AGENDA

Meeting of the
Scotts Valley City Council
In-Person and Remote Access
Date: November 6, 2024
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference https://us02web.zoom.us/j/83295730901 Teleconference location: 78-6800 Alii Drive #5-202 Kailua Kona HI	Agenda posted on 11-1-2024 at City Hall, SV Senior Center, SV Public Works Building,78-6800 Alii Drive #5-202 Kailua Kona HI, and on the Internet at: www.scottsvalley.gov

ELECTED OFFICIALS	CITY STAFF MEMBERS
Randy Johnson, Mayor Derek Timm, Vice Mayor Jack Dilles, Council Member Donna Lind, Council Member Allan Timms, Council Member	Mali LaGoe, City Manager Kirsten Powell, City Attorney Stephanie Hill, Administrative Services Director Allison Pfefferkorn, Recreation Division Manager Cathie Simonovich, City Clerk

MEETING NOTICE AND AGENDA PACKET MATERIALS

Notice regarding City Council Meetings:
The City Council meets regularly on the 1st and 3rd Wednesday of each month at 6:00 PM in the City Hall Council Chambers located at 1 Civic Center Drive, Scotts Valley, CA 95066, and via Zoom Webinar remote access.

Agenda and Agenda Packet Materials:
The City Council agenda and the complete agenda packet are available for review by 5:00 PM the Friday before the Wednesday meeting on the Internet at the City's website: www.scottsvalley.gov and in the lobby of City Hall at 1 Civic Center Drive, Scotts Valley, CA. Pursuant to Government Code §54957.5, materials related to an agenda item, submitted after distribution of the agenda packet, are available for public inspection in the lobby of City Hall during normal business hours, Monday-Friday, 8am-12 pm and 1-5 pm. In accordance with AB 1344, such documents will be posted on the City's website at www.scottsvalley.gov.

Public Participation:
The meeting will be available on Zoom and livestreamed to the City of Scotts Valley's

YouTube channel: https://www.youtube.com/@cityofscottsvalley
For those wishing to participate via Zoom you can join the following ways:
Zoom Webinar meeting link: https://us02web.zoom.us/j/83295730901
Or dial one of these numbers: (669) 900-9128 or (669) 444-9171
Webinar ID: 832 9573 0901

Whether attendance is in-person or remote, you will be given opportunities to provide public comment at the appropriate times throughout the meeting. The time limit is up to 3 minutes for an individual, or 5 minutes for someone who is representing a group of three or more, at the discretion of the Mayor. Please note that this is not a question-and-answer time, but simply a time to provide comments to the Council. At the appropriate times during the meeting for public comment, on items not on the agenda, and on specific agenda items, the Mayor will announce that public comment will be accepted.

How to comment via in-person attendance:
Please proceed to the public comment podium when the Mayor opens the item for public comment.

How to comment via Zoom Webinar:
Use the webinar attendee option to “raise hand” when the Mayor opens the item for public comment. The Clerk will unmute you when it is your turn. If you have joined via Zoom phone call, dial *9 or your phone to “raise your hand”, and the Clerk will unmute you when it is your turn.

CALL TO ORDER 6:00 PM

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

SPECIAL SET MATTER

1. Mayor's Proclamation recognizing November 2024 as Family Court Awareness Month

COMMITTEE REPORTS

Council members are appointed to committees which are either City committees or committees dealing with other jurisdictions. This portion of the agenda allows the committee member to present oral or written reports to the Council regarding their committee assignments. It also allows the Council to make comments and give the committee member direction, as required.

CITY MANAGER REPORT

PUBLIC COMMENT TIME

This is the opportunity for individuals attending in person to make oral comments to the Council on any items within the purview of the Council, which are NOT part of the Agenda. No action on the item may be taken, but the Council may request the matter be placed on a future agenda. Written public comment may be emailed to the City Clerk by 5:00 PM on the day of the meeting at csimonovich@scottsvalley.gov.

ALTERATIONS TO CONSENT AGENDA

Council can remove or add items to the Consent Agenda.

CONSENT AGENDA

The Consent Agenda is comprised of items which are intended to be non-controversial and are approved without discussion. Persons wishing to speak on any item may request the item be moved to the Regular Agenda by raising their hand to be recognized by the Mayor. An item will only be moved from the Consent Agenda to the Regular Agenda if a City Council Member requests it to be moved and a majority of the Council agrees.

1. Approve City Council Special Meeting minutes and City Council Regular Meeting minutes of 10-07-2024
2. Approve check register dated 09-28-2024 through 11-01-2024
3. Appointment to the Santa Cruz County Library Financing Authority
4. Appointment to the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board
5. Approve a resolution to give authority to add one Emergency Dispatch Clerk
6. Approve First Amendment to the Siltanen Family Swim Center Lease

ALTERATIONS TO REGULAR AGENDA

Council can remove or add items to the Regular Agenda.

REGULAR AGENDA

Persons wishing to speak on any item may do so by raising their hand to be recognized by the Mayor.

1. Consider approval of proposed Recreation Fees and Charges
2. Future Council Agenda Items

ADJOURNMENT

ADA NOTICE

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the City Clerk's office at (831) 440-5600 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk's Office. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; or, Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

PROCEDURAL INFORMATION FOR THE PUBLIC

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN APPROVAL OF A RESOLUTION:

1. Move the Resolution number for approval.
2. Second the motion.
3. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN INTRODUCTION/ADOPTION OF AN ORDINANCE:

1. Move the Ordinance number for introduction (or adoption).
2. Move the Ordinance be introduced by title only and waive the reading of the text.
3. Read the Ordinance title.
4. Second the motion.
5. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN PUBLIC COMMENT/PUBLIC HEARINGS:

Unless otherwise determined by the presiding officer of the meeting:

1. Three minutes allowed per individual to speak.
2. Five minutes allowed per individual representing a group of three or more.

❖ ❖ ❖ ❖ ❖ ❖ ❖ ❖

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the City Clerk's office at (831) 440-5602 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk's Office. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000; or, from or to Speech-to-Speech, English & Spanish 1-800-854-7787), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

City of Scotts Valley

Mayor's Proclamation

Recognizing November 2024 as Family Court Awareness Month

WHEREAS, in 2020, during the inaugural Family Court Awareness Month, the top advocates in the family court system joined forces in a united effort to shine a spotlight on one of the most important branches of our judicial system. This collaboration was organized by Tina Swithin of One Mom's Battle and Sandra Ross of California Protective Parents Association; and

WHEREAS, the mission at One Mom's Battle (OMB) and the Family Court Awareness Month Committee (FCAMC) is to increase awareness on the importance of a family court system that prioritizes child safety and acts in the best interest of children; and

WHEREAS, the mission at the FCAMC is to increase awareness on the importance of education and training on domestic violence, childhood trauma and post separation abuse for all professionals working within the family court system; and

WHEREAS, the mission at the FCAMC is to educate judges and other family court professionals on the empirical data and research that is currently available. Such research is a critical component to making decisions that are truly in the best interest of children. This research includes The Adverse Childhood Experiences (ACE) Study (CDC-Kaiser Permanente), Saunder's Study (United States Department of Justice), The Meier Study: Child Custody Outcomes in Cases Involving Abuse Allegations, and the Santa Clara Law Study (Confronting the Challenge of High-Conflict Personality in Family Court); and

WHEREAS, the mission at the FCAMC is fueled by the desire for awareness and change in the family court system while honoring the 100(+) children in the United States who have been murdered by a parent after a custody court rejected the other parent's plea for protection (Source: Center for Judicial Excellence).

NOW, THEREFORE, I, Randy Johnson, as Mayor of the City of Scotts Valley, on behalf of the entire City Council, do hereby recognize November 2024 as Family court Awareness Month.

CITY OF SCOTTS VALLEY CALIFORNIA 1966

Randy Johnson, Mayor

Signed and sealed this 6th day of November 2024

MINUTES

Special Meeting of the
Scotts Valley City Council
Date: October 2, 2024
Time: 7:30 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066	The agenda was posted on 10-01-2024 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvalley.gov.

CALL TO ORDER 7:30 PM

The City Council meeting was called to order at 9:17 PM.

ROLL CALL

ELECTED OFFICIALS PRESENT: Randy Johnson, Mayor Derek Timm, Vice Mayor Jack Dilles, Council Member Allan Timms, Council Member **ELECTED OFFICIALS RECUSED:** Donna Lind, Council Member	**CITY STAFF MEMBERS PRESENT**: Mali LaGoe, City Manager Kirsten Powell, City Attorney Stephanie Hill, Administrative Services Director Cathie Simonovich, City Clerk

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:18 PM to discuss the following item:

CLOSED SESSION SUBJECT

1. Conference with Legal Counsel - Existing Litigation
   Legal Authority: Government Code Section 54956.9
   Number of Cases: 1 Case
   Name of Case: Service Employees International Union Local 521 v. City of Scotts Valley, Public Employee Relations Board Case No. SF-CE-2172-M
   Staff Present: City Manager, City Attorney, Administrative Services Director, Labor Counsel

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 9:48 PM.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

City Attorney Powell announced that there was nothing to report from the Closed Session meeting.

ADJOURNMENT

The meeting adjourned at 9:48.

Approved: _____
Randy Johnson, Mayor

Attest: _____
Cathie Simonovich, City Clerk

MINUTES

Meeting of the
Scotts Valley City Council
Date: October 2, 2024
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference https://us02web.zoom.us/j/83295730901	The agenda was posted on 9-27-2024 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvalley.gov.

CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 6:02 PM.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:	CITY STAFF MEMBERS PRESENT:
Randy Johnson, Mayor Derek Timm, Vice Mayor Jack Dilles, Council Member Donna Lind, Council Member Allan Timms, Council Member	Mali LaGoe, City Manager Kirsten Powell, City Attorney Steve Walpole, Police Chief Stephanie Hill, Administrative Services Director Taylor Bateman, Community Development Director Rodolfo Onchi, Public Works Director Cathie Simonovich, City Clerk

COMMITTEE REPORTS

CM Lind represented the City at the *Walk out of the Darkness* event, which raises awareness of suicide and suicide prevention. This was a powerful and moving event, and she thanked the Scotts Valley Police Officers who helped with it.

CM Lind attended a Santa Cruz Metropolitan Transit District (METRO) Board of Directors meeting where they discussed the classification and compensation study for the management group, which had not been done in many years. As a result, they approved salary adjustments, and then reviewed the updated budget.

CM Lind attended a meeting of the Scotts Valley Chamber of Commerce Ambassadors, and they agreed to bring back the Chamber Business Walk. She also reported that there was a ribbon cutting ceremony recently for Within Your Reach Physical Therapy and Fitness on Scotts Valley Drive.

CM Timms attended a meeting of the Local Area Formation Commission (LAFCO) where they received a report on the success of the Opal Cliffs Recreation District dissolution and the conversion to a County park. The CSA 48 study continues, and a transition plan will be adopted in April 2025.

VM Timm, along with CM Dilles, completed the 200-mile Sunrise Rotary Ride. The funds raised ($150K) will go towards the Jade Street All-Inclusive Park in Capitola.

VM Timm is looking forward to the Town Center Subcommittee debrief that is scheduled for Thursday, 10/3. He will be reporting on this at the next City Council Meeting.

VM Dilles noted that he thoroughly enjoyed the Sunrise Rotary Ride.

Mayor Johnson is pleased with the results of the community outreach for the Town Center project, and he is optimistic about how the project is progressing.

CITY MANAGER REPORT

ICMA Conference: City Manager LaGoe attended the International City/County Management Association Conference, which was a great opportunity to network with City and County Managers from across the United States and from all over the world. She attended sessions on economic development, town center development, recreation facilities and funding, finance, and many more topics.

SV/SLV Soccer Club: City Manager LaGoe, along with Recreation Division Manager Pfefferkorn, met with representatives from the SV/SLV Soccer Club and discussed short term and long term solutions for the field conditions at Skypark and Siltanen Park, which they rely on for the 1,700 kids who play soccer as part of this club.

Town Center Project: The consultants have been compiling the feedback from 400 survey responses and hundreds of comments they received at the various community events. She thanked the Council Members for the time that they spent talking to people at these events. The feedback will be compiled into a preferred design option which will be presented to City Council for input and approval in the coming months.

NEPA for Town Center Parcels Purchase: The NEPA (National Environmental Policy Act) process for the purchase of the Town Center parcels could get expedited. The City is working with the Department of Housing and Urban Development (HUD) and hopefully the NEPA will be expedited by about 30 days, as compared to the initial timeline.

David Lyng Real Estate Office Staff Meeting: City Manager LaGoe attended this meeting and gave an update on current projects in Scotts Valley.

State of the City Address: If you were unable to attend the State of the City Address in September, it is recorded and posted on the City's YouTube channel.

Potable Water at Skypark: There were several events over the weekend (Food Trucks, Suicide Prevention Walk, and Music at Skypark) and during one of the events the main line for the potable water was damaged, likely from a vehicle. City staff spent Monday and Tuesday trying to make repairs and then found damage in another location. The potable water at Skypark has been turned off, which affects the drinking fountains, restrooms, and the recreation building. The repairs should be completed by Friday and, in the meantime, portable restrooms have been brought in. The organizers of the various leagues and events have been kept in the loop.

PG&E Planned Maintenance: PG&E has several planned maintenance projects coming up around the City. They are replacing poles on several streets which will cause short power outages starting 10/11. Residents in these areas have been notified. PG&E also has plans to do extensive tree trimming around the City and we are waiting to find out the exact locations so that we can coordinate public outreach and notification.

Bean Creek Road Permanent Repairs: The permanent repairs will begin next week which will create a hard closure for the next few months, and PG&E will also need to cut power in that area for periods of time. The City has been in contact with the neighbors.

Political Signs: There are a lot of political signs posted in the City right now. If you have a concern about a sign, please email cityhall@scottsvalley.gov with this information.

Next City Council Meeting: There will not be a City Council meeting on October 16th due to the CalCities annual conference. The next regular City Council meeting will be on November 6th.

Reminder: Follow the City on Social Media!

PUBLIC COMMENT TIME

None.

ALTERATIONS TO CONSENT AGENDA

M/S: Lind/Dilles
To approve the Consent Agenda with no alterations.
Carried 5/0 (AYES: Johnson, Timm, Dilles, Lind, Timms)

CONSENT AGENDA

1. Approve City Council minutes of 09-18-2024
2. Approve check register dated 09-14-2024 through 09-27-2024
3. Beverage Container Recycling Grant Program Application Resolution

PUBLIC HEARINGS

The Public Hearing was held after the Regular Agenda and after a brief recess (as noted below).

Mayor Johnson adjourned the meeting at 6:26 PM for a short break due to the timing of the public hearing.

Mayor Johnson called the meeting back to order at 6:32 PM.

1. Public Hearing to consider a Negative Declaration, General Plan Amendment, Zone Change, Planned Development Zoning Application, Design Review Application, Use Permit Application and Cultural Resources Alteration Application to allow for the construction of a 52,250 Sf three story development on a 1.35-Acre site located at 125 Bethany Drive, on the North side of Scotts Valley Drive between Tabor Drive and Bethany Drive. Proposed land uses would include 10,000 sf of professional and administrative office space, and 42,250 sf of storage/ministorage for up to 227 users after a split decision from the Planning Commission resulting in no recommendation.

Community Development Director Bateman introduced this item and gave clarification on the staff recommendation.

Susie Pineda, Consultant Planner, presented this item and, along with Director Bateman and City Attorney Powell, responded to questions and comments from the Council Members.

Mayor Johnson opened the public hearing at 6:55 PM.

The applicant, Eli May, gave a brief PowerPoint presentation describing the project. Todd Creamer, the Project Engineer from C2G/Civil Consultants Group, spoke about the trash enclosure location and indicated that it could be moved. He also addressed the parking issue and noted that they can adjust the size of the parking spaces so that they meet the City's requirements. Finally, he discussed the landscaping and indicated that they are willing to add more trees.

Public comment:

1. Todd Creamer, a resident and business owner in Scotts Valley, spoke in favor of the project due to the need for office space.
2. Allison Kelly, a neighbor, spoke on behalf of herself and the following people: Travis and Sara Miller, Bree and Jason Meulman, Vine Hill parents Eric and Ericka Turzak, and Vine Hill Teaching Assistant Jamie Karam (neighbors who could not attend the meeting). They oppose the project due to lack of outreach to the neighbors, the many exceptions, the proximity to the riparian area, displacement of the current tenants; and in their opinion, this is an illegal project.
3. Bryleigh's Mom, a neighbor, voiced opposition to the project because she feels the zoning changes and the general plan changes are incompatible with the neighborhood and will have a negative impact due to the proximity to the elementary school and the fact that there are no pedestrian safety measures.
4. Bryleigh, a neighbor and 3rd grade student at Vine Hill Elementary School, wants to be able to walk to school safely by herself. She feels that this project is wrong and would like to see a house or something else in that location.
5. Michael Shulman, spoke on behalf of Scotts Valley Unified School District (SVUSD). During the negative declaration comment period, SVUSD sent a letter expressing their concerns surrounding noise, pedestrian safety and dust. He clarified that they requested Saturday to be the alternative day for construction, not Sunday. He feels that all the District's concerns can be worked out with communication, collaboration and cooperation. The District would also want the dust and noise to be contained on the site, so it does not float over to the elementary school. The District would like to see their requests incorporated into the formal conditions.
6. Marina Hoey read a letter written by Matt Hoey who represents the Bethany Drive Neighborhood Residents group. Mr. Hoey's letter expressed opposition to the project due to the land use change to light industrial.
7. Adrian Calvan, a current tenant, spoke in favor of the project due to the availability of much-needed storage for the tenants.
8. Raffi Nalvarian, a current tenant and business partner to Adrian Calvan, spoke in favor of the project due to the storage, the innovation, and the fact that it is aesthetically pleasing.
9. Matt Taylor, a neighbor, spoke in favor of the project due to the storage and the improvement it will offer visually.

