

CITY OF SANTA CRUZ
809 Center Street
Santa Cruz, California 95060



JOINT CITY COUNCIL - REDEVELOPMENT AGENCY AGENDA

Regular Meeting

July 26, 2011

Action Agenda prepared July 27, 2011 with action taken in bold type.

- 1:30 P.M. CLOSED LITIGATION SESSION, COURTYARD CONFERENCE ROOM
- 3:00 P.M. CONSENT, GENERAL BUSINESS AND PUBLIC HEARINGS, COUNCIL CHAMBERS
- 5:00 P.M. ORAL COMMUNICATIONS, COUNCIL CHAMBERS
- 7:00 P.M. GENERAL BUSINESS, PUBLIC HEARINGS AND MATTERS OF PUBLIC INTEREST, COUNCIL CHAMBERS

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Time limits set by Council Policy are guidelines. Unless otherwise specified, procedures for all items, except those approved in one motion on the Consent Agenda, are:

- Oral staff report
- Public comment - 2 minutes each; maximum total time may be established by the Presiding Officer at the beginning of the item
- Council/Agency deliberation and action

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Closed Litigation Session

1:30 PM

The Presiding Officer opened the City Council and Redevelopment Agency Closed Litigation Session in a public meeting in the Courtyard Conference Room, for the purpose of announcing the agenda, considering Item 1, and receiving public testimony. Thereafter, the meeting was closed to the public.

Referral to Closed Session.

1. 1130 K-2 Pacific Avenue Kiosk Lease. (ED)

Motion carried to refer to closed session the 1130 K-2 Pacific Avenue kiosk for the purpose of instructing the negotiator regarding negotiations concerning price, terms, or both.

Closed Session

- A. Labor Negotiations (Government Code §54956.6)

Lisa Sullivan - Negotiator
Employee Organizations - All Bargaining Units

Council received status reports and instructed the negotiator.

- B. Conference With Legal Counsel - Existing Litigation (Government Code §54956.9)

City of Santa Cruz v. Patel, Santa Cruz Superior Court Case No. CV
161056

Council received a status report and instructed the City Attorney.

- C. Conference With Legal Counsel - Significant Exposure of City to Litigation (Government Code §54956.9(b))

California Native Plant Society v. California Coastal Commission, City of
Santa Cruz (Arana Gulch Master Plan).

Council received a status report and instructed the City Attorney.

Closed Session (continued)

- D. Conference with Real Property Negotiator - Real Property Negotiations (Government Code §54956.8)
1. 1130 K-2 Pacific Avenue Kiosk (City of Santa Cruz - Lessor)
City Negotiator - Bonnie Lipscomb
 2. Land Transfer Between State of California and City of Santa Cruz
(Assessor's Parcel Numbers: 009-461-02; 009-441-02; 009-441-01;
009-471-01)
City negotiator - Dannettee Shoemaker

Council received status reports and instructed the negotiators.

Joint City Council/Redevelopment Agency

3:00 PM

Call to Order - 3: 06 p.m.

Roll Call - Councilmembers/Members Robinson, Beiers, Madrigal, Terrazas, Bryant; Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty.

Pledge of Allegiance

Introduction of New Employees

Proclamation honoring Danny Barry's life of service as a Canine Police Officer and beloved family companion.

Presiding Officer's Announcements

Statements of Disqualification - None.

Additions and Deletions - None.

Consent Agenda

Items 10, 12, 15 and 16 were removed from the Consent Agenda.

2. Minutes of the July 12, 2011 Regular City Council Meeting. (CC)

Motion carried to approve as submitted.

3. Minutes of the July 12, 2011 Regular Redevelopment Agency Meeting. (CC)

Motion carried to approve as submitted.

Consent Agenda (continued)4. Criminal Justice Council. (CM)**Motion carried to:**

1. Authorize the City Manager to sign a Joint Exercise of Powers Agreement among the County of Santa Cruz and the Cities within the County of Santa Cruz, namely: Santa Cruz, Watsonville, Capitola and Scotts Valley for the purpose of re-establishing the Criminal Justice Council; and
2. Appoint Vice-Mayor Don Lane and the City Manager as the City's representatives on the Criminal Justice Council. The Police Chief is an automatic member of the CJC per the terms of the agreement.
3. Appoint Councilmember Tony Madrigal as Vice-Mayor Don Lane's alternate to the Criminal Justice Council.

5. Brownfields Revolving Loan Fund - Grant to City Parks and Recreation Department for Asbestos Remediation at Louden Nelson Center. (ED)

Redevelopment Agency motion carried authorizing the Executive Director to enter into a Grant Agreement with the City of Santa Cruz Parks and Recreation Department to provide a grant in an amount up to \$200,000 from the Agency's Brownfields Revolving Loan Fund (BRLF) for asbestos remediation at the Louden Nelson Center.

6. Tannery Arts Center - Digital Media Center @ the Tannery Building Rehabilitation - Notice of Completion. (ED)

Motion carried to approve the work completed by Douglas Ross Construction, Inc., and to authorize the filing of the Notice of Completion for the Digital Media Center @ the Tannery Building Rehabilitation.

