

June 2, 2011
 Capitola, California

CAPITOLA CITY COUNCIL

MINUTES OF SPECIAL JOINT BUDGET STUDY SESSION OF THE CITY COUNCIL/REDEVELOPMENT AGENCY

Mayor/Chairperson Norton called the Special Joint Budget Study Session of the Capitola City Council and the Redevelopment Agency of Thursday, June 2, 2011, to order at 6:12 p.m. in the Capitola City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

1. ROLL CALL AND PLEDGE OF ALLEGIANCE

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

ABSENT: None

STAFF: City Manager/Executive Director Jamie Goldstein, Community Development Director/ Deputy Executive Director Derek Johnson, Chief of Police Michael Card, Public Works Director Steve Jesberg, Assistant to the City Manager Lisa Murphy, and City Clerk/ Secretary Pamela Greeninger

OTHERS: City Treasurer Jacques Bertrand and Redevelopment Agency Treasurer Debbie Johnson

2. ORAL/COUNCIL COMMUNICATIONS

Council Member/Director Termini announced that this Sunday, June 5, is the first Art and Music at the Beach for the season. Due to the prediction of rain, artists may not set up as planned. He said the Johnny Fabulous Trio is scheduled to perform at the Bandstand beginning at 2 p.m.

3. BUSINESS

A. Presentation of the Proposed 2011/2012 Fiscal Year Budget for the City of Capitola General Fund, the Capitola Redevelopment Agency, and the Five-Year Capital Improvement Program [330-05 CITY/760-25 RDA/330-20 CIP]

City Manager/Executive Director Goldstein provided a recap of last week's budget study session and responded to questions of members.

1) Public Hearing to receive Community Grant Funding Requests. [330-30]

City Manager Goldstein provided a brief report on the Community Grant funding requests. He said the total grant request is for \$299,350 with three new groups requesting funding.

Council Member Storey confirmed to the council that as CEO of Community Bridges, which is one of the recipients of the Capitola community program grants, he is not able to participate in the deliberations; however, he is able to sit through the public hearing presentations and discussion regarding the Finance Advisory Committee recommendations and other budget deliberations. At such time as the Council deliberates on the community grant funding, he will recuse himself from participating.

Mayor Norton opened the hearing at 6:19 p.m.

3. A. 1) Community Grant Funding Requests (Continued)

Will O'Sullivan, representing the Human Care Alliance (HCA), thanked the Council for its support of community services. He provided information about the HCA, saying it is a 27-year-old organization formed by more than 60 nonprofit community service and human service care organizations. Of those 60 organizations, thirty-plus members are programs that the city funds. Mr. O'Sullivan shared a PowerPoint Presentation regarding the HCA nonprofit services.

Kathleen Johnson, Executive Director for Advocacy Inc., also addressed the council members regarding the HCA members. She emphasized the partnership the HCA has had with the city. She also said the groups are not asking for a COLA this year; however, the application process does allow for certain agencies to request additional funding. Ms. Johnson then called the names of each Human Care Alliance agency, and a representative from each stood:

Advocacy Inc., Big Brothers Big Sisters, Cabrillo Stroke Center, California Grey Bears, California Rural Legal Assistance, CASA, Central Coast Center for Independent Living, Community Action Board Shelter Project, Community Bridges Programs: Child Development, Lift Line, Live Oak Family Resource Center, and Meals on Wheels, Conflict Resolution Center, Dientes Community Dental Care, Families in Transition, Family Service Agency of the Central Coast, Homeless Community Resource Center, Hospice of Santa Cruz County, O'Neill Sea Odyssey, Parents Center, Santa Cruz Aids Project, Santa Cruz Community Counseling Center, Santa Cruz Toddler Care Center, Second Harvest Food Bank, Senior Citizens Legal Services, Senior Network Services, Seniors Council: Area Agency on Aging and Project Scout, Survivors Healing Center, Volunteer Center of Santa Cruz County, WomenCARE, and Women's Crisis Support – Defensa de Mujeres.

While all of the representatives were standing, Ms. Johnson pointed out that these organizations are the community's safety net of services provided to the residents of Capitola. On behalf of these agencies, she said they all appreciate the City for its support. She also commented on the need to know what each agency's funding will be for FY2011/12, as it is crucial in obtaining other funding with the state.