10. A resident of Tabor Drive, spoke in opposition to the project. She feels that, while there is a need to renovate the property, the current design does not comply with the City's General Plan; and more communication, outreach and collaboration is needed with the residents.
11. Steve McGuirk, a retired landscape architect, spoke at the request of the applicant who asked for a 3rd party review of the landscape plan as proposed. Mr. McGuirk noted that the majority of trees that will be removed are high water-usage trees. The majority of the other plants in the proposed plan are low-water-usage plants. After reviewing the plan, he finds that the landscaping is appropriate.
12. Cory Arrison, a tenant who runs a local ecommerce business, spoke in favor of the project due to the storage.
13. Mercedes Molloy, a resident of Bethany Drive and business owner, spoke in opposition to the project due to the lack of communication and outreach to the residents and because it is a health and safety concern to the children in the area.
14. Matt Hoey, resident of Tabor Drive, spoke in opposition to the project due to the land use change to light industrial. He is concerned that this will set a precedent for future projects.
15. Melinda Molloy, a resident of Bethany Drive, spoke about the lack of watering and the droppings from the trees, as well as the cars parked at the office complex.
16. David Alreck, a resident, used four words to describe the project: *creative, audacious, incompatible, inappropriate.*
17. Mercedes Molloy spoke on behalf of Mark Molloy. Mr. Molloy is worried about the transparency surrounding the hours of operation.
18. Matt, a resident, spoke in favor of the project because it offers an improvement to the current businesses, and they are not adding more offices; additionally, the building will look great.

Written comments, received after publication and prior to the City Council meeting, were received from Allison Kelly (x2), Cory Arrison, David Alreck, Matt Hoey (on behalf of the BDNR group), Marcus Poteete, Ty McConnell, and Eli May (applicant). See attached.

Eli May, the applicant, addressed the land use change, the communication outreach to neighbors, SVUSD's requests, the walkability (addition of a sidewalk on Tabor Drive), and the current landscape management plan. Mr. May’s presentation indicated that 75% of the storage units could be restricted to the business tenants. The Council requested that 100% of the storage units be rented to the business tenants and Mr. May agreed to this (see Item 3 below).

Mayor Johnson closed the public hearing at 8:17 PM.

The City Council Members reached consensus that they are generally supportive of the project and the change to light industrial use, but there are many issues which must be addressed prior to placing the project on a future agenda for potential approval. The Council gave direction to staff to work with the applicant on the following items.

1. There must be significant collaborative outreach to the neighbors, including face-to-face opportunities to discuss the project with the neighbors and address their concerns.
2. A deed restriction will be necessary to restrict the use of the light industrial designation to only the mini-storage units. The purpose of the deed restriction is to bind current and future owners to maintaining only office units and mini-storage, with no other light industrial use allowed in perpetuity.
3. All the storage units (100%) will be rented to the tenants of the offices, with no outside individuals or businesses allowed to rent solely the mini-storage units.
4. Parking and allowances for large delivery trucks will be researched to ensure that the project complies so that no variances or exceptions will be needed.
5. The trash enclosure will be moved to a safe and accessible location, away from the nearby residences, so it does not impede the flow of vehicles in and out of the parking spaces.
6. Lighting concerns will be resolved.
7. The proposed gate and queuing of traffic to access the "drive lane" will be studied to ensure safety and a smooth flow of traffic on Tabor Drive, with an emphasis on pedestrian and cycling safety.
8. The Scotts Valley Unified School District's issues will be addressed, including all items in the District's letter as well as containing the dust and noise during demolition and construction so that they do not impact the students and staff at Vine Hill Elementary School.
9. There will be an agreement for neighbors to utilize the parking in the evenings and on weekends.

The applicant, Eli May, requested that the project be tentatively approved this evening and the final approval documents be presented to the Council in one month. Mayor Johnson respectfully denied this request.

ALTERATIONS TO REGULAR AGENDA

City Manager LaGoe announced that the Closed Session item published on this agenda is cancelled.

M/S: Timm/Lind
To approve the Regular Agenda with the alteration to the cancellation of the closed session item.
Carried 5/0 (AYES: Johnson, Timm, Dilles, Lind, Timms)

REGULAR AGENDA

1. Future Council Agenda Items

None.

CONVENE TO CLOSED SESSION

Closed session cancelled.

CLOSED SESSION SUBJECT(S)

1. Conference with legal counsel regarding potential litigation
   Legal Authority: Government Code Section 54956.9
   Number of Cases: 1 case
   Staff Present: City Manager, City Attorney, Administrative Services Director, Labor Counsel

RECONVENE TO OPEN SESSION

Closed session cancelled.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Closed session cancelled.

ADJOURNMENT

The meeting adjourned at 9:11 PM.

Approved: _____
Randy Johnson, Mayor

Attest: _____
Cathie Simonovich, City Clerk

Outlook

125 Bethany Drive APN: 023-102-15

From Alison Norton <[redacted]>
Date Mon 9/30/2024 5:03 PM
To City Council <citycouncil@scottsvalley.gov>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

September 30, 2024

In reference to:
125 Bethany Drive
APN: 023-102-15
Environmental Assessment EA 20-001
General Plan Amendment GPA20-001
Zone Change ZC20-001
Planned Development PD23-001
Use Permit U20-002
Design Review DR20-05
Cultural Resource Alteration Application CRA23-001

Hearing Scheduled: October 2, 2024

Dear Council Members -

I am writing as a resident on Bethany Drive to oppose the proposed three story development at the primary intersection of the Bethany/Tabor neighborhood.

Having worked in this area of environmental law, and advocating for public entities to obtain EIR's on big impact projects, it has been exasperating to see government entities, like you, continuously ignoring the very community you are supposed to be representing and

catering to development.

You have heard all of the very good arguments to, ***at minimum***, get an EIR - traffic, noise, etc. A zone change and general plan amendment without an EIR is irresponsible. You know this. This development will permanently impact this neighborhood. You, council members, know this.

By approving this development you are:

- Approving a ***General Plan Amendment***
- Approving a ***Zone Change***
- Approving a ***Cultural Resource Alteration***

Zoning has a purpose, and your decision to make a zone change to bow to development is counter to that purpose and counter to your job as a city council member to care for the citizens of Scotts Valley. You know this.

You are permanently altering our neighborhood in violation of existing laws. You are blatantly breaking the laws meant to protect this neighborhood. You know this.

Have you, council members, thought about how the owners of the proposed development will vet their storage unit users - as this is near a school? Will they be required to run a registered sex offender check to ensure those storage unit renters are not violating any laws regarding being near schools? Will the developer be liable if something happens to a child?

Have you, council members, actually thought about the fact that approving this development makes us, as residents of Scotts Valley, feel uneasy to know that the council will change the zoning laws to bow to development and to the detriment of our community?

This development is so out of step with the neighborhood. The existing zoning laws already tell you this. Not a three story building in sight and you want to put one in a neighborhood? You know this project should not be approved <u>at all.</u>

So, with what ***I know you know***, I ask you to do what is right. Comply with existing laws that already tell you this is not legal development. Oppose this development outright.

And if you decide to approve a three story development requiring legal zoning changes, general plan amendments and other modifications to make it "work" for the developer, then know that this neighborhood is worse off because of your choices. If you approve this development, shame on you.

Cordially,

Alison Kelly
Bethany Drive Resident

Outlook

Bethany Drive development

From Alison Norton <[redacted]>
Date Wed 10/2/2024 8:02 AM
To City Council <citycouncil@scottsvalley.gov>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Before you approve this, please go to that corner today. Sit and watch for a while. Look around at the surroundings. Think of the impact this 3 story will have on the surroundings -

- shadowing a riparian area by the stream
- overshadowing the school
- so much more

Please observe the neighborhood - busy enough with 1441, school and neighborhood traffic.

Development is inevitable, but this is not the spot for such an extraordinary nonconforming use.

Please vote against this project. The laws on the books already tell you this is a bad idea.

Cordially,

Alison Kelly

Outlook

125 Bethany project

From cory arrison <[redacted]>
Date Wed 10/2/2024 5:28 PM
To Scotts Valley Planning Department <planningdepartment@scottsvalley.gov>; City Council <citycouncil@scottsvalley.gov>; elinathanielmay@gmail.com <elinathanielmay@gmail.com>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Dear City Council Members,

For years, my business has operated out of separate locations for storage and office work, which has been both inefficient and costly. The 125 Bethany Drive redevelopment solves this problem by combining storage and office spaces into one integrated location. This will streamline our operations, save us time, and ultimately allow us to provide better service to our customers. I strongly believe this project is necessary for businesses like mine to thrive in Scotts Valley.

Please vote to approve this project.

Sincerely,
Cory arrison

Retro attack vintage and resell

4121 Scott's valley Dr

Scotts valley , ca 950666

From: David Alreck <[redacted]>
Subject: 125 bethany public hearing
Date: September 28, 2024 at 11:32:15 PM PDT
To: Mali LaGoe <mlagoe@scottsvalley.gov>, Donna Lind <dlind@scottsvalley.gov>, jdilles@scottsvalley.org, David Alreck <[redacted]>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

I unfortunately am not able to attend the next council meeting to further express my thoughts on the ill-conceived 125 Bethany project. I sure you are sorely disappointed but I do ask you to patiently take the time to read some thoughts.

I'm sure you will see a rerun of the well-rehearsed and orchestrated slick presentation by the owner/developer with everything but flags and apple pie which dismayed us at the planning commission meeting.

A creative project that they believe everyone up to the president thinks is a godsend to the Scotts Valley community. A project overwhelming supported and apparently encouraged by our planning department. I have to question why the complete support by planning department, understandingly they have had involvement, invested hard work and are excited for their efforts in the project to come to fruition but there is a line of nonpartisan ethics and bias that is very evident in there staff report and the type of supportive questioning we witnessed at the planning commission meeting.

The owner /developer has an innovative approach of shared business suites with supportive storage facilities that allows business to have consistently constant flow of in & out of materials and goods. They invested a lot of effort which I hope we did not lead them onto thinking this is acceptable to the community. They have a model that could be very successful and could be built anywhere in an appropriate area. A creative and novel approach this is not a regular storage facility as the supporters and stated new tenants of the project testified they will be able to run their business very efficiently because they have the storage area to use for quote" constant restocking of supply's" which they don't have the ability in their current location. What that means is traffic studies are completely flawed based on normal storage facilities and there will be exponentially more traffic. Great idea for a project just in the wrong place

The proposed project traffic Impacts not only adjacent neighborhoods but to all parents and students attending adjacent Vine hill who are already discouraged in having children walk or bike to school or Siltanen Park.

They have changed the look and features from 1st submittal to the planning commission. Why? Because they are reacting to concerns, I question that. Don't be awed or misled by arch renderings of the scale of the project, this is a huge, looming monstrosity over a corner location, what could be more obtrusive. A massive 3 story 53.000 facility that will be 45 feet taller than the corner intersection. Oh yes and all major trees removed but don't worry they will be replaced with drought resistant varieties. A project scale totally out of context with the surrounding area. A project that emphasizes the unmanaged sprawl to all both in the area and anyone traveling on through on Hwy 17

I am very concerned about the lack of reach out and transparency to surrounding neighborhoods and the community as a whole. On a bike ride through neighborhood with at least 10 being surveyed, I only asked if they were aware, I did not lobby or express my personal thoughts ,none have even heard of project and every response was along the line of "you're kidding me" "why would we do that " "that's crazy" "don't we have enough storage facilities " " not next to the school "In the cul-de-sacs in the Vineyards who I thought were in the radius of required notification zone, the 3 I asked, had been received nothing for either hearing. Nothing in the paper, nothing in the community newsletter and I guarantee you that no one who voiced prior opposition have been informed, only planning and the developers are aware of the hearing. I had asked to be notified and I appreciate the consideration in the notification but I received at 4:58 Friday before the hearing.

We should sincerely applaud developer on their imaginative approach but forthrightly let them know it doesn't work in that location. A wonderfully creative idea just in the most inappropriate place possible

Rezoning to form an industrial zoning island surrounded by residential school and parks just doesn't make sense,

What benefit to the community in that location is there and what would this project do for our identity.

I hope common sense and sensibility to the community will prevail and we do not feel obligated to a developer who has overstretched his ambition without regard to civic responsibility.

Thanks for your time. David Alreck[redacted]

October 2, 2024

City of Scotts Valley – City Council Meeting
Public Comment Re: 125 Bethany Drive

Dear City Council Members,

My name is Matt Hoey, a long-time resident on Tabor Drive, a licensed architect in the state of California, lead representative of the Bethany Drive Neighborhood Residents group, and although I am unable to attend in person or virtually due to travel, I have requested my statement be read in my absence.

On August 23, 2023, a letter was composed by the Bethany Drive Neighborhood Residents group (BDNR), which is comprised of 25 residents that all live in the immediate vicinity of the proposed redevelopment location. This letter was submitted to the Planning Department as part of the public comment period in opposition to the negative declaration determination outlined in the Lead Agency's draft report. I have included that letter in this submission and request it be accepted into the record as part of this statement.

To our knowledge, the results of the Planning Commission's public meetings on this matter have not resulted in the developer redesigning the proposed project to meet the existing land use requirements previously adopted by the City. It is our group's position that industrial uses and activities are inappropriate for the surrounding neighborhood and in direct conflict with the spirit of the City's adopted code.

To be clear, this is a single-family residential neighborhood with a small elementary school adjacent to the site. There are no 3-story commercial-type buildings anywhere nearby except those for educational purposes at the 1440 Multiversity campus, and zero industrial-zoned parcels or buildings.

When you look at all Light Industrial-zoned parcels in the City of Scotts Valley, you will see two themes that are indisputable:

1. Nearly all light industrial zoned parcels are not permitted adjacent to residential neighborhoods.
2. There are a total of four locations within the city that have light industrial-zoned parcels adjacent to residential neighborhoods, however; from our direct observation, none of these sites require the surrounding residents to walk, drive, or even visually comingle with those sites.

One might ask, why does the City appear to intentionally ensure industrial-zoned parcels do not exist next to more sensitive zoning types, like residential?

To answer this, we can look at Chapter 17.26 of the City's current adopted code, where the City defines the purpose of light industrial-zoned parcels. It reads, "*[Light Industrial] land use classification is designed to accommodate industrial and industrially related land uses and* ***provide a location for businesses that are inappropriate in*** *commercial or* ***residential zones because of their operations or sizes and because they may create noise,*** *odor, dust or glare* ***and create impacts to traffic,*** *the aquifer or air quality.* ***Uses in this classification shall not encroach upon the character of adjoining land uses*** *and will not expose adjoining uses to hazardous conditions."*

We interpret the City's adopted Code and current placement of light industrial-zoned parcels as support for maintaining appropriate buffer zones between otherwise incompatible Industrial and Residential areas, and so not to cause harm from one land use activity to another.

As such, we respectfully request that this Council deny the land use change for our neighborhood's benefit, but also to avoid an unintended consequence of a possible precedent being set, which may make future City Council decisions more challenging when development proposals bring similar extreme land use change requests.

Thank you,

Matt Hoey (on behalf of the BDNR group)

August 23, 2023

City of Scotts Valley
c/o Susie Pineda
Contract Planner
spineda@m-group.us

RE: 125 BETHANY DRIVE

Dear Ms. Pineda and City Council Members,

Pursuant to the Public Review and Comment Period for the above-mentioned proposed project, the concerned group of Bethany Drive Neighborhood Residents (referred to as BDNR for the remainder of this document) hereby submits to the City of Scotts Valley (the City) and the development group, Heritage Real Estate Ventures, LLC (the Developer) our collective concern for the proposed development and disagreement with the Negative Declaration determination as outlined in the report dated July 24, 2023 by the Lead Agency (attached as an exhibit).

BDNR first wants to acknowledge that the existing property and site improvements at 125 Bethany Drive are outdated, likely underutilized, and generally not perceived as providing a significant benefit to the immediate neighborhood or broader community. For these reasons BDNR is generally amenable to redevelopment at this location, however; BDNR opposes the Negative Declaration without prejudice and has two primary concerns at this time, as outlined within this letter.

CONCERN 1

Negative Declaration Report Statement, (Page 3)**:**

Project-Related Approvals and Permits: In addition to environmental certification, the project would require the following City approvals:

- *General Plan amendment from Commercial Professional to Light Industrial*
- *Zone Change from C-P Professional Commercial to Light Industrial (I-L).*
- *Planned Development in conjunction with the Zone Change request to allow for the approval of a general development plan incorporating alternative development standards.*
- *Use permit.*
- *Design Review to evaluate the site design and architecture.*
- *Cultural Resources Alteration Application.*

BDNR Observation

BDNR submits that changing the existing zoning type for the proposed redevelopment project at 125 Bethany Drive from Professional Commercial (C-P) to Light Industrial (I-L) would be highly irregular and significantly inconsistent with typical land use adjacencies within the City of Scotts Valley. BDNR performed a cursory review of all existing parcels with zoning types I-L bordering any Residential type with a total of four locations identified (refer to Zoning Map without Buffer Zones between Light Industrial and Residential attached as an exhibit). Each of these four locations could not reasonably be considered as comparable to the proposed 125 Bethany Drive site, or as favorable examples of I-L adjacent to Residential for reasons uniquely outlined below:

Site A

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The elevation of the I-L site and all improvements are significantly below the adjacent residential area with limited or no line-of-sight nuisance.