7. Acceptance & Execution of Community Programs Contract Agreements for Expenditure of City Funds. (FN)

Motion carried to accept the Contract Agreement for Expenditure of City Funds for FY 2012 and FY 2013.

Resolution No. NS-28,393 was adopted authorizing and directing the City Manager to execute contract agreements for expenditure of Community Programs (CP) funds, including non-material contract amendments as determined by the City Attorney.

Consent Agenda (continued)

8. Santa Cruz County Conference and Visitors Council -- Annual Agreement. (FN)

Motion carried to authorize and direct the City Manager to execute an agreement with the Santa Cruz County Conference and Visitors Council for visitor and tourism promotion, and marketing services, based on the amount approved in the Fiscal Year (FY) 2012 Budget Adoption on July 12, 2011, Resolution No. NS-28,391.

9. Cultural Council of Santa Cruz County -- Annual Agreement. (FN)

Motion carried to authorize and direct the City Manager to execute an agreement with the Cultural Council of Santa Cruz County for cultural arts projects, based on the amount approved in the Fiscal Year (FY) 2012 Budget Adoption, Resolution No. NS-28,391.

10. Museum Collections Deaccession Policy. (PK)

Resolution No. NS-28,394 was adopted to adopt a Deaccession Policy for removal of certain objects from the Museum Collections at the Museum of Natural History.

11. Annual Safety Enhancement Zone Designation. (PD)

Resolution No. NS-28,395 was adopted designating the geographic boundary of an annual safety enhancement zone for Independence Day, Halloween and New Year's Eve, and increasing fines and penalties for certain Municipal Code violations in the zone and designating the Police Chief to establish zone hours of operation.

12. Beach Cleaning Tractor and Wharf Refuse and Recycling Receptacles - Budget Adjustment. (PW)

Resolution No. NS-28,396 was adopted amending the FY2012 budget and appropriating funds from the Clean River, Beaches and Ocean Fund in the amount of \$79,700 to purchase a tractor and attachments for beach cleaning and covered refuse and recycling receptacles for the Municipal Wharf.

Consent Agenda (continued)

13. San Lorenzo River Gravity Outlet Valve Maintenance Project (c400033) - Notice of Completion. (PW)

Motion carried to accept the work completed by Anderson Pacific Engineering Construction, Inc., Santa Clara, CA, and authorize the filing of the Notice of Completion for the San Lorenzo River Gravity Outlet Valve Maintenance Project. (c400033).

14. Water Street Storm Drain Emergency Relocation Project (m400028) - Authorization to Advertise, Easement Acquisition, and Budget Adjustment. (PW)

Motion carried to approve the plans and specifications for the Water Street Storm Drain Emergency Relocation Project (m400028) and authorize staff to advertise for bids. The City Manager is hereby authorized and directed to execute the agreement as authorized by Resolution No. NS-27,563.

Motion carried to authorize the City Manager to purchase and accept all easements in a form acceptable to the City Attorney for the installation of the storm drain.

Resolution No. NS-28,397 was adopted transferring funds and amending the 2012 FY Capital Improvement Fund 311 budget in the amount of \$160,000.

15. Water Supply Project - Entrainment Study and Impact Assessment - Contract Amendment No. 5. (WT)

Motion carried to authorize the City Manager to execute Contract Amendment No. 5 with Tenera Environmental (Lafayette, CA), in the amount of \$7,000 for additional work to calculate the area of production forgone and incorporate Technical Working Group comments.

Consent Agenda (continued)16. Water Supply Project-CEQA/NEPA Services-Contract Amendment No. 1. (WT)

Motion carried to authorize the City Manager to execute Contract Amendment No. 1 with URS Corporation Americas (San Jose, CA), in the amount of \$291,000 for additional work to provide support services for the CEQA/NEPA process.

17. Graham Hill Water Treatment Plant Electrical Improvements - Notice of Completion. (WT)

Motion carried to accept the work of Helix Electric, Inc. (San Diego, CA) as complete per the plans and specifications and authorize the filing of a Notice of Completion for the Graham Hill Water Treatment Plant Electrical Improvements.

End Consent Agenda**Public Hearings**18. Ordinance No. 2011-05 - CalPERS Contract Amendment (HR)

Ordinance No. 2011-05 was passed for final adoption.

19. Ordinance No. 2011-07 Approving Development Agreement for 1547-1549 Pacific Avenue/1110 Cedar Street, APNs 005-041-05, -10 & -15. (PL)

Ordinance No. 2011-07 was passed for final adoption.

20. Ordinance No. 2011-08 Pertaining to the Trial Suspension of the Prohibition on Dogs in Downtown Santa Cruz - Revisions to Santa Cruz Municipal Code Chapter 8 and Chapter 9 Providing Allowance for Dogs in the Downtown Neighborhood with Certain Regulations and Minor Animal Control Regulatory and Language Updates. (CN)

Ordinance 2011-08 was passed for final adoption, amending Sections 5.42.065, 5.43.025, 8.04.010, 8.12.105, 8.14.560, 8.16.020, 8.14.320, and 9.10.040, and adding Sections 8.04.020, 8.14.205, and 8.14.045 to the Santa Cruz Municipal Code pertaining to dogs in the Downtown Neighborhood and to regulation of animals in the City of Santa Cruz.

