini moved, seconded by Council Member/Director Nicol, to approve the Consent Calendar, as recommended. The motion carried on the following vote: AYES: Council Members/Directors Harlan, Termini, Nicol, Storey, and Mayor/Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: None.

## 3. CONSENT CALENDAR (Continued)

- 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/Redevelopment Agency Directors 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. **City/RDA: Approve Minutes – None.**

- C. **Receive Planning Commission Action Minutes for the Regular Meeting of December 1, 2011. [740-50]**

Prior to action on the Consent Calendar, Council Member Harlan asked whether the Council was receiving full minutes or just action minutes for the Planning Commission (Item 3.C.) City Clerk Greeninger said action minutes are provided. Council Member Harlan said there were a number of comments made at the last Planning Commission meeting that the commissioners said they wanted included in the minutes, because those comments were specifically for the City Council members. Council Member Harlan would really like to see such comments included in the minutes the council sees.

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to receive the Planning Commission Action Minutes for the Regular Meeting of December 1, 2011, as submitted. The motion carried on the following vote: AYES: Council Member Harlan, Termini, Nicol, Storey and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- D. **Adopt Resolution Setting the Interest Rate for Tenant Security Deposits for 2012 at Zero Percent (0.00%). [750-10]**

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to adopt **Resolution No. 3898, Resolution Setting Interest Rate for Tenant Security Deposits for 2012 at Zero Percent (0.00%) in the City of Capitola.** The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- E. **Approve Addendum No. 2 to the Professional Services Agreement with R.L. Hastings and Associates, LLC, in an amount not to exceed \$25,000 for Tenant Relocation Services for the Bay Avenue Senior Apartments Project. [500-10 A/C: R.L. Hastings and Associates, LLC]**

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to authorize the City Manager to execute the letter Addendum No. 2 amending the Professional Services Agreement with R.L. Hastings and Associates, LLC, in an amount not to exceed \$25,000 for tenant relocation services for the Bay Avenue Senior Apartments Project, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

- F. **Adopt Resolution Approving a Rate Schedule for Residential and Commercial Garbage Collection and Recycling in Capitola Effective January 1, 2012, superceding Resolution No. 3850. [930-45]**

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to adopt **Resolution No. 3899, Resolution Approving a Rate Schedule for Residential and Commercial Garbage Collection and Recycling in Capitola Effective January 1, 2012, Superceding Resolution No. 3850,** as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

## 3. CONSENT CALENDAR (Continued)

- G. Adopt Ordinance Adding Chapter 17.70 to the Capitola Municipal Code providing a Procedure for Reasonable Accommodation in the City's Land Use and Zoning and Building Regulations [2<sup>nd</sup> Reading], and Adopt Resolution Authorizing submittal of the Amendments to the Local Coastal Program contained in the new Chapter 17.70 to the California Coastal Commission for Certification. [730-85/740-30 LCP/730-05/570-10]**

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to take the following actions:

1. Adopted **Ordinance No. 965, Ordinance Adding Chapter 17.70 to the Capitola Municipal Code Providing a Procedure for Reasonable Accommodation in the City's Land Use and Zoning and Building Regulations;** and
2. Adopted **Resolution No. 3900, Resolution Authorizing Submittal to the California Coastal Commission for the Certification of an Amendment to the Local Coastal Program Adding Chapter 17.70 to the Capitola Municipal Code Providing a Procedure for Reasonable Accommodation in the City's Land Use and Zoning and Building Regulations,** as submitted.

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

- H. Declaration of three pieces of property currently stored at the Corporation Yard, including a 2000 Johnson Street Sweeper, 2001 Mower trailer, and 2001 Toro riding mower, as surplus property, and direct the Public Works Department to sell or dispose of the property. [370-10]**

**ACTION:** Council Member Termini moved, seconded by Council Member Nicol, to declare three pieces of property currently stored at the Corporation Yard including a 2000 Johnson Street Sweeper, 2001 Mower trailer, and 2001 Toro riding mower, as surplus property and directed the Public Works Department to sell or dispose of the property, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

The following Consent Calendar item was pulled for separate discussion and action:

- I. Approve Contract with Bob Murray and Associates for Chief of Police Recruitment, and Adopt Resolution Amending the FY2011-12 General Fund Budget by \$19,500 to fund an Executive Recruiter Contract. [650-05/500-10 A/C: Bob Murray and Associates]**

Administrative Services Director Murphy summarized the written agenda report and responded to questions of council members.