Site B

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The elevation of the I-L site and all improvements are significantly below the adjacent residential area with limited or no line-of-sight nuisance.

Site C

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The elevation of the I-L site and all improvements are significantly below the adjacent residential area with limited or no line-of-sight nuisance.

Site D

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The I-L site and all improvements provide limited or no line-of-sight nuisance.

125 Bethany Drive (proposed)

Access to and around the adjacent residential area <u>require</u> passing through or by the proposed I-L site. Any and all traffic produced by the proposed I-L building/site occupants <u>must</u> utilize primary residential access roadways. The location of the proposed I-L site and all improvements are fully exposed to residents with <u>unavoidable</u> line-of-site nuisance.

Additionally, BDNR submits that when reviewing the City's published zoning map for where I-L zoned parcels are generally designated, the overwhelming majority of parcels that border I-L consist of Commercial Service (C-S) type land use, not Residential (refer to Zoning Map Light Industrial with Buffer Zones attached as an exhibit). This strong majority placement of I-L and C-S together suggests an intentional land use adjacency strategy likely to promote complimentary land use activities while also providing an extremely important buffer between more sensitive zoning types, like Residential.

BDNR interprets the City's adopted Code and current placement of I-L zoned parcels as support for maintaining appropriate buffer zones between otherwise incompatible Industrial and Residential areas, and so not to cause harm from one land use activity to another. Chapter 17.26 of the City's Code provides the description and purpose of Light Industrial as follows:

> *The I-L district is intended to apply to all lands designated in the General Plan as "light industrial." This land use classification is designed to accommodate industrial and industrially related land uses and provide a location for businesses that are inappropriate in commercial or residential zones because of their operations or sizes and because they may create noise, odor, dust or glare and create impacts to traffic, the aquifer or air quality. Uses in this classification shall not encroach upon the character of adjoining land uses and will not expose adjoining uses to hazardous conditions.*

BDNR Requests

1. The City reject the proposed redevelopment project until and unless, the Developer provides a revised design resulting in site improvements that do not require a change in zoning and address requests in "CONCERN 2" outlined further below.
2. Directly notify BDNR in advance of any official public proceeding that may directly or indirectly relate to BDNR's Concern 1 so adequate representation can be mobilized.
3. Provide BDNR reasonable opportunities to engage with meaningful feedback regarding proposed design changes in good faith.

<u>CONCERN 2</u>

Negative Declaration Report Statement, (Page 5):

Scenic Resources and Visual Character: [A]lthough the project would represent a visual change from the existing conditions, it would be consistent with the type of development that currently exists in the area and is consistent with the policies related to visual resources in the General Plan.

BDNR Observation

BDNR submits that the project as proposed in the Negative Declaration report is <u>not</u> consistent with the type of development that currently exists in the relevant vicinity. BDNR supports this statement based on various proposed design elements including building height of 34'-9" at three stories, total square footage of 52,822, and building coverage near

or at 50%. BDNR was unable to locate a single structure of similar size or proportion within a relevant vicinity. The average size of structures within a relevant vicinity appears to be ~2,200 square feet excluding the single-story elementary school buildings to the west of the proposed redevelopment site.

Additionally, based on the information provided, 80.2% of the 52,822 square feet is to be designated as storage for up to "227 user spaces". Based on this limited information it appears that this project is generally considered to be an industrial storage type facility, which BDNR contends is not consistent, or a compatible building use for the relevant vicinity.

BDNR Requests

1. The City reject the proposed redevelopment project until and unless, the Developer provides a revised design that results in site improvements and building use more congruent with the existing surrounding residential area and address the requests presented in "CONCERN 1" outlined above.
2. Directly notify BDNR in advance of any official public proceeding that may directly or indirectly relate to BDNR's Concern 2 so adequate representation can be mobilized.
3. Provide BDNR reasonable opportunities to engage with meaningful feedback regarding proposed design changes in good faith.

About BDNR

Bethany Drive Neighborhood Residents (BDNR) is a group comprised of 25 concerned residents and/or homeowners to be directly impacted by the proposed redevelopment project and are located only on Tabor Drive, Tabor Way, Bethany Drive, Scotts Valley Drive (north extension), Sawyer Circle, and Saywer Court. Refer to BDNR Resident Location Map (attached as an exhibit) for additional location context.

<u>Members (*at time of submission*):</u>

Matt Hoey, AIA, NCARB (Lead Representative)
[redacted]
Scotts Valley, CA 95066
[redacted]

Mahina Hoey
[redacted]
Scotts Valley, CA 95066
[redacted]

BDNR Members (*Cont'd*)

Jamie DeWitt
[redacted]
Scotts Valley, CA 95066
[redacted]

William DeWitt
[redacted]r
Scotts Valley, CA 95066
[redacted]

Cheryl and Robert Ruyle
[redacted]
Scotts Valley, CA 95066
[redacted]

Amelia Phinn
[redacted]r
Scotts Valley, Ca 95066
[redacted]m

Sharri Umphrey
[redacted]
Scotts Valley, CA 95066
[redacted]m

Pete Schmidt
[redacted]
Scotts Valley, CA 95066
[redacted]

Sandra L Goode
[redacted]
Scotts Valley, CA 95066
[redacted]

Laura Padilla
[redacted]
Scotts Valley, CA 95066
[redacted]

BDNR Members (*Cont'd*)

Stephan Demmer
[redacted]
Scotts Valley, CA 95066
[redacted]

Nelleke Demmer
[redacted]
Scotts Valley, CA 95066
[redacted]

Shannon Galloway
[redacted]r.
Scotts Valley, CA 95066
[redacted]

Mike Galloway
[redacted]
Scotts Valley, CA 95066
[redacted]

Ariana Murray Dagdag
[redacted]
Scotts Valley, CA 95066
[redacted]

Ariel Jose Dagdag
[redacted]
Scotts Valley, CA 95066
[redacted]

Ken Demblewski Sr.
[redacted]
Scotts Valley, CA 95066

Mary Demblewski
[redacted]
Scotts Valley, CA 95066
[redacted]

BDNR Members (*Cont'd*)

Brandee Demblewski
[redacted]
Scotts Valley, CA 95066
[redacted]

Denis Goeury
[redacted]
Scotts Valley, CA 95066
[redacted]

Jim Stewart
[redacted]
Scotts Valley, CA 95066
[redacted]

Michelle Stewart
[redacted]
Scotts Valley, CA 95066
[redacted]

Lara Brough
[redacted]
Scotts Valley, CA 95066
[redacted]

Jenna Reamer
[redacted]
Scotts Valley, CA 95066
[redacted]

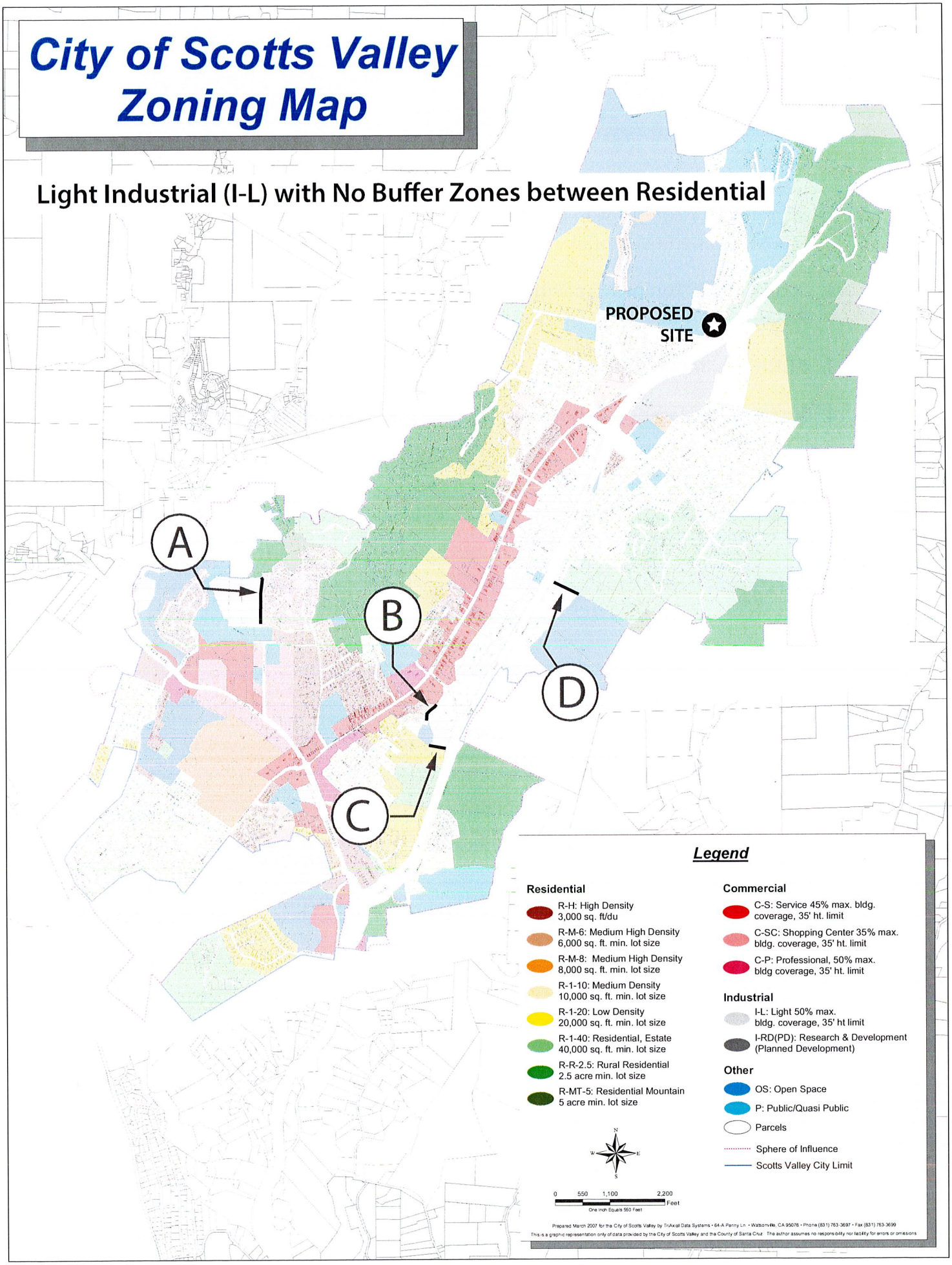
Michael Zeller
[redacted]
Scotts Valley, CA 95066
[redacted]

EXHIBITS

1. Scotts Valley Zoning Map Locations without Buffer Zones between Light Industrial and Residential
2. Scotts Valley Zoning Map with Buffer Zones between Light Industrial and Residential
3. BDNR Resident Location Map
4. Negative Declaration Report Date July 24, 2023 (without appendices)

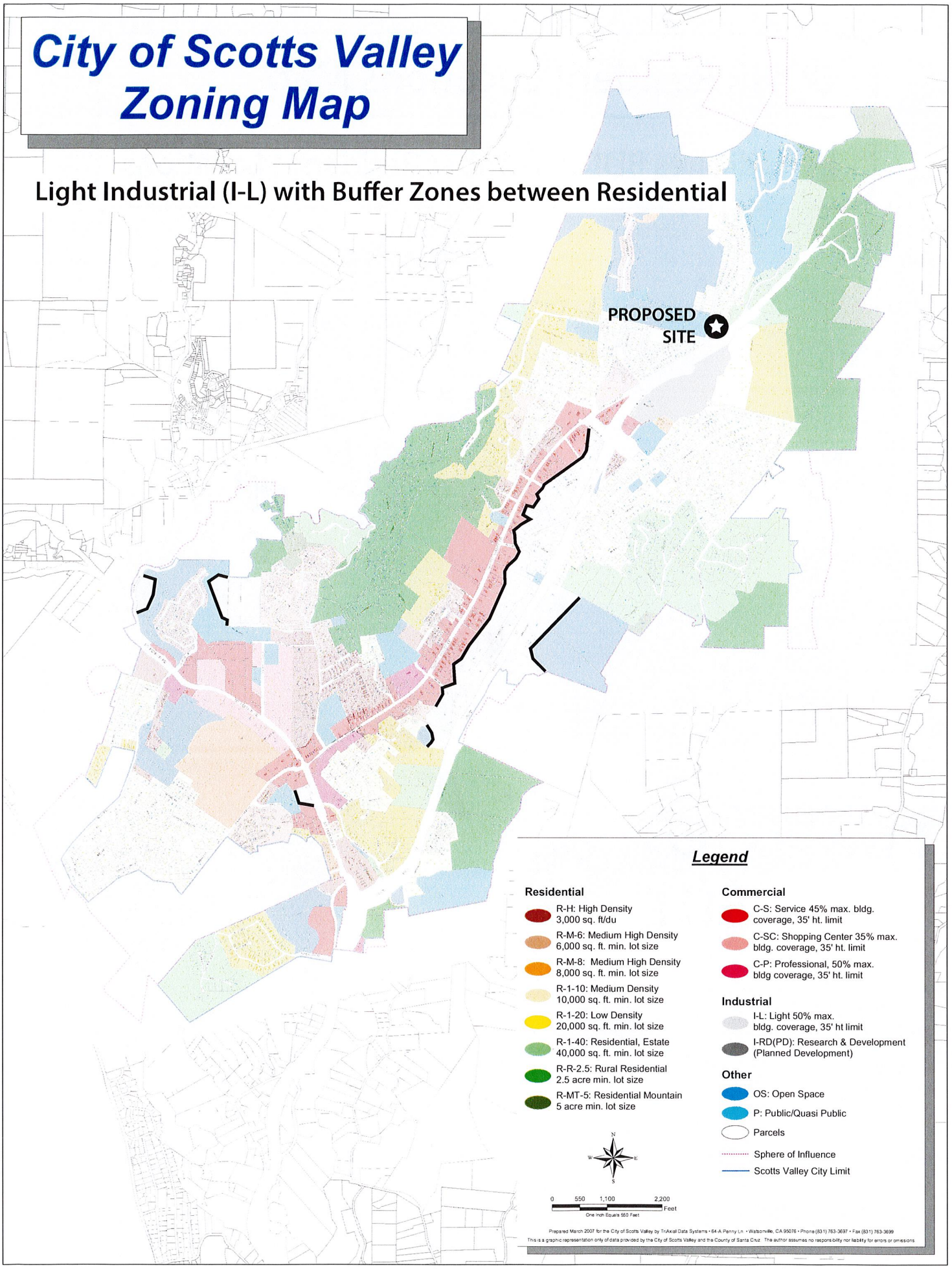
City of Scotts Valley Zoning Map

Light Industrial (I-L) with No Buffer Zones between Residential



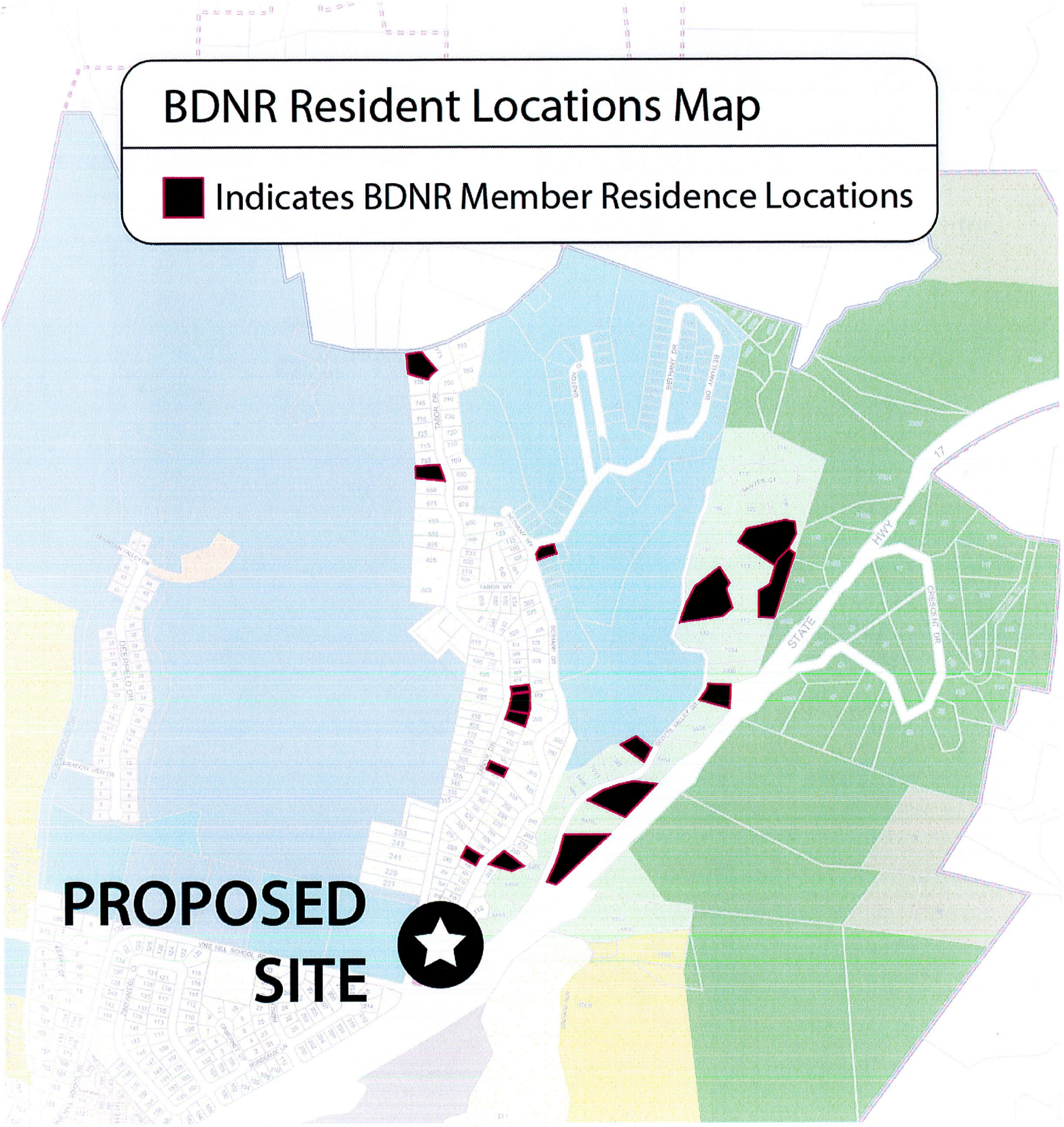
City of Scotts Valley Zoning Map

Light Industrial (I-L) with Buffer Zones between Residential



BDNR Resident Locations Map

Indicates BDNR Member Residence Locations



Outlook

125 Bethany Dr - redevelopment project

From Marcus Poteete [redacted]
Date Fri 9/27/2024 5:56 PM
To Scotts Valley Planning Department <planningdepartment@scottsvalley.gov>; City Council <citycouncil@scottsvalley.gov>
Cc Eli May <elinathanielmay@gmail.com>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Dear City Council and Staff,

As a longtime resident and graduate of both Brook Knoll and SVMS, I've seen our community grow and change over the 30+ years I've lived here. I'm writing to express my support for the 125 Bethany Drive redevelopment project. I believe this project will be a positive addition to our neighborhood and will benefit both local businesses and residents.