General Business**21. Conceptual Conjunctive Use and Water Transfer Project among North County Water Agencies. (WT)**

Motion carried to direct staff that the City Council sees the benefits and is interested in investigating a water transfer with neighboring water districts and direct them to proceed accordingly, and to carefully examine the matter of whether or not this project could negatively impact the City's water system by relinquishing any of the City's water rights, diminishing the system flexibility or complicating the City's pursuit of a Section 10, Incidental Take permit.

Note: At 5:00 p.m., the City Council and Redevelopment Agency recessed to hear Oral Communications, and then reconvened again at 5:34 p.m. to continue this item.

22. Economic Competitiveness: Parking Deficiency Fee Incentive. (CM)

Motion carried to direct staff to implement a Parking Deficiency Fee Reduction Strategy that: (1) collects 80 percent of the current Parking Deficiency Fee for a 12 month period, beginning in September 2011 and 90 percent of the current fee for the following 6 months from existing businesses that are current on Parking Deficiency Fee payments to the City; and (2) collects 0 percent of the current Parking Deficiency Fee for 12 months and 50 percent of the current fee for the following 6 months from businesses that sign a minimum 3-year lease for vacant commercial space between July 1, 2011 and June 30, 2012, and adding that if businesses are now delinquent in Parking Deficiency Fee payments, that they be sent a letter explaining the program and giving them until September 30, 2011 to become current in their fee payments so that they may also enjoy this benefit.

23. City Council Ad Hoc Budget Task Force. (CN)

Note: This item was moved to the 7:00 PM Session.

Motion carried to appoint a City Council Ad Hoc Budget Task Force comprised of the Mayor, Vice Mayor, and Councilmember Terrazas.

Supplemental General Business

24. Council Meeting Calendar. (CC)

The City Council **reviewed** the meeting calendar attached to the agenda and **revised** it as necessary.

25. Council Membership in City Groups and Outside Agencies. (CC)

The Presiding Officer **provided** councilmembers with the opportunity to update Council and the public regarding city groups and outside agencies.

26. City Attorney Report on Closed Session. (CC)

Recess: At 6:00 p.m., the City Council and Redevelopment Agency recessed to the 7:00 p.m. session.

Joint City Council/Redevelopment Agency

5:00 PM

Joint City Council/Redevelopment Agency Oral Communications - 30 Minutes

Recess - At 5:34 p.m. the City Council and Redevelopment Agency returned to the 3:00 p.m. session, Item 21, and then recessed to the 7:00 p.m. session.

7:00 PM

Call to Order - 7:06 p.m.

Roll Call - Councilmembers/Members Robinson, Beiers, Madrigal, Terrazas, Bryant; Vice Mayor/Vice Chair Lane; Mayor/Chair Coonerty.

Presentation - Honoring Adrian Lemke for his Heroic Efforts to Save the Life of a Surfer Who Nearly Drowned at Carmel Beach.

Presentation - CPVAW - Engaging the Bystander Spotlighted Program from 2010 Annual Report.

Public Hearings

27. Motel Improvement Pilot Program - Beach Area. (ED)

Redevelopment Agency Resolution No. 1550 was adopted approving the Guidelines and Procedures to implement the Motel Improvement Pilot Program in the Merged Project Area consistent with the Five-Year Implementation Plan and California Redevelopment Law and authorizing the Executive Director to enter into agreements with qualified individual property owners in the program-defined Beach Area within the Merged Project Area, and adding that a local hiring preference will be included in the application and in the guidelines.

28. Draft Ocean Street Area Plan. (PL)

Motion carried to include the Planning Commission and staff recommendations as changes to the Draft Ocean Street Area Plan and accept the plan for the purpose of Environmental Review, adding that staff consider not just zoning requirements but neighborhood concerns when developing zoning ordinances that will regulate those neighborhoods, and that staff consider further the language suggested for the current UCSC Inn site, including mention of a conference center at that site; and making certain that when developing zoning changes and regulations, that public hearings take place, and that staff return with budget projections about the cost of adding one more workshop for the public; and that the workshop have Spanish translation services, and that it be located in or near the Beach Flats area, if possible; that staff take into consideration neighborhood concerns about traffic and that language about Personal Rapid Transportation, and shade trees, and traffic corridors that get people all over town and not just to the beach, and wayfaring, and the River Street area as another component are all taken into consideration.

Adjournment - At 10:40 p.m. the Redevelopment Agency will adjourn to the next Regular Meeting of September 13, 2011 after the hour of 1:00 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in the Council Chambers.

Adjournment - At 10:40 p.m. the City Council will adjourn from the July 26, 2011 Regular Meeting to the next Special Closed Personnel Session on September 6, 2011 after the hour of 3:00 p.m. in the Courtyard Conference Room, and then to the next Regular Meeting of September 13, 2011 after the hour of 1:00 p.m. in the Courtyard Conference Room, followed by open sessions at the approximate hours of 3:00 p.m., 5:00 p.m. and 7:00 p.m. in the Council Chambers.