

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

October 27, 2011
Capitola, California

MINUTES OF A REGULAR JOINT MEETING

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

At 6:01 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)

Surf and Sand, LLC vs. City of Capitola, et al. (Surf & Sand Mobile Home Park)
[Superior Court of the State of California for County of Santa Cruz, Case #CV 167716]
Surf and Sand, LLC vs. City of Capitola, et al. (Surf & Sand Mobile Home Park)
[U.S. District Court N.D., Case No. C09-05542 RS (Judge Richard Seeborg)]
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:
Three Cases: 1) Noble Gulch Storm Drain Failure in Pacific Cove Mobile Home Park
2) Pacific Cove Mobile Home Park Flooding and Closure
3) Save the Plastic Bag Coalition v. County of Santa Cruz

No one from the public was present for the announcement regarding the Closed Session; therefore, the City Council/Redevelopment Agency recessed at 6:10 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 7:10 p.m. on Thursday, October 27, 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: City Treasurer Jacques Bertrand
OTHERS: Redevelopment Agency Treasurer Debbie Johnson
STAFF: City Manager/Executive Director Jamie Goldstein, City Attorney/RDA General Counsel John G. Barisone, Community Development Director/Deputy Executive Director Derek Johnson, Chief of Police Michael Card, Public Works Director Steve Jesberg, Administrative Services Director Lisa Murphy, and Deputy City Clerk/Deputy Secretary Liz Nichols

***** PRESENTATIONS *******Presentation by Laura E. Segura, Executive Director of
Women's Crisis Support [330-30]**

Laura Segura gave a presentation on Women's Crisis Support, an agency that has been in Santa Cruz County for 34 years providing support to victims of rape. October is domestic violence awareness month and education is a major part of the agency's prevention efforts. The City of Capitola contributes \$3,613 annually to Women's Crisis Support.

Council Member Termini asked Chief Card why the rape frequency is higher in Capitola than in other areas of the County. Chief Card responded that Capitola has seen an increase in frequency this year, with a 30% increase in 2010.

Council Member Nicol questioned the statistics. City Manager Goldstein suggested staff come back at the next meeting with a report.

Laura Segura informed the public one can call 1-888-900-4232 to contact Women's Crisis Support to report domestic violence or rape.

1. REPORT ON CLOSED SESSION [520-25]

City Attorney Barisone reported on the items discussed in Closed Session as follows:

The two Surf & Sand lawsuits were not discussed in closed session.

The Council heard from the City Attorney and Deputy City Attorney Adair Paterno with regard to the Newman litigation. He said in that case the cross-complaint against the City of Capitola is still pending, and a status report was given to Council in that matter. No reportable action was taken.

The Council heard from the City Attorney and the City Manager regarding the March Noble Gulch storm drain failure, as well as the related Pacific Cove Mobile Home Park flooding and closure, for which there has been threatened litigation. The Council received a status report on those matters and took no reportable action in Closed Session.

The Council heard from the City Attorney and the City Manager regarding the Save the Plastic Bag coalition vs. County of Santa Cruz lawsuit. The Council received a status report in that matter and took no reportable action.

2. ORAL COMMUNICATIONS

A. Additions and Deletions to Agenda - None

B. Public Comments

1) Carin Hanna invited everyone to the Santa Cruz Art Tour the first Friday of every month beginning November 4, 2011, from 6:00 p.m. to 9:00 p.m. Several businesses in Capitola will participate.

2) Terry Campion discussed the possible skate park.

3) Ethan Bearman discussed Cortez Park.

C. Staff Comments

1) Public Works Director Jesberg reported that Thursday, November 3, 2011, the new parking pay stations will be operating in Capitola Village.

2) City Manager Goldstein advised that Target is expected to pull their final building permit for the new Target store, which is opening in July of 2012.

2. ORAL COMMUNICATIONS (Continued)

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

1) Council Member Harlan discussed the planning of the Sanctuary Scenic Trail. The Santa Cruz Regional Transportation Commission has hired consultants to work on plans for the trail. A draft of the plans will be presented to the public. Council Member Harlan's recommendation was to keep an eye on the sanctuary as closely as possible.

Mayor Norton said he also participated in the discussion of the planning of the Sanctuary Scenic Trail. Three trails will be combined: the Sanctuary Scenic Trail, the Rail Trail, and the Coastal Trail. Incorporated in the plan is the connection to all the state parks, parklands, and open-space beaches.