Ms. Johnson then discussed the additional \$400 in funding requested by her organization, Advocacy Inc., explaining the importance to train volunteers.

A representative from Senior Network Services responded to a question from Mayor Norton regarding their additional funding request.

Following the presentation by Human Care Alliance, Mayor Norton asked if any other groups wished to address the Council at this time.

Laura Kasa, Executive Director of Save our Shores, said their organization is new to requesting funding from Capitola. She discussed the services they provide to organize beach clean-ups throughout the year, and she responded to questions of council members. Public Works Director Jesberg informed the council that the City contracts with the Coastal Watershed Counsel to perform educational outreach and clean ups. He said the City could partner with Save Our Shores for beach clean-up.

3. A. 1) Community Grant Funding Requests (Continued)

Sally Green, Cultural Council of Santa Cruz County, thanked the City for three decades of support to the Cultural Council. She discussed the programs of the Cultural Council, commented on the Open Studios event, and responded to questions of council members.

Brook Johnson, Second Harvest Food Bank, thanked the City Council for its support for social services provided by their organization. She informed the Council that they service over 1,500 residents of Capitola by keeping children, seniors and others well fed.

Mayor Norton asked if there were a representative from the Walnut Avenue Women's Center and United Way in attendance to present their requests for new funding. He said that if a new group is interested in receiving funding, it would be important for them to be in attendance at this hearing.

Marie Cubillas, Executive Director of Big Brothers Big Sisters, said she is also on the board of the United Way, and she would be happy to respond to questions regarding the request for the 211 Program.

City Manager Goldstein informed the Council that the 211 Program was funded last year outside of the community grant process, with direction to staff to incorporate it into the regular community grant funding process.

City Manager Goldstein announced that the next budget study session will be held on Wednesday, June 15, 2011, at 6:00 p.m. At that meeting the City Council/Redevelopment Agency will provide final direction to staff on the budget, including Community Grant Funding.

2) Finance Advisory Committee Recommendations

City Treasurer Bertrand said Chair Bob Begun would make an interim budget report, as the Finance Advisory Committee will be meeting again on the June 14 to consider budget recommendations, and the committee will make its final report to the Council/Agency on June 15.

Finance Advisory Committee Chair Begun submitted "Recommendations by FAC to Capitola City Council" in writing and summarized those preliminary recommendations (copy on file). Following his presentation, there was discussion by the council members/agency directors.

3) City Council/RDA Director Deliberation and Direction

City Manager/Executive Director Goldstein asked if there were any specific items the council/agency would like staff to address for the next budget study session. He would be interested in having the council/agency identify which expenditures need to be deferred, should the disaster reimbursements not come to pass.

There was interest in a 6-month budget review, possible reinstatement of the Redevelopment Agency loan payment after staff investigation of the legalities, interest in staff reviewing direct costs for city staff time spent on Redevelopment Agency work, possible postponement of monies allocated in the budget for a future library, postponing equipment and vehicle replacement, review of contract services to see if anything could be postponed, and interest in postponing CIP projects, hiring a finance director, and payments to community groups for 6 months.

It was noted that the consensus of the Finance Advisory Committee was not to bring the contingency and emergency reserves up to policy requirements at this time.

Council Member/Director Harlan said the RDA owes the city \$1.2 Million, and perhaps the agency could repay the city. Council Member/Director Storey said the money could be used for the contingency and emergency reserves

Council Member/Director Storey said as information comes in regarding disaster and insurance claims, the council needs to respond and act on that information.

At 7:51 p.m. Mayor/Chairperson Norton asked if anyone from the public wished to address the council/agency on the proposed budget. No one came forward.

4. ADJOURNMENT

The Joint Budget Study Session was adjourned at 7:52 p.m. to the next Joint Regular Meeting of the Capitola City Council/Redevelopment Agency to be held on Thursday, June 9, 2011, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.



Dennis R. Norton, Mayor
Redevelopment Agency Chairperson

ATTEST  MMC
Pamela Greeninger, City Clerk
Redevelopment Agency Secretary

MINUTES WERE UNANIMOUSLY APPROVED ON 6/23/2011