Council Members Termini and Storey expressed concerns about the cost for this recruitment and believe there is no better consultant than the actual staff and citizens of Capitola.

Mayor Norton asked if anyone in the audience wished to address this item.

Lin Banks agreed with Council Member Termini that \$20,000 is a lot of money to spend. She also informed the council that she and Mike Banks have been trained to do background checks.

## 3. I. CONSENT CALENDAR (Continued)

Toni Castro, CEO of the Capitola-Soquel Chamber of Commerce, believes there is a better way of recruiting for the position. She said there are many intelligent people in our community who could review candidates for the position. She encouraged the council to consider another manner of recruitment as it would be wise for the city to save the money.

Council Member Harlan discussed prior City experience with the Bob Murray firm and believes the City needs help reviewing applicants for the position. Council Member Nicol agreed that a professional headhunter is necessary to go through the screening process, as it takes a great deal of time.

Considerable Council discussion was followed by this action:

**ACTION:** Council Member Nicol moved, seconded by Council Member Harlan, to approve the recommended action, as follows:

1. Adopted **Resolution No. 3901, Resolution Amending the FY2011-12 General Fund Budget by transferring \$19,500 from Police Department Salary & Benefits Account to the Police Department Contract Services Account to Fund the Executive Recruiter Contract to Fill the Chief of Police Position;** and
2. Authorized the City Manager to execute a contract with Bob Murray and Associates in an amount not to exceed \$19,500 for the recruitment of a Chief of Police, as submitted.

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

## 4. PUBLIC HEARINGS

- A. **Public Hearing on Project Application #11-114, 426 Capitola Avenue, APN 035-141-33, to consider an application regarding a Coastal Development Permit, Relocation Impact Report (RIR), and Relocation Plan for the closure of Pacific Cove Mobile Home Park. Environmental Determination: Categorical Exemption. Property Owner: City of Capitola, Owner/filed 10/27/11. Presentation: Community Development Department. [NOTE: This item to be continued to a Special Meeting of the City Council on Thursday, December 15, 2011, at 7:00 p.m.] [260-10]**

City Manager Goldstein informed the Council that due to noticing requirements this item would not be heard tonight. The hearing has been re-noticed for a Special Meeting on December 15, 2011, at 7:00 p.m. He said the City Council could hold the hearing on December 15<sup>th</sup> as noticed, or the Council could continue it to another date and re-notice the hearing.

There was interest expressed by the council members to reschedule the hearing to another date.

After considerable Council discussion regarding possible special meeting dates, the following action was taken:

**ACTION:** Council Member Termini moved, seconded by Council Member Storey, to re-notice and continue the Public Hearing on Project Application #11-114, to consider an application regarding a Coastal Development Permit, Relocation Impact Report, and Relocation Plan for the Closure of Pacific Cove Mobile Home Park located at 426 Capitola Avenue, APN 035-141-33 for the next Regular Joint Meeting of the City Council/Redevelopment Agency to be held on Thursday, January 12, 2012, beginning at 6:00 p.m. The motion carried unanimously.

## 4. PUBLIC HEARINGS (Continued)

**B. Public Hearing to consider the 41st Avenue/Capitola Mall Re-Visioning Plan dated October 26, 2011, prepared by The Planning Center|DC&E (formerly Design Community & Environment), which was funded by Community Development Block Grant (CDBG) Funds. Presentation: Community Development Department. [740-40 General Plan/700-10 CDBG]**

Interim Community Development Director Westman summarized the written agenda report and, using a PowerPoint Presentation discussed the public process that occurred in coming up with the Re-Visioning Plan. She said staff's recommendation is to accept the report with the suggested change.

Mayor Norton opened the public hearing at 8:16 p.m.

Tom Nelson, retail specialist with Colliers International, spoke on behalf of a number of businesses he represents along 41<sup>st</sup> Avenue. He stated that many of the businesses and property owners were not notified of the meetings when input was given for the report. He asked if there would be an opportunity for the businesses to provide their input later on.