2) Council Member Termini asked to have the Women's Crisis Support phone number listed on the City scroll. Also he reminded the public that Sunday, October 30, 2011, is the Capitola Halloween Parade.

E. Committee Appointments - NoneF. Approval of Check Register Reports1) City: Approval of City Check Register Reports dated October, 7 and October 14, 2011. [300-10]

ACTION: Council Member Storey moved, seconded by Council Member Nicol, to approve the Check Register Reports dated October 7, and 14, 2011, including checks numbered 67735 through 67789 in the amount of \$93,203.07, and checks numbered 67790 through 67857 in the amount of \$86,057.41, respectively; and payroll disbursements for the October 7, 2011, payroll in the amount of \$184,816.30, for a Grand Total of \$364,076.78, 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: Approval of Redevelopment Agency Check Register Report dated October 7, 2011. [760-25]

ACTION: Director Harlan moved, seconded by Director Termini, to approve the Check Register Report dated October 7, 2011, including checks numbered 3000 through 3003 in the amount of \$60,020.75, as submitted. The motion carried on the following vote: AYES: Directors Harlan, Termini, Nicol, Storey and Chairperson Norton. NOES: None. ABSENT: None. ABSTAIN: 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. No items were pulled.

CONSENT CALENDAR ACTION: Council Member/Director Nicol moved, seconded by Council Member/Director Termini, 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.

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.

3. CONSENT CALENDAR (Continued)

- B. City/RDA: Approve Minutes of the Regular Joint Meeting of the City Council/Redevelopment Agency of September 22, 2011, and the Special Joint Study Session Meeting of the City Council, Redevelopment Agency, and the Finance Advisory Committee of October 12, 2011.**

ACTION: Council Member/Director Nicol moved, seconded by Council Member/Director Termini, to approve the Minutes of the Regular Joint Meeting of the City Council/Redevelopment Agency of September 22, 2011, and the Special Joint Study Session Meeting of the City Council, Redevelopment Agency and the Finance Advisory Committee of October 12, 2011, as submitted. 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. *[NOTE: Council Member/ Director Harlan abstained from voting on the Minutes of 9/22/11.]*

- C. Receive Planning Commission Action Minutes for the Regular Meeting of October 20, 2011. [740-50]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to receive the Planning Commission Action Minutes for the Regular Meeting of October 20, 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. Accept update report on the Rispin Property Hazard Abatement Project and, by 4/5 vote approval, make the determination that all hazards at the Rispin Property have not been eliminated and there is need to continue action. [275-60]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to accept the update report on the Rispin Property Hazard Abatement Project and made the determination that all hazards at the Rispin Property, as detailed in the March 1, 2011, Notice of Summary Abatement Order to Abate Dangerous Buildings and Grounds, have not been eliminated and there is a need to continue action. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None.

- E. Adopt Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.060 and 8.36.070 of the Capitola Municipal Code pertaining to the use of Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware [2nd Reading]. [930-30]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to adopt Ordinance No. 964, Ordinance Amending Sections 8.36.010, 8.36.020, 8.36.030, 8.36.040, 8.36.050, 8.36.60 and 8.36.070 of, and Adding Section 8.36.035 to, the Capitola Municipal Code Pertaining to Polystyrene Foam and Biodegradable and Compostable Disposable Food Service Ware, as submitted. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None.

- F. Receive the Quarterly Departmental Financial Report for First Quarter Ending September 30, 2011. [380-05]**

ACTION: Council Member Nicol moved, seconded by Council Member Termini, to receive the Quarterly Departmental Financial report for the First Quarter Ending September 30, 2011, 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.

- G. RDA: Receive RDA Quarterly Treasurer's Report for the Quarter Ended June 30, 2011. [760-25]**

ACTION: Director Nicol moved, seconded by Director Termini, to accept the RDA Treasurer's Report for the month ended June 30, 2011, 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.

4. PUBLIC HEARINGS

A. Public Hearing to consider Zoning Code Amendments to Title 17 of the Capitola Municipal Code called for in the City's Housing Element. Presentation: Community Development Department. [730-85/740-40]

Community Development Director Johnson summarized the written agenda report and responded to questions of council members.

Mayor Norton opened the public hearing at 8:50 p.m.

Bruce Arthur asked how the residents affected by these zoning changes were notified. He stated that he did not receive any notification that his zoning was going to be changed. Community Development Director Johnson explained the public notice process which was used.

