MINUTES

Meeting of the
Scotts Valley City Council

Date: September 5, 2018
Time: 6:00 p.m.

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 8/31/18 at City Hall, SV Senior Center, SV Library and on the Internet at www.scottsvalley.org.

CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 6:00 pm.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT:	CITY STAFF MEMBERS PRESENT:
Jim Reed, Mayor Jack Dilles, Vice Mayor Stephany E. Aguilar, Council Member Randy Johnson, Council Member Donna Lind, Council Member	Jenny Haruyama, City Manager Kirsten Powell, City Attorney Steve Walpole, Chief of Police Taylor Bateman, Community Development Director Tony McFarlane, Administrative Services Director Jessica Kahn, Acting Public Works Director Tracy Ferrara, City Clerk

SPECIAL SET MATTER

Mayor presented a Mayor's Proclamation honoring Jacob's Heart Children's Cancer Support Services and Childhood Cancer Awareness Month – September 2018.

Alex Dami, Jacob's Heart, received the proclamation, thanked the City for their support, and invited everyone to attend their Kidrageous Carnival event at the Watsonville City Plaza on September 23, 2018 from Noon to 5:00 pm. She also introduced the Calloway family who spoke regarding their experiences with Jacob's Heart.

COMMITTEE REPORTS

CM Aguilar reported that the Affordable Housing Subcommittee met to discuss an affordable housing agreement related to Item 2 on this agenda, which will be discussed later.

CM Lind reported that the Santa Margarita Groundwater Agency Joint Powers Authority Board held a planning meeting and received a key presentation from Piret Harmon, General Manager of the Scotts Valley Water District, regarding the status of the Santa Margarita Aquifer who reported that for a variety of reasons, water usage is at the same levels today as in the early 1990's. CM Lind stated that additional information and a Powerpoint presentation is available online at www.smgwa.org

CM Lind reported that LAFCO met and held a public hearing regarding the merger of Central Fire and Aptos/LaSelva Fire.

CITY MANAGER REPORT

Building Department: I'd like to announce that our new Building Official, Robin Woodman started this week – as you know the City of SV and Capitola are taking advantage of sharing a Building Official, which has resulted in cost savings for both agencies. We will introduce Robin and our new Public Works Director, Daryl Jordan to the community at our next Council meeting.

Glenwood Open Space Preserve: Work continues on the Glenwood Open Space Preserve west trails, which we open to officially open soon. Construction for the east trails are anticipated to begin in December.

Leadership Santa Cruz: Leadership Santa Cruz, a regional leadership opportunity for those wanting to get more involved in the community is underway – Scotts Valley will again be represented – our new Administrative Services Director, Tony McFarlane and Kristin Ard, Recreation Division Manager are participating in the 2018/2019 program.

League of California Cities: I will be attending the League of California Cities Conference in Long Beach next week with Council Members Lind, Aguilar, and Dilles.

PUBLIC COMMENT TIME

Darshana Croskrey, Scotts Valley Senior Center, invited the community to attend the Pancake Breakfast being held at the Senior Center being held on Saturday, September 8, 2018 fall pancake breakfast from 8:00 am to Noon.

Perry Cross, expressed concerns regarding the low amount of property tax received by the City and asked if there was any way for the City to receive a larger portion. City Council Members responded regarding the breakdown of property taxes.

ALTERATIONS TO CONSENT AGENDA

M/S: Lind/Aguilar
To approve the Consent Agenda.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

CONSENT AGENDA

A. Approve City Council meeting minutes 8-15-18

B. Approve check register – 8-10-18, 8-17-18, 8-24-18

C. Approve amendment to Affordable Housing Agreement for "The Grove" development, a 50-Unit Townhouse Subdivision Planned Development on Polo Ranch Road

D. Approve Resolution No. 1882.1, authorizing the City Manager, Administrative Services Director, and Senior Accountant as authorized signers on the City's LAIF account

E. Approve Resolution No. 1954 opposing Proposition 6 – Voter Approval for Future Gas and Vehicle Taxes and 2017 Tax Repeal Initiative

ALTERATIONS TO REGULAR AGENDA

M/S: Aguilar/Dilles
To approve the Regular Agenda.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

1. **Consideration of Exclusive Negotiation Agreement (ENA) between the City of Scotts Valley and Scotts Valley Town Green Land, LLC**

   CM Haruyama presented the written staff report and responded to questions from Council.

   Doug Ross, Developer, stated that they will be holding community meetings to receive input and provide information to the community regarding the Scotts Valley Town Center, and responded to questions from Council.

   CM Aguilar requested a future agenda item to consider the dissolution of the Town Center Ad Hoc Subcommittee.