Post-pandemic our city needs to be able to evolve as fast as the ever-changing needs of small businesses, and I believe the re-development plans for 125 Bethany Drive benefits the city by revitalizing the existing space, improving community aesthetics, and will also attract new businesses and other residents.

I understand that some people are concerned about the traffic impact of the project. However, I believe that the developer has done a great job of addressing these concerns and mitigating any potential challenges.

Overall, I believe that the 125 Bethany Drive re-development project is a well-designed and thoughtful project that will benefit our community. I urge you to vote in favor of this important project.

Kind Regards,
Marcus Poteete
[redacted]

MCCONNELL VETERINARY SERVICE
Ty McConnell DVM 4444 Scotts Valley Drive Suite 2 Scotts Valley, CA 95066
Fax: 831-438-0875 Phone: 831-438-0751 www.mcconnellvet.com

October 1, 2024

Dear City Council,

As business owners who operate in Scotts Valley at 4444 Scotts Valley Drive, we are deeply concerned about the reduction of professional commercial space in the city, particularly with the planned conversion of key sites like ours for affordable housing. While we fully understand and support the need for more housing, there is a critical need to maintain viable spaces for businesses like ours to continue thriving in the community.

Scotts Valley has a shortage of new office space and commercial spaces, and without proper planning for future commercial development, local businesses will have nowhere to go. Many of us rely on office space to conduct our daily operations, serve the community, and provide employment to local residents. If we lose these spaces, the future of our businesses, and the jobs they provide will be at risk.

Approving the 125 Bethany Drive project will not only help businesses stay in Scotts Valley but also ensure the local economy remains vibrant and diverse. We urge you to support this project and help provide the necessary infrastructure for similar businesses like ours to continue in the community.

Sincerely,

Ty McConnell, DVM
McConnell Veterinary Service
4444 Scotts Valley Dr., Ste. 2
Scotts Valley, CA 95066

From: Eli May <[redacted]>

Subject: Re: Emails objecting to the proposed development 125 BethanyDr

Date: October 1, 2024 at 12:37:50 PM PDT

To: Donna Lind <dlindslind@gmail.com>

Hi Donna,

Thank you. I appreciate you sending these and providing us an opportunity to respond.

Before getting into the specifics of the letters, I just want to note when we officially applied to the city with a full set of plans - It was October 2021 (4 years ago). Since then we have spoken with countless neighbors and members of the community. We sent direct mail to all of our neighbors in a much larger radius than what is required of the city for notification. We also built a website bethanyredevelopment.com to give the community more information about the project and our vision, and a way to contact us.

In response to the first letter:

Regarding the EIR: Our project has been evaluated through the CEQA process to assess impacts. This included many professional studies, including traffic studies, noise studies, arborist studies, and archeology studies. All of these reports and more were then evaluated by the city and its outsourced team at Kimley Horn. The result was a Negative Declaration, which is on the lowest scale possible of impacts. This is the absolute best result possible.

Regarding the General Plan and Zone change: The planning staff would under no circumstance allow us to submit this project under the existing commercial zoning - something we disagree with and fought very hard to change. It was made clear to us that the only way staff would allow our project to be heard was if we included a zone and GP change. In an effort to mitigate any issues with the new zoning, the planning staff and us agreed to include a PLANNED DEVELOPMENT application attached to this project. What that means is - only the specific uses defined in the Planned Development application will be allowed at this site - those uses are ADMINISTRATIVE OFFICE and GENERAL STORAGE. This essentially makes the base zoning irrelevant. Absolutely no industrial uses will be allowed on site. This project simply needs to be conditioned for only those uses

I would like to note that it is within the City Council's purview to approve the use, along with a planned development application, without a zone and general plan change, which we

think would be more appropriate. But regardless of the zoning, the uses will not change from what they are currently and what is proposed - office and storage.

In regards to child safety: the safety of everyone, especially children, is absolutely paramount to us. This site has had several schools as tenants over the years, and those schools catered specifically to children with disabilities. We know what it is to have a mix of uses and making sure everyone is safe, which we have been very successful with. The idea that some storage use will be a net danger to children is quite a leap. However, the new site will have advanced security features such as...

- Access control - Every access point into and out of the building will have individualized key code entry and exit - this means we will know exactly who accessed the buildings and when.
- Security and camera system - we use the most advanced security cameras on the market - Verkada Cameras - that utilize AI to capture faces of people entering and exiting the buildings, read and keep license plates of cars that enter and exit our property, and also have 24/7 live monitoring that can report after-hour intrusions directly to the owners and the police.
- Owners/Developers will have an office onsite - just as we do right now, we will be there every day just as we are right now. We manage our own properties. We make ourselves available to the community and we are incredibly responsive.

In response to the second letter:

I'm glad to hear this citizen (sounds like Dave) heard our presentation at the planning commission and agrees this is a good idea.

In regards to use: this project is fully within the city's building code requirements, including...

- Adheres to the 35 ft height limit allowed by Scotts Valley's zoning code.
- Remains fully within the building envelope standards & compliant with all code requirements.
- The footprint is consistent with existing structures, maintaining a similar land use while modernizing the facilities.

In regards to the trees: The only trees being removed are already dead. We've made a big effort to keep as much of the existing mature landscape as possible. The old and dying trees are being replaced by better more drought tolerant trees that require less water use.

In regards to traffic: I would only cite the CEQA analysis and the findings by the city's environmental consultant and the city's traffic engineer. All of the impacts were evaluated and studied...ad nauseam. They showed no additional impacts.

In conclusion: The tenants of this new, green building are also residents and business owners in Scotts Valley who deserve to have space that fits their needs.
Finally - with the addition of 1220+ new residential units in the next 8 years, and the proposals to demolish existing office space (such as 4444 SV Drive) - and no new business space being built - this site is actually perfect!

Apologies for the lengthy email. In case I failed to answer anything, or you have any follow up questions, I am available over email or a phone call - 831-419-9641.

Thanks,
Eli

A/P Check Register
Checks from 09/28/2024 to 10/07/2024

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
		Cash Account: 999-10100-000-000-000000			
132643	10/07/24	ACC BUSINESS	1,830.64	O	Payment Manager
132644	10/07/24	ACE PORTABLE SERVICES	804.13	O	Payment Manager
132645	10/07/24	ALHAMBRA	434.64	O	Regular
132646	10/07/24	AMAZON CAPITAL SERVICES	117.52	O	Regular
132647	10/07/24	AT&T	1,575.60	O	Regular
132648	10/07/24	AT&T	166.75	O	Regular
132649	10/07/24	AT&T	56.41	O	Regular
132650	10/07/24	BAKER TILLY US, LLP	700.00	O	Regular
132651	10/07/24	BAY TREE, LLC	3,620.38	O	Regular
132652	10/07/24	BRIGHTVIEW LANDSCAPE	4,166.50	O	Regular
132653	10/07/24	CITY OF SANTA CRUZ	213.91	O	Regular
132654	10/07/24	COMCAST	388.92	O	Payment Manager
132655	10/07/24	COUNTY OF SANTA CRUZ	5,000.00	O	Regular
132656	10/07/24	DAT Q. NGUYEN	176.55	O	Regular
132657	10/07/24	DEPT OF JUSTICE	64.00	O	Regular
132658	10/07/24	DIXON & SON TIRE	832.67	O	Regular
132659	10/07/24	DUNCAN AUTO TECH	2,661.39	O	Regular
132660	10/07/24	ENVIRONMENTAL INNOVATIONS	11,248.71	O	Regular
132661	10/07/24	FEDERAL EXPRESS	36.54	O	Regular
132662	10/07/24	HINDERLITER, DE LLAMAS & ASSOC	12,500.00	O	Regular
132663	10/07/24	JESSE PIDCOCK	90.00	O	Regular
132664	10/07/24	LLOYD’S TIRE SERVICE INC.	209.50	O	Regular
132665	10/07/24	MEREDITH ROBERTS	1,000.00	O	Regular
132666	10/07/24	PACE ANALYTICAL SERVICES, LLC	436.00	O	Regular
132667	10/07/24	PACIFIC FLOW SWIM SCHOOL LLC	300.00	O	Regular
132668	10/07/24	PALACE BUSINESS SOLUTIONS	240.72	O	Regular
132669	10/07/24	PASCALE DROZEK	345.00	O	Regular
132670	10/07/24	PHILLIP D NEUMAN	25,440.99	O	Regular
132671	10/07/24	PRESS BANNER	263.95	O	Regular
132672	10/07/24	PRODESSE PROPERTY GROUP	3,523.52	O	Regular
132673	10/07/24	PURE VALLEY WATER, INC	281.17	O	Regular
132674	10/07/24	ROD MARKELL	1,974.00	O	Regular
132675	10/07/24	ROSS RECREATION EQUIPMENT INC.	13,421.02	O	Regular
132676	10/07/24	SANTA CRUZ SENTINEL	200.00	O	Payment Manager
132677	10/07/24	SCARBOROUGH LUMBER	106.81	O	Regular
132678	10/07/24	SCOTT GARNER	316.00	O	Regular
132679	10/07/24	STATE WATER RESOURCES CONTROL	169.00	O	Regular
132680	10/07/24	STEVE WALPOLE	316.00	O	Regular
132681	10/07/24	SUMMIT UNIFORMS	21.88	O	Regular
132682	10/07/24	WAGE WORKS	125.00	O	Regular
132683	10/07/24	WEX BANK	7,187.17	O	Regular

37	Checks total:	99,339.30
0	ACH total:	
0	EFTPS total:	
0	Wire transfer total:	
4	Payment Manager total:	3,223.69
41	GRAND TOTALS	102,562.99

A/P Check Register
Checks from 10/08/2024 to 10/10/2024

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
		Cash Account: 999-10100-000-000-000000			
132684	10/10/24	ACCO ENGINEERED SYSTEMS	1,950.00	O	Regular
132685	10/10/24	AMAZON CAPITAL SERVICES	702.75	O	Regular
132686	10/10/24	CAL-WEST LIGHTING & SIGNAL INC	1,339.10	O	Regular
132687	10/10/24	CRYSTAL SPRINGS WATER CO	42.25	O	Regular
132688	10/10/24	DAWN BANKS	84.00	O	Regular
132689	10/10/24	GLADWELL GOVERNMENTAL SVCS INC	400.00	O	Regular
132690	10/10/24	GOLDEN STATE REPROGRAPHICS	201.88	O	Regular
132691	10/10/24	GRAINGER	742.10	O	Regular
132692	10/10/24	IDEXX LABORATORIES, INC.	1,400.58	O	Payment Manager
132693	10/10/24	INTERSTATE SALES	601.78	O	Regular
132694	10/10/24	J. JOHNSON & COMPANY INC.	39,010.00	O	Regular
132695	10/10/24	K & D LANDSCAPING, INC.	2,174.00	O	Regular
132696	10/10/24	KOFFLER ELECTRICAL MECHANICAL	8,155.30	O	Payment Manager
132697	10/10/24	MARY LOUISE DEFALCO	7.00	O	Regular
132698	10/10/24	MISSION UNIFORM SERVICE	1,541.86	O	Payment Manager
132699	10/10/24	NATIONAL COMTEL NETWORK INC.	20.14	O	Regular
132700	10/10/24	O'REILLY AUTOMOTIVE,INC	68.00	O	Regular
132701	10/10/24	PACE ANALYTICAL SERVICES, LLC	436.00	O	Regular
132702	10/10/24	PACIFIC GAS & ELECTRIC CO	70,209.13	O	Regular
132703	10/10/24	PALACE BUSINESS SOLUTIONS	260.23	O	Regular
132704	10/10/24	PETERSON POWER SYSTEMS, INC.	2,350.00	O	Regular
132705	10/10/24	PHILLIP D NEUMAN	1,861.88	O	Regular
132706	10/10/24	PLACEWORKS, INC.	8,243.55	O	Regular
132707	10/10/24	ROSS RECREATION EQUIPMENT INC.	537.07	O	Regular
132708	10/10/24	SAN LORENZO VALLEY WATER DISTR	407.06	O	Regular
132709	10/10/24	SCARBOROUGH LUMBER	753.45	O	Regular
132710	10/10/24	SCOTTS VALLEY SPRINKLER	242.16	O	Regular
132711	10/10/24	SHARRON BARTH	37.00	O	Regular
132712	10/10/24	SUMMIT UNIFORMS	13.13	O	Regular
132713	10/10/24	SYCAL ENGINEERING INC	28,216.03	O	Regular
132714	10/10/24	TAMARA CUCCHIARA-SITKA	12.00	O	Regular
132715	10/10/24	THE PIED PIPER INC.	68.50	O	Payment Manager
132716	10/10/24	THOMSON REUTERS-WEST	396.48	O	Payment Manager
132717	10/10/24	TORO PETROLEUM CORP	6,018.33	O	Regular
132718	10/10/24	WBA CONSULTING	7,400.00	O	Regular

30	Checks total:	174,340.02
0	ACH total:	
0	EFTPS total:	
0	Wire transfer total:	
5	Payment Manager total:	11,562.72
35	GRAND TOTALS	185,902.74