Mayor Norton closed the public portion of the hearing at 9:00 p.m.

Community Development Director Johnson answered Council's questions and presented information on the proposed ordinance revisions. The ordinance changes included adding an ordinance for single room occupancy units, emergency shelters, transient and supportive housing and reasonable accommodation. After discussing each item there was agreement to move forward with the reasonable accommodation ordinance, but to delay the other three items.

ACTION: Council Member Termini moved, seconded by Council Member Nicol, to pass the proposed Ordinance Adding Chapter 17.70 providing a Procedure for Reasonable Accommodation in the City's Land Use and Zoning and Building Regulations to a second reading, with the provision the ordinance would be rewritten to make certain a request for reasonable accommodation would not exempt a project from any other discretionary approval requirements (including Conditional Use Permit, Design Review, General Plan Amendment, Zoning Change, etc.), and that the ordinance would be clear that any reasonable accommodation decision made by the Community Development Director or other review body would be appealable to the Planning Commission. The motion carried on the following vote: AYES: Council Members Harlan, Termini, Nicol, Storey, and Mayor Norton. NOES: None. ABSENT: None. ABSTAIN: None.

It was then unanimously decided to continue the following proposed ordinances related to housing actions called for in the City's 2007-2014 Housing Element to a future public hearing:

- 1) Ordinance Adding Chapter 17.100 and Section 17.03.572 regarding Single Room Occupancy Units, Adding Chapter 17.101 and Section 17.03.573 regarding Small Ownership Units, and Amending Sections 17.22.050, 17.24.060, and 17.27.060 to Allow Single Room Occupancy Units and Small Ownership Units in Commercial/Residential (CR), Neighborhood commercial (CN), and Community Commercial (CC) Zoning Districts;
- 2) Ordinance Amending Section 17.36.040 to Add Subsection H. pertaining to Emergency Shelters; and
- 3) Ordinance Amending Chapter 17.03 by Adding Sections 17.03.665 and 17.03.688 to define Supportive Housing and Transitional Housing to provide that those uses are and shall be subject only to those Restrictions on Residential Uses applicable to the type of Residential Structure Involved.

5. OTHER BUSINESS

- A. Consider recommendations pertaining to Community Development Director and Finance Director Vacancies. Staff recommendation: 1) authorize the City Manager to execute a Professional Services Agreement in an amount not to exceed \$70,000 with Susan Westman for Interim Community Development Director; 2) authorize the City Manager to proceed with recruitment for a full time Finance Director; and 3) adopt a resolution amending the FY2011-12 budget approving associated budget revisions. [330-10/650-05/500-10 A/C: Westman, Susan]

City Manager Goldstein summarized the written agenda report.

Susan Westman said she is pleased to be back, and she looks forward to the opportunity to work with everyone again.

Council Member Termini was very pleased to have Susan Westman working for the city again, and the other council members welcomed her aboard.

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

1. Authorized the City Manager to execute a Professional Services Agreement in an amount not to exceed \$70,000 with Susan Westman as Interim Community Development Director;
2. Authorized the City Manager to begin recruitment for a full-time Finance Director; and
3. Adopted **Resolution No. 3895, Resolution Amending the FY2011-12 Budget by Transferring \$70,000 from the Community Development Department Salary Account to the Community Development Department Contract Services Account to Fund the Interim Community Development Contract**, 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.

- B. **SB 375 Sustainable Community Strategy for Greenhouse Gas Emission Reduction. Staff recommendation: receive report. [430-05]**

Community Development Director Johnson summarized the written agenda report and responded to questions of council members.

ACTION: It was the consensus of the City Council to accept the SB 375 Sustainable Community Strategy and Greenhouse Gas Emissions Reduction Planning Report, as submitted.

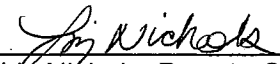
6. COUNCIL/RDA DIRECTORS/STAFF COMMUNICATIONS

Police Chief Card discussed the retail tobacco licensing fee. Mayor Norton asked if administration of the fee would cost more than the revenue.

7. ADJOURNMENT

The City Council/Redevelopment Agency Meeting was adjourned at 10:06 p.m. to its next Regular Joint Meeting to be held on Thursday, November 10, 2011, at 7:00 p.m. in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.


Dennis R. Norton, Mayor
Redevelopment Agency Chairperson

ATTEST: 
Liz Nichols, Deputy City Clerk
Deputy Redevelopment Agency Secretary