Interim Community Development Director Westman said the council is not adopting the report, and there will be opportunities during the General Plan Update process for further input.

Chuck Davis, representing Macerich Corporation, owners of Capitola Mall, informed the council that they have worked very closely with staff in getting Target, and they are committed to upgrading the Capitola Mall property. He commented on a proposed plan to put a road through the property and discussed the difficulties in doing so as the property is owned by over 9 property owners.

Brian Schabel, DDS, of North Coast Orthodontics, addressed comments in the report about medical and dental offices in the 41<sup>st</sup> Avenue corridor. He pointed out that although their business does not generate sales tax, they do bring families into the community who frequent businesses in the area. Dr. Schabel does not want the door closed to other professionals in the area.

Mayor Norton closed the public portion of the hearing at 8:28 p.m.

Council Member Harlan said it was difficult to read the charts and graphs in the report that were copied in black and white, and she requested colored copies in the future. City Manager Goldstein advised the document is in color on the website. She also said she would feel more comfortable if the report used words such, "may or might" rather than "will," and she would encourage the consultant to change the tense of the words; that way it does not appear to be approved.

Council Member Harlan then provided suggested changes to the report, as follows:  
*(Note: Council Member Harlan referred to the agenda packet page numbers. The page numbers below in parenthesis are the page numbers in the report itself.)*

Page 122 (42) – Recommended Policy 2.2 be taken out as it relates to removing the barricade at 40<sup>th</sup> Avenue, which has been a topic of discussion in the past.

Page 123 (43) – Action 2.2 references to "Santa Cruz Transit" and "Transit" should be changed to "METRO."



## 4. B. PUBLIC HEARINGS (Continued)

Page 125 (45) – Policy 3.7 – The “Rail Trail” is now being called the “Sanctuary Scenic Network Trail,” and the reference in the report should be changed.

Page 127 (47) – She strongly supports the recommendations of Action 3.8 to identify obstacles and obstructions, such as utility poles that are in the middle of a sidewalk.

Page 135 (Appendix A, page -7-) She is extremely excited about a shuttle between the Mall and the Village. She hopes funding can be found for that; a shared expense between the city and the businesses.

In addition, Council Member Harlan would like to add the issue of storing merchandise outdoors by front doors. She is also interested in doing some traffic calming on adjacent streets. Some of her neighbors on 42<sup>nd</sup> Avenue are interested in speed bumps on that street due to the number of cars using 42<sup>nd</sup> Avenue rather than 41<sup>st</sup> Avenue.

Interim Community Development Director Westman said she has written down all of Council Member Harlan’s comments and that when this report is taken to the General Plan Advisory Committee, she will include all of the council’s comments; however, the council is not actually amending the report tonight. She clarified the report is being accepted, and all comments will be included in a separate document.

**ACTION:** Council Member Termini moved, seconded by Council Member Harlan, to accept the 41<sup>st</sup> Avenue/Capitola Mall Re-Visioning Plan dated October 26, 2011, prepared by The Planning Center|DC&E with the proposed modification to the language on page 33 suggested by staff in the Agenda Report for inclusion in the General Plan Update, as submitted.

Under discussion of the motion there were additional comments from council members.

Council Member Termini urged the speaker from Colliers International to inform his clients to come to the General Plan Advisory Committee meetings.

Council Member Storey believes it is a good visioning plan, and he, too, had some comments:

Page 107 (27) - He wished there had been more discussion about protecting the neighborhoods under the Re-Visioning Plan Goals; Land Use and Design 9). He does not want the city to sacrifice the neighborhoods in its efforts to emphasize economic development on 41<sup>st</sup> Avenue. He would have liked to see specific action items included in the work plan list, particularly the residents on Reposa who are impacted by the new hotel.

Page 111 (31) – There is a reference to boutique hotels on Capitola Road near the Wharf Road intersection. He believes we need to be careful about certain locations, particularly if they are located adjacent to residential neighborhoods.

Page 115 (35) – The charts refers to phasing plans on the 41<sup>st</sup> Avenue roadway having no major changes; however, the Art & Cultural Commission is working on a major art project for 41<sup>st</sup> Avenue. He commented that there is no reference to the project in the plan, and he believes there should be something noted about compatible artwork.

Page 119 (39) Policy 1.2 – He believes it should say auto dealers on auto row, not within the entire corridor.