A/P Check Register
Checks from 10/11/2024 to 11/01/2024

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
		Cash Account: 999-10100-000-000-000000			
132719	10/18/24	ACE PORTABLE SERVICES	969.74	O	Payment Manager
132720	10/18/24	AMAZON CAPITAL SERVICES	343.91	O	Regular
132721	10/18/24	ANDERSON PACIFIC ENG INC.	21,698.04	O	Regular
132722	10/18/24	AT&T	96.34	O	Regular
132723	10/18/24	AT&T	1,713.98	O	Regular
132724	10/18/24	AT&T MOBILITY	1,510.79	O	Regular
132725	10/18/24	BELLOWS PLUMBING HEATING & AIR	22,715.00	O	Regular
132726	10/18/24	BENJAMIN NOBLE	12,787.50	O	Regular
132728	10/18/24	BRINK'S AWARDS & SIGNS	54.87	O	Regular
132729	10/18/24	CALIFORNIA COAST UNIFORM CO	15.00	O	Regular
132730	10/18/24	CENTRAL COAST SYSTEMS	10,500.00	O	Regular
132731	10/18/24	COMCAST	609.38	O	Payment Manager
132732	10/18/24	COMCAST	1,050.55	O	Payment Manager
132733	10/18/24	COMPUTERSMITHS LLC	30.00	O	Regular
132734	10/18/24	COUNTY OF SANTA CRUZ	32,276.02	O	Regular
132735	10/18/24	CSG CONSULTANTS, INC	37,111.00	O	Regular
132736	10/18/24	CUSHMAN CONTRACTING CORPORATIO	37,050.00	O	Regular
132737	10/18/24	DU-ALL SAFETY, LLC	2,100.00	O	Payment Manager
132738	10/18/24	DYNAMIC PRESS	508.15	O	Regular
132739	10/18/24	ENVIRONMENTAL INNOVATIONS	14,557.24	O	Regular
132740	10/18/24	FEDERAL EXPRESS	161.54	O	Regular
132741	10/18/24	FIRST ALARM	305.19	O	Regular
132742	10/18/24	FREDDY AVALOS-SANTOS	186.10	O	Regular
132743	10/18/24	GOOD CITY COMPANY	5,241.45	O	Regular
132744	10/18/24	GRAINGER	209.84	O	Regular
132745	10/18/24	INTERWEST CONSULTING GROUP	3,217.50	O	Regular
132746	10/18/24	JEFF KUEHN, INC	1,060.09	O	Regular
132747	10/18/24	KIMLEY-HORN & ASSOCIATES INC	20,522.53	O	Regular
132748	10/18/24	M-GROUP	15,400.00	O	Regular
132749	10/18/24	MID VALLEY SUPPLY	1,274.75	O	Payment Manager
132750	10/18/24	NBS GOVERNMENT FINANCE GROUP	4,343.75	O	Regular
132751	10/18/24	NELSON ALFARO	87.10	O	Regular
132752	10/18/24	NETFILE, INC.	1,400.00	O	Regular
132753	10/18/24	OLIN CORPORATION AS SOLE	5,146.24	O	Regular
132754	10/18/24	PACIFIC GAS & ELECTRIC CO	69.31	O	Regular
132755	10/18/24	PALACE BUSINESS SOLUTIONS	217.99	O	Regular
132756	10/18/24	PETTY CASH - LAUREN LAMBERT	200.00	O	Regular
132757	10/18/24	PHILLIP D NEUMAN	8,002.56	O	Regular
132758	10/18/24	POLLY CATICCI	400.00	O	Regular
132759	10/18/24	ROSS RECREATION EQUIPMENT INC.	84,236.39	O	Regular
132760	10/18/24	S V CHAMBER OF COMMERCE	25,000.00	O	Regular
132761	10/18/24	S.V. WATER DISTRICT - BULK	20.97	O	Regular
132762	10/18/24	SANTA CRUZ COUNTY	41,903.70	O	Regular
132763	10/18/24	SCARBOROUGH LUMBER	281.04	O	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
132764	10/18/24	SCOTTS VALLEY SPRINKLER	198.02	O	Regular
132765	10/18/24	STANDARD INSURANCE COMPANY	1,023.10	O	Regular
132766	10/18/24	STERICYCLE INC	287.04	O	Regular
132767	10/18/24	SUMMIT UNIFORMS	2,978.29	O	Regular
132768	10/18/24	TECHNICON ENGINEERING SERVICES	1,051.00	O	Regular
132769	10/18/24	THE PIED PIPER INC.	150.00	O	Payment Manager
132770	10/18/24	U.S. BANCORP OFFICE	1,404.37	O	Regular
132771	10/18/24	URBAN FIELD STUDIO OAKLAND	6,311.35	O	Regular
132772	10/18/24	VERIZON WIRELESS	178.60	O	Regular
132773	10/18/24	YESHE JACKSON FINE ART	800.00	O	Regular
132774	10/25/24	ALVAREZ IND INC CLEAN BLDG	816.00	O	Regular
132775	10/25/24	APGN INC	838.81	O	Regular
132776	10/25/24	BOWMAN & WILLIAMS	8,128.75	O	Regular
132777	10/25/24	BRASS KEY LOCKSMITH	1,151.39	O	Regular
132778	10/25/24	CARMEL AREA WASTEWATER DIST	6,311.00	O	Regular
132779	10/25/24	COMCAST	434.22	O	Payment Manager
132780	10/25/24	CSG CONSULTANTS, INC	1,892.00	O	Regular
132781	10/25/24	CUMMING MANGEMENT GROUP, INC	2,250.00	O	Regular
132782	10/25/24	EWING IRRIGATION PRODUCTS	1,219.04	O	Payment Manager
132783	10/25/24	GOLDEN STATE REPROGRAPHICS	570.38	O	Regular
132784	10/25/24	GOLDFARB LIPMAN ATTORNEYS	2,390.00	O	Regular
132785	10/25/24	HOSE SHOP	26.10	O	Regular
132786	10/25/24	HOUSEKEYS, INC.	18,750.00	O	Regular
132787	10/25/24	ICMA	1,200.00	O	Regular
132788	10/25/24	JESSE PIDCOCK	200.00	O	Regular
132789	10/25/24	Jim Melehan	1,085.00	O	Regular
132790	10/25/24	JOANNA HAROS	128.78	O	Regular
132791	10/25/24	LOGAN & POWELL, LLP	17,012.13	O	Regular
132792	10/25/24	M-GROUP	16,931.25	O	Regular
132793	10/25/24	MCCAIN INC.	7,467.00	O	Regular
132794	10/25/24	MONTEREY REGIONAL	7,418.40	O	Payment Manager
132795	10/25/24	NELSON ALFARO	315.00	O	Regular
132796	10/25/24	PALACE BUSINESS SOLUTIONS	564.77	O	Regular
132797	10/25/24	PETERSON POWER SYSTEMS, INC.	387.50	O	Regular
132798	10/25/24	SANTA CRUZ CNTY TAX COLLECTOR	590.50	O	Regular
132799	10/25/24	SANTA CRUZ CO ENVIRONMENTAL	852.00	O	Regular
132800	10/25/24	SCARBOROUGH LUMBER	434.43	O	Regular
132801	10/25/24	SCOTTS VALLEY SPRINKLER	77.89	O	Regular
132802	10/25/24	SYCAL ENGINEERING INC	4,495.62	O	Regular
132803	10/25/24	TYLER HEBARD	65.69	O	Regular
132804	10/25/24	U.S. BANK CORPORATE	17,909.90	O	Regular
132805	10/25/24	WATSONVILLE DIESEL	5,990.86	O	Payment Manager
132806	11/01/24	ACCENT CLEAN & SWEEP INC	2,739.00	O	Regular
132807	11/01/24	ACE PORTABLE SERVICES	3,000.96	O	Payment Manager
132808	11/01/24	ADAMSON POLICE PRODUCTS	365.96	O	Regular

A/P Check Register
Checks from 10/11/2024 to 11/01/2024

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
132809	11/01/24	AFLAC-FLEX ONE	411.86	O	Regular
132810	11/01/24	ALHAMBRA	344.72	O	Regular
132811	11/01/24	ALLIANT	1,358.00	O	Regular
132812	11/01/24	ALVAREZ IND INC CLEAN BLDG	256.00	O	Regular
132813	11/01/24	AT&T	452.96	O	Regular
132814	11/01/24	BATTERIES + BULBS #314	63.30	O	Regular
132815	11/01/24	BAY TREE, LLC	3,620.38	O	Regular
132816	11/01/24	BRIGHTVIEW LANDSCAPE	4,166.50	O	Regular
132817	11/01/24	BRINK’S AWARDS & SIGNS	27.44	O	Regular
132818	11/01/24	CALIFORNIA BUILDING	263.00	O	Regular
132819	11/01/24	CATHIE SIMONOVICH	17.96	O	Regular
132820	11/01/24	CENTRAL HOME SUPPLY	379.81	O	Regular
132821	11/01/24	CITY OF SANTA CRUZ	743.48	O	Regular
132822	11/01/24	DEPT OF CONSERVATION	899.58	O	Regular
132823	11/01/24	DUNCAN AUTO TECH	1,194.53	O	Payment Manager
132824	11/01/24	ENTERPRISE FM TRUST	14,554.74	O	Regular
132825	11/01/24	ERNIE’S AUTO CENTER	141.24	O	Regular
132826	11/01/24	FEDERAL EXPRESS	246.89	O	Regular
132827	11/01/24	FRANK A. OLSEN CO	3,421.69	O	Regular
132828	11/01/24	GRAINGER	192.73	O	Regular
132829	11/01/24	HERWIT ENGINEERING	7,217.50	O	Regular
132830	11/01/24	J. JOHNSON & COMPANY INC.	62,924.00	O	Regular
132831	11/01/24	JESSE PIDCOCK	1,000.00	O	Regular
132832	11/01/24	K & D LANDSCAPING, INC.	1,736.00	O	Regular
132833	11/01/24	LINCOLN FINANCIAL GROUP	1,717.66	O	Regular
132834	11/01/24	LLOYD’S TIRE SERVICE INC.	1,266.55	O	Regular
132835	11/01/24	MISSION UNIFORM SERVICE	1,029.95	O	Payment Manager
132836	11/01/24	NORTH CENTRAL LABORATORIES	1,308.03	O	Payment Manager
132837	11/01/24	OLIN CORPORATION AS SOLE	5,172.87	O	Regular
132838	11/01/24	OWEN EQUIPMENT SALES	387.02	O	Regular
132839	11/01/24	PACE ANALYTICAL SERVICES, LLC	3,226.50	O	Regular
132840	11/01/24	PALACE BUSINESS SOLUTIONS	72.06	O	Regular
132841	11/01/24	PETTY CASH - LAUREN LAMBERT	30.33	O	Regular
132842	11/01/24	PHILLIP D NEUMAN	1,953.67	O	Regular
132843	11/01/24	PHOENIX GROUP	357.63	O	Regular
132844	11/01/24	PLACEWORKS, INC.	2,124.37	O	Regular
132845	11/01/24	PRINICPAL LIFE INSURANCE CO	8,490.62	O	Regular
132846	11/01/24	PRODESSE PROPERTY GROUP	3,523.52	O	Regular
132847	11/01/24	PURETEC INDUSTRIAL WATER	170.46	O	Regular
132848	11/01/24	RALEY’S	97.81	O	Regular
132849	11/01/24	ROD MARKELL	1,974.00	O	Regular
132850	11/01/24	SAN LORENZO VALLEY WATER DISTR	386.96	O	Regular
132851	11/01/24	SANTA CRUZ CO ENVIRONMENTAL	972.00	O	Regular
132852	11/01/24	SCARBOROUGH LUMBER	470.85	O	Regular
132853	11/01/24	SCOTTS VALLEY SPRINKLER	735.06	O	Regular

Check Number	Check Date	Vendor Name	Net Check Amount	Check Status	Check Type
132854	11/01/24	SHAPE INC.	12,633.32	O	Regular
132855	11/01/24	STERLING WATER TECHNOLOGIES	11,810.06	O	Regular
132856	11/01/24	SUMMIT UNIFORMS	165.16	O	Regular
132857	11/01/24	SWEDBERG ELECTRIC INC.	6,104.00	O	Regular
132858	11/01/24	SYCAL ENGINEERING INC	2,303.64	O	Regular
132859	11/01/24	TARA SHAMBAUGH	72.00	O	Regular
132860	11/01/24	THE CARD SHARK INC	2,302.05	O	Payment Manager
132861	11/01/24	THE PIED PIPER INC.	397.00	O	Payment Manager
132862	11/01/24	TORO PETROLEUM CORP	6,018.33	O	Regular
132863	11/01/24	USA BLUE BOOK	470.24	O	Payment Manager
132864	11/01/24	WAGE WORKS	125.00	O	Regular
132865	11/01/24	WEX BANK	6,666.15	O	Regular

apadatecr2 City of Scotts Valley llambert 11/01/2024 10:00 Page 4
A/P Check Register
Checks from 10/11/2024 to 11/01/2024

129	Checks total:	724,227.13
0	ACH total:	
0	EFTPS total:	
0	Wire transfer total:	
17	Payment Manager total:	30,919.70
146	GRAND TOTALS	755,146.83

AGENDA ITEM 3.
DATE: 11/6/2024

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 11/6/2024

TO: Honorable Mayor and City Council

FROM: Cathie Simonovich, City Clerk

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Appointment to the Santa Cruz County Library Financing Authority**

SUMMARY OF ISSUE

The Santa Cruz County Library Financing Authority is a Joint Powers Authority formed in 1996 by the County of Santa Cruz and the cities of Santa Cruz, Watsonville, Scotts Valley and Capitola and was established for the purpose of consolidating and providing for equitable financing of library services. The meetings are typically held in January and July.

Both Mayor Randy Johnson and Council Member Jack Dilles will retire from the Scotts Valley City Council in December and the formal committee appointments will not occur until January 15, 2025, thus necessitating an appointment for Scotts Valley to have representation at the January 2025 Library Financing Authority meeting.

FISCAL IMPACT

There is no fiscal impact associated with this committee appointment.

STAFF RECOMMENDATION

Staff recommends appointing Vice Mayor Derek Timm to the Santa Cruz County Library Financing Authority.

TABLE OF CONTENTS

None

AGENDA ITEM 4.
DATE: 11/6/2024

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 11/6/2024

TO: Honorable Mayor and City Council

FROM: Cathie Simonovich, City Clerk

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Appointment to the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board**

SUMMARY OF ISSUE

The Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board (Consolidated Oversight Board) was created to oversee the activities of the five redevelopment successor agencies in Santa Cruz County, thereby replacing all other redevelopment successor agency oversight boards effective July 1, 2018. The purpose of the Consolidated Oversight Board is to oversee and direct the Redevelopment Successor Agencies in the process of dissolving the former redevelopment agencies of Santa Cruz County.

Appointment to the Consolidated Oversight Board is made by the City Selection Committee. This Committee is scheduled to meet on November 4, 2025, and it is expected that the Committee will appoint Council Member Allan Timms to the Consolidated Oversight Board due to the retirement of Council Member Jack Dilles.

FISCAL IMPACT

There is no fiscal impact related to this appointment.

STAFF RECOMMENDATION

Staff recommends appointing Council Member Allan Timms to the Santa Cruz County Consolidated Redevelopment Successor Agency Oversight Board

TABLE OF CONTENTS

None

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 11/6/2024

TO: Honorable Mayor and City Council

FROM: Stephanie Hill, Administrative Services Director

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Approve a resolution to give authority to add one Emergency Dispatch Clerk**

SUMMARY OF ISSUE

The Scotts Valley Police Department, as with other agencies, faces challenges attracting and retaining emergency dispatch clerk ("EDC") personnel. Additionally, there are known staffing shortages in the near future. Unlike other positions, emergency dispatch clerks have strict hiring practices that are not conducive to temporary staffing abilities. An applicant is subject to a comprehensive training program to learn, understand, interpret and apply modern police communications procedures including the Enhanced 9-1-1 System, and local, county, state and federal automated information systems. They are additionally required to obtain their Peace Officer Standards and Training (POST) certifications related to the position. While there are emergency protocols in place for other agencies to help cover unexpected 9-1-1 needs, these are for emergency situations and not meant to be for extended periods of time.

The Department has a current EDC in training, with additional known staff shortages in the current and future months. To be able to maintain the expected level of emergency dispatch response, it is recommended that the Council authorize the City Manager to overfill the EDC classification by one position for no more than the remainder of the current fiscal year budget. Future fiscal year budgets will require a routine review and approval process from the Council and will have any of these in-process needs factored in.

FISCAL IMPACT

It is anticipated there could be a 0-2 month overlap for an additional EDC position. This would impact the FY24-25 budget by $0 - $20,000. Due to other savings anticipated in the budget, this cost will be absorbed within the current fiscal year budget.

STAFF RECOMMENDATION

It is recommended the City Council adopt Resolution No. 2054, approving the City Manager's authority to overfill one Emergency Dispatch Clerk position for FY 2024-25.

TABLE OF CONTENTS

1. Resolution No. 2054 -EDC Overfill FY24-25

RESOLUTION NO. 2054

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING THE CITY MANAGER AUTHORITY TO OVER HIRE ONE EMERGENCY DISPATCH CLERK POSITION IN FISCAL YEAR 2024-25

WHEREAS, City staff continue to analyze the organization's evolving needs; and

WHEREAS, staff have identified the need to overfill one Emergency Dispatch Clerk position; and

WHEREAS, staff have identified the need in Fiscal Year 2024-25 to ensure continuity of operations; and

WHEREAS, the current Fiscal Year budget can absorb the estimated cost of $0 - $20,000 to add this additional position due to department savings; and

WHEREAS, the City manager has the appointing authority for the City; and

WHEREAS, City Council approval is needed to authorize the over hire in the Police Department.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Scotts Valley that the City Manager has the authority to overfill one Emergency Dispatch Clerk position for Fiscal Year 2024-25.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a meeting held on the 6th day of November 2024 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved:_____
Randy Johnson, Mayor

Attest:_____
Cathie Simonovich, City Clerk

AGENDA ITEM 6.
DATE: 11/6/2024

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 11/6/2024

TO: Honorable Mayor and City Council

FROM: Allison Pfefferkorn, Recreation Division Manager

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Approve First Amendment to the Siltanen Family Swim Center Lease**

SUMMARY OF ISSUE

On March 6, 2024, the City Council approved the lease agreement with Pacific Flow Swim School to operate and program the Siltanen Family Swim Center. Part of the lease agreement includes the addition of certain trade fixtures to be installed on the premises. Pacific Flow Swim School intends to install an enclosure over the pool which requires financing. In order to permit the financing, changes to the lease must be made.

It is being recommended that additional language be added to Article 7.05 that would require Pacific Flow Swim School to make a deposit prior to adding any trade fixture that would permanently alter the premises. The deposit would be used to repair any damage from removal of fixtures.

Article 7 .06 Trade Fixture Financing is recommended to be added to allow financing of any improvements and to use the deposit for necessary repairs if a trade fixture is repossessed and causes damages to City property.

The City will require a deposit of $3,500 for the pool enclosure. The amount of the deposit may be increased if there are significant cost increases in materials, repairs, labor, or related services that impact the cost of repairs or maintenance for which the Tenant is responsible.