M/S: Johnson/Lind
To approve the Exclusive Negotiation Agreement between the City of Scotts Valley and Scotts Valley Town Green Land, LLC, and authorize the City Manager to execute the agreement.
Carried 4/0/1 (AYES: Dilles, Johnson, Lind, Reed; NOES: Aguilar)

PUBLIC HEARING(S) (To be heard after 6:30 p.m.)

2. **Consider approval of a General Plan Amendment, Zone, Change, Planned Development Zoning/Permit and Design Review application for 19 new residential apartment units in two buildings on a 0.93 acre site, currently developed as a parking lot, at 4627 Scotts Valley Drive**

CDD Bateman presented the written staff report and responded to questions from Council.

Larry Abitbol, Applicant, spoke regarding the development, stated that is being constructed as housing for his employees at Bay Photo, and responded to questions from Council.

PUBLIC HEARING OPENED – 7:20 PM

Mike Hadley, Scotts Valley resident, expressed concerns regarding high density residential projects, their impacts on the community, and re-zoning of commercial property for residential use.

Perry Cross, Scotts Valley resident, expressed concerns regarding high density residential projects, their impacts on the community, and re-zoning of commercial property for residential use.

Evan Siroky, Santa Cruz YIMBY, spoke in support of the development.

Paul Fruman, Scotts Valley resident and owner of adjoining property, stated that he is generally in support of the development, however, he does not want the development to impact his ability to develop his own property next door.

Corey Warner, Scotts Valley Unified School Board Member, spoke in opposition to the development.

Robert Aldana, Scotts Valley resident, spoke in opposition to the development as proposed.

Val Rebhahn, Scotts Valley Arts Commission, questioned the possibility of increased funding for the Arts Commission.

Natasha Nelson, Scotts Valley resident, spoke in opposition to the development.

PUBLIC HEARING CLOSED – 7:40 PM

CM Dilles stated that he does not support the project as proposed due to concerns regarding building height, mass, and scale; site coverage, side yard setbacks; drive aisle dimensions; parking stalls; and he would like to see an elevator as this is a three-story building. In addition, the proposed development does not match the existing commercial and mixed-use pattern of Scotts Valley Drive. He recommended waiting to consider any re-zoning until the completion of the General Plan update that is currently underway.

CM Aguilar stated that she does not support the project as proposed. She would like to see an elevator due to access issues related to a three-story development, and she does not support the re-zone due to the need for commercial and economic stimulus.

Mayor Reed stated that he does not support the project as proposed and agreed with the comments made by VM Dilles, including concerns regarding building height, mass, and scale; site coverage, side yard setbacks; drive aisle dimensions; parking stalls; and, building access.

CM Lind expressed concerns regarding zoning changes while the City is in the process of updating its General Plan.

Dene Bustichi, representing the Applicant, stated that the applicant is willing to withdraw their application at this time, if necessary, in order to allow them the opportunity to revise the proposed development.

CDD Bateman stated that if the applicant withdraws their project, or if the City Council denies the project, it will cause a restart, and a new application process.

After discussion, the City Council determined that they would not like the applicant to withdraw their application at this time, they would rather have the applicant work with City staff on revisions to the project that comply with the City's General Plan.

M/S: Lind/Johnson
To direct the applicant to work with staff on revisions to the project.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA (resumed)

3. **Consider approval of agreement with Carollo Engineers, Inc. in the amount of $375,000 for the Sanitary Sewer Master Plan Study and Sanitary Sewer Management Plan, and authorize the City Manager to execute the agreement**

CE Kahn presented the written staff report and responded to questions from Council.

M/S: Aguilar/Dilles
To approve the Agreement for Professional Services between the City of Scotts Valley and Carollo Engineers, Inc. for the Sewer Master Plan Study and Sanitary Sewer Management Plan, and authorize the City Manager to execute the agreement.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

4. **Future Council agenda items**

VM Dilles requested a future agenda item to discuss an Aging in Place ordinance.

CM Aguilar requested a future agenda item to consider the dissolution of the Town Center Ad Hoc Subcommittee.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 8:20 p.m. to discuss the following items:

(1) Pursuant to Government Code Section 54961, the City Council met in closed session to confer with the legal counsel regarding a liability claim – Christen Aceves.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 8:30 p.m.

REPORT ON ACTION TAKE DURING CLOSED SESSION

Mayor Reed announced that there was nothing to report.

ADJOURNMENT

The meeting adjourned at 8:30 p.m.

Approved: Jack Dilles
Jack Dilles, Vice Mayor

Attest: Tracy A. Ferrara
Tracy A. Ferrara, City Clerk