## 4. B. PUBLIC HEARINGS (Continued)

Page 125 (45) Policy 3.7 – The reference to supporting the Rail Trail (Sanctuary Scenic Trail) as a key pedestrian connection is important; however, he would like to see a greater reference to this in the plan.

Page 127 (47) – In addition to removing utility poles from sidewalks, there should be a reference to underground utilities wherever possible.

Council Member Nicol said he agrees with most of the suggestions of his colleagues. He disagreed with Council Member Harlan's opposition to removing Policy 2.2 pertaining to 40<sup>th</sup> Avenue as he believes the city should support that extension.

Mayor Norton expressed concern about the amount of land coverage in the 41<sup>st</sup> Avenue corridor for automobile parking. He suggested multi-level parking garages in order to allow for more land use for actual businesses. He also suggested mapping key locations for additional study within the 41<sup>st</sup> Avenue Corridor, such as Bank of America. Perhaps there is an economic trade-off in moving that building in order to make that intersection more community oriented. He noted that many large cities are making corner properties public areas.

Following further council comment on the motion to accept the 41<sup>st</sup> Avenue/Capitola Mall Re-Visioning Plan with the proposed modification, the motion carried unanimously.

## 5. OTHER BUSINESS

- A. City Council Consideration of Reorganization - Selection of a New Mayor and Vice Mayor. Staff recommendation: City Council determination. [120-37]**  
Mayor Norton said he would entertain nominations for Mayor.

**ACTION:** Council Member Harlan moved, seconded by Council Member Storey, to nominate Vice Mayor Michael Termini as Mayor. The motion carried unanimously.

Mayor Norton then entertained nominations for Vice Mayor.

**ACTION:** Council Member Storey moved, seconded by Council Member Termini, to nominate Council Member Stephanie Harlan as Vice Mayor. The motion carried unanimously.

Mayor Norton said this has been a very difficult year for the City, with many trials and tribulations. He said we have a very cohesive City Council who has worked hard together and has accomplished much this past year. The city staff is responsible for the accomplishments as well, and he thanked City Manager Jamie Goldstein, Public Works Director Steve Jesberg, former Interim Community Development Director Derek Johnson, Administrative Services Director Lisa Murphy, Chief of Police Mike Card, as well as City Attorney John Barisone and Deputy City Attorney Adair Paterno. He then commented on the various events and accomplishments during the past year he has served as Mayor.

Disasters:

1. Responded to the March 2011 pipe failure, by fully mobilizing City resources to assist affected residents and businesses
2. Evacuated portions of the Village in advance of a tsunami warning from the Japan earthquake
3. Directed staff to prepare documents to close the Pacific Cove Mobile Home Park, potentially ending more than 25 years of planning and debate about the site.

## 5. A. OTHER BUSINESS (Continued)

## Environmental:

1. Expanded the City's ban on Styrofoam to reduce Styrofoam waste in the landfill and on our beaches
2. Began a public education campaign to reduce the use of Plastic Bags by distributing 500 reusable bags and posting signs in grocery stores
3. Installed electric vehicle charging stations
4. Earned Green Business Certification for New Brighton Middle School with the City's help

## Planning:

1. Initiated public process to update the City's General Plan for the first time in more than 20 years
2. Ended decades of planning on the Rispin site, and completed a project to stabilize and secure the building, with the goal of opening the site to public access as soon as final allocation of funding can be released from the RDA

## Public Art:

1. Completed Monterey Avenue tile art project in cooperation with students at New Brighton Middle School
2. Started the largest-ever Public Art Project: the 41<sup>st</sup> Avenue Public Art scheduled for completion next year

## Public Improvements:

1. Installed pay stations allowing credit card payment for parking on the Esplanade in the Village
2. Identified site for a skate park at Monterey Park, and partnered with local fund raisers to seek funding
3. Completed the Capitola Road median project – designed to make Capitola Road safer for cars, pedestrians and bikes.