FISCAL IMPACT

In accordance with the terms of the amendment, the City will receive a deposit in the amount of $3,500 which can be used to repair any damage caused by the pool enclosure. The amount of the deposit may also be increased if deemed necessary to cover the anticipated cost of repair.

STAFF RECOMMENDATION

Staff recommends that Council approve the First Amendment to the lease agreement with Pacific Flow Swim School of the Siltanen Family Swim Center.

TABLE OF CONTENTS

FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN THE CITY OF SCOTTS VALLEY AND PACIFIC FLOW SWIM SCHOOL

This First Amendment to Lease Agreement Between the City of Scotts Valley and Pacific Flow Swim School (the "Amendment") is entered into by and between the City of Scotts Valley, a municipal corporation, hereinafter referred to as "Landlord" and Pacific Flow Swim School, hereinafter referred to as "Tenant".

RECITALS

WHEREAS, On March 6, 2024, the Landlord and Tenant entered into that certain Lease Agreement for Tenant's operation and use of the Siltanen Family Swim Center (the "Lease"); and

WHEREAS, as part of the Lease, Tenant intends to install improvements on the property which require financing; and

WHEREAS, the parties desire to amend the Lease to enable Tenant to finance the improvements; and

WHEREAS, Section 14 of the said Agreement authorizes the Agreement to be amended, modified, or changed by the parties, provided that modifications or changes are in writing and approved by authorized representatives of the parties.

NOW, THEREFORE, in consideration of the recitals and the mutual promises contained herein, Landlord and Tenant agree as follows:

AGREEMENT

1. Section 7.04 of the Lease is hereby amended to read as follows:

"7.04 Tenant Improvements. Tenant intends to install improvements to the Premises necessary for operation of the pool. Tenant is responsible for the cost of all improvements to the Premises. Prior to obtaining any permits for the improvements or beginning construction on improvements to the Premises, Tenant shall obtain the prior written approval of the proposed plans from the City Manager. Tenant shall obtain any and all permits required for such improvements and shall comply with all Federal, State and local laws including, but limited to, the Americans with Disabilities Act and Prevailing Wage laws. Tenant shall defend and indemnify the Landlord from any and all claims associated with the improvements and shall ensure that no liens are recorded against the Property except as permitted in Section 7.05 and 7.06 below. Tenant is not entitled to make any improvements to the Premises without the prior written consent of the Landlord."

2. Section 7.05 of the Lease is hereby amended to read as follows:

"7.05 Trade Fixtures. Tenant may install trade fixtures, display items, machinery or other trade equipment in conformance with the all laws, ordinances, directives, rules or regulations of all applicable public and governmental agencies. Tenant shall not remove any trade fixtures, display items, machinery or other trade equipment from the Premises, without Landlord's written consent, if the removal of any such item

would cause damage to the Premises which Tenant cannot repair. In the event, Landlord consents to such installation, Landlord may require an initial deposit from Tenant to be used to repair any damage caused by such trade fixtures, display items, machinery or other trade equipment. Landlord reserves the right to request an additional deposit from the Tenant if there is significant cost increases in materials, repairs, labor, or related services that impact the cost of repairs or maintenance for which the Tenant is responsible. The Landlord shall provide the Tenant with written notice of the required additional deposit, detailing the reasons for the adjustment and the specific amount requested. Any adjustments made to the deposit will be subject to the same terms and conditions as the initial deposit regarding its application, refund, or forfeiture. In the absence of Landlord's written consent to removal and Tenant's inability or unwillingness to repair any damage caused by the removal, any such item shall be deemed a part of the realty and belong to the Landlord at termination of the Agreement.

3. **A new Section 7.06 is hereby added to the Lease to read as follows:**

"7.06 Trade Fixture Financing. In the event Landlord consents to the installation of trade fixtures, display items, machinery or other trade equipment in accordance with Section 7.05, Tenant may finance such improvements. If such financing requires a lien, no lien shall be permitted against the Premises or the Property but may be permitted against the improvements themselves. If Tenant defaults on a loan collateralized by fixtures installed on the Premises, the lien holder shall have the right to repossess the fixture. In the event of such repossession, the Tenant or lien holder shall be responsible for repairing any damage caused by the removal. In the case that repairs are not made by Tenant or lien holder, the Landlord may apply the Tenant's deposit required in Section 7.05 toward the repair costs, with any remaining balance refunded to the Tenant. In the event the deposit is insufficient to repair the damage caused, Tenant shall be solely responsible for paying for the remainder of the cost of repairs. Once the loan has been fully paid and all financial obligations related to the fixture, including the obligation to repair any damage, are satisfied, the Landlord shall refund the remainder of the deposit, if any, to the Tenant."

Except as specifically provided in this Amendment, all terms of the Lease shall remain unchanged, in full force and effect. In the event of a conflict between the terms of the Lease and the Amendment, the terms of the Amendment shall control.

IN WITNESS WHEREOF, this Amendment is executed by the Landlord and by the Tenant on the 6th day of November, 2024, at Scotts Valley, California.

TENANT:	LANDLORD:
Pacific Flow Swim School	CITY OF SCOTTS VALLEY
_____	_____
Jeff Griffith-Jones	Mali LaGoe, City Manager
APPROVED AS TO FORM:	ATTEST:

Kirsten M. Powell, City Attorney	Cathie Simonovich, City Clerk

LEASE AGREEMENT BETWEEN THE CITY OF SCOTTS VALLEY AND PACIFIC FLOW SWIM SCHOOL

This Lease Agreement (the "Agreement") is made this 6th day of March 2024, by and between the City of Scotts Valley ("Landlord") and Pacific Flow Swim School ("Tenant")

RECITALS

A. The Landlord owns Siltanen Park located at 127 Vine Hill Road, Scotts Valley, California, 95066 (the "Property").

B. The Siltanen Family Swim Center which consists of a 20' x 40' foot pool located within a 2,500 sq ft fenced area and a 100 sq ft office is located within the Property (the "Premises").

C. Landlord previously offered swim lessons, pool rentals for parties, recreation swim, water aerobics, adaptive swim, and community events from May through October but due to the pandemic, those services were ceased.

D. Due to staffing shortages, Landlord sought proposals from operators to run the Premises.

E . Tenant was selected as the preferred operator of the Premises which will continue to offer recreational swim programs to the public.

F. Based on the needs of the Tenant and the Landlord, the parties desire to enter into a lease agreement to allow Tenant to utilize the Premises for the purposes of offering swim lessons and other pool activities to the public.

D. Landlord desires to lease the Premises to Tenant and Tenant desires to lease the Premises from Landlord subject to the terms of this Agreement.

NOW, THEREFORE, Landlord and Tenant agree to all the terms and conditions of this Agreement as follows:

ARTICLE 1 - BASIC LEASE PROVISIONS

The following basic terms are applicable to this Agreement. The Sections and Exhibits referenced below in parenthesis explain and define the basic terms specified below and are to be read in conjunction with basic terms herein:

1.01 Commencement of Term. March 7, 2024 (Section 3.01).

1.02 Term. Five (5) years and six (6) month term which expires September 1, 2029, with the option to renew for an additional three (3) year term subject to the conditions of Article 3.

1.03 Premises. Siltanen Swim Center which includes a 20' x 40' foot pool located within a 2,500 sq ft fenced area, a 100 sq ft office located outside of the fenced area and the use of a shared public bathroom facility.

1.05 Rent. $1000.00 a month with a 3% increase on each October 1st starting in 2025. In the event Tenant and Landlord extend the lease for the additional term, the rent charged for the additional term shall be the rent charged in the last year of the initial term plus a 3% increase. For each year thereafter of the addition term, the rent shall be increased 3% on October 1st each year.

1.06 Use of Premises. Premises shall be utilized as a family public pool in which safe, high quality and creative aquatic programming shall be delivered. See Article 6 for full description.

ARTICLE 2 - LEASE OF PREMISES

2.01 City of Scotts Valley as Landlord. Tenant acknowledges and understands that Landlord is a public agency consisting of numerous offices, departments, agencies and districts. Whenever a provision contained in this Agreement, or any extension, modification or amendment, requires the written consent of Landlord, such consent must be obtained from the then acting City Manager of the City of Scotts Valley. Tenant may not rely on any statement or representation by any other employee, agent or representative of Landlord in obtaining such consent and any such statement or representation other than the express written consent of the City Manager shall be null and void and have no effect. Nothing contained in this Section shall limit in any way the authority of any office, department, or agent of the Landlord from approving or withholding consent to any event or activity regulated by local law.

2.02 Premises. Landlord leases to Tenant and Tenant leases from Landlord the Premises. The Premises shall not include, and the Tenant shall have no rights in, Siltanen Park fields, playground, Gazebo, and Snack Shack building. A diagram of the location of the Premises is attached to this Agreement as Exhibit A.

2.03 Reservations. Landlord reserves the right at any time with 24 hours notice to Tenant to make alterations or additions to the exterior of the Premises, the remainder of the building, the parking lot and the landscaping on the property. Landlord also reserves the right to construct other buildings or improvements on the property and to make alterations or additions thereto. Easements for light and air are not granted in this Agreement. Landlord further reserves the right to enter and access the roof of the Premises or to repair and maintain the roof and to use any space within walls or above the ceiling finish and beneath the floor surface for utility lines and conduits.

2.04 Condition of Premises. Tenant acknowledges that it recognizes the uniqueness of the Premises and accepts them in their current and disclosed condition existing on the effective date of this Agreement, subject to all applicable zoning, municipal, county or state laws, ordinances and regulations affecting the use of the Premises. Tenant acknowledges that it has satisfied itself, by its own independent investigation that the Premises are suitable for its intended use and neither Landlord, nor its agents or representatives have made any representation or warranty as to the present or future suitability of the Premises for the conduct of Tenant's business.

2.05 Staffing.

Tenant will comply with all county, state and federal staffing laws.

ARTICLE 3 - TERM

3.01 Commencement of Term. The term (the “Term”) of this Agreement shall commence on the date specified in Section 1.01 (the “Commencement Date”) and shall continue until the date of termination specified in Section 1.02, unless terminated sooner in accordance with the terms and provisions of this Agreement.

3.02 Option to Extend Term. Tenant shall, provided the Agreement is in full force and effect, and Tenant is not in default under any of the terms and conditions of the Agreement, have the right to extend this Agreement for an additional three (3) year term beginning September 2, 2029 ("Extended Term"), on the same terms and conditions set forth in the Lease subject to the rent adjustment provided in Section 1.05 above, or upon such terms mutually agreeable to Landlord and Tenant.

3.03 Termination. Landlord shall have the right to terminate the Agreement during the Term or the Extended Term upon 60 days written notice. If Landlord so terminates the Lease, Tenant shall vacate the Premises and Tenant shall not have any remaining obligations, including rent, from the date of Termination except for its obligations on leaving the Premises in the condition described in this Lease and any indemnification obligations accruing during the time of occupancy. In addition, the Landlord may terminate the Lease in the event of a Default as defined in Article 11 below.

ARTICLE 4 - RENT

The Rent for the Premises shall be paid as follows:

4.01. Monthly rent shall be payable on the 1st day of each month to the City of Scotts Valley and can be delivered or mailed to 1 Civic Center Drive, Scotts Valley, CA 95066, Attn. Administrative Services Director.

ARTICLE 5 - TAXES AND ASSESSMENTS

5.01 Personal Property Taxes. Tenant shall pay, before delinquency, all federal, state or local taxes, assessments, license fees, and other charges that are levied and assessed against Tenant's personal property installed or located in or on the building, and that become payable during the term. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments.

5.02 Possessory Interest Taxes. Tenant shall pay before delinquency all possessory interest taxes, assessments, license fees, and other charges that are levied and assessed against the leasehold interest. "Possessory Interest Tax" means that tax imposed pursuant to laws of the State of California on leaseholds of tax exempt property and does not include taxes on Tenant's inventory, personal, or any other tax or assessment that is presently or may, in the future be levied. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments.

ARTICLE 6 - USE

6.01 Use of Premises. Tenant shall use the Premises solely for the use specified in Section 1.06 herein. No other uses shall be permitted.

6.02 Hours of Operation. All uses on the Premises shall take place between the hours of 7:00am and 9:00pm. Tenant shall not operate nor allow someone to use the Premises in such a way as to cause a nuisance or violate any provisions of local, state or federal law.

6.03 Required Regulatory Compliance. Tenant is responsible to acquire and retain all permits necessary for compliance with local, state, and federal laws pertaining to operation of an aquatic facility.

6.04 Parking. Tenant may use one parking spot behind the Siltanen Building. All other cars must park in the city-owned lot across Vine Hill School Rd. Prior approval for extra vehicles must be obtained from the Maintenance Manager at least 24 hours in advance.

6.05 Restrooms. Landlord shall ensure Tenant has access to public restrooms during the hours of operation outlined in Section 6.02. Landlord will provide portable restrooms and handwashing stations in the event a restroom requires service or closure as determined by Landlord in its sole discretion.

6.06 Signs and Advertising Matter.

(a) Tenant has the right to install signs at its sole expense on the outside of the Premises subject to compliance with all applicable laws including, but not limited to, the City's Municipal Code. Any sign must receive approval from RDM. All signage is subject to the prior written consent of Landlord which shall not be unreasonably withheld and is subject to Tenant obtaining and all permits required for any signs. Except as provided above, Tenant will not place, install, maintain or construct or allow any third party to place, install, maintain or construct any sign, banner, flag, awning or canopy, covering, or advertising matter on any portion of the Premises without Landlord's prior written consent. Tenant further agrees to maintain such sign, awning, canopy, decoration, lettering, advertising matter or window coverings in good condition and repair at all times.

(b) Tenant is solely responsible for all advertisements and marketing efforts of the programs.

(c) Recreation Division will reserve space in their activity guide for any promotional material provided by Tenant using up to 2 pages.

(d) Tenant is required to manage its own website and online registration platform.

6.07 Programming.

(a) Tenant is responsible for operating and scheduling programs to maximize the value of the facility for the Scotts Valley community. All programming and rentals should be offered to Scotts Valley residents at a lower price than non-residents.

(b) Each week of the Term or Extended Term, Tenant is required to hold a recreation swim for at least 8 total hours open to the public per week during peak season (June-Aug) including at lease 2 hours on the weekend.

(C) Each week of the Term or Extended Term, Tenant is required to hold a recreation swim for at least 2 total hours open to the public during non peak season (Sept-May)

(c) Tenant is required to offer learn to swim classes midweek and at least, but not limited to, one weekend day.

(d) Tenant is required to offer private party rentals, at least but not limited to, one weekend day.

(e) Tenant and RDM shall meet quarterly to review current program offerings and participation reports to ensure compliance with 6.07 Programming requirements.

ARTICLE 7 - MAINTENANCE AND REPAIRS

7.01 Landlord's Maintenance Obligations.

(a) Landlord, on behalf of Tenant, shall maintain in good condition and repair the foundations, buildings, pool structural components, fencing and gates; provided, however, if any repairs or replacements are necessitated by the negligence, gross negligence or willful acts of Tenant, its officers, employees, representatives, agents, customers, invitees or trespassers or by reason of Tenant's failure to observe or perform any provisions contained in this Agreement or caused by alterations, additions or improvements made by Tenant or its officers, employees, representatives, agents, contractors, subcontractors, laborers or materialmen, the cost of such repairs and replacements shall be the sole obligation of Tenant.

(c) Unless Tenant notifies Landlord in writing of the need for repairs under subsection (a), Landlord shall not be liable for its failure to make such repairs. Once Tenant notifies Landlord of the need of such repairs under subsection (a), Landlord shall be entitled to a reasonable period of time to affect such repairs upon receipt of said written notice from Tenant. Tenant waives any right of offset against any rent due hereunder and agrees not to assert as an affirmative defense in any judicial proceeding or arbitration brought by Landlord against Tenant on claims made under this Agreement the provisions of Sections 1941 and 1942 of the California Civil Code, or any superseding statute, and of any other law permitting Tenant to make repairs at Landlord's expense.

7.02 Landlord's Right of Entry. Landlord, its agents, contractors, employees and assigns may enter the Premises at all reasonable times to: (a) examine the Premises; (b) perform any obligation of, or exercise any right or remedy of, Landlord under this Agreement (c) make repairs, alterations, improvements or additions to the Premises, the Building or to other portions of the Property as Landlord deems necessary in accordance with Section 6.07; (d) perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (e) show prospective tenants the Premises during the last six (6) months of the Term; and (f) perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence to make, and diligently pursue to completion, in a reasonable time as defined by Landlord, Tenant's required repairs after written demand therefore by Landlord. Landlord will give a minimum of twenty-four (24) hours advance notice of such entry when practicable.

7.03 Tenant's Maintenance Obligations.

(a) Except as provided elsewhere in this Agreement, Tenant, at its sole cost and expense, shall keep the Premises in good order, condition and repair and shall make all replacements necessary to keep the Premises in such condition, including ongoing maintenance and repair of mechanical systems pertaining to the operation, treatment, and heating of the pool. If a new system is installed by the Tenant, Tenant shall be solely responsible for all repairs to and maintenance of the new equipment. Tenant must keep adequate records of all maintenance and repairs for the duration of their lease. Tenant shall furnish copies of maintenance records to Landlord on a quarterly basis.

(b) In the event Tenant replaces any equipment, all replacement equipment shall be of a quality equal to or exceeding that of the original equipment or improvements. Should Tenant fail to make

repairs and replacements or otherwise maintain the Premises for a period of fifteen (15) days after delivery of a written demand by Landlord, or should Tenant commence, but fail to complete, any repairs or replacements within a reasonable time after written demand by Landlord, Landlord shall have the right to make such repairs or replacements without liability to Tenant for any loss or damage that may occur to Tenant's stock or business, and Tenant shall pay for all costs incurred by Landlord in making such repairs or replacements, together with interest thereon at the maximum rate permitted by law from the date of commencement of the work through the date of payment. Tenant shall, at its sole expense, repair promptly any damage to the Premises or the Property caused by Tenant, its agents, employees, customers, invitees, subtenants, assignees or concessionaires, or caused by the installation or removal of Tenant's personal property.

(c) Tenant shall, at its own expense, comply with all requirements of the Landlord's insurance underwriters and any other governmental authority having jurisdiction thereof, regarding the installation and periodic maintenance of fire suppression systems or apparatus or other safety measures required for the use of the Premises.

(d) Tenant is responsible for maintaining the entry area and sidewalk in front of the Premises including removing any trash or debris. Tenant may not install or place, permanently or temporarily, any outside fixtures, signage or other objects that interfere with the ADA path of travel on the sidewalk or parking lot adjacent to the Premise.

(e) If Tenant chooses to use the following existing equipment located at the pool, the Tenant holds all responsibility for the upkeep and replacement of items during the duration of the lease. In the event of termination or the end of the lease agreement, Tenant will replace or be charged replacement costs if items are found to be left in a condition beyond normal wear and tear.

- Guard chair and umbrella
- 2 round tables and 16 chairs
- 3 umbrellas and stands
- Backboard with neck stabilizer and straps
- AED
- Life ring
- Rescue hook
- Desk and chair
- Office Shelf

7.04 Tenant Improvements. Tenant intends to install improvements to the Premises necessary for operation of the pool. Tenant is responsible for the cost of all improvements to the Premises. Prior to obtaining any permits for the improvements or beginning construction on improvements to the Premises, Tenant shall obtain the prior written approval of the proposed plans from the City Manager. Tenant shall obtain any and all permits required for such improvements and shall comply with all Federal, State and local laws including, but limited to, the Americans with Disabilities Act and Prevailing Wage laws. Tenant shall defend and indemnify the Landlord from any and all claims associated with the improvements and shall ensure that no liens are recorded against the Property except as permitted in Section 7.05 and 7.06 below. Tenant is not entitled to make any improvements to the Premises without the prior written consent of the Landlord.

7.05 Trade Fixtures. Tenant may install trade fixtures, display items, machinery or other trade equipment in conformance with the all laws, ordinances, directives, rules or regulations of all applicable public and governmental agencies. Tenant shall not remove any trade fixtures, display items, machinery or other trade equipment from the Premises, without Landlord's written consent, if the removal of any such item would cause damage to the Premises which Tenant cannot repair. In the event, Landlord consents to such installation, Landlord may require an initial $3500.00 deposit from Tenant to be used to repair any damage caused by such trade fixtures, display items, machinery or other trade equipment. Landlord reserves the right to request an additional deposit from the Tenant if there is significant cost increases in materials, repairs, labor, or related services that impact the cost of repairs or maintenance for which the Tenant is responsible. The Landlord shall provide the Tenant with written notice of the required additional deposit, detailing the reasons for the adjustment and the specific amount requested. Any adjustments made to the deposit will be subject to the same terms and conditions as the initial deposit regarding its application, refund, or forfeiture. In the absence of Landlord's written consent to removal and Tenant's inability or unwillingness to repair any damage caused by the removal, any such item shall be deemed a part of the realty and belong to the Landlord at termination of the Agreement.

7.06 Trade Fixture Financing. In the event Landlord consents to the installation of trade fixtures, display items, machinery or other trade equipment in accordance with Section 7.05, Tenant may finance such improvements. If such financing requires a lien, no lien shall be permitted against the Premises or the Property but may be permitted against the improvements themselves. If Tenant defaults on a loan collateralized by fixtures installed on the Premises, the lien holder shall have the right to repossess the fixture. In the event of such repossession, the Tenant or lien holder shall be responsible for repairing any damage caused by the removal. In the case that repairs are not made by Tenant or lien holder, the Landlord may apply the Tenant's deposit required in Section 7.05 toward the repair costs, with any remaining balance refunded to the Tenant. In the event the deposit is insufficient to repair the damage caused, Tenant shall be solely responsible for paying for the remainder of the cost of repairs. Once the loan has been fully paid and all financial obligations related to the fixture, including the obligation to repair any damage, are satisfied, the Landlord shall refund the remainder of the deposit, if any, to the Tenant.

7.07 Restoration. Except as otherwise provided herein and specifically as required in Section 3.03, Tenant shall return the Premises to the same condition as existed as of the Commencement Date of the Agreement, reasonable wear and tear excepted. Landlord, through Landlord's sole discretion and authority, and upon receipt of written request from Tenant, may consider allowing any Tenant Improvements approved by Landlord under this Agreement to remain. Landlord, at its election, may also require Tenant to remove, at Tenant's sole cost, any improvements, alterations or additions approved by Landlord in accordance with this Agreement. Tenant shall repair, at its sole cost, any damage resulting from the removal of any alterations, improvements, additions, equipment, machinery or trade fixtures.

Upon the termination of this Lease, the Landlord shall have the ability to continue operating the Premises as a pool with use of Tenant's improvements and equipment. As such, Tenant shall notify Landlord of its intent to either cease operations entirely or move its business to another venue within 45 days prior to the Lease termination. If the Tenant intends to move, it must remove equipment from the Premise upon termination of the Lease unless agreed to otherwise by the parties. If the Tenant intends to cease operations, Landlord shall have the right, but not the obligation, to acquire any improvements or equipment the Tenant then owns and were used to run the pool.

ARTICLE 8- UTILITIES

8.01 Separate Charges. Tenant shall pay for gas, and wifi. Tenant shall reimburse the Landlord for the water bill during the months that the pool is refilled due to maintenance. Collection of payments will be issued through invoice from the City Finance Department.

8.02 Interruption. Unless due to Landlord's gross negligence or misconduct, Landlord shall not be liable for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruption shall entitle Tenant to terminate this Agreement.

8.03 Maintenance of Surrounding Structures and Grounds. Landlord shall maintain in good order the surrounding structures and grounds, including, but not limited to, landscaped areas, dumpsters, parking lots, restrooms, access, pathways, and other public areas.

ARTICLE 9- INDEMNIFICATION AND INSURANCE

9.01 Indemnification. Landlord shall not be liable to Tenant for any damage to Tenant, Tenant's employees, agents, customers or invitees or their property from any cause which is not the result of Landlord's gross negligence. Tenant, as a material part of the consideration for this Agreement, hereby expressly waives and releases all claims against Landlord, its officers, employees, elected officials, representatives and agents, for any injury or damage to any person or property on or about the Premises arising for any reason other than Landlord's gross negligence. Tenant agrees to indemnify, release, defend and hold harmless Landlord, its officers, employees, elected officials, representatives and agents from any loss, claim, cost, expense or liability for any injury or damage to person or property, occurring in, on or about the Premises, arising for any reason, including without limitation the condition or use of the Premises or the improvements or personal property located therein and against any loss, claim, cost, expense or liability for injury to the person or property of Tenant, its employees, agents, customers or invitees or trespassers and except as to any such damage is caused by the gross negligence of Landlord. Notwithstanding the foregoing, Tenant's obligations under this Section 9.01 shall not extend to claims, costs, expenses, losses or liability resulting from Landlord's failure to comply with its maintenance and repair obligations under Sections 7.01(a) of this Agreement.

9.02 Insurance Requirements. Tenant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation, use and improvement of the Premises. The cost of such insurance shall be borne by the Tenant.

Coverage shall be at least as broad as:

(a) Commercial General Liability. (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **$5,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

(b) Workers' Compensation. insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limits of no less than **$1,000,000** per accident for bodily injury or disease.

(c) Sexual Abuse or Molestation (SAM) Liability: If the work will include contact with minors, and the CGL policy referenced above is not endorsed to include affirmative coverage for sexual abuse or

molestation, Contractor shall obtain and maintain a policy covering Sexual Abuse and Molestation with a limit no less than $1,000,000 per occurrence or claim.

(d) Property insurance. against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

(e) Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than $1,000,000 per accident for bodily injury and property damage.

(f) If the Tenant maintains broader coverage and/or higher limits than the minimums shown above, the Landlord requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Landlord.

9.03 Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

(a) Additional Insured Status. The City of Scotts Valley, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Tenant including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10).

(b) Primary Coverage. For any claims related to this contract, the Tenant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Scotts Valley, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

(c) Legal Liability Coverage. The property insurance is to be endorsed to include Legal Liability Coverage (ISO Form CP 00 40 04 02 or equivalent) with a limit equal to the replacement cost of the leased property.

(d) Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Landlord.

(e) Waiver of Subrogation. Tenant and Landlord each waive its right of recovery against the other, and each party's successors, assigns, directors, agents and representatives in connection with any loss or damage caused to property belonging to the Tenant or Landlord which is covered by any insurance policy of either the Tenant or Landlord in force at the time of any such loss or damage. Tenant and Landlord hereby waive, on behalf of each party's insurance carriers, any right of subrogation it may have against the other party and each shall notify its carriers of the waiver contained herein.

(f) Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A: VII,

(g) Verification of Coverage. Tenant shall furnish the Landlord with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Landlord before occupying

the premises. However, failure to obtain the required documents prior to the work beginning shall not waive the Tenant's obligation to provide them. The Landlord reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

(h) Increase in Coverage. Landlord may increase or decrease the amount of commercial general liability insurance required herein, based upon a general review by Landlord of the standard insurance requirements effective July 1st of any year, provided notice of the increase is given to Tenant no later than February 1st of that same year. Such changes in coverage shall be commercially reasonable at the determination of Landlord. Changes in insurance amounts shall occur not more frequently than every two years. Landlord will notify Tenant of any changes under this provision of this Agreement.

(i) No use shall be made or permitted to be made of the Premises, nor acts done, which will increase the existing rate of insurance upon the Premises, or cause a cancellation of any insurance policy covering the Premises or any part thereof. Tenant shall, at its sole cost, comply with any and all requirements regarding the use of the Premises by any company that issues a policy of fire, casualty or public liability insurance to the Landlord. If Tenant's use of the Premises results in a rate increase for the Premises, Tenant shall pay as additional rent within ten (10) days written notice, a sum equal to the additional premium caused by such rate increase.

9.03 Tenant's Failure to Maintain Insurance. Tenant agrees that if Tenant does not maintain any insurance policy required under this Agreement or fails to pay any premiums when due, Landlord may, require that the Premises be immediately closed for business pending reinstatement of insurance by Tenant, or obtain the necessary insurance and pay the premium, and the repayment thereof shall be deemed to be additional rent due by the Tenant and payable on the next date upon which a payment of rent is due.

9.04 Waiver of Loss and Damage. Landlord shall not be liable for any damage to inventory or other property of Tenant, or others, located in, on or about the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise, which is not the direct result of Landlord's negligence, and Tenant waives any claim against Landlord with respect to such property. Landlord shall not be liable to Tenant, Tenant's employees or representatives for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliance or plumbing works or from the roof, street or subsurface or from any other places or by any other cause of whatsoever nature, which is not the direct result of Landlord's gross negligence. Landlord shall not be liable to Tenant, Tenant's employees, clients or representatives for any such damage caused by other tenants or persons in the Premises, or the public, or caused by operations in construction of any private, public or quasi-public work. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant, and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful act or gross neglect of Landlord.

9.06 Notice by Tenant. Tenant shall give immediate notice to Landlord in case of fire or accidents in or around the Premises or of any damage or defects in the Premises, or any fixtures or equipment therein.

ARTICLE 10 - ASSIGNMENT AND SUBLETTING

The parties acknowledge that this Agreement is a unique relationship between these individual parties. Tenant cannot assign its rights under this Agreement or its rights to the Premises without

the prior written consent of Landlord which may be withheld for any reason or no reason.

ARTICLE 11 - DEFAULT

11.01 Events of Default. In addition to the provisions of Section 3.03, the occurrence of any one of the following events shall constitute an event of default on the part of Tenant ("Default"):

(a) The complete abandonment of the Premises by Tenant; and

(b) Failure in the performance of any of Tenant's covenants, agreements or obligations hereunder which failure continues for ten (10) days after written notice thereof from Landlord to Tenant, provided that, if Tenant has exercised reasonable diligence to cure such failure and such failure cannot be cured within such ten (10) day period despite reasonable diligence, Tenant shall not be in default under this subsection unless Tenant fails thereafter diligently and continuously to cure such failures; and

(c) The failure of Tenant to maintain all insurance coverage as required in Section 9.02; and

Tenant agrees that any notice given by Landlord pursuant to the above shall satisfy the requirements for notice under California Code of Civil Procedure Section 1161, and Landlord shall not be required to give any additional notice in order to be entitled to commence an unlawful detainer proceeding.

In the event of any Default by Tenant, then in addition to any other remedies available to Landlord at law or in equity and under this Agreement, Landlord shall have the immediate option to terminate this Agreement and all rights of Tenant hereunder by giving written notice of such intention to terminate.

11.02 Notice of Default and Opportunity to Cure. Landlord shall give written notice to Tenant of any Event of Default on the part of Tenant. Said notice shall specify the nature of the act, omission, or deficiency giving rise to the Event of Default. In addition, if the Event of Default is curable, and does not give rise to an imminent danger to health or safety, the notice shall also specify the action required to cure the default, and a reasonable date, which shall not be less than thirty (30) calendar days from the mailing of the notice, by which Tenant must take or commence such action to cure. If the notice specifies only a commencement date for the cure, Tenant must commence such cure within the specified time and shall diligently pursue the cure to completion within a reasonable time thereafter.

11.03 Remedies. In the event of any breach by Tenant, Landlord shall be entitled to any rights or remedies available at law.

(a) Efforts Landlord may make to mitigate the damages caused by Tenant’s breach of this Agreement shall not constitute a waiver of Landlord’s right to recover damages against Tenant, nor shall anything contained in this Agreement affect Landlord’s right to indemnification against Tenant for any liability arising prior to the termination of this Agreement for personal injuries or property damage, and Tenant agrees to indemnify and hold Landlord harmless from any injuries and damages, including all reasonable attorney fees and costs incurred by Landlord in defending any action brought against Landlord for any recovery, and in enforcing the terms and provisions of this indemnification against Tenant.

(b) However, the breach of this Agreement by Tenant, or an abandonment of the Premises by Tenant, shall not constitute a termination of this Agreement, nor of Tenant’s right of possession under this Agreement, unless and until Landlord elects to do so, and until that time Landlord shall have the right to recover rent and all other payments to be made by Tenant under this Agreement as they become due; provided, that until Landlord elects to terminate this Agreement and Tenant’s

right of possession under this Agreement, Tenant shall have the right to sublet the Premises or to assign interests in this Agreement, or both, subject only to the written consent of Landlord, which consent shall not be unreasonably withheld.

(c) In the event that Landlord should take any act to maintain or preserve the Premises on Tenant's behalf, or seek the appointment of a receiver to protect Landlord's interests under this Agreement, such acts shall not constitute a termination of Tenant's right of possession unless Tenant receives written notice from Landlord to regarding Landlord's election to terminate.

ARTICLE 12 - DAMAGE OR DESTRUCTION

12.01 Landlord's Duty To Repair.

(a) If the Premises are destroyed or materially damaged from a cause not insured against, or if the amount of available insurance proceeds, including deductible costs, is not sufficient to completely repair or restore any such damage or destruction, Landlord shall have the right to terminate this Lease by giving written notice of termination to Tenant within thirty (30) days after the date of the damage or destruction. If the Lease is not terminated, then Landlord shall diligently proceed to repair and restore the Premises to the extent that insurance proceeds, including deductible costs, are sufficient to completely repair or restore any such damage or destruction.

(b) If the Premises are materially damaged or destroyed from a cause covered by insurance, and it can be repaired or restored within ninety (90) days after commencement of repair or restoration, then Landlord shall diligently proceed to repair and restore the Premises. If Landlord determines that the Premises cannot be repaired or restored within this period, then Landlord and Tenant shall work out a reasonable time frame for the completion of the repairs or restoration.

(c) Except as otherwise provided in this Agreement, damage to or destruction of the Premises shall not terminate this Agreement or result in the abatement of any rent or other charges payable under this Agreement. Tenant expressly waives any right it may have, in law or equity, to offset any cost incurred by Tenant for repairs or restoration to the Premises against Tenant's obligations to pay rent in connection with Landlord's duties of repair and restoration under this Lease.

(d) Landlord's duties of repair and restoration under the provisions of this Lease shall extend only to those portions of the Premises insured under a policy of insurance, and Landlord shall not be responsible for any loss, damage, or destruction to Tenant's personal property, trade fixtures, merchandise, inventory or equipment.

12.02 Tenant's Duty to Repair or Replace. Except as otherwise provided herein, Landlord's obligation to restore shall not include the restoration or replacement of Tenant's personal property, inventory, trade fixtures, merchandise, or equipment. Tenant shall restore and replace said items in the event that Landlord is obligated or elects to repair any damage or destruction of the Premises.