## Economic:

1. Adopted a balanced budget without significant one-time gimmicks for the FY 10/11 FY
2. Began refunding the City's reserve accounts after the March 2011 floods
3. Entered an agreement with Macerich to participate in redevelopment of the Capitola Mall
4. Target commenced site improvements to the old Gottschalk's building

## Housing:

1. Ended nearly a decade of litigation through the non-profit acquisition of Castle MHP, using \$2 million in City RDA Housing funds and securing the site in perpetuity with stable rents affordable to low-income residents
2. Entered a settlement agreement with Surf and Sand, getting low-income, full-time residents 34-year below-market leases – ending years of costly litigation that threatened the City's fiscal future
3. Opened the Bay Avenue Senior Housing Project, a partnership project between the City and a nonprofit to rehab and develop more than 109 units for low-income seniors

Library: Laid the groundwork for a Capitola Branch Library.

Each council member commented on Mayor Norton's service to the community as mayor during the past year and congratulated him for leading the city through turbulent times.

Mayor Norton then handed the gavel to newly-selected Mayor Termini, who then presided over the remainder of the meeting.

5. OTHER BUSINESS (Continued)

**B. Presentation to Outgoing Mayor Dennis Norton [120-37]**

After outgoing Mayor Norton’s comments, Mayor Termini called him forward for a special and unique presentation. Mayor Termini said no mayor has suffered as much, nor weathered as many figurative or actual storms as Mayor Norton has during the past twelve months, and he thanked Dennis for taking his leadership as Mayor to heart. He then presented a large tile with a new painting done by Karen Nevis, which has not yet been released, to Dennis Norton, Capitola Mayor, 12/8/10 to 12/8/11.

Mayor Norton thanked the council for their support during the past year. He said Capitola is a great place to live, and we have a wonderful community.

**E. Review of Council Member Representation on City and County/ Multi-County Boards, Commissions, and Committees. Staff recommendation: Council determination regarding representation on the Finance Advisory Committee, and review of representation on County/Multi-County Boards, Commissions and Committees. [110-10/330-40 Finance Advisory Committee/430-05 Commission on the Environment/1000-05 Cultural Council]**

City Clerk Greeninger provided a brief report based on the written agenda report.

With respect to the County/Multi-County Boards, Commissions and Committees, Council Member Storey asked if anyone would be interested in serving on the Cultural Council. Council Member Norton said he would.

Council Member Norton said he would stay on Capitola Commission on the Environment as the council member representative.

Council Member Harlan said she would like to be on the Finance Advisory Committee; however, it is not possible with her present work schedule. She suggested keeping it the way it is, with Council Member Nicol serving on her behalf.

Council Member Harlan commented that the Sanctuary Inter-Agency Task Force may start meeting again as there may be interest in the sanctuary trail.

Council Member Nicol said that at the last Santa Cruz County Regional Transportation Commission he was unanimously elected Chairman of the Board.

**ACTION:** After Council discussion, it was the consensus of the City Council to approve the following changes to council representation on the Finance Advisory Committee and the Commission on the Environment:

Finance Advisory Committee:

Michael Termini	Mayor
Kirby Nicol	Council Member

Commission on the Environment:

Dennis Norton	Council Member
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In addition, Council Member Norton was appointed to serve as the City’s representative to the Cultural Council of Santa Cruz County.

**6. COUNCIL/RDA DIRECTORS/STAFF COMMUNICATIONS**

City Manager Goldstein noted that tonight's meeting should be adjourned to the next Regular Joint Meeting on January 12, 2012, rather than to a Special Meeting next week as was noted on the agenda.

**7. ADJOURNMENT**

The meeting was adjourned at 9:07 p.m. to the next Regular Joint Meeting of the City Council/Redevelopment Agency to be held on Thursday, January 12, 2012, at 6:00 p.m., in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



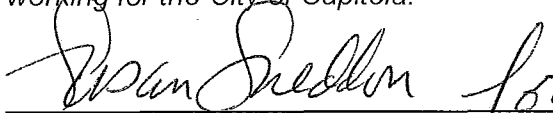
Dennis R. Norton, Mayor  
Redevelopment Agency Chairperson



Michael Termini, Mayor  
Redevelopment Agency Chairperson

ATTEST:

*Signing off for the last time... It has been a wonderful 32 years working for the City of Capitola.*



\_\_\_\_\_, MMC  
Pamela Greeninger, City Clerk  
Redevelopment Agency Secretary

**MINUTES WERE UNANIMOUSLY APPROVED ON JANUARY 12, 2012**