ARTICLE 13 - ESTOPPEL CERTIFICATES; ATTORNMENT

13.01 Tenant to Furnish Certificate. Tenant shall, within ten (10) business days of written notice from Landlord, execute and deliver to Landlord a written statement certifying that this Agreement is unmodified and in full force and effect or, if modified, stating the nature of such modification. Tenant's statement shall include other details requested by Landlord, such as the date to which

rent and other charges are paid and Tenant's knowledge concerning any uncured defaults in Landlord's obligations under this Agreement and the nature of such defaults if they are claimed. Any such statement may be relied upon conclusively by any prospective purchaser or encumbrancer of the Premises. Tenant's failure to deliver such statements within such time shall be conclusive upon the Tenant that this Agreement is in full force and effect, except as and to the extent any modification has been represented by Landlord, and that there are no uncured defaults in Landlord's performance.

13.02 Additional Documents. Tenant, upon request of any party in interest, shall execute promptly such instruments and certificates necessary to carry out the intent of the foregoing Sections as shall be requested by Landlord.

ARTICLE 14 - MISCELLANEOUS

14.01 Hazardous or Toxic Materials.

(a) Tenant shall comply, at its expense, with all federal, state and local statutes or regulations concerning environmental conditions, emissions, pollutants and controls concerning Hazardous Materials that Tenant or its contractors, employees, invitees and guests bring, or allow on, the Premises and on the Property on which the Premises are located during the Term. Tenant shall not cause, store, use or permit any Hazardous Material, including without limitation asbestos or polychlorinated biphenyls, to be brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors or invitees, without the prior written consent of Landlord, which Landlord shall not unreasonably withhold as long as Tenant demonstrates to Landlord's reasonable satisfaction that such Hazardous Material is necessary or useful to Tenant's business, does not violate any requirements of the Landlord's policies of fire, causality or public liability insurance and will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Material so brought upon or used or kept in or about the Premises.

(b) If Tenant breaches any of its obligation stated herein, or if the presence of Hazardous Material on the Premises caused or permitted by Tenant during the Term results in contamination of the Premises, then Tenant shall indemnify, defend and hold Landlord harmless from any and all claims, judgment, damages, penalties, fines, costs, liabilities or losses, including, without limitation, diminution in value of the Premises, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Premises, damages arising from any adverse impact on marketing of space on the Property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise during or after the lease term as a result of such contamination. Without limiting the foregoing, if the presence of any Hazardous Material on the Premises caused or permitted by Tenant results in any contamination of the Premises, Tenant shall promptly take all actions at its sole expense as are necessary to return the Premises to the condition existing prior to the introduction of any such Hazardous Material to the Premises; provided that Landlord's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises.

(c) As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of

California or the United States Government. The term "Hazardous Material" shall include without limitation, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iii) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) asbestos; (vii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20; (viii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317); (ix) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); or (x) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601), and any amendments or successor statutes thereto.

(d) Notwithstanding anything herein to the contrary, Tenant shall have no responsibility or liability related to any Hazardous Material which existed prior to the Term of Tenant's occupancy hereunder, unless brought on or allowed to be brought on by Tenant during one of Tenant's previous lease tenancies in the Premises.

14.02. Compliance with Governmental Regulations. Tenant shall, at its sole cost and expense, comply with all of the requirements of all local, state and federal authorities now in force, or which may hereafter be in force, pertaining to the Premises. With regard to the use of the Premises, Tenant shall faithfully observe all local ordinances and state and federal statutes now in force or which may hereafter be in force.

14.03 Americans With Disabilities Act. If Tenant makes any improvements to the Premises or installs any fixtures or equipment in the Premises, Tenant acknowledges and expressly accepts full responsibility and shall incur all costs and expenses for compliance with the requirements of the Americans with Disabilities Act (ADA) and any other local, state or federal law or regulation regarding the accessibility of the Premises by disabled individuals for those improvements, fixtures, equipment and use of the Premises. Tenant agrees to release, indemnify, defend and hold Landlord harmless for any claim, loss, expense or liability arising from Tenant's failure to fully comply with all such laws or regulations.

14.04 Attorneys' Fees. In the event of any legal action, arbitration or proceeding between the parties, the prevailing party shall be entitled to reasonable attorneys' fees and expenses as a part of the judgment or award resulting therefrom.

14.05 Transfer, Sale or Lease of the Premises by Landlord. Notwithstanding any provisions of this Agreement, Landlord may assign in whole or in part Landlord's interest in this Agreement and may sell or transfer all or part of Landlord's leasehold interest in the real estate of which the Premises

are a part, however, subject to the terms of this Lease. In the event of any transfer, sale or exchange of the Premises by Landlord and assignment by Landlord of this Agreement, Landlord shall be entirely freed and relieved of all liability under all covenants and obligations contained in or derived from this Agreement or arising out of any act, occurrence or omission relating to the Premises which occurs after the consummation of such sale, exchange or assignment except as provided in the Pass Through Agreement and all amendments thereto.

14.06 Liability to Successors. The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto who shall be jointly and severally liable for the covenants contained herein.

14.07 Interpretation. Whenever the singular number is used in this Agreement, the same shall include the plural. Reference to any gender shall include the masculine, feminine and neuter genders, and the word "person" shall include corporation, firm or association, when required by the content.

The headings or titles to the paragraphs of this Agreement are for convenience only and do not in any way define, limit or construe the contents of such paragraphs. This instrument contains all of the agreements and conditions made between the parties with respect to the hiring of the Premises and may not be modified orally or in any manner except by a written instrument signed by all the parties to this Agreement.

The laws of the State of California shall govern the validity, performance and enforcement of this Agreement. If any provision of this Agreement is determined to be void by any court of competent jurisdiction, such determination shall not affect any other provision of this Agreement and such other provisions shall remain in full force and effect. If any provision of this Agreement is capable of two constructions, one which would render the provision void and one which would render the provision valid, the provision shall be interpreted in the manner which would render it valid.

Except as may otherwise be expressly stated, each payment required to be made by the Tenant shall be in addition to and not in substitution for other payments to be made by Tenant.

14.08 Time. Time is of the essence in this Agreement.

14.09 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, regulations or controls, enemy or hostile government action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, shall excuse the performance by such party for a period equal to that resulting from such prevention, delay or stoppage.

14.10 Notices. All notices to be given by one party to the other or options to be exercised under this Agreement shall be in writing, mailed or delivered to Landlord and Tenant at the following addresses:

Landlord	Tenant
City of Scotts Valley Attn: City Manager 1 Civic Center Drive Scotts Valley, CA 95066	Pacific Flow Swim School Attn:Owner P.O. Box 66438 Scotts Valley, CA 95066

Mailed notices shall be sent by United States Postal Service, certified or registered mail, postage prepaid, and shall be deemed to have been given on the date of posting in the United States Postal Service.

The parties listed above may, by proper notice, at any time designate a different address to which notices shall be sent.

14.11 Waiver. The waiver by either of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Agreement, other than the failure of Tenant to pay the particular rental so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Agreement shall be deemed to have been waived by either, unless such waiver is in writing by such party.

14.12 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Agreement provided.

14.13 Authority. If Tenant is a corporation or partnership, each individual executing this Agreement on behalf of such entity represents or warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of such entity and that such entity shall be bound by all the terms and provisions hereof.

14.14 Broker's Commission. Each party represents and warrants that there are no claims for brokerage commissions or finder's fees arising from that party's activities in connection with this Agreement, and each party agrees to indemnify and hold the other party harmless from all liability arising from any such claim.

14.15 Assessment District Establishment. Tenant agrees not to unreasonably protest the establishment of an assessment district for purposes of public improvements, including, but not limited to, sidewalks, streets, lighting, utilities. Notwithstanding the foregoing, Tenant may protest the establishment of an assessment district if Tenant believes it adversely affects Tenant's business.

The parties have executed this Agreement as of the date first written above.

LANDLORD:	**TENANT**:
	Pacific Flow Swim School
By: _____	By: _____
Mali LaGoe	Jeff Griffith-Jones
Its: City Manager	Its: Owner

Exhibit A

Premises boundaries shown in red on image below.

City of Scotts Valley
CITY COUNCIL STAFF REPORT

DATE: 11/6/2024

TO: Honorable Mayor and City Council

FROM: Stephanie Hill, Administrative Services Director

APPROVED: Mali LaGoe, City Manager

SUBJECT: **Consider approval of proposed Recreation Fees and Charges**

SUMMARY OF ISSUE

In June 2024, the City approved cost-based user fees and charges as analyzed by NBS. The majority of Recreation fees are facility rental or special event based and were not set during the previous process. Previous recreation fees were established in 2018. The recommended Recreation fees have been developed based on the new recreation model and master plan updates. These have been reviewed by both the Senior Center Board and Parks & Recreation Commission. The recommended fees and charges will go into effect for the 2025 calendar year.

The fees and charges created are based on the City Council's strategic goal of achieving more financial stability within the Recreation Programs. This past spring, staff had the opportunity to learn more about implementing a cost recovery program. In March 2024, Finance Manager Reed and Recreation Manager Pfefferkorn attended a Financial Sustainably Certification Program offered by the National Parks and Recreation Society, along with over a dozen other cities from the Bay Area. Achieving financial stability in Recreation Programs will be an ongoing process of re-evaluating budgetary allocations and adjusting user fees accordingly.

Data collection over the next few years will be critical to assess the impact of this approach to setting fees and the Recreation Program's increased activities, revenue, and expenses will continue to be monitored to identify further adjustments to the City's Recreation Fee Schedule.

FISCAL IMPACT

Currently, Recreation Programs are subsidized in the budget by approximately $750,000 per year. The proposed increase in fees is a step toward greater fiscal sustainability in Recreation activities. Actual results will vary based on utilization of the different programs and facilities. Staff will continue to collect data in the categories to be able to monitor and report out the results and any proposed future changes.

STAFF RECOMMENDATION

It is recommended that the City Council provide any direction on setting Recreation fees and charges for 2025. Based on that policy direction, it is recommended that the Council approve

Resolution 1198.76.

TABLE OF CONTENTS

RESOLUTION NO. 1198.76

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING THE RECREATION FEES AND CHARGES SCHEDULE FOR 2025

WHEREAS, Resolution No. 1198.10 establishing a schedule of fees and charges ("Fees and Charges Schedule") for city services was adopted by the City Council of the City of Scotts Valley on June 6, 1990; and

WHEREAS, the City Council has amended the Fees and Charges Schedule for city service by resolution from time to time since its original adoption; and

WHEREAS, the City desires to amend the Fees and Charges schedule to reflect the services provided and updated costs of providing those service to the community; and

WHEREAS, pursuant to Section 3.40.040(a) of the City's Municipal Code, rates of fees and charges to be charged and collected in order to recover the percentage of costs reasonably borne in providing services shall be set by resolution.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED as follows:

1. The Recreation Fees and Charges Schedule is hereby amended as stated in Exhibit A to this Resolution.

2. The resolution shall take effect January 1, 2025.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a meeting held on the 6th day of November, 2024 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Approved: _____
Randy Johnson, Mayor

Attest: _____
Cathie Simonovich, City Clerk

CITY OF SCOTTS VALLEY

Master Fee Schedule

Effective 1/1/2025

Fee Name	Fee Type / Unit	Notes	Recommended Rate	23/24 Rate
Parks and Recreation Fees				
Administrative Fees:				
Administrative Fee: *applies per rental or reservation for any facility, and per instructor class/program contract.*				
Gazebo / Garden Plot / Class	per reservation		$ 9	$ 9
Facility Rental	per reservation		$ 33	new
Reservation Change Processing Fee	per request		$ 20	new
Cleaning Fee *(Senior Center/Communtiy Center)*	per rental	[1]	Actual Cost per Cleaning Contract	$125/$250
Damage Deposit	deposit	[2]	$ 500	$ 500
FACILITY RENTALS:				
Community Center	**3 hour minimum**			
Weekday- Hourly (3hr min.)	per hour	[2] [3]	$ 165	$ 124
Weekday- Daily	daily	[2] [3]	$ 1,320	$ 1,237
Weekend- Hourly (3hr min.)	per hour	[2] [3]	$ 215	$ 124
Weekend- Daily	daily	[2] [3]	$ 1,720	$ 1,237
Kitchen Rental	daily	[2] [3]	$ 45	new
Patio/Backyard	daily	[2] [3]	$ 45	new
Senior Center	**3 hour minimum**			
Weekday- Hourly (3hr min.)	per hour	[2] [3]	$ 115	$ 84
Weekday- Daily	daily	[2] [3]	$ 920	$ 835
Weekend- Hourly (3hr min.)	per hour	[2] [3]	$ 145	$ 84
Weekend- Daily	daily	[2] [3]	$ 1,160	$ 835
Kitchen Rental	daily	[2] [3]	$ 45	new
Patio/Backyard	daily	[2] [3]	$ 45	new
OUTDOOR PARKS - Sitanen, Skypark, Hocus Pocus, McDorsa, Skypark Outdoor Classroom:	**Events with less than 50 attendees**			
Hocus Pocus & Skypark Playground Gazebo	**2 hour minimum**			
Weekday- Hourly	per hour	[2] [3]	$ 35	$ 37
Weekend- Hourly	per hour	[2] [3]	$ 40	$ 37
Siltanen, Skypark Large Gazebo, MacDorsa Gazebo	**2 hour minimum**			
Weekday- Hourly	per hour	[2] [3]	$ 45	$ 37
Weekend- Hourly	per hour	[2] [3]	$ 50	$ 37
FIELDS / COURTS/ GARDEN:				
Skypark				
Single Field	per field, per hour	[2] [3]	$ 30	$ 14
Siltanen				
Single Fields #1 - 4	per field, per hour	[2] [3]	$ 30	$ 14
Majors Field	per field, per hour	[2] [3]	$ 30	$ 14
Athletic Field Lights	per day	[2]	$ 22	$ 22
Snack Shack Concessions Room	per day	[2]	$ 33	new
Parks and Recreation Fees				
Outdoor Court Rental				
Bocce Ball Court	per hour	[2]	$ 8	new
Tennis Court	per hour	[2]	$ 12	new

CITY OF SCOTTS VALLEY

Master Fee Schedule

Effective 1/1/2025

Fee Name	Fee Type / Unit	Notes	Recommended Rate	23/24 Rate
Pickleball Court	per hour	[2]	$ 7	new
Basketball Court	per hour	[2]	$ 12	new
Skatepark Rental	per hour	[2]	$ 33	new
Garden Plot Rental Fee	per sqft	[2]	$ 1	$ 1
OTHER RENTALS / USE:				
Permitted Use of NON SPECIFIED Outdoor spaces/parks for classes. Teaching in outdoor spaces.	per year permit	[2]	$ 50	new
Per class/use	per class/use	[2]	$ 18	new
Permitted Use of Inflatables in Outdoor Spaces	per permit	[2]	$ 18	new
Sports leagues and clubs, or other long term use	per agreement	[5]	Established through separate agreement	new
Entertainment Permit / Special Events In City Parks: Events of 50+ attendees or with sound or entertainment	**50+ attendees**	[5]		
Application Review	per application	[2]	$ 275	$ 235
Special Permits for Sound, Inflatables, etc.	per permit	[4]	Based on permits required.	
Senior Center Annual Membership Fee				
Annual Membership	per year	[2]	$ 35	$ 20
Activities- Non member	per activity	[2]	$ 5	$ 4
Activities- Member	per activity	[2]	$ 3	$ 2
Classes- Non member	per class	[2]	$ 7	$ 7
Classes- Member	per class	[2]	$ 5	$ 5
Advertisement				
City Activity Guide	per guide	[2]	$ 75	new
Other publications and advertisements	varies	[5]	Varies on program/ads	new
Parks and Recreation Fees				
Recreation Classes and Programs:	varies	[5]	Set based on individual class and program needs.	new
Fees for recreational classes and programs offered by the City shall be set at the discretion of the Recreation Division Manager, these can be based on a combination of facility rentals and application fees or done with a separate profit share agreement.				
Hourly rate for City Staff services	per hour	[6]	Actual cost	new

[Notes]

[1]	Cleaning Fees are charged separately at actual cost, in addition to staff time;
[2]	Set by City Policy;
[3]	Discounts: 1) Residents may receive a 15% discount, where applicable. Proof of Scotts Valley residency is required. 2) Non-profits may receive a 25% discount, where applicable. Proof of non-profit status in a form accepted by City Staff required. 3) Cannot combine multiple discounts. 4) Discounts do not apply to instructor led or pay to participate programs;
[4]	Additional fees may apply for special permits for sound, inflatables etc.;
[5]	Recreation Division Manager may set fees via a separate agreement, approved by the City Manager, for special events, sports leagues/clubs, or other programming that require longer term use and/or considerable staff resources or planning. Fees shall follow a similar structure based on the facilities, resources, and permits being utlized, but allow for pricing based on continuous use, other benefits of service to the community, or other factors based on the program.

	Fee Name	Fee Type / Unit	Notes	Recommended Rate	23/24 Rate
[6]	For services requested of City staff which have no fee listed in this fee schedule, the City Manager or the City Manager's designee shall determine the appropriate fee based on the established hourly rates for this department/division. Additionally, the City will pass-through to the applicant any discrete costs incurred from the use of external service providers if required to process the specific application.				